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**“SUPPORT PENDING”:  
THE CANADIAN AUTOWORKERS’ STRUGGLE FOR ADJUSTMENT  
ASSISTANCE AT A TIME OF INDUSTRIAL CHANGE,  
1960-65**

by

James A. Roy, B.A.

**A thesis submitted to the Faculty of Graduate Studies  
in partial fulfillment of the requirements for the  
degree of Master of Arts**

**Department of History  
Carleton University  
Ottawa, Canada  
March 9, 2000.**

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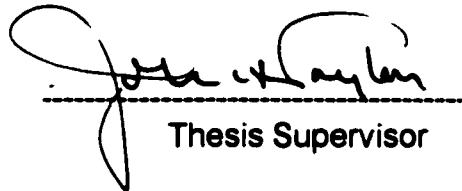
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## **ABSTRACT**

In 1960 the Canadian United Auto Workers suggested to the government that in order to save the automobile industry, rationalization with the American industry was a viable and desired option. Over the next five years, as the government gradually moved towards integration, the union stood behind the principle, yet at the same time stated that protection for dislocated and laid-off workers *must* be part of the deal for union support to be forthcoming. The union, which felt that the costs of government-induced layoffs should be fully borne by the state, did not waver in its commitment to securing safeguards, even though from 1960 to the Auto Pact in 1965 it became increasingly apparent that the granting of adequate protection was not on the government's agenda. The layoff of 1,600 workers in 1965 resulted in the withdrawal of Canadian UAW support for the trade deal and highlighted the significance and importance of the over-riding *condition* of support, the protection of workers from the consequences of state actions.

## ACKNOWLEDGMENTS

The work that follows would not have become what it has without the help and contribution of each and every name, group, and department mentioned in the following.

Archivists and the staffs of various libraries along the highway 401 stretch from Ottawa to Detroit provided continuous assistance and advise throughout the twenty month process. Special thanks to the National Archives of Canada, the National Library of Canada in Ottawa, the archives of the CAW (and Kathy Bennett) in Toronto, and the Walter Reuther Labor History Achieves (and Michael Smith) in Michigan. The willingness of Gary Renie, the *Windsor Star's* labour reporter, to point me in fruitful directions is greatly appreciated. As well, the enthusiasm and interest shown by CAW locals in Windsor (especially Local 195) not only provided invaluable help, but also added more meaning and drive to the work. They know as well as anyone that written history of their union has been a scarce commodity. The History Department and the Centre for Russian Relations, both at Carleton University, provided much-needed academic and financial assistance respectively.

Great friends (JJ, MH, KO, CC, KA, SP, FT, MB, KD, JS, DB, JF) and supportive family members (SR, SR, TR, FG, MG, NS, KS, CS, PS) helped in ways that only those who are close can. Finally, two men and two women deserve more then I could ever hope to express on this page.

My father, Charles Roy, pushed me along by constantly reminding me the importance and significance of "starting something and finishing it," and "not quitting." I live not only my thesis, but all areas of life by these words. Thanks Dad.

Nicole Drumheller gave me love and support during some tough final days in writing, and also displayed a patience and understanding unparalleled. Nicki's dedication to her own endeavours and projects provides an inspiration to me constantly.

This contribution to history would not have occurred without the continuous presence of John Taylor, who went far above and well beyond the generally accepted responsibilities of a thesis supervisor. Taylor, more than anyone, displayed confidence and belief in my academic capabilities and potential when it was most needed during the pivotal and difficult stages. "Cheers" JT.

No different then in the past twenty four years, during the past twenty months my mother, Renee Seon, has been a constant source of support. Encouragement to follow my own path and chase my own dreams is just one of the many gifts I continuously receive from Mom. The rest simply cannot be conveyed. Thank you Mom.

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## INTRODUCTION

It has become almost a conditioned reflex for the labour movement to greet every new piece of social or economic legislation by a Liberal or Conservative government with “Well, its a step in the right direction, BUT....”<sup>1</sup>

The oldest automobile union local in Canada, Canadian Auto Workers (CAW) Local 195, was born in 1936 and still stands as a hub of labour activity in Windsor, Ontario. Current Local 195 President Michael P. Renaud- whose father Hank Renaud was president of Windsor’s Local 200 during the 1960s- and his Vice-President Fred Lamont when asked the question “how did the auto workers in Canada feel about the Auto Pact of 1965 around the time of its passing?” used the words “opposed” and “celebrated” in the same sentence in their attempt to convey the views of labour.<sup>2</sup> This ambivalence is not reflected in the written history of labour and the Auto Pact.

In 1970 the UAW Canadian Region hired Canadian Ph.D. student Sam Gindin as the union’s economist-researcher. Gindin is a man with a strong labour consciousness, one that has been noted by such known Canadian union leaders as Dennis McDermott and Bob White, and remains with the Canadian UAW (now CAW) to this day. His *Canadian Auto Workers: The Birth and Transformation of a Union* was published after the 1985 break-away of the union from its American parent. In the preface Gindin points out that “the book is not a history of the CAW, but an essay on that history.” He meant, in this sense, to develop themes and questions relevant to the union in the past, present and future.<sup>3</sup> The themes of the “culture of struggle” and “the culture of resistance,”

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<sup>1</sup>*The Automated Society: Good or Bad?*, Ontario Farmer-Labour Conference, June 19 & 20, 1965, sponsored by CLC-OFL at UAW Education Centre, Port Elgin, ‘Report of the Sixth Conference,’ pgs. 20-27, UAW Region 7- Canadian Regional Office, Accession 372, Box 6, Folder 2, Wayne State University Walter Reuther Labor and Urban History Archives (hereafter WSU), Detroit, Michigan.

<sup>2</sup>Interview with President Michael P. Renaud and Vice-President Fred Lamont, Local 195, Windsor, Ontario, April 19, 1999.

<sup>3</sup>Sam Gindin, *Canadian Auto Workers: The Birth and Transformation of a Union* (Toronto: James Lorimer, 1995), pg. vii.

which Gindin explains come 'from the bottom,' permeate the work and place it within the culturist realm of Canadian labour history epitomized by such practitioners as Bryan Palmer and Greg Kealey.

In a chapter devoted to the 1960s, *Canadian Auto Workers* touches on the Auto Pact. Gindin identifies with a portion of the union that believed the agreement would result in further integration of the automobile industry with that of the United States and would compromise fragile Canadian sovereignty. This "nationalist left" section of the membership was at variance with the Canadian UAW District Council and the union leadership, who supported the principle of freer trade, but took exception to the fact that adequate safeguards for those affected by restructuring were not put into place. Gindin does conclude that although the overall impact did increase jobs in the long-run, "the disaffection...brewing in the workforce" concerning Americanization of the industry and loss of Canadian control were indeed founded. *Canadian Auto Workers* nonetheless conveys the often contradictory feelings within the union concerning the agreement that forever changed the face of their industry.

Bob White, who has referred to Sam Gindin as his indispensable "left arm," has been one of the most celebrated and controversial labour leaders in contemporary Canadian history. The former president of the CAW is perhaps best known for his central role in divorcing the Canadian Region from the United Auto Workers union in 1985, as well as for his firm and vociferous opposition to the Free Trade Agreement of 1988. A man deeply committed to the labour movement and Canadian sovereignty, Bob White published his autobiography *Hard Bargains: My Life on the Line* in 1987. White claimed that "this book is not about the history of my union," but rather, "about my life and how this great organization, now the CAW, has played such an important part in it."<sup>4</sup>

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<sup>4</sup>Bob White, *Hard Bargains: My Life on the Line* (Toronto: McClelland and Stewart, 1987), pg. 12.

The book serves as a valuable source in achieving an understanding of how the union functioned *from the inside* over a pivotal 20 year period, with special emphasis placed on the historic pulling away from Michigan in the early to mid-1980s.

White, who was barely 30 years of age yet rising in the union hierarchy at the time of the Auto Pact, recalls and interprets it in quite a different light from Gindin. “A correct version of what happened in 1964,” responds White in his book, “is that the UAW supported the Auto Pact” and was instrumental in getting industry safeguards in the form of assurances of specific Canadian content minimums. *Hard Bargains* depicts a contented and optimistic union anxiously awaiting the opening of new non-unionized plants resulting from the anticipated expansion, and at the time gearing down for a struggle for wage parity with the American workers. White and Gindin present significantly different pictures of 1964-5.

The remaining works that deal with the union and the Auto Pact are more academic in nature than the accounts written by unionists. Robert Laxer, a lecturer at the Ontario Institute for Studies in Education, wrote *Canada's Unions* in 1976 as a reaction to two developments of the “new Canadian unionism” in the 1970s, namely nationalism and militancy. This book focuses on the impact on the Canadian labour movement of changes in the economic relations between Canada and the United States.

While emphasizing that the American UAW and Canadian UAW disagreed on very little during the Auto Pact years, *Canada's Unions* focuses on the divisions and differences within the Canadian wing concerning the trade agreement. Laxer mentions specific Canadian locals that rejected the approach of their District Council during the lead-up to the Auto Pact by completely opposing the continentalist approach. As well, Laxer utilizes the study of an American social scientist who found that union leaders, much like politicians and businessmen, tended to be more favourable towards the Auto Pact and rationalization generally, whereas blue-collar workers had a “decidedly unfavourable view of the Auto Pact” and its perceived infringement on Canadian

independence and nationalism.<sup>5</sup> Most of his analysis concerning the Auto Pact, however, occurs ten years after the fact. The work addresses the trade deal up to the mid-1970s and the different feelings in the unions in both countries concerning what it did, what it meant, and whether it should remain. In keeping with his focus on divisions within the Canadian UAW, evidence of any struggle or even disagreement between either labour and government, labour and management, or American labour and Canadian labour is absent in Laxer's work.

Pamela Sugiman, for her part, is a sociologist with a strong interest in Canadian social history. In *Labour's Dilemma: The Gender Politics of Auto Workers in Canada, 1937-1979*, she uses gender as an analytical tool in an attempt to arrive at a fuller understanding of worker consciousness, and the idea that women had "strategies" and were not simply eclipsed within the overwhelmingly male-dominated Canadian UAW. To Sugiman the auto union was one of the most democratic and progressive unions in existence, yet its workers were subjected to "blatant gender inequalities." The book relies heavily on interviews with workers and union leaders in order to uncover the struggle of a small group of southern Ontario autoworkers to achieve dignity, respect, and rights within the union.

*Labour's Dilemma* paints the Auto Pact as a turning point in the plight of women autoworkers. The probability of a female losing her job permanently due to industry restructuring was greater than a male becoming unemployed because union contracts recognized sex-based job classifications and seniority. As a result, women were unable to transfer into new plant jobs and thus, a large portion of the female workforce was eliminated. However, the significance of the Auto Pact for Sugiman's women runs deeper than the mere loss of jobs. Female job losses resulting from the trade agreement

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<sup>5</sup>Robert Laxer, *Canada's Unions* (Toronto: James Lorimer & Company, Publishers, 1976), pg. 112-3.

caused women to take notice of the broader inequality problems that characterized auto employment. The restructuring of the auto industry in 1965 and resulting dislocation “forced women auto workers to draw on emerging feminist ideologies, along with union beliefs, and challenge gender divisions in the plant.”<sup>6</sup> The negative effects of the Auto Pact served as an impetus to sweeping change within labour. *Labour's Dilemma* provides insight into how women (who made up approximately three percent of Canadian UAW membership in the early 1960s) reacted to industry change within their own movement, but in doing so only tackles a very specialized and narrow part of the labour and Auto Pact question.

The best and most comprehensive overall history on the Canadian UAW to date is Charlotte Yates’ published doctoral dissertation, *From Plant to Politics*. The book, which encompasses the period from the birth of the UAW in 1936 to the year before the break-up in 1985, attempts to uncover strategies used by the union as it gained greater political power. Yates shows how the “collective identity” (which at times seriously wavered) of the union helped gain them access to Canadian politics, whether through plant-level collective bargaining or rallying behind the NDP. The narrative and analysis tells “how this union rose to such a prominent position in Canada and traces the influence it has had on the development of postwar Canada and especially the auto industry.”<sup>7</sup>

Unlike any account before or since, *From Plant to Politics* goes into significant depth on government-labour relations in the years surrounding the Auto Pact. The theme that runs through the section on the early to mid-1960s is *cooperation*. The relationship between the federal government and Canadian UAW underwent, however, a

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<sup>6</sup>Pamela Sugiman, *Labour's Dilemma: The Gender Politics of Auto Workers in Canada, 1937-1979* (Toronto: University of Toronto Press, 1994), pg. 209.

<sup>7</sup>Charlotte Yates, *From Plant to Politics: The Autoworkers Union In Postwar Canada* (Philadelphia: Temple University Press, 1993), pg. 22.

metamorphosis in the 1960s as the leaders of the union and the politicians in Ottawa shared the same idea of curing the industry's structural shortcomings through continentalist measures. From 1961 to 1965 the government drew the union into the "sphere of decision making," and the Canadian UAW, according to the interpretation of Yates "willingly mobilized behind government policy initiatives." This was a time when the union's commitment to lobbying was reinforced as they were granted access to cabinet ministers and meetings with government officials. As well, this was a time when Prime Minister Pearson's minority government depended on labour's political ally, the NDP, for support, serving as an underlying factor of the cooperation. The analysis places special importance on the union's close relationship with Paul Martin and his Department of External Affairs, as he was a Liberal always willing to make compromises with the autoworkers due to their importance to his fate on voting day. After the signing of the Auto Pact and a series of resulting layoffs, Yates interprets the government's willingness to look into the situation and its late implementation of a controversial assistance plan as "suggesting that the government was listening to the union." In the midst of the restructuring, the union "nominally" withdrew its support while generally continuing the same relationship with Ottawa. The lead-up to the Auto Pact and the immediate aftermath is painted as a period of harmony and cooperation between labour and government.

Whether the emphasis is on the views of women, the nationalist opposition, wholehearted unconditional support, cooperative government-labour planning, or support versus opposition in the union, as seen in Sugiman, Laxer, White, Yates, and Gindin respectively, any analysis of an aspect of the Auto Pact has inevitably necessitated the exclusion of another. Accounts of the trade deal in Canadian history books, whether they be survey histories, works of Canadian-American relations or from another sub-field, rarely, if ever, mention the Canadian UAW or the wider labour movement. Balance of trade improvements, increased production efficiency, Americanization of the industry,

and significantly, an increase in employment, are among the factors that most academics have deemed most important to impart in the short spaces allotted in broader histories. The fact that it was the Canadian UAW that was among the first to suggest continental integration as a viable option to solving the problems of the auto industry as well as the fact that workers were the group that has arguably both benefited and suffered the most has also been overlooked by general histories.

That the official stance of the Canadian UAW towards auto industry integration in the early 1960s was supportive is undeniable. The union's District Council, and indeed the majority of locals, were in favour of the freer trade principle from the beginning and indeed played a major role in its birth. Yet, a fundamentally different picture of the union's support emerges when it is analyzed in light of its *condition* for support of the Auto Pact. Although aware that the net result of integration would be an expanded job market in the long-run, the Canadian UAW knew *before* they pushed for integration that such a scheme would inevitably cause the displacement of workers while the industry adjusted. Looked at this way, far from attaching unconditional support to rationalization of their industry, the auto workers of Canada were only willing to accept the move if it was accompanied by entrenched guarantees protecting its members. In that assertion the union was unwilling to waver or compromise, and never did.

Whether the federal government claimed that no dislocation would occur, or that protection was not a state responsibility, or that layoffs would be dealt with as they became reality, or that safeguards were already in place, the insistence and firmness of the union only grew. "Protection for the laid off auto workers resulting from the new Canada-USA Automobile Agreement," said Hank Renaud in 1965, "must be provided by our Canadian Federal Government."<sup>8</sup> Renaud's son's comment 35 years later concerning

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<sup>8</sup>Hank Renaud, "President's Column: Canadian Workers Must Be Protected," *Ford Facts: Local 200 UAW*, Volume 19, No. 82, June 17, 1965, Windsor, Ontario.



his union “celebrating” yet “opposing” the Auto Pact points to the *conditional* nature of Canadian UAW support.

The story that follows investigates the relationship from genesis in 1960 to mass layoffs in 1965 between the Canadian UAW and Canadian Government with respect to two key issues. The *principle* of continental automobile industry integration was an idea that was shared by state and mainstream labour throughout. Within the Canadian UAW there existed factions against integration for nationalist and/or employment-related reasons that at times detracted from the greater struggle of securing worker protections, and played a role in weakening the common front of the union. Despite its strong support for combining the American and Canadian industries, the union made it clear from the start that they would be unwilling to support Ottawa unless it was acknowledged that the government had a *responsibility* to accommodate affected workers when changes were induced by policy decisions. The Canadian UAW, giving as much consideration or more to short-term disruptions as they did to long-term benefits, believed that the responsibility to ease the transition period rested with government before it did with management, the province, or the union. With the threat of labour disruptions apparent, during these five years, the Canadian UAW, despite their internal division on the integration issue itself, would only support steps towards rationalization if they were accompanied by protection guarantees for Canadian workers.

**CHAPTER ONE:**  
**TOWARDS INTEGRATION & THE DIVISION DIVERSION**  
**THE BEGINNING & 1960-61**

At the beginning of the Second World War, the Canadian and American governments, aided by the close relationship and similar views of their respective leaders, agreed in the Hyde Park Declaration to establish a Joint Economic Committee to make the best use of their resources and production towards the war effort. Yet, in 1943, when it became obvious that the Nazi threat was in decline, the newly-created Committee ceased to slow down. Rather, it spent significant time, effort, and money thinking about and preparing for postwar North America.<sup>1</sup>

One of the Committee's main proposals at the time concerned the automobile industries in the two member countries. The idea was to abolish all auto-related tariffs on both sides while allocating certain models to Canadian factories solely. As a result, Canadian manufacturers would hold a monopoly on both the local and US markets for specific vehicle types, while the dominant American industry giants would have unrestricted access to the entire Canadian market provided they did not impinge on the specific Canadian specialty (or specialties). As the war was coming to a halt, it was argued by the international group that this would prove beneficial to the companies, workers, and consumers in both nations.<sup>2</sup> Due to more immediate and pressing worries, the proposal was shelved. It would take no less than a Canadian automobile industry on the verge of collapse, twenty years later, to revisit this war-born proposal.

The Canadian automobile industry in the late 1950s found itself inefficient, beset by some serious and potentially disastrous problems for government, manufacturers, consumers, workers, and the sector as a whole. The root cause of the difficulties was a

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<sup>1</sup>John Hilliker, *Canada's Department of External Affairs: Volume 1: The Early Years, 1909-1946* (Montreal & Kingston: McGill-Queen's University Press, 1990), pg. 250.

<sup>2</sup>Hugh L. Keenleyside, "Treatment for Our Lopsided US Trade," *The Financial Post*, May 7, 1960.

result of the very nature of the industry's broad structure. General Motors of Canada, Ford of Canada, and Chrysler of Canada, and to a lesser extent the smaller manufacturers, for years had imitated the American practice of competing through vehicle models and types rather than through profits. This system was beneficial to buyers, labour, and the companies in a large scale market like the American one, but proved inefficient in the small market Canadian context. The accompanying short production runs of a wide range of models resulted in drastic production and employment declines in the last years of the 1950s.<sup>3</sup> A hefty 33 per cent protection rate on Canadian cars and a system designed to stimulate and encourage 'at home' production were not nearly significant enough factors to offset the industry's fundamental structural shortcomings.

The high tariffs in the auto industry in Canada served to reinforce the emphasis on local production. The protectionist tariff structure provided incentive for the automobile manufacturers to maintain high levels of Canadian content. Generally, if over half of a vehicle unit was Canadian-made, the 15-20 per cent tariff would be remitted. Adding to the problem was the high American tariffs that dissuaded Canadian production aimed at the American consumer. In the late 1950s, the result was inefficiently-produced cars that cost noticeably more than their US counterparts. As Canadian drivers inevitably turned to cheaper German, Japanese, and British imports, the Canadian automotive sector as a whole made up close to one half of the nation's account deficit, while costs increased and employment decreased.<sup>4</sup> The American auto production model of producing a wide variety of products for diverse market was no longer working for the minuscule market and industry to the north.

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<sup>3</sup>James F. Keeley, "Cast in Concrete for All Time? The Negotiation of the Auto Pact" from *Canadian Journal of Political Science*, Volume XVI, No. 2, (June 1983), pg. 281.

<sup>4</sup>Greg Donaghy, "A Continental Philosophy: Canada, the United States, and the Negotiation of the Auto Pact, 1963-65" from *International Journal*, Volume LIII, No. 3 (Summer 1998), pg. 443.

With the beginning of 1960, and employment down to approximately two thirds in the auto parts industry of what it had been just four years prior, the first signs of significant discontent started to show. Having to deal with thousands of vehicle plant men out of work, the city councils of Ontario's larger auto towns, namely Windsor, Oshawa, Oakville, and St. Catharines, began asserting some pressure on government to act. Correspondence and petitions were sent from the municipalities to Ottawa requesting that the federal government find a way to inquire into the deteriorating conditions of the automobile sector, and give more specific study to the effects of parts and vehicle imports.<sup>5</sup> These exchanges remained relatively quiet, however, and out of the public eye. It took the publication of an editorial article in a major national newspaper on a Saturday in May to open up the discussion and kickstart a national forum that would eventually lead to the metamorphosis of the entire industrial structure.

A long-time diplomat in the Canadian service, then Chairman of the British Columbia Power Commission, and advisor to the BC government on development, Dr. Hugh Keenleyside's full page article "suggest(ing) a drastic remedy for our major problem" was displayed prominently in the *Financial Post* of May 7, 1960.<sup>6</sup> The former Under Secretary of the UN suggested that the best way to improve Canada's trading policy with the United States would be through a system of "selective free trade" in which American companies would mete out a specific portion of their production to Canadian factories. Recognizing that this would be impractical in many sectors, he suggested the ideal industry for a proposal of this nature would be one in which near monopolies existed and the whole sector was covered by a small number of companies, as well as one in which the number of commodities was relatively limited and standardized. He even went as far as to suggest the manner in which the free trade

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<sup>5</sup>House of Commons Debates, February 3, 1960, pg. 686.

<sup>6</sup>*The Financial Post*, May 7, 1960.

proposal would be implemented, pointing out that businessmen wanting to share production across the border would apply to the US and Canada, for presidential order and order-in-council respectively, to open for free trade the particular channel in question.<sup>7</sup> Keenleyside's bold revisitation of the WWII Joint Economic Committee's proposal caught the attention of those in positions of influence.

The District Council of the United Automobile Workers (UAW) of Canada was quick to take notice and wasted no time in acting. Within weeks, the union, representing well over 50,000 Canadian workers, had sent a carefully prepared brief to the federal government outlining a similar version of Keenleyside's proposal. The Canadian UAW believed that the greed and selfishness of the auto manufacturers was to blame for the problem in the industry, and called upon government to intervene and "protect" the Canadian people by broadening the market, reducing prices and producing cars able to compete with imports, among other things. Recognizing that no true Canadian automobile industry existed and that what most people referred to as the industry was actually just an adjunct to the dominant industry to the south, the Canadian UAW suggested that the existing approach be altered entirely:

In a country such as ours, situated alongside a nation ten times as large in population, it makes a great deal of sense for the Canadian automobile industry to be integrated with the American. The feasibility of closer integration should be explored. It may be possible that a page could be taken from the book of the agricultural implements industry. In that industry some implements are produced in Canada for the whole US-Canada market, and others are produced in the United States, and they cross the border freely both ways....<sup>8</sup>

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<sup>7</sup>*The Financial Post*, May 7, 1960.

<sup>8</sup>'Brief of the United Automobile Workers (UAW-CLC) to the Government of Canada on the Impact of Automobile and Automobile Parts Imports on the Canadian Automobile Industry and Employment Therein, Ottawa, Ontario, July 5, 1960,' UAW Region 7-Canadian Regional Office, Accession 372, Box 186, File 16, WSU, Detroit, Michigan.

The 'Brief' proceeded to outline a number of different ways in which the maximum benefits of volume production could be met. However, it made the actual nature of the study it recommended as specific as these proposals. The Canadian UAW suggested a Royal Commission to undertake a complete and comprehensive investigation of the Canadian industry. The District Council was very clear in its suggestions to the Diefenbaker government on July 5, 1960.

The Canadian UAW's Brief to government suggesting integration also sent a clear message concerning the less desirable effects of the proposed trade agreements on the labour force. It was the first hint given by the union that wholehearted approval of any international deal would not be forthcoming without consideration of labour's concerns. The District Council saw fit to quote a decade-old document in order to illustrate that the principle of international fair labour standards was in no way new and was considered of prime importance worldwide. Article 7 of the Havana Charter for an International Trade Organization, signed in 1948 by the representatives of most of the world's countries, including Canada, had direct relevance to the union's proposal:

**The Members recognize that measures relating to employment must take fully into account the rights of workers under inter-governmental declarations, conventions and agreements. They recognize that all countries have a common interest in the achievement and maintenance of fair labour standards related to productivity, and thus in the improvement of wages and working conditions as productivity may permit. The Members recognize that unfair labour conditions, particularly in production for export, create difficulties in international trade, and, accordingly, each Member shall take whatever action may be appropriate and feasible to eliminate such conditions within its territory.<sup>9</sup>**

Before any consideration of North American automobile industry integration was even contemplated, the Canadian UAW felt it necessary to send a clear message early.

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<sup>9</sup>'Brief of the United Automobile Workers (UAW-CLC) to the Government of Canada on the Impact of Automobile and Automobile Parts Imports on the Canadian Automobile Industry and Employment Therein, Ottawa, Ontario, July 5, 1960'

By the end of July, enough representations had been made to government, that it could no longer justify failing to act. The Canadian UAW proposal of the first week of July came one week after representations had been made by the management of a number of Canadian auto plants, and immediately preceded representations made by the parts manufacturing industry.<sup>10</sup> As well, the Canadian UAW had made plans to travel to Ottawa and meet with the government concerning the subject matter of the 'Brief,' and most likely attempt to push the politicians into speedy action.<sup>11</sup> The Diefenbaker Conservatives did not need to be pushed. They noted that they had quietly been anticipating and preparing for this type of action throughout the year. For months the Departments of Finance, National Revenue, and Labour had been investigating the problem and collecting materials in anticipation of what was being virtually demanded by Canadians in July.<sup>12</sup>

On July 28, 1960, the federal government announced in the House of Commons that it would appoint a Royal Commission to make a comprehensive investigation into a number of aspects of the auto industry. As promised, the following week the Tories unveiled the specifics of the Commission.<sup>13</sup> Prime Minister John Diefenbaker outlined the five aspects that the Commission would be asked to report upon: the competitive position of the industry compared to that of other nations, the relations between Canadian and American companies and their effects, problems in the components industry and their effects on production, the ability of Canadian industry to produce and distribute the types of cars desired by Canadians, and finally, suggestions of measures that could be taken by the companies, labour, Parliament and the government to improve the industry's

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<sup>10</sup>House of Commons Debates, July 29, 1960, pg. 7248.

<sup>11</sup>Donald MacDonald, Secretary-Treasurer, to Keith W. Ross, Secretary-Treasurer, Oshawa and District Labour Council, August 16, 1960, UAW Region 7- Canadian Regional Office, Accession 372, Box 51, File 13, WSU, Detroit, Michigan.

<sup>12</sup>House of Commons Debates, July 28, 1960, pg. 7108.

<sup>13</sup>House of Commons Debates, August 2, 1960, pg. 7385.

ability to provide employment in the production of cars for home and export.<sup>14</sup> Although the program as set out by government seemed to avoid criticism, the make-up of the commission appointed to undertake the investigation did not.

Vincent W. Bladen, dean of the faculty of arts at the University of Toronto, a known and respected authority on economics, and former head of the Economics Department and the Institute of Industrial Relations at the university, was the man appointed to the task. The Liberal Opposition felt this investigation necessitated several commissioners, who would be able to represent various groups, including labour, management, consumer, and the state. Likewise, the CCF, a party long accepted as the Canadian UAW's defenders in Parliament, felt that this commission was too important to rest solely on the shoulders of one man. As well, the party felt that Professor Bladen was somewhat of a small "c" conservative in his economics, and that as a result the commission should have been created with a broader outlook.<sup>15</sup> Except for such criticisms, all parties involved were welcoming of the August 2nd creation of the one-man Royal Commission, and even more welcoming of the fact that there would be not one day's delay, as Dean Bladen would commence the investigation immediately.

On the day of the appointment Bladen set up his Commission headquarters in the William Lyon Mackenzie building in Toronto. Within the first week, Bladen had written a letter to George Burt, Canadian UAW Director, informing him of his intentions of including the union within the sphere of investigation from start to finish. While the commissioner became organized, settled in, and prepared to launch the inquiry, he told the union leader that he would be closely studying some taped conversations between union and management that he had in his possession, and asked that Burt in the meantime think of any other unions that should be invited to discussions.<sup>16</sup> Bladen told

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<sup>14</sup>House of Commons Debates, August 2, 1960, pg. 7385.

<sup>15</sup>House of Commons Debates, August 2, 1960, pg. 7386.

<sup>16</sup>V.W. Bladen, Dean, to George Burt, August 10, 1960, UAW Region 7- Canadian



Burt there would be an informal meeting on August 22th at the University of Toronto Senate Chamber, and he would “be glad” if the UAW could attend.<sup>17</sup> Cooperation between the Canadian UAW District Council and the Royal Commission was invited from the start.

On August 22 representatives from the automobile manufacturers, the parts manufacturers, the Canadian UAW, importers from Europe, and other interested parties met with Commissioner Bladen to hear introductions and an explanation of the nature of the investigation. After asking for continued co-operation and explaining that the Commission’s main concern was to uncover the roots of the industry’s problems and prescribe remedies, Bladen asked for the submission of briefs, either open or private, from all parties present. Furthermore, he announced that in exactly two months he would be holding a week of public hearings in Ottawa at which time he would hear and discuss any of the briefs submitted that were not marked ‘confidential.’ To make the week as open as possible it was requested that submitters not employ lawyers at the meeting, nor that they simply stand up and read their briefs verbatim.<sup>18</sup> The United Auto Workers of Canada were pleased with Bladen’s program, promised to work closely, and had no interest in keeping their views, thoughts, and concerns ‘confidential’ in any way.<sup>19</sup> The forum they had been requesting for months had come into being.

Subsequent to the Toronto meeting, the Canadian UAW District Council with much dissent from some locals drafted and submitted its recommendations and suggestions in a brief to the Royal Commission. Without placing specific blame, they

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Regional Office, Accession 372, Box 51, File 13, WSU, Detroit, Michigan.

<sup>17</sup>Vincent Bladen, Commissioner, to George Burt, August 17, 1960, UAW Region 7- Canadian Regional Office, Accession 372, Box 51, File 13, WSU, Detroit, Michigan.

<sup>18</sup>*Report of the Royal Commission on the Automotive Industry*. April 1961, Ottawa, Queen’s Printer and Controller of Stationary, National Library of Canada.

<sup>19</sup>George Burt, to V. W. Bladen, August 10, 1960, UAW Region 7- Canadian Regional Office, Accession 372, Box 51, File 13, WSU, Detroit, Michigan.

lamented the fact that thousands of workers were unemployed, domestic production was in decline, and at the same time imports were on the rise. After reiterating what was already well-known, namely that the industry was “beset with serious problems” that needed to be fixed, the union again suggested that the Commission should look in an entirely new direction. As suggested to the government months earlier, there should be an examination into the possibility of an international free trade agreement that would permit reciprocity in parts and cars so long as the company produced a certain quantity in Canada to ensure certain production and employment levels. This agreement, it was felt, would give Canadian producers volume advantages offered by the combined Canadian and American markets.<sup>20</sup> The union’s political arm, the CCF, also felt that it would make more sense for Canada to produce fewer models, but produce them for the entire North American market.<sup>21</sup> Canadian UAW District Council and the CCF were both clear about their feelings and wishes.

The Canadian UAW also expanded on its concern over the possible adverse effects of such a plan:

Any plan for integration of production facilities would have to be approached with a number of safeguards in mind. During the period of transition from tariff to integration there would probably be a number of dislocations, the burden of which would fall on a limited number of plants and workers unless adequate precautions were taken *in advance*. We think it essential that in considering integration the necessary steps be explored carefully so that dislocations would be minimized and the burdens be borne by all who stand to eventually benefit rather than just a few. Machinery...could be charged with the responsibility of working out solutions to such transitional problems....<sup>22</sup>

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<sup>20</sup>UAW Free Trade Proposal to Canadian Auto Royal Commission, 1960,’ UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 9, WSU, Detroit, Michigan.

<sup>21</sup>House of Commons Debates, July 29, 1960, pg. 7218.

<sup>22</sup>Brief of the United Automobile Workers (UAW-CLC) to the Royal Commission on Canada’s Automotive Industry, 1960,’ UAW Region 7- Canadian Regional Office, Accession 372, Box 6, File 16, WSU, Detroit, Michigan.

The union proposed that unexpected employment shifts could most effectively be dealt with by establishing continuing machinery, perhaps in the form of a tripartite government-management-labour body, to constantly review the employment situation in the renovated Canadian automobile industry. If the principle of trade was sound, the Canadian UAW argued, "reasonable men charged with the responsibility for carrying it out can always find reasonable solutions to problems that may arise in translating principle into practice."<sup>23</sup> From the early stages in 1960, the Canadian UAW's insistence on protection for workers was as pronounced as its support for the free trade principle. The two would have to go hand-in-hand for union support to be forthcoming.

### **A UNION DIVIDED**

Increased integration with the United States, as proposed by the Canadian District of the UAW, the Canadian Labour Congress, and the New Democratic Party, was not representative of the views of the UAW in Canada as a whole. On this issue the union was split right down the middle. Local 444 of the Canadian UAW (Chrysler in Windsor) and the Canadian UAW General Motors Council flatly rejected the approach of their District Council and head-office allies, and instead called for an immediate step in the direction of protectionism, increased Canadian content and eventually an "all-Canadian car."<sup>24</sup> There was in fact no possibility of compromise in the diametrically-opposed views of the Canadian UAW and its dissenting branches, and at the same time that George Burt's Canadian UAW Council submitted its brief to the Royal Commission, another was submitted by Local 444.

Like most other observers, the Chrysler local recognized that there was a severe illness plaguing the Canadian automobile industry, one that needed immediate attention.

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<sup>23</sup>'Brief of the United Automobile Workers (UAW-CLC) to the Royal Commission on Canada's Automotive Industry, 1960'

<sup>24</sup>*Canada's Unions*, pg. 84.

Whereas many pointed to symptoms such as the large gap in the balance of trade and low productivity, Local 444 was concerned with unemployment foremost, and the loss of Canadian identity to the United States secondarily while believing that the two were inter-related.<sup>25</sup>

Local 444, unlike the Canadian District UAW office, was quick to point fingers and assess blame. The current ills of the Canadian economy, manifest in unemployment, was a direct consequence of government policies, which had their foundation in the Abbott Plan of 1947, an expression of St. Laurent's policies of "integration" with the United States economy. The Abbott Plan, according to the Chrysler local, denied the need to industrialize Canada through the building of a local heavy industry, and instead focused on acceding to the United States by making Canada merely a source of raw materials for the south. The potential of Canada's abundance of natural wealth was thus never realized, as a brake was put on the country's industrial development. The Abbott Plan, and many programs of its type between 1947 and 1960, were to blame for the unstable position of the auto industry, according to Local 444. Further integration of the sort proposed by the Canadian District Council, would be a backward step that would undermine and further disrupt the already insecure position of the men who made cars in Canada.<sup>26</sup>

Although practical and tangible problems were the main concerns of Local 444 in its brief to Bladen, it also dealt with the integration issue from a nationalist perspective. Walter L. Gordon, a Liberal MP known for his ultra-nationalism, served as the embodiment of Local 444's patriotic stance. Like Gordon, they felt that in order to maintain a separate Canadian identity and the mindset of an independent nation, a

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<sup>25</sup>'Submission of Local 444 UAW-AFL-CIO to the Royal Commission on the Automotive and Parts Industries, October 1960,' UAW Region 7- Canadian Regional Office, Accession 372, Box 6, File 16, WSU, Detroit, Michigan.

<sup>26</sup>'Submission of Local 444 UAW-AFL-CIO to the Royal Commission on the Automotive and Parts Industries, October 1960'

re-evaluation of existing foreign policies would have to occur along with a resulting cessation and reversal of the trend that had witnessed so many important and dynamic Canadian industries fall into American hands.<sup>27</sup> Local 444 wished to paint itself as the champions of Canadian nationalism to the Commission.

The submission's prime objective was to convince the inquiry that government policies, beginning with the Abbott Plan, were closely linked to the problems in the Canadian economy generally, and the automobile industry specifically. Before outlining a set of specific recommendations, the local felt it important to highlight that "any steps directed towards the further integration of our economy with that of the US would assuredly be against the best interests of the Canadian people as a whole."<sup>28</sup> The local outlined a number of specific recommendations to Bladen: that legislation to raise the content of Canadian-made cars to at least 75% be coupled with the overhauling of regulations governing auto importations; that the government establish Crown Corporations as a step towards eventually producing a 100% all-Canadian car; and lastly that the Government re-appraise Canada's economic relationship with the US, with policies enacted to help free the country of American economic and political domination.<sup>29</sup> Given Local 444's nationalist stance, it was clear early that the struggle would not only be between government and union, but would also exist *within* the union.<sup>30</sup>

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<sup>27</sup>Submission of Local 444 UAW-AFL-CIO to the Royal Commission on the Automotive and Parts Industries, October 1960'

<sup>28</sup>Submission of Local 444 UAW-AFL-CIO to the Royal Commission on the Automotive and Parts Industries, October 1960'

<sup>29</sup>Submission of Local 444 UAW-AFL-CIO to the Royal Commission on the Automotive and Parts Industries, October 1960'

<sup>30</sup>It is significant to note that little, if any, evidence can be found concerning a struggle between the American parent UAW and the Canadian Region. Dennis McDermott in a 1968 interview stated that the union was "in fact an international union serving the North American market. We like the arrangement we have with the international union because we take far more out of it than we put into it. It is very gratifying...we must

At the beginning of 1961 the already precious Canadian UAW unity was further compromised. George Burt's continuing efforts to keep Local 222 (General Motors Oshawa) inside with the mainstream of the labour movement proved a failure. In February the local went on record, alongside Local 444, as officially opposing integration and the known Canadian UAW stance.<sup>31</sup> The local had held some votes with all its members on the issue and found that the workers were unanimously opposed to Burt's recommendations. With most submissions, briefs, and stances already in Bladen's hands and awaiting final analysis and a verdict, the dissenting local office realized that it would have to make the view of its membership known quickly. Immediately they notified UAW President Walter Reuther's office and Solidarity House in Detroit of their shift in direction.<sup>32</sup> The Oshawa & District Labor Council, the Canadian Labour Congress, the Bladen Commission, and the Conservative government were all notified shortly after.<sup>33</sup> Their demands paralleled those of Local 444. They wanted labour content in vehicles

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remember that the labour movement is above nationalism." *Canada's Unions*, pg. 1. Robert Laxer stated that "in the UAW thus far, at least, there has been no conflict of interest between Canadians and Americans on matters such as the Auto Pact." *Canada's Unions*, pg. 117-8. Bob White's autobiography points to the fact that harmony began to wane only in the early 1980s. A retired George Burt opposed the break-up of the union in 1985 and proved to be a thorn in White's side. *Hard Bargains*, pg. 293. Sam Gindin explains that in the 1960s "the union defended its ties to the American-based UAW, arguing that the measure of a union was its internal democracy and direct achievements, not its nationality." *Canadian Auto Workers: The Birth and Transformation of a Union*, pg. 156-7.

<sup>31</sup>Russell McNeil, Secretary-Treasurer, Local 222, Oshawa, to Gentlemen, International Union, UAW, Detroit, February 16, 1961, UAW President's Office, Walter P. Reuther, Accession 261, Box 237, File 237-15, WSU, Detroit, Michigan.

<sup>32</sup>Russell McNeil, Secretary-Treasurer, Local 222, Oshawa, to Gentlemen, International Union, UAW, Detroit, February 16, 1961.

<sup>33</sup>Keith W. Ross, Secretary-Treasurer, Oshawa & District Labor Council, to Donald C. MacDonald, Secretary-Treasurer, Canadian Labour Congress, June 23, 1960, and attached is 'Resolutions-Re: Imports, June 1960,' UAW Region 7- Canadian Regional Office, Accession 372, Box 51, File 13, WSU, Detroit, Michigan.

made in Canada immediately increased to a 75% Canadian minimum. Local 222's joining with Local 444 split the union even further than before.

George Burt spent much of the time between the creation of the Royal Commission and the release of the Commission's Report giving praise and thanks to those who shared his position and to those who eventually fell in line. Canada's national newspaper, *The Globe & Mail*, from the beginning felt that there should exist a common market in Canada and the United States for certain industries, and used the automobile industry as a fitting example. For this reason, Director Burt viewed *The Globe & Mail* in Canada as an ally of the mainstream Canadian UAW, and was quick to give praise.<sup>34</sup> *The Detroit Free Press*, less involved in Canadian affairs than the local media, wasted no time in proclaiming support for Burt's position. Within a week of the Canadian UAW's submission to Bladen, the newspaper ran an editorial recognizing the merits of the union's proposal for tariff revision. Burt acknowledged this recognition and support and was grateful.<sup>35</sup> As Bladen pondered, the Director made a strong effort to keep spirits and hopes high, and stand tall with his position to the outside. It was not so easy within the union.

The division within the Canadian UAW caused the District Council quarterly meetings at this time to become a battleground of hot tempers and heated exchanges. Discussions concerning the practical implications of free trade were mixed in with passionate debates about the right to democratically oppose the District Council position and its majority rule. Without a single exception, by the end of these weekend-long meetings, things were more divided and bitter than they had been at the start. Most of the

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<sup>34</sup>George Burt to Editor of *The Globe & Mail*, February 15, 1961, UAW Region 7-Canadian Regional Office, Accession 372, Box 51, File 14, WSU, Detroit, Michigan.

<sup>35</sup>George Burt to Editor of *The Detroit Free Press*, September, 1960, UAW Region 7-Canadian Regional Office, Accession 372, Box 51, File 13, WSU, Detroit, Michigan.

meetings simply degenerated into name-calling and finger-pointing, both of which just served to complicate matters further.

The leadership and delegates in attendance spent a fair amount of their time at the meetings bickering about the 'bread and butter' of free trade. The opponents of integration frequently attempted to use both the Canadian aircraft and the agricultural implements industries to illustrate through example that sectoral free trade with the United States had a hurtful effect on Canada. Yet, the mainstream District Council and supporters of integration were as willing to disprove and undermine the claims with their own ideas. The General Motors Intra-Corporation Council, a St. Catharines Chrysler local and one of the three dissenting bodies who sent an independent brief to Bladen, attempted to convince its membership as well as the District Council that reciprocity with the United States had debilitated the livelihood of agricultural implements workers. The Canadian workers, according to the GM UAW Council, provided a perfect example of how continental integration does not provide the desired effects.<sup>36</sup> After stating that his opponents simply made the agricultural implements point by "stupidity" and "utter nonsense" and that the agricultural implements delegates would themselves be the first to admit that any change in the present North American trading relationship would be crippling to workers, Director Burt proceeded to try to disprove the claims of the Oshawa group in his characteristically animated manner. The reason for the high unemployment rate in the industry, he claimed, was due to the massive decline of farm income in both countries and the general economic slump being experienced by industries across the board.<sup>37</sup>

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<sup>36</sup>Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961,' UAW Toronto Sub-Regional Office Collection, Series 2, District Council 26, Accession 296, Box 15, File 'Meeting, January, 1961, Report,' WSU, Detroit, Michigan.

<sup>37</sup>Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961'



The disagreement about free trade's effects on the Canadian aircraft industry was even more irreconcilable, and caused a greater rift. In the Canadian UAW Council meeting of January 15 and 16, 1961, held in St. Catharines, Ontario, Canadian UAW local leader and opponent of integration, Vic White rose to assert that free trade was not at present working in the aircraft industry.<sup>38</sup> A clamour spread across the floor as great exception was taken to White's claim. 'Brother' Pole-Langdon hotly disputed White's point, stating that the majority of Canadian aircraft workers were employed because of integration and that otherwise between 200 and 300 workers would suffice to supply all of Canada's demand, quite a "prohibitive" figure. Adding to Pole-Langdon's attack, 'Brother' Dymond bluntly stated that clearly White was clueless as to the facts of the industry and that the Chair of the meeting should disallow him and others on his side from making "such irresponsible statements" without challenge.<sup>39</sup> George Burt again pointed out that the opponents should not be speaking for the men of the aircraft industry, who themselves were claiming that their industry would be improved and strengthened by increased trade with the United States:

Would it be suggested by the opposition that our nationalism is more important to us, or more important to the DeHavilland workers who are going to be hired, than obtaining jobs by trading with the United States.<sup>40</sup>

The opponents and supporters of integration within the union and at the union quarterly meeting in January were in complete disagreement as to the fundamentals of the program, and what it would mean for both Canadian nationalism and employment. Raising the experiences of agricultural implements and airline workers, which placed

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<sup>38</sup>Canadian UAW Council, St. Catharines, Ontario, January 15 & 16, 1961, Minutes of Meeting, UAW Region 7- Canadian Regional Office, Accession 372, Box 72, File 1, WSU, Detroit, Michigan.

<sup>39</sup>Canadian UAW Council, St. Catharines, Ontario, January 15 & 16, 1961, Minutes of Meeting'

<sup>40</sup>Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961'

opponents on the offensive and supporters on the defensive, only served to divide the union deeper.

Whereas the opponents' strategy was to cite examples of industries in which integration seemingly failed, the strategy of the official union proposal's supporters was to provide evidence of countries that had been and continued to be isolationist and suffered as a result, as well as those that had benefited from trade liberalization. George Burt was always up to the task of pointing out what fate befell nations that protected their industries as Local 444 and their allies proposed in Canada. On March 11, 1961, at the Canadian UAW Council meeting held in Windsor, the Director used Brazil as an example of a nation in which the government compelled the auto industry to manufacture cars in that country. As a result, the price of the made-in-Brazil Simca was \$5,912, whereas the state-of-the-art foreign Volkswagens that were denied entry ranged in price from \$2,769 to \$6,102.<sup>41</sup> Thus, Brazilian workers and consumers alike were being shortchanged by the isolationist stance of their government. Similarly, on January 14, 1961, at a Canadian UAW gathering in St. Catharines, Burt illustrated how Russia's refusal to integrate its auto industry with that of other nations had translated into a state where less than one out of every thousand Russians owned a car, compared to one third of Americans.<sup>42</sup> The dismal situations in isolationist countries were all the proof that Burt needed to convince him that the United States had much to offer Canada and its workers and consumers.

The examples of Brazil, Russia, and other mentioned countries did nothing to change the minds of the dissenting locals about the undesirability of becoming further

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<sup>41</sup>'Report of Canadian Director George Burt to Canadian UAW Council, Meeting at Windsor, Ontario, March 11 & 12, 1961,' UAW Toronto Sub-Regional Office Collection, Series 2, District Council 26, Accession 296, Box 14, File 'Meeting, March, 1961, Report,' WSU, Detroit, Michigan.

<sup>42</sup>'Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961'

integrated with the United States. For them, isolationism meant more jobs for Canadians as well as an essential maintenance of Canadian sovereignty and independence vis-à-vis the United States, both political and economic. Conversely, Burt and the District Council were of the firm opinion that the employment situation would be most beneficial to Canada if its automobile industry were joined with the American, as would the balance of trade. As for Local 444's fervent nationalism, Burt believed that "hating the American people (was) not going to do the job."<sup>43</sup> It was clear that the positions of the two Canadian UAW camps were diametrically opposed and unlikely to converge in any way or to any degree. The next question at those early 1961 meetings became how to deal with this division in a way that would inflict the least harm possible to the well-being of the union as a whole.

The questions of how to deal with disunity behind closed union doors, as well as how it should be presented to the outside, both sparked heated and passionate debate in the Canadian UAW during the time of the Bladen Commission. The intensity of the disagreements over free trade itself paled in comparison with the debate involving the very meaning of such ideas as 'democratic rights' and 'majority rule.' Indeed, the latter had the potential of splitting the union apart in a manner that transcended the importance of the mere integration issue.

Attempts at reaching a compromise favourable to both sides failed miserably in the Canadian UAW quarterly meeting of March 11 before the series of contradictory briefs was submitted to the Royal Commission. A newly-constituted committee of the District Council met to agree on an approach that would present a unified front to Vincent Bladen. At Burt's suggestion, a compromise proposal was reached, adopted by the District Council, voted on by majority action, and seemingly settled. The proposal

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<sup>43</sup>'Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961'

called for the goal of working towards an all-Canadian car while *also* exploring the program of integration of Canadian production facilities with that of the United States.<sup>44</sup> This resulted in the creation, and subsequent submission, of the brief by the Canadian UAW District Council to Bladen. To the minds of the Canadian UAW Council and George Burt, the democratic process had yielded a fair compromise of the two positions. It seemed at this point that despite obvious differences, a unified front could be presented.

In spite of the action at this meeting, certain delegates went back to their locals and called membership meetings, unbeknownst to the District Council. After conferring with the membership, the General Motors Intra-Corporation Council decided to submit a separate brief, with Local 444 submitting another shortly after. As well, the Windsor Unemployed Association, which had been seeking support of its isolationist principles from the trade unions, also presented a brief that took the diametrically opposite position of that officially adopted by the District Council.<sup>45</sup> On October 26, 1960, all four UAW briefs were presented orally to Commissioner Bladen in Ottawa.<sup>46</sup> It was only at this time that it became evident to the District Council that the Canadian UAW sabotage was about to seriously undermine its position. The three briefs from “splinter groups and individuals who insisted on identifying themselves with the UAW,” according to Burt, would surely create confusion for Bladen. If, he added, an unclear report was later released by the Royal Commission, the union would have absolutely no right to blame Bladen.<sup>47</sup> Accusing the dissenters of being union traitors, ‘Brother’ Pete Johnson of the

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<sup>44</sup>Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961’

<sup>45</sup>Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1965’

<sup>46</sup>*Report of the Royal Commission On The Automotive Industry*, April, 1961.

<sup>47</sup>Report of Canadian Director George Burt to Canadian UAW Council, Meeting at Windsor, Ontario, March 11 & 12, 1961’

District Council and a member present in Ottawa on October 26, said that the presentation of the three “unofficial” briefs again proved that the left-wingers took advantage of their democratic right of freedom of expression, yet refused to accept the democratic principal that when a majority decision is made, “it is binding on all before the public.”<sup>48</sup> To those supporting the official brief, the methods of their opponents were less excusable than their faulty ideas.

After the fact, the dissenting groups readily expressed their beliefs that there was a better way than relying on majority rule. President of Local 444, ‘Brother’ Brooks proposed that setting up debating teams was the course of action that he felt most appropriate at this late stage. Ironically, he utilized a metaphor that equated the District Council to the Americans, reminding his membership that Cuba was able to stand up against the might of the United States all alone.<sup>49</sup> George Burt, already clearly fatigued by the ongoing UAW debacle, flatly rejected Brook’s suggestion:

With the exception of one local union, I have been in nearly all of them where there is a real controversy about this problem. I refer to Local 444 where the problem has been decided upon by the membership, and after that decision was made, and without notifying me that it was to be brought before the membership, Bro. Brooks now suggests we have a debate. I have already participated in a debate in Locals 199, 222, 303, and 707. In addition, this District Council which represents the whole (Canadian) Region, has made a decision which I believe should be sufficient.<sup>50</sup>

Burt recognized that a great deal had been made about his apparent refusal to accept

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<sup>48</sup>‘Canadian UAW Council, St. Catharines, Ontario, January 15 & 16, 1961, Minutes of Meeting’

<sup>49</sup>‘Canadian UAW Council, St. Catharines, Ontario, January 15 & 16, 1961, Minutes of Meeting’

<sup>50</sup>‘Report of Canadian Director George Burt to Canadian UAW Council, Meeting at Windsor, Ontario, March 11 & 12, 1961’

challenges to debate the divisive issue. The union had already been split enough by the opposition, and as a result, Burt felt that the membership did not need to be subjected to another exhibition on how disunited the Canadian UAW actually was.

Before suggesting a tougher approach be used on the opponents, George Burt had a final criticism of their methods. He believed that incidents at General Motors in St. Catharines, London, and Windsor all pointed to the fact that the leaders of the locals were not properly representing the confirmed views of their workforce. In St. Catharines, the membership had strongly defeated an attempt to sabotage the program of the District Council, yet local leader, 'Brother' Lambert, with the support of eight out of 15 of his own General Motors Intra-Council delegates, still submitted an opposition brief to the Bladen Commission.<sup>51</sup> Similar events transpired in other Ontario automobile towns. General Motors workers in both London and Windsor, much like their St. Catharines 'brothers,' supported the District Council brief and discouraged attempts to interfere with or inhibit Burt's course of action. Again, their wishes were obstructed by the leaders that claimed to speak for them.<sup>52</sup> The same story, Burt claimed, was unfolding in many of the other plants where this issue was receiving attention.

These episodes proved conclusively to the Canadian UAW Director that the Council was better equipped to deal with these problems than attempting to win majority voting decisions from the several hundred plant membership meetings across the vast Canadian Region. This also gave rise to the criticism that the General Motors Intra-Corporation Council had no right to deal with a policy matter that affected all Canadian parts workers, most of whom were not a part of their council.<sup>53</sup> Their

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<sup>51</sup>'Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961'

<sup>52</sup>'Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961'

<sup>53</sup>'Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961'

unwillingness to honour the democratic process employed by the District Council, their misrepresentation of the rank-and-file, and their attempts to represent and speak for other workers all combined to push Burt into a firmer course of action than before.

By the January, 1961, District Council meeting it had become painfully obvious that the “open defiance” shown by some of the union delegates was threatening the purpose and function of the Council. Knowing that it would be impossible to arrive at decisions on policy by membership referendum every time an important issue arose and a policy had to be formulated, Burt proposed a solution that he felt necessary at this point:

Recommendation No. 2: I am recommending the District Council discourage local unions from submitting programs to governments or commissions, which are contradictory to the programs proposed by the District Council.<sup>54</sup>

The Canadian Director realized that the subject matter which caused this rift was very complex, and that neither side had an ultimate solution. But he was tired of it being used as a “political football to the detriment of the rank-and-file.” In this tense interim period as everyone awaited Bladen’s verdict, Burt urged that all Canadian UAW activity concerning the divisive free trade issue remain within the confines of the council. Otherwise, he felt, a united front could not be presented to the union’s “very vigorous and formidable opposition” in Ottawa and elsewhere.<sup>55</sup> However, these requests, pleadings, and official recommendations had clearly come a few months too late. By January, 1961, with the union as split as possible on the issue of integration versus isolation, as well as the question of how to deal with the division itself, the Bladen Commission had all its confused and contradictory information and views in hand and was just weeks away from making a report that would eventually change the face of the automobile industry for decades to come.

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<sup>54</sup>Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961’

<sup>55</sup>Canadian UAW Council Report by George Burt, UAW Canadian Director, St. Catharines, Ontario, January 14 & 15, 1961’

In April of 1961, nine months after the Royal Commission's birth, Vincent Bladen released his long-awaited *Report of the Royal Commission on the Automotive Industry*. As expected, the report recommended sweeping changes to the structure of, and the rules governing the Canadian automobile industry. The study noted that there were two alternative possibilities for improving the performance and efficiency of the sector. The final one would involve an increase in its existing protection, which would mean a fall in imports, accompanied most likely by an undesirable rise in domestic prices. As a result, it was noted that an increase in protective tariffs would surely result in a misallocation of resources.<sup>56</sup> The second suggested alternative would be to move towards closer integration of Canadian production with that of the United States. With safeguards, Bladen noted, this could reduce the dependence on imports and ultimately lead to a lowering of domestic prices.<sup>57</sup> After analyzing and evaluating both options, the Royal Commission concluded that the latter possibility was without question the right one for Canada.

In order to achieve his suggested integration scheme, Bladen proposed adopting what he referred to as an "extended content" plan. Under the heavily-criticized tariff policy of the day, certain parts could be imported duty-free as long as a Canadian "content requirement" was met, meaning parts and labour supplied in Canada had to equal at least 60 percent of the vehicle's factory cost. Yet, to be considered of Canadian content, parts and labour had to be worked into cars that were assembled in Canada. Bladen's "extended content" plan proposed that Canadian content in parts sold to non-Canadian buyers should be counted in determining Canadian content as well. A

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<sup>56</sup>A Report by the US-Canada Automotive Agreement Policy Research Project, The University of Texas at Austin, 1985, *The US-Canadian Automotive Products Agreement of 1965: An Evaluation for its Twentieth Year*, Lyndon B. Johnson School of Public Affairs, Policy Research Project Report, Number 68, pg. 2.

<sup>57</sup>Carl E. Beigie, *The Canada-US Automotive Agreement: An Evaluation* (Canada: A Publication of the Canadian-American Committee, 1970), pg. 36-37.



producer would thus be allowed to import any car or car part duty-free if the new content provisions were met.<sup>58</sup> For his recommendations to achieve their desired effect, he believed, they had to be accepted as a package and not simply as separate pieces. Not surprisingly, Bladen's proposals aimed at providing incentives for rationalization received a mixed reaction both inside and outside the Canadian wing of the United Auto Workers' union.

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<sup>58</sup>*The Canada-US Automotive Agreement: An Evaluation*, pgs. 36-7.

## **CHAPTER TWO:** **“LIKE BUYING A PIG IN A POKE”**

### **IN THE DIRECTION OF FREER TRADE: 1962-63**

The strong protectionist pressures on the Canadian government that intensified in the late 1950s were in evidence throughout the Royal Commission, and specifically during the week of hearings in Ottawa. To the labour advocates of protectionism and nationalism who were heard throughout the historic nine month investigation, the *Report* of April 1961, as well as the policies that would follow, were major setbacks. The programs and approaches suggested in the three splinter group UAW briefs had been carefully considered by the commission and then firmly rejected. Despite voicing continued misgivings about continental integration, the nationalists in the UAW were largely forced into accepting the inevitable and beginning a long struggle against Ottawa, alongside the mainstream UAW, for worker protection during the coming transitional period.

The Canadian UAW District Council's reactions to the Bladen Commission findings marked the official beginning of a struggle between the union and the government that would escalate in the months and years ahead. Extensive work was put into creating a first memorandum in the few months after April 1961 outlining the UAW District Council's position and views on Bladen's report.<sup>1</sup> The union's letter to government in the second week of 1962 showed strong support for the "intention" and "goal" of the Royal Commission's *Report*. "The continued development of the automobile industry in Canada" with the aim of reducing car prices, increasing sales and increasing jobs, was of course the reason for the Canadian UAW urging a Royal

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<sup>1</sup>W.L.Ginsburg, UAW Interoffice Communication, to George Burt, January 19, 1962, UAW Region 7-Canadian Regional Office, Accession 372, Box 9, File 15, WSU, Detroit, Michigan.

Commission, and subsequently submitting certain suggestions once it was created.<sup>2</sup> The *Report* was a step towards continental integration that had been advocated by the union from the beginning. The Canadian UAW's memorandum of January, 1962, was not critical of the main findings of the Royal Commission. Rather, the letter concentrated on what it viewed as the *Report's* serious shortcomings, accompanied by its harmful implications for the workers of the industry.

The main problem, for the UAW, was with Recommendation Number Seven of the *Report*. The seventh recommendation involved the "extended content" plan and was without question the most significant part of the report. This portion dealt directly with the problem of the existing low-volume production geared towards the small Canadian market. Bladen's suggested remedy for this was to enable the manufacturers to benefit from high-volume production by allowing them to produce parts for a wider market, while also allowing them duty-free access to the more efficient producers of other countries.<sup>3</sup> This was known as freer trade. The principle underlying Recommendation Seven was desirable to the union men in the Windsor head-office, yet the practical application of the proposed plan certainly was not.

On the latter front they were also supported by all three of the splinter groups. All Canadian UAW briefs to the Royal Commission argued that the costs to workers of automation and technological change sustained in the name of progress be borne by society as opposed to the individuals directly affected.<sup>4</sup> In the minds of all elements of the Canadian UAW, the final report, and specifically the seventh recommendation, involved a basic change in the way that protection was afforded the automobile and parts industry:

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<sup>2</sup>Carrol Coburn and George Schwartz, Canadian District Council, UAW, to Honourable Donald M. Fleming, January 10, 1962, (a draft), UAW Region 7- Canadian Regional Office, Accession 372, Box 9, File 15, WSU, Detroit, Michigan.

<sup>3</sup>*Report of the Royal Commission on the Automotive Industry*, pgs. 67-8.

<sup>4</sup>*Report of the Royal Commission on the Automotive Industry*, pg. 44

...the mechanics of the proposal favor the interests of the automobile manufacturers over the interests of the workers, the independent parts producers and their communities; and the proposal provides no protection against the dislocations which would very possibly occur in the industry.<sup>5</sup>

The Canadian UAW as a whole strongly believed that if the savings to be made did not significantly outweigh the social costs involved, then the shift to freer trade could not be justified in the first place. Although supportive of freer trade, the majority part of the union made it clear that they would be unable to support any program that did not ensure adequate protection for labourers whose jobs might be affected. Not wanting to appear vague or unclear in any way, the official report of the Canadian UAW had briefly outlined specific assurances to the Commission that they found necessary. These included adequate allowances for workers and families during periods of readjustment, retraining programs, moving and relocation allowances as well as preferential hiring after layoffs.<sup>6</sup> But these guarantees were nowhere to be seen in Bladen's report.

At the University of Toronto Bladen argued in his economics lectures for the principle of compensation or assistance in times of industrial adjustments.<sup>7</sup> In a speech in Toronto to a labour group six years after the Royal Commission, Bladen would again reiterate his supposedly strong feelings on transitional assistance. Citing a highly-relevant proposition in welfare economics, Bladen stated that "a national policy is justified only if those who gain by the policy could compensate those injured by it and still be better off." As well, he quoted a known contemporary in his discipline, Professor Harry Johnson, saying that "the argument for attempting to avoid economic instability is largely based on the undesirability of the social consequences of instability...and if a socially undesirable degree of instability is regarded as economically unavoidable, its

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<sup>5</sup>Carrol Coburn and George Schwartz to Donald M. Fleming, January 10, 1962.

<sup>6</sup>Carrol Coburn and George Schwartz to Donald M. Fleming, January 10, 1962.

<sup>7</sup>Vincent Bladen, *Bladen On Bladen: Memoirs of a Political Economist* (Scarborough College in the University of Toronto, 1978), NLC, HB121 B53 A22, pg. 156.

effects could be mitigated by greater generosity towards its victims.”<sup>8</sup> Yet this apparent vigour in Bladen’s belief was only evident when theorizing before and after the fact.

In 1967 the Commissioner noted that in 1961 when his report came out that adjustment assistance “seemed...to be required,” but that he felt it was unlikely to be forthcoming.<sup>9</sup> But at the time of his report, while acknowledging the requests of the labour movement, he claimed that to even so much as recommend such policies would be outside the Commission’s frame of reference:<sup>10</sup>

It is my hope that my proposals will be sufficiently expansionist that the pain of dislocation would be minimized by the development of increased opportunities. Since it is the community as a whole that will derive much of the benefit from my plan, its costs in terms of dislocation and readjustment should be borne largely by the community. I have no doubt that means can be found to achieve these ends, but this is a matter of general social policy and I do not feel that it is within my terms of reference to recommend such general policies.<sup>11</sup>

Despite years of advocating this type of program among his students and colleagues, when the time came to put it to practical consideration, he was unwilling to give it anything but his own personal “sympathy.” For this reason the Canadian UAW would be unable to support the Royal Commission’s *Report*, and made it clear to government without delay.

The Canadian UAW had made another significant request in its brief that was flatly turned down. It called for a “bi-national tripartite management-labor-government board” that would continuously review each company’s allocation of production. The board would be empowered when necessary to accomplish the proposal’s objectives for employment to insist upon periodic reallocation.<sup>12</sup> As well, the main request made by

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<sup>8</sup>excerpt from a speech made by Vincent Bladen in June 1967 to the ‘North American Conference on Labour Statistics’, Toronto, UAW Region 7- Canadian Regional Office, Accession 372, Box 1, File 1, WSU, Detroit, Michigan.

<sup>9</sup>excerpt from Bladen speech, June 1967.

<sup>10</sup>*Bladen on Bladen: Memoirs of a Political Economist*, pg. 156.

<sup>11</sup>*Bladen on Bladen: Memoirs of a Political Economist*, pg. 156.

<sup>12</sup>*Report of the Royal Commission on the Automotive Industry*, pg. 44.

UAW International President Walter Reuther to Vincent Bladen on the latter's fact-finding trip to Detroit was that a tripartite body be created to monitor employment effects. Bladen, himself, best summed up his decision concerning these requests in his memoirs: "This I rejected."<sup>13</sup> The fears and concerns of the Canadian UAW had clearly not been dealt with in the *Royal Commission Report*.

In October of 1962 the wheels of change were set in motion. Conservative Finance Minister George Nowlan on the final day of the month announced a scheme that, although far less comprehensive than Bladen's plan, certainly took the Royal Commission recommendations as its model. The minister explained that full implementation of Bladen's plan at this time was not yet desired or practical, as it would involve negotiating "important international commitments."<sup>14</sup> Under this new 'pilot duty-remission plan' (known as the 'Drury Plan,' after C.M. Drury, Minister of Industry),<sup>15</sup> the government would suspend its long-standing 25 per cent duty on transmissions and engines if, and only if, the exporters of these components increased the Canadian content of the exported parts over the previous base-year level (November 1961 to October 1962). If this condition was met, as was anticipated and expected, every dollar of increased Canadian content would also mean the remittance of a dollar on imports.<sup>16</sup> Although the scheme was not yet a total commitment to freer trade, it was clear that the intention was to force the auto companies to quickly improve their balance of trade. The principle was integration of production.

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<sup>13</sup>*Bladen on Bladen: Memoirs of a Political Economist*, pg. 156.

<sup>14</sup>"Carrot and Stick Policy: Ottawa Aims to Raise Car Part Exports." *The Globe & Mail*, October 30, 1962, pg. 1.

<sup>15</sup>The Diefenbaker Conservatives instituted this 1962 plan in following with their growing interests in integration which began in 1960. However, in early 1963 the Liberals took power in Ottawa and all subsequent steps towards rationalization of the auto industry were done under Drury and the Liberals.

<sup>16</sup>*The US-Canadian Automotive Products Agreement of 1965: An Evaluation for its Twentieth Year*, pg. 2.

The response of the Canadian UAW to the move was positive and outwardly enthusiastic. The union made it clear soon after its announcement that it had closely studied the 'Drury Plan' and had a firm grasp of its effects, intentions, and implications.<sup>17</sup> This "step in the right direction" was a move that George Burt "welcom(ed) wholeheartedly," provided that the extra jobs which would be created were allocated to areas that were in the most need, notably Windsor. President of Local 200, Ford in Windsor, immediately stood behind the union director saying that he saw the merit in the government's policy, but also echoed his hope that the newly-created jobs be granted to his Ford Windsor plant, one of the largest sufferers of recent layoffs. Local 195 president Hugh McConville, head of the oldest auto local in Canada, joined his colleagues in welcoming the move, and correctly recalled that it was in line with what the mainstream of the union had suggested many times.<sup>18</sup> The only UAW request was that the jobs be allocated properly, as in general it was felt that the automobile industry would be able to adjust itself quickly and cleanly to the new circumstances.

The Canadian UAW's reaction to Bladen's proposal surely came as no surprise to observers given the fact that the principle underlying it was that called for by the union. Yet the response of the biggest opponent to integration within the union was unexpected. Local 444 had been the first group to show opposition to the District Council stance on freer trade, and had subsequently sent Vincent Bladen the first dissenting brief from a union. However, in late 1962, with automobile industry integration beginning to take practical effect in Canada, Local 444 retreated to join mainstream labour. Charles Brooks, its president, said that he welcomed the new scheme and recognized that the government was becoming alert to the situation in the industry. His only reservation was

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<sup>17</sup>Hugh Peacock, Research Specialist, Canadian Region UAW to Woodrow Ginsburg, December 7, 1962, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 16, WSU, Detroit, Michigan.

<sup>18</sup>*Globe & Mail*, October 30, 1962.

that he felt that this would not mean more jobs, since most of the parts in Canada would be made through automation.<sup>19</sup> The leader who had so forcefully opposed even the mention of integration just months earlier, had now joined the mainstream in wholehearted support, with the same mild skepticism concerning employment issues. This 'pilot duty-remission plan' was initiated, announced and enacted, without dissent by the manufacturers, the Canadian consumer, the United States, and most notably, the Canadian UAW and its prior internal opposition.

After exactly a year of operation, on October 22, 1963, the 'pilot plan' of duty remissions on engines and transmissions was broadened out into the 'full-duty remission program.' The new plan extended the October, 1962, scheme to make *all* imported parts and finished vehicles eligible for duty remission, and no longer just transmissions and engines. In the spirit of the original, manufacturers would be required to exceed the Canadian-content levels of exported cars and parts over that of the previous year. After this was met, manufacturers would again be able to earn duty remission on one dollar's worth of any car or parts imports for each dollar of Canadian content in their exports.<sup>20</sup> The purposes of the new program, outlined in a news release by the federal Department of Industry, were not different from those of the pilot scheme: to increase production and employment in Canada, to improve the country's balance of trade position, and lastly, to give auto producers incentive to achieve larger production runs and greater degrees of specialization.<sup>21</sup> Although this unilateral government action caused an immediate flurry of protests from the United States,<sup>22</sup> the reaction of the Canadian UAW was much the same as it had been in the year prior.

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<sup>19</sup>*Globe & Mail*, October 30, 1962.

<sup>20</sup>*The Canada-US Automotive Agreement: An Evaluation*, pg.38.

<sup>21</sup>D. D. Thomson, *The Canada-United States Automobile Agreement: Its Effects and Future Canadian-American Trade Relations*, Carleton University, M.A. Research Essay, 1969, pg. 8.

<sup>22</sup>In reference to the 1962 remission plan, Carl Beigie stated that "there appears to have



Just weeks before the announcement of the 'full duty-remission program,' the Canadian UAW had expressed its satisfaction with the effects of the 'pilot plan' in its first few months of operation. The union recognized that in the first five months of the program total imports of cars, trucks, and parts from the United States was over 15 per cent above what it had been for the first five months of the previous year. This, and the overall rise in imports, was attributed directly to the original plan.<sup>23</sup> Rumours that the government was considering an extension of the transmissions and engines ruling to other components were received favourably by the union just weeks before the formal announcement.

On the day that the new program was announced, George Burt was in Ottawa meeting with both the Minister of Industry and Minister of Labour to discuss employment concerns. The Canadian UAW Director immediately pledged his union's support to the policy.<sup>24</sup> Recognizing that the principle was good, George Burt immediately arranged a meeting through his Windsor MP Herb Gray with Industry Minister Drury and Finance Minister Gordon to converse on job implications. Burt believed it would be a "travesty of justice" if integration took place and Windsor, which had experienced a recent epidemic of "runaway plants", did not reap some benefit.<sup>25</sup> In the span of a week, Burt

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been no significant objection to the original Canadian move." (pg. 38). However, this was certainly not the case with the follow-up in 1963. The United States was questioning it almost from the day of the announcement. They felt that the Canadian government was unilaterally giving export incentives to the local industry while circumventing GATT rules. It was being painted as a trade policy, remarked the US, when it actually was a means of improving Canada's payments and employment situations at the expense of their southern neighbours. The dissatisfaction of the United States government and hints of possible retaliatory measures can be seen on the front pages of Canadian newspapers in the days following the announcement, and indeed up until the resolution in 1965.

<sup>23</sup>Hugh Peacock to Tony Cannole, August 18, 1963, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 16, WSU, Detroit, Michigan.

<sup>24</sup>*From Plant to Politics*, pg. 118.

<sup>25</sup>"Auto Talks on Monday: Burt to Meet Ottawa Members." *The Globe & Mail*, October 23, 1963, pg. 1

was given the attention of the ministers of labour, industry, and finance, all on separate occasions, to voice his approval, and, more importantly, his concerns.

Employment shifts became such a huge concern to the people of Windsor that the Finance Minister agreed to come to that city within the week to address the union as well as any others who wished to attend. The Greater Windsor Foundation<sup>26</sup>, which would host Walter Gordon's evening, strongly urged any interested Windsor residents to come and hear the minister discuss the subject that was so close to everyone's lives in the community: the recently announced changes in the automobile industry.<sup>27</sup> On October 26, with George Burt and his wife being two of the nine people at the dinner meeting's head table, strong union advocate and general manager of the *Windsor Star*, a certain Graybiel, rose to introduce the guest speaker to the 600 in attendance. After talking about Gordon personally, Graybiel made a point close to the minds of the union and other observers present:

The translation of sound principle into sound practice proved a more difficult operation than Mr. Gordon or anyone else had expected.... We Canadians are wonderful at approving things in principle...that doesn't cost anything. But when someone presents us with a bill for putting those principles into practice, our howls would put a Banshee to shame.<sup>28</sup>

The scheme, as one of integration and solving longtime industry problems, was celebrated at the meeting. After explaining the importance of the plan to the nation and industry as a whole, Gordon's speech became a 'pep talk' for the Canadian UAW and the people of Windsor, attempting to convince them that *they* would benefit, especially in terms of employment.

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<sup>26</sup>The Greater Windsor Foundation was a voluntary organization, founded in 1961, in order to "help the community when it was realized that there was a deep sense of apathy and discouragement and erosion in [the] employment situation." (*Windsor Star*, October 28, 1963). George Burt and his union had been firm supporters of the progressive foundation, and continued to be throughout its existence.

<sup>27</sup>*Windsor Star*, October 23, 1963.

<sup>28</sup>"Diverse Crowd Hears Gordon." *Windsor Star*, October 28, 1963.

The willingness of the union to accept the government's program was further evidenced four days after Gordon's speech. The program sparked considerable opposition from among the automobile corporations, and most notably from the Auto Parts Manufacturers' Association (APMA). On October 30 Drury attempted to explain and justify the new initiative to the APMA. At the same time that this rather tense meeting occurred, the Canadian UAW staged a mass demonstration in support of government and the scheme outside of the gathering.<sup>29</sup> For the time being the union was willing to support Ottawa's moves in their industry.

Despite the union's approval of the progressive legislation put forth by the government to improve the auto industry, there were indications by mid-1963 that the Canadian UAW was not satisfied with Ottawa. When the District Council sent the locals a questionnaire asking for their feelings on the federal election results of April 8, 1963, and the resulting shift to a Liberal minority, the single word that appeared most fitting of the overall response was "disappointment."<sup>30</sup> The locals believed that this was simply a victory for the *status quo* and that they "may be due for some reactionary legislation." However, the Canadian UAW was optimistic that the NDP, which had faithfully stood behind the union agenda on auto industry alteration since 1960, received the votes of one million Canadians and would perhaps be able to keep the Liberals from moving too fast to the right.<sup>31</sup>

Immediately upon the new government's coming to power the Canadian UAW began pressing it for the establishment of a protective and monitoring organization. Echoing its recommendations made in the Bladen submissions, the union started

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<sup>29</sup>*From Plant to Politics*, pg. 118.

<sup>30</sup>'Report to Canadian UAW Council Meeting in Port Elgin, Ontario on June 15 & 16, 1963, Submitted by George Burt, Canadian Director, UAW,' UAW Toronto Sub-Regional Office Collection, Series 2, District Council 26, Accession 296, Box 14, File "Meeting, June, 1963, Report," WSU, Detroit, Michigan.

<sup>31</sup>'Report to Canadian UAW Council Meeting in Port Elgin, Ontario on June 15 & 16'

demanding in 1963 that a continuing tripartite committee of government, labour, and management be set up in order to plan ahead to make integration work to the benefit of all Canadians, most notably workers. In no other way, the union stressed, could the legitimate fears of workers be allayed.<sup>32</sup> These early requests fell on deaf government ears, as the Liberals continued to remark that the employment situation in Ontario auto towns would indeed benefit from the steps towards integration, and would certainly not suffer. The Canadian UAW, which had strongly supported the principles of both moves towards integration, had some genuine fears and concerns at this early stage that they felt were not being addressed.

#### **JANUARY TO NOVEMBER 1964**

In January, 1964, the American auto manufacturer, Studebaker, announced its decision to move its North American operations to Canada, thus kickstarting exactly one year of intense, and at times potentially disastrous trade squabbling between Canada and the United States. With demands for action coming from American labour, parts manufacturers and Congress, George Ball, the Under Secretary of State, and President Lyndon Johnson resolved to raise the problem with their Canadian counterparts, Paul Martin and Lester Pearson respectively, in upcoming January talks.<sup>33</sup> In Johnson's meeting with Pearson in Washington, the Prime Minister affirmed his government's decision to continue with the controversial Canadian scheme and even refused to partake in an intergovernmental committee suggested by the President "to explore continental rationalization...and report back in six months." Ball, in a manner a little more firm than the President, warned Martin that probably the only way that Canada could avoid the

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<sup>32</sup>UAW Press Release, Windsor, Ontario, January 26, 1966, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 11, WSU, Detroit, Michigan.

<sup>33</sup>"Cast in Concrete for All Time? The Negotiation of the Auto Pact," pg. 288-94.

imposition of countervailing duties would be by agreeing to jointly examine the continental integration option while in the meantime suspending the existing program. Martin responded that the duty-remission scheme had been closely studied and that it was the only way to achieve what needed to be done in his country. As a result, despite growing American pressure, the Canadians remained committed to the *status quo*.<sup>34</sup>

By March the domestic pressure on the American administration to act to kill the Canadian scheme had grown immensely. The American officials had created a group to study the impact of the duty-remission plan on the American economy and discuss the program with the auto manufacturers. As well, twenty members of Congress and the influential American UAW spoke out against the Canadian scheme and threatened to make Johnson's response to it an issue in the upcoming election.<sup>35</sup>

In Canada, government officials as well as the industry were making known their views that the current trend was leading towards increased US domination of the parts industry and a possible "pass[ing] out of existence" of Canada-owned parts' makers. Canadian officials, even with the knowledge of how sensitive the issue of US domination of Canadian industry was to voters, declared their determination to move forward with their plans. "We've got to take our chances on this thing," said B. G. Barrow, assistant to Minister of Industry Drury, adding "but in the long run we think we'll be better off."<sup>36</sup> The Canadian UAW, observing the furor in the United States and the strength of continental ideas in Canada, at this point certainly realized that freer trade would be the logical outcome of these events, which began four years prior with the Bladen Commission. As a result, in March the union began playing an active role in preparing

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<sup>34</sup>"A Continental Philosophy: Canada, the United States, and the Negotiation of the Auto Pact, 1963-65," pg. 448.

<sup>35</sup>"A Continental Philosophy: Canada, the United States, and the Negotiation of the Auto Pact, 1963-65," pg. 449.

<sup>36</sup>United States Congressional Record-Senate, March 30, 1964, pg. 6284, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 8, WSU, Detroit, Michigan

its own stance on the matter receiving so much recent attention in North American relations.

For the next few months the Canadian UAW dealt with the free trade question largely through their membership in the Canadian-American Committee. The Committee, which was established in 1957 to study problems of Canadian and American interdependence, found its members from within business, labour, agriculture, and the professions. The Committee's mandate was to undertake objective studies and subsequently publish reports issuing policy statements on pressing matters ideally agreed upon by all four social groups comprising its membership, and by members representing both nations.<sup>37</sup> The biannual meetings of the Committee in 1964 held special interest for the Canadian UAW and its labour supporters, including the Canadian Labour Congress, as recent developments in the automobile industry dominated the proceedings. After discussing the impact of free trade on various industries, it was decided that a report would be drawn up on the subject, to be called *A Possible Plan for A Canada-US Free Trade Area*.<sup>38</sup> Over the next few months until the September meeting a selected committee would prepare a final draft of the integration proposal and then attempt to secure the signatures of member parties, including of course the CLC and Canadian UAW, before publication. Although the union was not to play an active role in the creation of the document, it anxiously awaited its presentation, the opportunity to scrutinize, and ultimately the chance to express their wishes and concerns through it.

Meanwhile, fourteen complaints and requests for the imposition of countervailing duties had been received by the United States government by May, 1964, when the

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<sup>37</sup>Canadian-American Committee Publication, *Towards a More Realistic Appraisal of the Automotive Agreement: A Statement* (Washington & Montreal, 1970), NLC, HD9710C22C3, pg. 2.

<sup>38</sup>'Minutes of the Thirteenth Meeting of the Canadian-American Committee, Hotel America, Houston, Texas, March 20-21, 1964,' UAW Region 7- Canadian Regional Office, Accession 372, Box 11, File 1, WSU, Detroit, Michigan

Modine Manufacturing Company of Racine, Wisconsin formally requested the application of countervailing duties against Canadian radiator imports. This set in motion a tense situation for the American government which was itself split on the issue: the State Department opposed the imposition of retaliatory duties, the Departments of Commerce and Treasury were in favour, while the President wanted to seek "a mutually satisfactory alternative solution" not involving any retaliation.<sup>39</sup> Reluctantly the White House was forced to allow Modine's petition to proceed, and remarked that the final decision would include all Canadian auto imports to the United States and not solely radiators. Walter Gordon, while on the outside remaining tough and committed to moving forward as if all were normal, privately realized that as the investigation in the United States proceeded new investment and new orders in Canadian plants would cease, and the entire Canadian program would be undermined.<sup>40</sup> Probably sooner than later Canada would be forced to take a seat at the negotiating table of North American automotive free trade.

In May and June the leadership of the Canadian UAW continued to make its agenda known both in public and private quarters. Future Canadian Auto Worker Director Robert White recalls chauffeuring UAW President Walter Reuther and Canadian Director George Burt around Detroit on May 24, 1964 during a labour rally at the city's Crang Plaza. The conversation between the two leaders in the backseat of White's car was not concerning the current labour difficulties, but rather the inevitable continental auto industry rationalization, which both men recognized was unquestionably around the corner. Burt made clear to President Reuther that his prime objective with concern to the United States and the parent union was to get Canadians the same wages as Americans. After claiming that the Canadian union needed American UAW help to

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<sup>39</sup>"Cast in Concrete for All Time? The Negotiation of the Auto Pact," pg. 288-94.

<sup>40</sup>"A Continental Philosophy: Canada, the United States, and the Negotiation of the Auto Pact, 1963-65," pg. 452.

achieve this, Reuther enthusiastically concurred.<sup>41</sup> The private concern that Burt expressed in the backseat was not, however, his only, or even his most pressing. His continued pleadings for worker protection proceeded unabated, and were becoming more public as the day of change approached.

One week after Burt's conversation with Reuther, Toronto Sub-Regional Director of the UAW and rising labour figure Dennis McDermott was in Hamilton, Ontario, reiterating his union's and his own central concern. McDermott gave a speech at the biennial Canadian Conference on Social Welfare concerning "manpower implications of technological change," an obvious reference to the upcoming metamorphosis of his automobile industry.<sup>42</sup> After discussing the realities of the less desirable sides of automation and technological change on humans and how the installation of new equipment inevitably is the cause of job dislocation, McDermott proceeded onto general and then more specific points.

Broadly speaking, the leader stated that labour must develop new revolutionary social and economic concepts and with great determination attempt to win the support of other progressive or potentially progressive segments of Canadian society. He then focused on specific workforce problems he saw on the horizon. In reference to the improper handling of plant relocations and layoffs, McDermott listed some guarantees on which unions must press government and the industry, including improved mobility for workers, adequate moving allowances, establishment of retraining facilities, and probably most important, maintenance of income during periods of dislocation.<sup>43</sup> He

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<sup>41</sup> *Hard Bargains: My Life on the Line*, pg. 72.

<sup>42</sup> "Manpower Implications of Technological Change," speech by Dennis McDermott, Sub-Regional Director, UAW (Canadian Region), June 2-5, 1964, Hamilton, Ontario, UAW Toronto Sub-Regional Office Collection, Series 1, Region 7, Accession 296, Box 8, File "McDermott, Dennis, Reports, 1964," WSU, Detroit, Michigan.

<sup>43</sup> "Manpower Implications of Technological Change," McDermott speech, June 2-5, 1964.



drew to a close by reminding his audience, and in doing so government and management as well, the necessity of considering the human element in times of industrial change:

Who has a better appreciation than this audience of the human drama that unfolds the minute the breadwinner of a large household arrives home, bangs down his lunchpail, and half-defiantly, half-apologetically, announces: "I got laid off"? ...I propose a slogan..."Each of us has so much time to spend on this earth. If what we do is not for the immediate benefit of human progress and human welfare, then it isn't worth doing."<sup>44</sup>

McDermott's message on technological change generally, and the necessity of considering workers at this time of approaching auto industry change specifically, was made loud and clear in June.

July and August proved to be difficult months for bilateral relations in terms of the growing automobile industry dilemma. At a July 7, 1964, meeting of Canadian and American officials, the two parties came close to resolving their differences. The Canadian delegation, led by Simon Reisman, indicated that they wanted trade, investment, and employment in Canada to remain at least equal to that of the present system. The American delegation, led by Phillip Trezise, Deputy Assistant Secretary of State for Economic Affairs, claimed it was willing to concede Canada a more proportional share of new investment and strongly suggested the Canadian scheme be replaced by industrial rationalization. After Reisman stated that "conditional" free trade was desired by his side rather than simple tariff reductions, both sides appeared to agree on some basic provisions, including tariff reductions accompanied by ongoing observation to ensure that Canada's objectives were being satisfied.<sup>45</sup> However, at the follow-up August 17 meeting all prior progress was lost. Canada's solid proposal of increasing its automobile production to six per cent of the North American total within

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<sup>44</sup>"Manpower Implications of Technological Change," McDermott speech, June 2-5, 1964.

<sup>45</sup>"A Continental Philosophy: Canada, the United States, and the Negotiation of the Auto Pact, 1963-65," pg. 457.

three years, intended to achieve the same results as the existing controversial scheme, was unacceptable to the Americans. When the US counter-proposal was subsequently rejected by the Canadian team, it became clear that the meeting was at a deadlock.<sup>46</sup> The main problem from the American perspective was that the Canadian position was viewed as too concrete and definitive, as the United States was thinking about tariff reductions while Reisman and his group were thinking more in terms of production guarantees.

Early September saw intense efforts to resolve the differences that had surfaced in August. The automotive issue was discussed on at least three occasions within the first two weeks of the month, between Canadians Pearson and Gordon and Americans Johnson, Dillon, and Rusk. By month's end an apparent compromise appeared to emerge. The Canadian team presented a new proposal in which they would seek "letters of undertaking" from the car manufacturers in order to set out overall targets that would provide for an increase in Canadian value-added and proportional growth of the home market.<sup>47</sup> This idea, not formally connected with the potential intergovernmental agreement, would mean that Canada could pursue an arrangement within its own borders rather than with the US government, in order to satisfy its desire for guarantees. By late September it appeared that an arrangement mutually satisfactory to both countries was in the making.

The developments between the two nations created great interest for, and coincided nicely with, the second annual meeting of the Canadian-American Committee, this time held in Ottawa's Chateau Laurier Hotel on the September 25-26 weekend. George Burt, having anticipated the presentation of the document on sectoral free trade for the past six months, received word days before the meeting that the Prime Minister

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<sup>46</sup>"Cast in Concrete for All Time? The Negotiation of the Auto Pact," pg. 288-94.

<sup>47</sup>"Cast in Concrete for All Time? The Negotiation of the Auto Pact," pg. 288-94.

and Finance Minister would be attending as special guests.<sup>48</sup> Furthermore, the recent developments in Canada-US trade talks as well as an account of the study being made on the impact of continental free trade would be the focal point of the gathering.<sup>49</sup> On the weekend of the meeting the issues of wage rates and other labour issues concerning sectoral free trade received ample attention. The identity and impact of a possible free trade arrangement was explored before it was revealed that the completed Committee report was in the process of being considered for publication.<sup>50</sup> Although the discussions of the two days seemed to veer away from the specific dislocation concerns of George Burt, the publication, to be released in a matter of weeks, would be sure to spark discussion and indeed controversy on the issue.

The leaders of the Canadian UAW and the NDP in Ottawa spent a good part of October pressing the government on the issue of legislation for dislocated workers being built right into the approaching deal. On October 26 the Canadian UAW brought a delegation to Ottawa to pressure Bud Drury and Paul Martin for worker protection. Specifically the labour group requested transfer rights, retraining pay, transportation costs and portable pensions, all on top of the assumed adjustment assistance.<sup>51</sup> The following day, NDP leader Tom Douglas brought the question up in the House of Commons, asking Finance Minister Walter Gordon if he had any intentions of introducing “some type of trade adjustment legislation” to protect workers against job dislocations, which were a

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<sup>48</sup>John Miller, Secretary of the Canadian-American Committee, to George Burt, September 8, 1964, UAW Region 7- Canadian Regional Office, Accession 372, Box 11, File 1, WSU, Detroit, Michigan

<sup>49</sup>Preliminary Agenda, Canadian-American Committee Meeting, September 25-26, 1964, Hotel Chateau Laurier, Ottawa, Canada, UAW Region 7- Canadian Regional Office, Accession 372, Box 11, File 1, WSU, Detroit, Michigan

<sup>50</sup>Minutes of the Fourteenth Meeting of the Canadian-American Committee, Chateau Laurier, Ottawa, Ontario, September 25-26, 1964, UAW Region 7- Canadian Regional Office, Accession 372, Box 11, File 2, WSU, Detroit, Michigan

<sup>51</sup>UAW Press Release, Windsor, Ontario, December 30, 1964, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 8, WSU, Detroit, Michigan

distinct possibility. After responding that intergovernmental talks were only occurring on an informal basis, Gordon side-stepped the union and NDP concern by meaninglessly stating “it seems to me that there are a whole set of hypothetical conjectures in that question” and added that he believed that the Minister of Labour was dealing with the issue.<sup>52</sup> Just how well the ministers understood the pleadings of the Canadian UAW was evidenced in the next round of bilateral “informal” negotiations.

The Canadian negotiating team returned to the table with the United States in late October. Reisman and the group insisted that language be used to maintain all present assembly operations in Canada as well as content provisions to protect parts’ manufacturers from American competition. The team believed that they were staying loyal to the industry and labour fears put forward to Drury earlier in the month, and that these provisions would ensure that employment levels were maintained and that the new program would not cause disruptions in the auto industry.<sup>53</sup> This Canadian persistence was more a response to concerns expressed to Drury by industry that parts manufacturers were going to be disrupted, and less a response to the expressed union agenda regarding protection legislation for individual workers who would become displaced as the industry readjusted. As the positions of Canada and the United States began to converge, the Canadian UAW became more and more fearful that the one provision they had been requesting for the past four years was not going to be forthcoming.

By November the White House became convinced that the recent Canadian proposal offered a way to diminish the threat posed by the duty-remission scheme to the American administration’s domestic and bilateral policies. With the threat of the imposition of countervailing duties finally lifted, the White House instructed the American negotiating team to pursue this most recent Canadian proposal on a “very

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<sup>52</sup>House of Commons Debates, October 27, 1964, pg. 9459.

<sup>53</sup>“A Continental Philosophy: Canada, the United States, and the Negotiation of the Auto Pact, 1963-65,” pg. 461.

serious basis.” From the United States perspective, an agreement of this nature would enable both countries to avoid a potentially-nasty trade war, to integrate production, and to ultimately move towards closer overall economic ties. President Johnson was satisfied, realizing that the cost to his country was not too great, namely “a modest increase in Canadian automotive production.”<sup>54</sup> All that remained to finalize the free trade deal were the formalities.

By the end of November, seeing how close the continental deal was from being consummated, the Canadian-American Committee began circulating the draft publication of *A Possible Plan for Canada-US Free Trade Area* to its members with the greatest interests at stake. The Committee’s purpose was to seek opinions and views on the work, more importantly to be followed by endorsing signatures.<sup>55</sup> One of the first drafts to be circulated, perhaps the first, was sent to the Canadian Labour Congress. The CLC immediately acknowledged that the policy of the Canadian trade union movement, which they claimed to represent, over the years had been one of favouring free trade within the framework of the General Agreement on Trade and Tariffs (GATT). After telling the Committee that it wanted stated at the outset that this was a speculative study and in no way represented an official policy proposal, the CLC claimed that it would be willing to sign the document.<sup>56</sup> Immediately after the Committee secured the CLC endorsement, they set their sights on the equally significant Canadian UAW.

On the same day that the Committee received its positive reply from the CLC they sent out a letter with a copy of the report to George Burt. The Committee Research

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<sup>54</sup>“A Continental Philosophy: Canada, the United States, and the Negotiation of the Auto Pact, 1963-65,” pg. 463.

<sup>55</sup>Claude Jodain, President, Donald MacDonald, Secretary-Treasurer, J. Morris, Executive V-P (CLC), to Mr. English, Acting Director of Research, Private Planning Association of Canada (Can-Am Committee), November 20, 1964, UAW Region 7 Canadian Regional Office, Accession 372, Box 11, File 1, WSU, Detroit, Michigan.

<sup>56</sup>Claude Jodain, Donald MacDonald, J. Morris, to Mr. English, November 20, 1964.

Director, R. A. Matthews, decided to mark the report in red and blue colour ink, the blue ink indicating the most important points, the sections that he felt the union would want to study extra closely. On November 25 Matthews sealed the envelope and sent it off expressing his strong hope that after looking over the material, Burt would be prepared to attach his signature, and by extension, his union's support.<sup>57</sup> In the days ahead the Committee would become restless with Burt's silence and proceed to inquire into his lack of a response.

### **DECEMBER 1, 1964 TO JANUARY 16, 1965: THE FINAL SIX WEEKS**

By December 1 the Canadian-American Committee had become quite alarmed by George Burt's failure to reply to the latest correspondence and request for endorsement. The Committee recognized that late November and early December was the busiest time of the year for labour contract negotiations with management, but insisted that Burt waste no time in attending to this matter. As this was the second request, the Committee made clear its desire to have a decision immediately, and preferably by phone in order to save precious time.<sup>58</sup> Indeed, there was little time available to waste. A week into December, the Canadian and American officials met at the Montebello resort in Quebec to finalize the language of the treaty. At the same time, Drury was successfully wrapping up negotiations with Ford, General Motors and Chrysler in Canada concerning the important production guarantees.<sup>59</sup> With news of the impending deal leaking into the Canadian

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<sup>57</sup>R. A. Matthews, Director of Research, Canadian-American Committee, to George Burt, November 25, 1964, UAW Region 7-Canadian Regional Office, Accession 372, Box 11, File 1, WSU, Detroit, Michigan.

<sup>58</sup>R. A. Matthews, Director of Research, Canadian-American Committee, to George Burt, December 1, 1964, UAW Region 7- Canadian Regional Office, Accession 372, Box 11, File 1, WSU, Detroit, Michigan.

<sup>59</sup>"A Continental Philosophy: Canada, the United States, and the Negotiation of the Auto Pact, 1963-65," pg. 463.

press, it was obvious that an agreement of great magnitude was weeks, perhaps just days, from being announced in Washington and Ottawa.

George Burt knew the importance of the little time he had left. On December 9, 1964, two weeks after the request, the Canadian Director submitted his reply to the anxious Canadian-American Committee. After reviewing the sixty page document carefully, Burt was drawn closely to four specific paragraphs buried within it. Section 5, paragraphs 23 through 26 inclusive was the part of the document that held the greatest interest to Burt. Paragraph 23 stated that the two countries “will establish programs of adjustment assistance to aid...workers...lacking the resources and skills required to adjust to...reciprocal free trade.” Acknowledging that the adjustment difficulties of free trade would be greater in Canada than the United States, the report said that an Adjustment Assistance Board would be set up, and by means of petitions would be responsible for determining that “injury to...workers...is attributable in major part to increased imports resulting from forming the free trade area.” After such a determination was made, paragraph 24 stated, appropriate and adequate funds would be granted to the affected workers.<sup>60</sup> The leader of the Canadian UAW was not at all convinced.

George Burt, speaking on behalf of his union, admitted that his biggest concern was what sort of effect a drastic change in the trade relationship of Canada and the United States would have on the communities and people that would ultimately suffer from dislocation and unemployment. His concern was that the suggestion of adjustment assistance in the four paragraphs was “not definitive enough to reassure the communities and people involved, particularly when we have seen industrial dislocations in some of our cities and the government has done nothing about it.”<sup>61</sup> Burt qualified his statement

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<sup>60</sup>Canadian-American Committee, *A Possible Plan for a Canada-US Free Trade Area: A Staff Report* (Montreal and Washington, 1965), NLC, HF1480.15U5P67, pgs. 9-10

<sup>61</sup>George Burt to Mr. Roy A. Matthews, Director of Research, Canadian-American Committee, Montreal, December 9, 1964, UAW Region 7- Canadian Regional Office, Accession 372, Box 11, File 1, WSU, Detroit, Michigan

about government inactivity by using two examples. First, he cited the case of a Toronto electrical company which moved its operations to Markham. No provision was made for employee movement, and as a result all new people were hired in Markham while all of the original company employees lost their jobs. Burt noted that the federal government irresponsibly referred the matter to the provincial government, which in turn made a public statement about the issue but did absolutely nothing to relieve the “suffering” of the victims. Second, he mentioned the case of the Ford plant that moved its complete assembly operation from Windsor to Oakville in 1953, resulting in “untold hardship” for workers who had up to 20 years seniority and lost their jobs. These men, who exhausted their Unemployment Insurance benefits and ended up on city relief, found no help forthcoming from the two upper levels of government.<sup>62</sup> Such a knowledge of the history of government inactivity in the face of industrial changes was all Burt needed in order to come to a conclusion regarding the December 1964 question:

My point is simply that a government who did nothing about the dislocation caused by the movement of plants in the abovementioned cases would probably do nothing about the same type of dislocation which would occur under the proposal before us<sup>63</sup>

The document’s lack of definition was enough to leave Burt unconvinced.

Burt reiterated to the Committee his awareness of the federal government’s trend towards lowering tariff barriers in the automobile industry, and stated that his reason for being hesitant in supporting the government’s program was because there was no *actual* entrenched machinery available through either the Canada or Ontario government to deal with the dislocation problem. Using a catchy simile, Burt claimed that to support the government’s program as it stood would be like “buying a pig in a poke.”<sup>64</sup> The Director closed by mentioning that he had spent much of the interim discussing the program with

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<sup>62</sup>George Burt, to Mr. Roy A. Matthews, December 9, 1964.

<sup>63</sup>George Burt, to Mr. Roy A. Matthews, December 9, 1964.

<sup>64</sup>George Burt, to Mr. Roy A. Matthews, December 9, 1964.



others in the Canadian UAW, and despite the CLC's endorsement, his union would not be prepared to attach a signature to the document.

Within twenty-four hours of having the Canadian UAW's negative response, the Canadian-American Committee sent its own response back to Windsor. The Committee's Research Director, the man set with the task of getting signatures, unhappily stated that he felt the union's criticism was aimed at governments rather than the report. The Committee's view was that major changes were inevitable and that it was Canada's choice whether it wanted to take an initiative or else have it forced upon the country. The response indicated its belief that large-scale adjustments would be necessary whatever happened and that the Canadian UAW should have taken this opportunity to record their reservations about the adequacy of governmental assistance rather than completely reject it.<sup>65</sup> Burt at this point would not be dissuaded, as he set his sights on more important things than the Committee in the last few weeks before the signing. He zeroed in on the Government of Canada.

On December 10, 1964, officials close to the Canadian-American negotiations announced that by January 1, 1965, the two governments hoped to achieve details on the upcoming auto free trade plan so that the agreement could be officially announced.<sup>66</sup> Just hours after the announcement a flurry of activity followed. Industry Minister Drury immediately met in private with approximately 150 Canadian parts manufacturers in order to explain the details of the plan.<sup>67</sup> At the same time, the Canadian UAW presented Drury with an angered protest. Burt sent the minister a telegram a matter of

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<sup>65</sup>R. A. Matthews, Director of Research, Canadian-American Committee, to George Burt, December 10, 1964, UAW Region 7- Canadian Regional Office, Accession 372, Box 11, File 1, WSU, Detroit, Michigan

<sup>66</sup>"Jan. 1 Auto-Plan Unveiling Reported Aim." *The Globe & Mail*, December 12, 1964.

<sup>67</sup>Anthony Westell, "Agreement Near: US Auto Tariffs May Be Off Soon." *The Globe & Mail*, December 11, 1964.

hours after seeing the news report protesting that there was no mention made of job protection for Canadian auto workers within:

The UAW demands that workers not be left to the tender mercies of free enterprise. It is impossible for the UAW to agree to any plan which disregards hardship and unemployment which result from dislocation of industry.<sup>68</sup>

Despite discussions between the Department of Labour and the Canadian UAW concerning available training and retraining facilities for additional workers who will be required of the plan,<sup>69</sup> George Burt's fear that his repeated requests for entrenched adjustment assistance were being overlooked was finally being confirmed.

Another of the union's requests that they felt was being ignored was their pleading for the establishment of a tripartite body of government, management and labour to deal specifically with the "details of the transitional period" under the proposed trade agreement.<sup>70</sup> This request had been made originally in the submission to the Royal Commission in 1960 and continued to be heard thereafter. The Canadian UAW felt that this type of a council would be able to identify and then deal with problems, and all in a spirit of cooperation. However, partly as a result of the manufacturers' unwillingness to engage in such an arrangement, the Canadian government's response to the continuous union pleading was to simply ignore it.<sup>71</sup> This source of frustration on the part of the union in December would, in the months ahead, turn into deep bitterness.

Apart from the lack of a tripartite body, another thing that frustrated the union was the lack of opportunity to scrutinize and criticize the proposed plan in the days before the signing. Secrecy hung over the negotiations from start to finish. Canadian officials from the beginning felt that the objectives of reducing Canada's trade imbalance and changing the industry to make it a more efficient producer and employer

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<sup>68</sup>*The Globe & Mail*, December 12, 1964.

<sup>69</sup>House of Commons Debates, March 22, 1965, pg. 12633

<sup>70</sup>House of Commons Debates, May 11, 1965, pg. 1161.

<sup>71</sup>House of Commons Debates, May 10, 1965, pg. 1116, and May 11, 1965, pg. 1161-3.

out-weighed the negatives. Yet, during the bilateral negotiations with the United States, the officials felt unable to argue the case openly and unable to disclose more than just bare essentials.<sup>72</sup> By the middle of December, as negotiations began to wind down, information about the impending deal began to leak out.<sup>73</sup> At this time the officials also mentioned that if “all goes well,” a complete and formal announcement would be made within weeks, or perhaps days.<sup>74</sup> With the Canadian public largely unaware of the proceedings and developments, it was virtually impossible for the Canadian UAW and Burt to exert public pressure to secure any information regarding the details of the upcoming plan, and as a result they could not officially lash out against the absence of safeguards, despite strong (and accurate) suspicions that they were indeed left off. Yet, once news started to leak out in December from sources outside the union, they could.

On December 30 George Burt sent another telegram to Bud Drury and Paul Martin in Ottawa. He acknowledged that although the union was unsure as to the exact plan, “we have been given the clear impression that it contains none of the protection for workers who will be displaced which were proposed by the UAW before the Bladen Commission in 1960.”<sup>75</sup> Burt set out his position one last time before the agreement’s birth:

The UAW...will never accept cavalier treatment of dislocated workers in the name of improved balance-of-payments ledger. We do not consider it enough to have bland assurance that plan will expand employment for Canadians. Even though increase in employment results from plan, dislocations could cause many workers to lose their jobs and pension rights; older workers especially will need help as will others in transitional period. Same thing applies to effected plants and communities.<sup>76</sup>

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<sup>72</sup>Clive Baxter, “Free Trade In Autos Will Be A Medicine With A Sting.” *Financial Post*, December 26, 1964.

<sup>73</sup>“Cheaper Cars.” *Windsor Star*, December 16, 1964.

<sup>74</sup>Maurice Jefferies, “New Auto Plan Getting Final Touches.” *Windsor Star*, December 21, 1964.

<sup>75</sup>UAW Press Release, Windsor, Ontario, December 30, 1964.

<sup>76</sup>UAW Press Release, Windsor, Ontario, December 30, 1964.

The position of the union was that, as it stood, they would not be able to support the implementation of whatever lay ahead.

The Canadian UAW felt that the government in these final days was manipulating them. There could be no forum in which to voice their concerns. In the October 26, 1964, meeting in Ottawa between labour and government, the union had pressed hard for worker protection, and specifically guarantees of transfer rights, retraining pay, transportation costs, and portable pensions. At the conclusion of that meeting, the government did nothing to appease the Canadian UAW but arrange for a follow-up meeting in January, 1965. Yet, in late December the union realized that the plan was actually slated to go into effect January 1, which was *before* the next meeting. "This being so," responded a defeated George Burt, "we are left with 'pig-in-poke' by your offer to see us early in the new year on our demand that protection for workers dislocated by the plan go hand-in-hand with its implementation."<sup>77</sup> Realizing that his union had been taken by the government's cynical scheme, Burt issued one eleventh hour demand that the implementation of the plan be stopped immediately. The Canadian UAW felt that everything had been dealt with adequately except for their one ever-present concern. It would be a "grave oversight" to put the plan into operation without worker protections.

The Canadian government, rather uncharacteristically, this time was quick to give Burt a response. It received the union's request to withhold implementation of the deal until dislocation protections were worked into the plan. In the first week of January, 1965, the Canadian authorities claimed that they saw "no reason for holding up implementation of the agreement on this account."<sup>78</sup> They argued that job security provision could only come about through negotiations between the individual

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<sup>77</sup>UAW Press Release, Windsor, Ontario, December 30, 1964.

<sup>78</sup>Bruce MacDonald, "Free Auto Trade Stalled For Lack Of GM Promise." *The Globe & Mail*, January 6, 1965.

manufacturers and the union, and that as a result it was not a matter for government.<sup>79</sup> However, ten days later, on January 16, 1965, it all became academic, as the historic Automobile Agreement was signed, effectively integrating production of vehicles and parts in North America. Job protection was not included in Canada, though it was to be in the United States.

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<sup>79</sup>*Globe & Mail*, January 6, 1965.

## **CHAPTER THREE:** **PRESSING GOVERNMENT, TO NO AVAIL**

### **THE FIRST DAYS: MID-JANUARY TO THE END OF FEBRUARY, 1965.**

On January 17, the day after the Automobile Agreement was signed, Canadian UAW Director George Burt and his assistant Tom McLean issued an official statement from London, Ontario. The two leaders, claiming to speak on behalf of the union's 80,000 Canadian members, approved "in principle" of the plan, but used the statement to register "strong reservations" concerning protection for workers affected by the deal.<sup>1</sup>

The union which five years prior had proposed that a Royal Commission consider North American automobile integration, plainly stated the day after its inception that the plan was only acceptable if six specific conditions were met. First, the union insisted on "preferential hiring" for displaced workers to guarantee that those laid off due to the Auto Pact remain in the industry and not lose seniority, pension, vacation, and other credits, as well as the wages that they had already achieved. Second, an "earnings-related adjustment benefit" to be paid during the period of job transfer or retraining was deemed necessary. The third condition the Canadian UAW requested was for "transfer allowances" covering transportation costs for the displaced worker and his family and furnishings to the new place of employment or training. Fourth, the union asked that Ottawa act to end "age discrimination hiring practices" in the industry so that older workers displaced as a result of the Auto Pact would not be refused employment in the sector. Fifth, in order to minimize the effects of dislocation the union insisted that Ottawa obtain management cooperation in having advance notice of major changes in automobile industry employment levels. The Canadian UAW's final demand was for the

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<sup>1</sup>UAW Press Release, London, Ontario, January 17, 1965, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 8, WSU, Detroit, Michigan

implementation of “supplementary pension benefits” to older displaced workers wishing to retire early rather than remain in the industry.<sup>2</sup>

Department of Labour programs in existence at the time, to George Burt’s mind, would unquestionably prove futile in meeting the adjustment needs under the new agreement, since as he pointed out, they were inadequate for their general intended purposes before the Pact. The union leader believed this “limited project” proved a “test case” for the federal government concerning the protection of dislocations in secondary industry resulting from trade and tariff alterations. Referring to the six conditions of his union, Burt stated that “our acceptance of the plan rests on the government’s early implementations such as these [sic]” at the time of the Pact’s signing.<sup>3</sup>

Months after the signing of the Auto Pact when federal NDP leader T. C. Douglas moved a motion stating that the government failed to take any steps to safeguard the interests of the automobile workers at the time of the deal, the Liberal government defeated the motion.<sup>4</sup> Many in the Liberal government either truly believed that they were listening to the demands of labour in these first few weeks, or else felt that they had to give the appearance of concern and action. In response to the NDP and Canadian UAW protests, Liberal Herb Gray stated in the House of Commons that at the time of the agreement steps were taken for the setting up of consultative machinery between government, labour, and management on the effects of the agreement. Gray cited a meeting between the government and the heads of General Motors, Ford, and Chrysler which resulted in a liaison by the National Employment Service regarding possible labour adjustment.<sup>5</sup> Furthermore, Labour Minister Allan MacEachen appeared to act in the first few days. After admitting that there was a possibility that some in the industry

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<sup>2</sup>UAW Press Release, London, Ontario, January 17, 1965.

<sup>3</sup>UAW Press Release, London, Ontario, January 17, 1965.

<sup>4</sup>“Auto Trade Agreement.” *OFL Labour Review*, July-August, 1965.

<sup>5</sup>House of Commons Debates, May 11, 1965, pg. 1160.

might suffer, MacEachen “ordered his department to coordinate plans with provincial labour agencies to minimize any job displacement” arising from the Auto Pact. As well, he “instructed” the National Employment Service to give preferential treatment to displaced employees to find new work. In response to the union’s third demand, the minister realized that the federal department most directly concerned with adjustments was the new Manpower Consultative Service, which could “recommend” the payment of half of a displaced worker’s moving costs.<sup>6</sup>

Sources close to Allan MacEachen, according to press reports, had reported George Burt as being “relatively satisfied” with the new program.<sup>7</sup> Yet MacEachen’s hollow *recommendations* and *orders* proved less significant in light of counter decisions made by other members of the government. Industry Minister Bud Drury’s reaction to union concerns was more representative of the government’s overall position. In a meeting between the minister and Canadian UAW officials seeking assistance that workers be protected in the face of the great production shifts necessitated by the Auto Pact, Drury stated that “every effort would be made to lessen the impact of adjustment, but any formal arrangements would have to be carried out between management and union....”<sup>8</sup> Three days after the signing of the Auto Pact, and alarmed by the government’s unwillingness to act, Local 222 Oshawa, “quite concerned,” requested a meeting with General Motors. The union feared that their Oshawa membership was going to be heavy-hit by the effects of the Pact and realized that government was not the direction to turn.<sup>9</sup> These feelings of desperation and despair were not confined to the one

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<sup>6</sup>“Auto Agreement- Pros, Cons.” *The Guardian: Official Voice of UAW Locals* 195, 200, 210, 444, Windsor, Ontario, Volume VIII, No. 13, February 15, 1965.

<sup>7</sup>*The Guardian*, February 15, 1965.

<sup>8</sup>*The Guardian*, February 15, 1965.

<sup>9</sup>W. T. Harding, Chairman, GM Shop Committee, Local 222, to Mr. E. H. Walker, President and General Manager, GM of Canada Ltd., January 19, 1965, UAW Region 7-Canadian Regional Office, Accession 372, Box 90, File 15, WSU, Detroit, Michigan



Oshawa local. The Liberal government's contradictory comments and lack of initiative to combat fears in the Auto Pact's first few weeks was of no comfort to the wider Canadian UAW in Ontario either.

Two sore spots stood out in the minds of the Canadian UAW and NDP concerning the Canadian government's passing of the Auto Pact. Both served to highlight the conspicuous absence of adjustment assistance in the deal. First, the superior handling of UAW concerns by the government in the United States during the negotiations and at the time of the signing became a point of comparison to be used by the Canadian union and the House defenders from January 16, 1965 onwards. Second, the Canadian government's unwillingness to bring the Ontario government into its confidence either over the Auto Pact or its accompanying dislocation problems, raised concerns among labour and its supporters. These problems, which would become a crisis in the months to come, were apparent at the beginning.

A month before the signing of the free trade deal, United States officials were busy conferring daily or twice daily with American labour. In Canada there was only limited consultation, none of which amounted to anything. The reason for this difference, in part, was that in Canada the deal was implemented without legislation, whereas in the United States congressional legislation was required,<sup>10</sup> and this meant scrutiny by the influential Ways and Means Committee of the House of Representatives. Unlike Canada, labour in the United States had an official forum in which to voice their concerns prior to their president's official support being attached to the bilateral agreement. In Canada, the Auto Pact came into being by order-in-council.

In the United States it was felt from the start that UAW International President Walter Reuther's support was absolutely necessary in order to ensure the passage of the

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<sup>10</sup>"Nearly 'Buttoned Up': US Officials Pushing Talks On Auto Trade." *Windsor Star*, December 16, 1964.

Auto Pact bill. The union leader's support was enlisted in two official ways. First, he expressed his official support of the agreement, and second, his support was given through the American Administration program providing special assistance to automobile workers whose jobs might be taken away as a result of the agreement.<sup>11</sup> On the day the Auto Pact became a reality, Reuther was quick to celebrate the agreement, but also warned of something that his Canadian counterparts knew all too well, namely that hardship for workers could result from production readjustments. Although he recognized that the United States had in place its Trade Expansion Act,<sup>12</sup> he insisted on legislation to protect workers.<sup>13</sup> The satisfaction of the UAW in the United States, the method of the deal's passing, as well as the American government's superior guarantees for its effected workforce all served to highlight the contentment of the UAW in the United States, and more importantly, the dissatisfaction of the Canadian UAW beginning in January 1965.

NDP leader T. C. Douglas, after reiterating that the views of his party and those of the Canadian UAW were "completely in agreement," praised the Americans' implementation of the deal and lamented that of Canada. Douglas believed that when the Prime Minister and President agreed to sign the Auto Pact, the latter was right to sign it subject to later ratification by United States Congress. Yet, Lester Pearson's passing of the deal by order-in-council, even amidst all the Liberal talk of democracy, was a travesty. Douglas found it quite revealing that when the agreement got to the American Senate, and a committee was set up and witnesses called, many, including the U.S.

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<sup>11</sup>C. Knowlton Nash, "How Canada Really Won Big Car-Deal Poker Game: Observers Still Wondering How Much Was Bluff In Our Talks About Raising Tariffs If We Lost." *The Financial Post*, October 28, 1965.

<sup>12</sup>The United States Trade Expansion Act of 1963 recognized in theory the obligation of the nation to protect those adversely affected by any trade agreement signed for the national good. To this date (1965) not one worker had been held eligible to receive adjustment assistance, but perhaps the Auto Pact can be seen as the Act's first true test.

<sup>13</sup>*The Guardian*, February 15, 1965.

Secretary of Labor, rose to show disappointment and regret for the lack of Canadian protection.<sup>14</sup> The government's handling of the Auto Pact came under attack immediately for its lack of labour adjustment provisions and for unwillingness to allow for a scrutiny and discussion seen as essential in any democratic process.

Another area that represented the federal government's failure to appease labour at the time of the Auto Pact's creation was Ottawa's refusal to heed the warnings of the Ontario government. The Pearson government, even with all of their talk of 'cooperative federalism,' from the beginning turned a deaf ear to Queen's Park's viewpoint that, at least in the short-term, the Auto Pact would have a serious and devastating effect on both the provincial economy and the livelihood of individual workers who would be thrown out of work while plants retooled and relocated.<sup>15</sup> Ottawa, justifying the deal by claiming that the agreement would mean more jobs in the long run, refused to discuss the possible ramifications of the Auto Pact with the province. Ontario Minister of Labour Leslie Rowntree, "much disappointed," revealed that the Pearson government refused to take provincial labour and Queen's Park into its confidence from the start.<sup>16</sup>

The provincial government was not even informed that the trade agreement was being negotiated until its announcement. Queen's Park only learned of the impending deal through unofficial reports circulating around the automobile industry. Furthermore, the few federal-provincial meetings that were held in the weeks after the fact only occurred because of Ontario's insistence.<sup>17</sup> Yet, External Affairs Minister Paul Martin ignored the warnings of his Queen's Park counterpart,<sup>18</sup> Arthur Reaume, Liberal member

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<sup>14</sup>Memo on Automation, Douglas, Oshawa, 1965, UAW Region 7- Canadian Regional Office, Accession 372, Box 9, Folder 5, WSU, Detroit, Michigan.

<sup>15</sup>"Anger At One-Way Street The Auto Pact Traveled." *The Telegram*, April 26, 1965.

<sup>16</sup>"Federal Aid In Layoffs Promised: MacEachen To Meet PM For Discussion." *Windsor Star*, April 23, 1965.

<sup>17</sup>*The Telegram*, April 26, 1965.

<sup>18</sup>It has been suggested that one of the reasons for the lack of cooperation between the two levels of government was because the Liberals were in power in Ottawa while the

for Essex North (Windsor), who was at the forefront of the provincial criticism of the deal. Reaume, obviously more in touch with the needs of his Windsor constituents than Martin, who many believed was more concerned with the situation in Vietnam and other international troubled spots, was outwardly upset and dismayed over the federal government's neglect of the province, and in turn labour:

If this were the province to the east (Quebec), and if the government of Canada was signing any agreement with any foreign power that may have a tremendous effect upon them, you would hear a man by the name of Levesque hollering clear across the country.<sup>19</sup>

The Canadian government's treatment of labour at the time of the Auto Pact plus Ottawa's refusal to listen to the pleadings of Queen's Park underlined the feelings of betrayal, neglect, and indifference felt by the Canadian UAW in the weeks after continental integration had begun.

### **MARCH, 1965.**

March of 1965 was an important month in the Canadian UAW's struggle to first, make Ottawa openly acknowledge that worker layoffs were on the horizon, and second, to force the government's hand on the matter. In one way the month can be seen as a microcosm of the struggle between government and labour that began in the early 1960s and was to last until the beginning of mass layoffs in the summer of 1965, and even beyond. A snapshot of these four weeks would show the undertaking of union studies on the deal, followed by and directly resulting in fear and uncertainty, coupled with the government's neglect and denial of the union's cries for help. Another way of looking at March 1965 is as a month that encompassed the period immediately before the layoffs in which Ottawa refused to listen to the last warnings of labour.

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Conservatives reigned over Queen's Park.

<sup>19</sup>*The Telegram*, April 26, 1965.

Realizing that government and management were mute on the subject, in March the Canadian UAW committed to giving the Auto Pact, and specifically the dislocation issue, in-depth study. At a UAW Canadian Council meeting George Burt announced that all union delegates would be brought into the study about to be undertaken on “the Canada-United States Automotive Trade Agreement and...adjustment assistance...for workers affected by the agreement.” Director Burt, accompanied by union research director Hugh Peacock, giving explanations to the ten ‘brothers’ who had made comments and “a considerable amount of discussion” on the issue, accepted that reports of job fluctuations be relayed immediately to Burt’s office “for preparation into a composite report for necessary action....”<sup>20</sup> At the meeting’s end it was apparent that there was serious criticism of the Auto Pact, primarily centered on the dislocation issue.<sup>21</sup> As well, at the same time, the Canadian-American Committee was in the midst of preparing a brief of Canadian reactions to the Auto Pact. Although unable to attend the March 19 meeting in Virginia due to prior engagements, Burt was greatly interested in the meeting’s agenda and in one session particularly. On the weekend’s preliminary agenda that was sent to Burt, he placed an asterisk beside the opening session. His interest was with “Recent Developments in Canadian-American Relations: Auto Scheme....”<sup>22</sup> Despite the leader’s absence, one of the other Canadian UAW members

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<sup>20</sup>Canadian UAW Council, Minutes of Meeting, Woodstock, Ontario, March 27-8, 1965,’ UAW Region 7- Canadian Regional Office, Accession 372, Box 72, File 11, WSU, Detroit, Michigan

<sup>21</sup>Report of UAW Canadian Director George Burt to Meeting of Canadian UAW Council, Woodstock, Ontario, March 27&28, 1965,’ UAW Toronto Sub-Regional Office Collection, Series 2, District Council 26, Accession 296, Box 14, File ‘Meeting, March, 1965, Minutes,’ WSU, Detroit, Michigan

<sup>22</sup>Minutes of the Fifteenth Meeting of the Canadian-American Committee, Williamsburg Inn, Williamsburg, Virginia, March 19-20, 1965’ and ‘Preliminary Agenda, Canadian-American Committee Meeting, March 19-20, 1965, Williamsburg Inn, Williamsburg, VA,’ UAW Region 7- Canadian Regional Office, Accession 372, Box 11, File 2, WSU, Detroit, Michigan

was to use this opportunity to voice the union's growing concern over the lack of safeguards.

Constant study was being undertaken by the Canadian UAW on the effects of automation in this period. Although many of the studies were of a general nature, it was no coincidence that the union's interest grew at this time. On March 5 George Burt showed up at a conference on technological change in Ottawa, also attended by the Department of Labour and other union members. In the meeting the topic of discussion was the effects of automation on employment and the workforce.<sup>23</sup> The Canadian UAW's commitment to the study of automation and technological change was an appropriate endeavour for early 1965.

Leaders of the labour movement were active at this time delivering their message concerning the need for the government to assist workers in the transition made necessary by technological change and trade agreements. Canadian Labour Congress associate research director Russell B. Irvine believed that trade negotiators were often handcuffed by the realities of manpower dislocations that inevitably accompany change. If a coherent and workable manpower policy ensuring that displaced workers find new jobs quickly, or be retrained, and suffer no great income loss in the interim were in place, then to Irvine's mind trade negotiations would be simplified, and easier to justify.<sup>24</sup> Canadian UAW leader Dennis McDermott had often spoken out on the issue as well. McDermott set out to dispel the "myth" that victims of automation and technological change within his ranks were untrainable. To him, the members of the Canadian UAW were "brilliant, articulate, self-educated people, most of whom graduated from the toil of the sweatshop...."<sup>25</sup> McDermott showed his confidence that people could be reoriented

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<sup>23</sup>'Eighth Meeting of the Advisory Committee on Technological Change, March 5, 1965,' UAW Regional Office, Accession 372, Box 6, File 2, WSU, Detroit, Michigan

<sup>24</sup>"To Break Down Trade Barriers." *OFL Labour Review*, July-August 1965, pg. 10.

<sup>25</sup>"Manpower Implications of Technological Change," McDermott speech, June 2-5, 1964.

and retrained for various new occupations. The writings and speeches of both McDermott and Irvine, among others, pointed to the need for government to stop ignoring the plight of the soon-to-be Auto Pact victims.

The information and studies of the Auto Pact circulating among the upper echelons of the labour movement in this period was by no means limited to the leadership. In March, seeing a potential crisis over the deal on the horizon, the union resolved to actively inform all members of the Canadian UAW about the issue. On March 1, 1965, the Windsor UAW Education Committee sent leaflets to all locals informing them of the series of educational classes to be held at Local 195 Hall commencing in two weeks. The committee pressed the locals to strongly encourage their membership to attend the meetings, which, it was felt, would help the locals respond to the consequences of the Auto Pact.<sup>26</sup> The first class, on March 15, was devoted solely to the most pressing of the day's issues, the recently-signed Auto Pact. The rank-and-file were encouraged to become active and informed participants in the growing struggle with Ottawa.

The main impetus behind the union's increasing need to study the effects of the Auto Pact was the failure to do so on the part of the federal government:

Up to this point...neither the Department of Industry which developed this "free trade" program, nor the Department of Labour which is responsible for the manpower and employment aspects of the program, have made any study whatever of the impact of this program on Canadian workers' jobs and incomes.<sup>27</sup>

Burt explained that it was "absolutely essential" that the union be prepared to inform Drury and MacEachen of any employment changes resulting from the Auto Pact so that the responsibility of government would not be ignored. Recognizing from past

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<sup>26</sup>Bob St. Pierre, Chairman, Local 195 UAW Education Committee, to 'Sir and Brother,' March 1, 1965, and attached was "Labour Education Classes Notice," UAW Canada, Accession 372, Box 86, File 14, WSU, Detroit, Michigan

<sup>27</sup>House of Commons Debates, May 11, 1965, pg. 1165.

experience that the government might ignore the union, he added that as a second option the NDP members in the House of Commons could demand to know why action was not being taken.<sup>28</sup>

By March, Burt and the Canadian UAW had come to accept that very few, if any, of their representations to government had been heard. Nothing had been done to satisfy the union's continuing request that tripartite arrangements be made. As well, not a single of the six proposals laid out by the union the day after the signing of the Auto Pact had been considered.<sup>29</sup> Indeed, at this juncture George Burt had lost what little faith he had:

...in our opinion the ability of the National Employment Service and the Department of Labour to correctly and quickly identify the areas of declining and expanding employment and their financial and other resources to promote labour mobility from one to the other is far short of adequate.<sup>30</sup>

The Canadian UAW's acknowledgment of government neglect and denial not only came about as a result of Ottawa's silence. As well, it became evident through the comments of some of the key Liberal ministers.

In March the word emanating out of Ottawa was that the Canadian UAW was over-reacting and exaggerating their repeated claims that the industry was to experience significant labour problems and that an assistance scheme was needed. As had been done many times before and was to occur many times later, on March 15 an NDP member brought up the dislocation question in the House of Commons to the Minister of Industry. A. D. Dales asked whether the minister realized the severity of the situation in Windsor and whether steps would be taken to re-employ the laid-off, given the fact that many of the Windsor automobile manufacturers had already lost approximately 70 per cent of their business to American manufacturers as a result of the Auto Pact. After

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<sup>28</sup>House of Commons Debates, May 11, 1965, pg. 1165.

<sup>29</sup>House of Commons Debates, May 11, 1965, pg. 1165.

<sup>30</sup>George Burt to Mr. Karl E. Scott, Ford Motor Company of Canada Ltd., Oakville, Ontario, March 26, 1965, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 10, WSU, Detroit, Michigan



reciting the now common Liberal rhetoric that the deal was leading to increased production and employment in Canada, Drury flatly denied the suggestion that any problem was arising in Windsor. Suggestions of current problems and troubles forecast for the near future were to Drury not grounded.<sup>31</sup> Denial of the existence of any problems in the face of impending labour adjustments in Windsor was not confined solely to Bud Drury.

Five days after Drury's rejection of the speculation, External Affairs Minister Paul Martin, in the *Windsor Daily Star*, had a similar reaction to the suggestion that office work at Ford and Chrysler in Windsor was to be reduced. Martin went on to refer to "idle rumours that are circulating that are completely false or exaggerate problems associated with changes in an expanding industry."<sup>32</sup> Immediately after reading the article Burt responded bitterly that Martin's and others' faint attempts at reassurance were merely for their own benefit, especially since "reductions in jobs...we know to be in the offing in several areas."<sup>33</sup> The silence of the Minister of Labour, and the denials of the Minister of External Affairs and Minister of Industry in the face of definite layoffs concerned the Canadian UAW.

The March meeting between the Department of Labour and the Canadian UAW quite predictably bore no fruit. By the middle of the month, facing tremendous pressure from the union and the NDP, MacEachen finally agreed to a meeting in Ottawa. One of the main items on the agenda was to be those workers already put out of work, and more importantly, those about to be put out in the immediate future as a result of the Auto Pact.<sup>34</sup> On March 11, the very day that the NDP put MacEachen's back to the wall in the House of Commons concerning his inactivity, the minister retreated in the afternoon and

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<sup>31</sup>House of Commons Debates, March 15, 1965, pg. 12341.

<sup>32</sup>"Martin Says Auto Rumors 'Aren't True'," *The Windsor Star*, March 20, 1965.

<sup>33</sup>George Burt to Mr. Karl E. Scott, Ford Motor Company of Canada Ltd., Oakville, Ontario, March 26, 1965.

<sup>34</sup>House of Commons Debates, March 11, 1965, pg. 12223.

sent a telegram to George Burt informing him that in exactly one week there would be a meeting in his office.<sup>35</sup> After the March 18 meeting neither the NDP nor the union were any more satisfied than before.<sup>36</sup> The stonewalling of MacEachen, Drury, and Martin and the silence of Prime Minister Lester Pearson caused the union to turn towards the automobile manufacturers for an audience.

By this time there was a growing apprehension being expressed at all levels of the workforce concerning anticipated reductions in staffs, transfers, as well as the complete elimination of departments and product lines. Although none of these changes had been officially announced, every day information was being brought to the attention of the union that served to heighten their alarm.<sup>37</sup> Obvious that the federal government was unwilling to take any of the unofficial reports, rumours or speculations seriously, Burt appealed to the six Canadian automobile manufacturers participating in the Auto Pact:

Auto industry management and the UAW must take their [sic] initiative to solve the problem of manpower adjustment to the trade program and continue to work closely together throughout the transition period.<sup>38</sup>

Burt, "most concerned," stated that he knew what lay ahead and that the crux of the problem was timing. Aside from urging management to join with the union in a coordinated approach to arising dislocation problems and worker mobility, Burt insisted that the auto industry bosses be ready "to discuss fully and well in advance the date of expected increases or decreases in the workforce and the number of employees involved."<sup>39</sup> Burt's fifth demand made on the day after the Pact's signing that Ottawa

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<sup>35</sup>Telegram from Ottawa to George Burt, March 11, 1965, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 8, WSU, Detroit, Michigan.

<sup>36</sup>House of Commons Debates, March 24, 1965, pgs. 12751-2, and May 11, 1965, pg. 1165.

<sup>37</sup>George Burt to Mr. Karl E. Scott, Ford Motor Company of Canada Ltd., Oakville, Ontario, March 26, 1965.

<sup>38</sup>George Burt to Mr. Karl E. Scott, Ford Motor Company of Canada Ltd., Oakville, Ontario, March 26, 1965.

<sup>39</sup>George Burt to Mr. Karl E. Scott, Ford Motor Company of Canada Ltd., Oakville,

force management to cooperate of having advance notice of changes in employment levels had not materialized.<sup>40</sup> Helpless and with time running out, Burt turned to the manufacturers themselves.

Months later it became obvious that Ottawa's apparent unwillingness to engage in tripartite discussions in March, or at any time, had much to do with the refusal of Ford, General Motors, and Chrysler to do the same. When pressed by the union to reveal his plans for combating the fears being expressed over job dislocation, MacEachen spoke of his intention to approach the company presidents with the idea of joint meetings. Furthermore, he voiced his belief that the companies would fully cooperate in the proposed arrangements to prepare for adjustments.<sup>41</sup> It was soon to be proven that MacEachen had put too much faith in the plans of the car makers.

After a meeting between the Canadian UAW and the Ministers of Industry, Foreign Affairs, and Labour, in late March, MacEachen told the union of his apparent commitment to deal with the issue and then immediately set pen to paper writing the manufacturers. Acknowledging the possibility of dislocations, the minister revealed his desire in the letter to meet with management to find "steps that can be taken to assist in meeting in a practical way the manpower adjustments that develop."<sup>42</sup> In the letter the government showed sentiments of concern, interest, and commitment not often noticed by the union.

When the seemingly sympathetic government subsequently addressed the union concerning the outcome of requests for a tripartite body, it became apparent Ottawa was again stonewalling or was ineffectual:

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Ontario, March 26, 1965.

<sup>40</sup>UAW Press Release, London, Ontario, January 17, 1965.

<sup>41</sup>House of Commons Debates, March 29, 1965, pg. 12930-1.

<sup>42</sup>House of Commons Debates, May 11, 1965, pg. 1170.

...my conclusion that any effort to convene a meeting at this stage of the automobile Presidents, union personnel and Government representatives was not likely to reveal the kind of results that would help in a situation of this problem.<sup>43</sup>

**FINAL THREE WEEKS BEFORE FORD'S ANNOUNCEMENT:  
APRIL 1-22, 1965.**

April opened very much where March left off, but the end of April was to signify the beginning of a new episode in the ongoing struggle between labour and government over the Auto Pact. In April, both management and government again refused to engage in tripartite arrangements. Although Labour Minister MacEachen agreed with the "principle" of joint government-labour-management cooperation, in an April 9 meeting of himself and company presidents it was once again "made clear" that "further groundwork ought to be done before considering a tripartite meeting of the kind suggested by labour."<sup>44</sup> The minister conceded that once discussions between officials of the labour and industry departments and the companies took place concerning the extent of displacement problems, then "it might be possible" to arrange for the seemingly impossible convergence of labour, government, and industry.<sup>45</sup> Yet, to the union, which was being tipped off daily that sizable layoffs were days away, the government's delays and 'maybes' only served to contribute to the uncertainty.

In April the NDP continued to exert pressure on the Liberal government in the House of Commons. The "defenders" of the Canadian UAW repeatedly lamented the fact that no provisions had yet been made on the part of government to care for those workers already slowly being displaced, and more importantly, for the many who were likely to be next. Every day when inquiring into the government's plans, the NDP felt they were being met by continuous "shrug(s) of the shoulders."<sup>46</sup> On April 12, just ten

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<sup>43</sup>House of Commons Debates, May 11, 1965, pg. 1170.

<sup>44</sup>"MacEachen, Scott Meet on Layoffs." *Windsor Star*, April 27, 1965.

<sup>45</sup>"MacEachen, Scott Meet on Layoffs." *Windsor Star*, April 27, 1965.

<sup>46</sup>House of Commons Debates, April 8, 1965, pg. 111.

days before the announcement of the layoff of 1,600 Ford Windsor workers, the NDP decided to take a new approach and requested to know *when* the Pearson Liberals would be prepared to make a statement on Government policy. MacEachen replied that until the sources of dislocation were “isolate(d) and pinpoint(ed)” as accurately as possible, it would be “impossible” to develop any plans. “I think it is fair to say,” MacEachen added, “that it would be wrong to create apprehensions and fears at this stage about potential displacement.”<sup>47</sup> Ford of Canada was well aware by this time that in ten days they were going to be making an announcement that would alter for a time the lives of 1,600 workers and their families in Windsor. With the company’s lack of cooperation,<sup>48</sup> the government was in a position to later be able to claim that they had no foresight into the layoffs.

The union did not stand idly by in April, and the NDP stepped up their struggle in the House of Commons. With concern mounting that the Auto Pact might have unpleasant implications for them, the autoworkers and their leaders resolved to act. With only the “suggestion” of worker dislocations, job loss, and the shutting down of some parts plants, the Canadian UAW Council requested that the federal government release more “details” about the Auto Pact, as the union felt that Ottawa’s lack of study on the

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<sup>47</sup>House of Commons Debates, April 12, 1965, pg. 212-3.

<sup>48</sup>Management’s unwillingness to cooperate with government on the issue can be seen in a number of ways. Perhaps the most obvious here is their constant refusal to meet in the same room with all three interested parties at one time. A *Toronto Daily Star* article gives another possible reason for management’s silence:

To some extent the car makers are flying blind. There’s no certainty about outcome. And some firms in the parts business will find the new atmosphere impossible to compete in. That’s why the automakers are so secretive about virtually every move that in anyway is associated with the auto agreement.

Ford officials decline to detail their plans but it is understood Ford is slashing the dozen-odd engines it makes at Windsor to one-cylinder model, which would supply the big continental middle-west market on both sides of the border...

Patrick Fellows, “Ford Move To Mean More Jobs?” *Toronto Daily Star*, April 26, 1965.

deal pointed to indifference. At a Canadian UAW Council meeting in Woodstock, Local 199 of St. Catharines presented a resolution asking that the government be required to openly discuss in Parliament the Auto Pact. The Canadian UAW, in search of “facts and lots of them,” felt that only in this way could Canadians truly be made aware of its details and the realities of dislocations ahead.<sup>49</sup>

A relevant companion resolution was also passed at the same meeting. One hundred and forty delegates representing the 78,000 member union approved of a resolution presented by Local 199 that the Education Department of the UAW include a day-long session on the Auto Pact at an upcoming leadership convention to be held at the union summer school at Port Elgin May 30 to June 4. The resolution embodied the proposal that Minister of Labour Allan MacEachen be present at a session to fully explain his government’s position and future plans in regard to the trade agreement.<sup>50</sup> The union leadership found it essential that the government address the rank-and-file directly on the issue that was causing so much apprehension on Ontario shopfloors and in workers’ homes at this time.

Activism in the wake of government inactivity and worker layoff was not confined solely to the men of the auto union. Many of the Canadian UAW’s women used the threats and realities of layoff and dislocation in early 1965 as an impetus for their determination to act. Soon after the signing of the Auto Pact, General Motors slowly began removing workers from their Oshawa cutting and sewing room. George Burt was immediately petitioned by 139 women from the department asking that their problems be looked into.<sup>51</sup> With between 50 and 60 bench hands slated to be laid off, the women demanded to know about their fate. The workers, preferring to remain in Oshawa, feared

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<sup>49</sup>“Pact Worry Spurs UAW.” *The Guardian: Official Voice of UAW Locals* 195, 200, 210, 444, Windsor, Ontario, Volume VIII, No. 15, April 15, 1965.

<sup>50</sup>“Pact Worry Spurs UAW,” April 15, 1965.

<sup>51</sup>*Labour’s Dilemma*, pg. 142.

that if they did not relocate to Windsor immediately, they would lose the opportunity to do so. There was also significant fear that they would not be permitted to transfer to Windsor at all:

Many have homes and families here and do not want to make a hurried decision to move now if it is not necessary. We do not look forward to becoming one of the many unemployed in this country of ours.<sup>52</sup>

Canadian women's and labour historian Pamela Sugiman, in her postwar account of the female members of the Canadian UAW and later CAW, documented the fear and uncertainty that pervaded the cutting and sewing rooms in Ontario, especially in the aftermath of the Auto Pact.

The female union members not only petitioned their leaders to act on their behalf, but they also took their own initiative. Canadian UAW member May Partridge expressed the frustration of her co-workers in the form of a poem. The letter, sent to Mr. Walker of General Motors, could just as easily have been directed to Ottawa:

A mystery is prevailing, clouding our whole room.  
 Is our future really settled, or will Windsor spell our doom?  
 We've been reading all the papers, just looking for the facts.  
 Now Windsor is forgotten, the news is auto pacts.  
 Its favourable to Canada, the borders open wide.  
 The next edition tells, we wait, we wait on congress to decide.  
 We signed a contract in December, the strike was in the past.  
 What good are all the benefits if our jobs aren't going to last?  
 We sit here and ponder what our future has to hold.  
 Should we order that new car or keep the one that's getting old?  
 We work the extra hours to get production off the line.  
 Will our loyalty be remembered when it comes to moving time?  
 We know that supervision likes to keep things hush-hush.  
 We don't think this policy is exactly fair to us.  
 You've had all kinds of meetings by this time its agreed  
 Which ones will be moving, which ones you won't need.  
 We're tired of hearing rumours, each one bigger than the last,  
 We'd appreciate straight answers to the questions we have asked.  
 We're not trying to be presumptuous, we think it's only fair

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<sup>52</sup>*Labour's Dilemma*, pg. 142.

Next year, if we're working, we'd like to know just  
WHERE.<sup>53</sup>

Although less apparent, the dissatisfaction and uncertainty being expressed by the rank-and-file women was as strong as that of any section of labour in early 1965.

Charlotte Yates, in her Carleton University doctoral dissertation on the politicization of the postwar Canadian autoworkers, briefly gave suggestion as to why auto workers, whether men or women, leaders or rank-and-file, were being increasingly overlooked in April 1965. As the Auto Pact began to bear the fruits of economic success, the Canadian UAW's task of pressing Ottawa to act in their interests became more and more futile. Yates explains that the government's need for Canadian UAW political support became less important as overall labour productivity increased, manufacturers exceeded their 'letter of undertaking' commitments, two-way trade between both countries increased, and related gains were produced in other Canadian industries.<sup>54</sup> In this way, the frustration of the union at not being listened to or appeased steadily grew worse as these first months of 1965 proceeded and the Auto Pact began to show tangible signs of success for Canada.

While perhaps much of the fuel of the union leadership in pressing government began to run out, at the local level the determination was as strong as ever. Local 444, in an obvious reference to the Auto Pact dislocations ahead, included in their 1965 profile booklet a chapter concerning how government and management must be fought on automation. The local claimed that "the thrust of automation instituted by industry in its ceaseless drive for even more mass profits" demonstrated the need for a larger awareness of the true value and indispensability of the Canadian UAW.<sup>55</sup> Realizing that many

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<sup>53</sup>*Labour's Dilemma*, pg. 141.

<sup>54</sup>*From Plant To Politics*, pg. 122.

<sup>55</sup>*Local 444: A Record of Progress*, compiled and published by The Education Committee of Local 444, UAW, Windsor, 1965, pg. 44, National Library of Canada, HD6528 A82 U54 1965.



changes lay ahead in the near future, the leadership of Local 444 called for united action in standing up to the programs of government and industry, and lack thereof:

The situation facing workers is both ECONOMIC and POLITICAL. The answer to our problems rests in heightened trade union militancy on the one hand, and on the other, a clearer understanding of the need to carry our struggle into the political arena. The most urgent and basic task confronting the trade union movement is to encourage and develop the political consciousness of every trade union member.<sup>56</sup>

The education of the membership on issues such as the adverse effects of automation and technical change was as important at this time as ever, given the labour changes that many of the workers were about to face.

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<sup>56</sup>*Local 444: A Record of Progress*, pg. 44.

## **CHAPTER FOUR:** **“PLUGGING A HOLE” DURING MASS LAYOFF**

### **1, 600 AUTO WORKERS ANNOUNCED LAID OFF: APRIL 22-JUNE 27**

On April 22, 1965, over three months after the signing of the Auto Pact, the Ford Motor Company of Canada made its long-awaited and long-anticipated announcement. Before officially making the news public, Ford notified the Canadian UAW that between the time of the announcement and August, 1, 600 of the workers in their Windsor plant would be given “indefinite layoff.” Recalls would not begin until January 1966, and the total recalls would not reach pre-layoff levels until April 1966, a year later. The heaviest blow to Windsor automobile employment would occur in the weeks following plant shutdowns for model changes. As a result, many hundreds of auto makers would be forced out of work from September until the following spring. In order to avoid any confusion or misunderstanding, management made it known that the reason for the layoffs was so that the plant could be readjusted to changed production requirements under the Auto Pact with the United States.<sup>1</sup>

Within hours of the announcement reactions were being heard from across Ontario. Upon hearing the news that 1, 600 men were to be thrown out of work indefinitely, Opposition leader John Diefenbaker, seizing upon a shining opportunity in an election year, jumped into the fray. He appeared to display great concern for the victims of layoffs and declared that “the formerly prosperous and job-making Canadian automobile parts industry has been struck a heavy blow by the agreement.”<sup>2</sup>

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<sup>1</sup>UAW Press Release, Windsor, Ontario, April 22, 1965, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 8, WSU, Detroit, Michigan

<sup>2</sup>“UAW Gets Action On Ford Layoffs,” *The Guardian: Official Voice of UAW Locals* 195, 200, 210, 444, Windsor, Ontario, Volume VIII, No. 16, May 15, 1965.

The Conservative leader voiced his apparent outrage at the shrinking of jobs and payrolls, and the closing of doors.<sup>3</sup> Diefenbaker's tirade was perhaps eclipsed by that of Leslie Rowntree. The Ontario Minister of Labour, who had for months criticized Ottawa's handling of the trade agreement, on April 24 referred to the Pact as "a one-way street," in reference to the fact that the United States had not yet ratified the deal. Alluding to the passing of the agreement in Canada, Rowntree stated that "if many of these steps to implement the agreement involve unemployment, or even temporary unemployment, I will be very much concerned."<sup>4</sup> Yet, the anger and frustration being voiced by the opportunistic politicians was relatively reserved compared to that of the directly concerned Canadian UAW.

The union had made repeated efforts to have the government of Canada draw up legislation to take care of dislocations arising from the Auto Pact. Months of frustration at dealing with what they perceived as an unresponsive and indifferent government were evident when George Burt spoke on the day of Ford's announcement:

We have repeatedly run into bromides from our politicians to the effect that our fears about dislocations were groundless.... By its failure to act, the Canadian Government is obviously satisfied to dump much of the cost of the rationalization of the Canadian auto industry onto the backs of the workers while at the same time permitting the industry to reserve for itself completely all the benefits of the

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<sup>3</sup>The Canadian UAW did not take Diefenbaker's supposed outrage at the Liberals' handling of workers seriously. *The Guardian*, the union's chief newspaper, stated that upon hearing about the layoffs, Diefenbaker "predictably...display(ed) a concern for the victims of layoffs that he never evidenced in his term as prime minister...." George Burt confirmed this feeling in October, on the eve of a federal election: "...considerable 'political hay' is being made out of the plan by all political parties in the present Canadian election. But only the New Democratic Party supports the position of the UAW!...The efforts of the Conservative Party to capitalize on the plan should also be rejected because they...(ignore) the right of workers...for proper transitional assistance benefits for those adversely affected." George Burt to 'Editors of All Canadian UAW Local Union Papers,' October 1965, UAW Region 7- Canadian Regional Office, Accession 372, Box 72, File 11, WSU, Detroit, Michigan

<sup>4</sup>"Shock-Wave Handling: Government Probes Ford Layoffs," *The Telegram*, April 24, 1965.

greater efficiency which will be made possible by the plan. The Canadian...auto-worker are now clearly in the position of subsidizing government trade policy for the benefit of one of the most profitable industries in the country. If this is not what the Canadian government had in mind when it augmented this program, let it demonstrate now its willingness to protect the jobs and incomes of Canadian auto and auto parts workers.<sup>5</sup>

Burt's message to government had changed very little since before the Auto Pact was signed. As well, his demands were as concise and specific *then* as they were *now*. Yet, his conveyance of the immediacy of the matter had steadily grown throughout the months. By April 22, 1965, it was undeniable.

Although the government moved quickly to assure the union that the Windsor Ford workers would be "recompensed in some way," at press time there was absolutely no indication of what form it would take.<sup>6</sup> George Burt was clear on the fact that he did not want his workers to lose one penny in order to serve the national interest. He quickly calculated that government indifference would cost these 1, 600 men a cut in pay from \$160.40-per-week to a measly \$36-a-week Unemployment Insurance benefit, and all this occurring while the industry pocketed savings.<sup>7</sup> The second-in-command of the Canadian UAW added that the assistance that was supposedly to be made available to workers under the government plan should be considered "aside and apart" from the union's Supplemental Unemployment Benefit (SUB)<sup>8</sup>, and arguably the unemployment compensation.<sup>9</sup> As well, aside from asking the Minister of Labour to immediately put

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<sup>5</sup>UAW Press Release, Windsor, Ontario, April 22, 1965.

<sup>6</sup>"UAW Gets Action On Ford Layoffs," *The Guardian: Official Voice of UAW Locals* 195, 200, 210, 444, Windsor, Ontario, Volume VIII, No. 16, May 15, 1965.

<sup>7</sup>UAW Press Release, Windsor, Ontario, April 22, 1965.

<sup>8</sup>The SUB was a plan that the workers paid into (money was taken out of pay cheques monthly) in order to pool insurance money for unforeseen and uncontrollable layoffs. They were the product of collective agreements between the union and management. Yet, with the Auto Pact the union's view was "Why should we be asked to pay part of our SUB fund which we could have taken in the form of wages to meet a dislocation that is for the national benefit?" House of Commons Debates, May 11, 1965, pg. 1175.

<sup>9</sup>House of Commons Debates, May 11, 1965, pg. 1175.

before the cabinet a draft legislation for presentation to Parliament, Burt stated that the legislation “should provide no less than what the Johnson administration has presently [sic] before the US Congress.”<sup>10</sup> This legislation essentially meant the worker would not suffer serious income losses brought on by the agreement. From this point forward, the American situation would become a model for the autoworkers in Canada.

The Canadian UAW and NDP contended that the inferior Canadian method of implementation of the deal vis-à-vis the United States was partially to blame for its shortcomings and absences. The United States government sent the legislation to Congress, as the Automotive Products Trade Act (APTA)<sup>11</sup> that both embraced the bilateral deal and set out specific protections the government was prepared to guarantee its workers. It specifically enshrined a section that “set out the responsibilities which the federal government would assume for retraining workers, for maintaining them during their period of retraining (and) for placing workers who would have to be moved from one part of the industry to another.”<sup>12</sup> It was specific entrenched guarantees such as these that the Canadian order-in-council lacked.

The unacceptability of the vague and general references that the Canadian government had been making for months were highlighted when put beside the American example of outlining in the legislation precisely what machinery would be required to meet the adjustments. Coincidentally, at the end of April and amidst the Canadian clamour concerning Ford’s layoff announcement, the American legislation and detailed protection provisions were being discussed in Congress.<sup>13</sup> Of particular interest to the autoworkers and NDP in Canada was Bill H.R. 6960 (Title 3) of the APTA in the United States, which was entitled “adjustment assistance.” Title 3 officially recognized that it

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<sup>10</sup>“Ford Will Lay Off 1,600: Plants Must Meet Change,” *Oshawa Times*, April 23, 1965.

<sup>11</sup>APTA is the official term for what became known in both countries as the ‘Auto Pact.’

<sup>12</sup>House of Commons Debates, May 10, 1965, pg. 1111.

<sup>13</sup>House of Commons Debates, April 30, 1965, pg. 729.

was just and proper to assist workers “above and beyond” what was provided by the Trade Expansion Act of 1962, legislation passed by the Kennedy administration. It said that in trade agreements created for the national good no worker(s) would be made to suffer. Bill H.R. 6960, essentially a “supplement” to the 1962 guarantee, proposed liberal guidelines for the passing over of assistance from Washington to American workers. Adjustment assistance benefits would be calculated as the least of either (a) the equivalent of 65 per cent of the individual workers average weekly wage, or (b) 65 per cent of the national manufacturing average weekly wage. The supplementary insurance benefits (known as supplementary unemployment benefits or SUB in Canada) payable under collective agreements between workers and employers would *not* be included as part of the abovementioned government benefits.<sup>14</sup> Despite mass layoffs in Canada coupled with months of UAW representations to government, the passing of the deal by order-in-council among other things enabled Ottawa to avoid the “clear-cut” American-style legislation.

Although the American UAW clearly supported the *principle* of freer trade with Canada, it was the guaranteed worker protections written into the agreement that made them willing to go along with the actual program.<sup>15</sup> UAW International vice-president Leonard Woodcock acknowledged with satisfaction and relief that the United States government not only recognized that labour adjustments would be necessary, but committed itself in both writing and words to protect the workers since the deal was in the national good. However, “in the absence of such provisions,” Reuther’s assistant added, “we (the UAW of America) would have no alternative but to oppose it (the Auto Pact).”<sup>16</sup> Leonard Woodcock and the UAW in the United States likewise expressed dissatisfaction with the way Ottawa was treating the Canadian workers. Woodcock,

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<sup>14</sup>House of Commons Debates, April 30, 1965, pg. 729.

<sup>15</sup>House of Commons Debates, May 10, 1965, pg. 1114-5.

<sup>16</sup>House of Commons Debates, May 10, 1965, pg. 1114-5

appearing before the US House of Representatives Ways and Means Committee in Washington, found himself in the “unique” position of urging President Johnson and the American government to press Canada to implement the same sort of safeguards as existed in the United States. Showing great concern for the fate of Canadian workers, he spoke of possible benefits on both sides of the border while warning that “such benefits should only be looked for if the job security of auto and allied trade workers could be assured in Canada....”<sup>17</sup> Woodcock’s April speech slamming the Canadian government’s failure to provide similar protection to Canadian workers and their families as that in the United States ended with a final warning:

Refusal of the Canadian Government to act will certainly jeopardize the fulfillment of hopes that the principle of the (APTA) will be expanded to other industries.... For, if the Canadian Government refuses to step up its responsibility towards those adversely affected by the agreement...Canadian workers can be expected to oppose vigorously the negotiation of other similar agreements.<sup>18</sup>

The Canadian UAW utilized the Washington attack in their ongoing struggle with Ottawa over protections.

In late April the reaction of Ottawa to the representations of the Canadian UAW remained much the same as they had before Ford’s announcement and Woodcock’s oration. On April 29, a number of Canadian UAW officials called upon government and spoke to the ministers of labour, industry, and external affairs. On the following day, Minister of Industry Bud Drury delivered a “vague announcement” that the Department of Labour was going to make efforts to work out some type of formula.<sup>19</sup> For Opposition members, the union, and the workers about to be laid off in Windsor, action needed to be taken “at once.” Yet, the government remained vague and its position contradictory.

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<sup>17</sup>“Freer Trade On Trial,” *OFL Labour Review*, July-August 1965, pg. 3.

<sup>18</sup>House of Commons Debates, April 30, 1965, pg. 793.

<sup>19</sup>House of Commons Debates, April 30, 1965, pg. 729.

Liberal member Herb Gray, for example, claimed there existed no differences between the manner in which the United States and Canada accommodated their workers under the Auto Pact. Gray voiced his opinion that the US Trade Expansion Act, providing for 65 percent of worker's wages, was all that really existed in the United States and it provided neither more nor less than the Canadian UAW's existing SUB benefits, which made it possible for workers to receive between 60 and 70 percent of their usual take-home pay.<sup>20</sup> The union and their defenders had stated for months that they felt their SUB payments, which were the result of private agreements between employer and employee, should *not* be used to subsidize the Auto Pact. In the United States the government made a point of stating that SIB (SUB's American counterpart) would *not* be factored into the assistance scheme of Washington at all.

Meanwhile, Labour Minister Allan MacEachen, just four days after the announcement that 1,600 Ford workers were to begin being laid off in May, set out to assure all concerned that the situation was not as serious as had first been feared.<sup>21</sup> After a meeting with Ford Canada President Scott on April 27, the minister said that by "placing the problem in its total perspective the situation is not as serious as first reaction might have indicated last week."<sup>22</sup> The government's making light of the severity of the situation proved of great concern to workers, the union, and non-Liberals in this final week of April.<sup>23</sup>

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<sup>20</sup>House of Commons Debates, May 11, 1965, pg. 1158.

<sup>21</sup>*The London Free Press*, April 28, 1965.

<sup>22</sup>*The London Free Press*, April 28, 1965.

<sup>23</sup>Charlotte Yates, in her account of the politicization of postwar autoworkers gave little coverage to this one week period at the end of April, 1965. She claims to demonstrate convergence of government and labour in "voicing concern over layoffs," before referring to MacEachen and Martin's promise to look into job dislocation. Yates' depiction of a week of supposed labour-state cooperation fails to take into account the many months that Ottawa had turned the union, and its warnings and pleadings, away. Indeed, the week of *cooperation* consisted of the Prime Minister being summoned back from a family vacation, hectic overlaps of meetings with the ministers, and a host of



The government's hand was certainly forced between April 22 and 30, as dismissing the representations of labour was no longer an option. The new union leverage stemmed from the fact that the layoffs had become a reality and crisis management was in order. On April 27 Ford was called to Ottawa by the government to discuss the layoff matter, followed a week later by a similar meeting with George Burt. Through the meeting with Ford, MacEachen came to the understanding that of the 500 workers to be displaced in the first and second waves of the layoff, Windsor Chrysler and "other industries" would most likely be in a position to absorb them. Paul Martin, whose home constituency was the affected Windsor riding, concurred.<sup>24</sup> For the first time, all Liberal members with an interest in the situation joined the fray.

Prime Minister Lester Pearson spoke publicly for the first time on the issue in this final week of April. When the press first reported the impending labour changes, Pearson was called back during the middle of his personal vacation in Scotland to tend to the problem.<sup>25</sup> On the same day, Labour Minister MacEachen's stay in the Maritimes was cut short as he was summoned back to Ottawa to discuss Ford with the Prime Minister and other members of his department.<sup>26</sup> The outcome of the meeting between Pearson and the Department of Labour was that some of the long-term measures for dealing with dislocation "may be" updated.<sup>27</sup> Pearson's appearance was not limited to dealing with

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reactive and emergency initiatives.\* Yates' study fails to convey the reality that this short period was a result of a *lack of* cooperation for months before. *From Plant To Politics*, pg. 120.

\*MacEachen explains how on April 29 he was in a meeting with the Canadian UAW that was "interrupted" by his need to be at the House's question period on the layoffs. Immediately afterwards he returned to the union meeting. This is just one example of the disarray that the government found itself in after much procrastination. (House of Commons Debates, April 29, 1965, pg. 727-8).

<sup>24</sup>"Chrysler Might Absorb 500: Ottawa Plans 'Layoff' Meet," *Windsor Star*, April 24, 1965; House of Commons Debates, April 26, 1965, pg. 401-2.

<sup>25</sup>*The Telegram*, April 24, 1965.

<sup>26</sup>*Windsor Star*, April 24, 1965.

<sup>27</sup>"Federal Aid In Layoffs Promised: MacEachen To Meet PM For Discussions,"

the Windsor situation. Upon his arrival home it was announced that effective immediately about 250 workers in Oakville, Ontario would be affected by the transfer of the Purchasing Department to Detroit, Michigan. When asked if he would take immediate steps to talk with Ford President Karl E. Scott to determine whether there was a way to allow these workers to remain in Canada, the Prime Minister replied that he would look into the matter.<sup>28</sup> With no other option left, Pearson in desperation finally stood up to the questions in the House of Commons and representations from Canadian UAW locals and acknowledged that a problem existed in Ontario's automobile manufacturing towns.

The first, and perhaps only, step that the government took to combat the immediate problem was to bring into action the National Employment Service (NES) from regional headquarters in Toronto.<sup>29</sup> At the request of Paul Martin and Allan MacEachen an NES labour "task force" was sent to Windsor to deal with the Ford layoff and help develop a program of adjustment in consultation with Ford.<sup>30</sup> These emergency measures were subsequent to Martin's visit to his home riding days earlier, in which he affirmed that jobs must be found for those affected. George Burt declined to give immediate comment on the last-minute NES development.<sup>31</sup>

In late April the government spoke on the issues of training programs and worker mobility that had been on the union's mind since well before the Auto Pact. At a meeting between management and labour in Ottawa at the end of April it was decided that the government would assist with the creation and execution of training programs aimed at those temporarily laid-off. The provincial departments of education and labour,

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*Windsor Star*, April 23, 1965.

<sup>28</sup>House of Commons Debates, April 29, 1965, pg. 727-8.

<sup>29</sup>"Retooling For New Models, Ottawa Told: Ford President Forecasts Greater Employment In Year," *Globe and Mail*, April 28, 1965.

<sup>30</sup>House of Commons Debates, April 26, 1965, pg. 401-2.

<sup>31</sup>"Task Force On Ford Layoff: Martin Moves Quickly," *Windsor Star*, April 26, 1965.

upon being notified of the plans, offered a pledge of cooperation. As well, the Canadian UAW promised their support in the endeavour.<sup>32</sup> Before proudly adding that the Americans had nothing of this sort, MacEachen indicated that he felt there were policies of relocation and mobility relief already in place that could assist those involved in the present layoff situation.<sup>33</sup>

After a hectic week in Ottawa of attempting to quickly accommodate those 500 workers subject to layoff within the following two weeks, the union appeared content in the meantime with the enlistment of the “task force,” the announcement of training plans, and the indications of worker mobility assistance. Yet, as the dislocation of another 1,100 Windsor workers loomed, the government remained relatively silent concerning its plans to meet the next dislocation wave. It indicated that it was in the process of considering what, “if any,” assistance would be required for layoffs to occur later in the summer. “We are striving to develop a program” to meet the upcoming August layoffs, stated MacEachen in the House of Commons, but “we do have considerable time....”<sup>34</sup> As with the lead-up to the more minor early May layoffs, no real sense of immediacy seemed to exist in Ottawa with the much larger summer adjustments.

Amidst the layoff announcement and resulting reactions from potentially-affected Windsor workers came criticisms of the government towards the company. Paul Martin, in his home Windsor riding the day after the news, openly decried Ford’s method of handling the situation. “I don’t like the way this announcement of layoff came from the company,” stated the Minister of External Affairs, adding, “there was no indication from the company of this particular move.”<sup>35</sup> Although the government had met with Ford ten days before the layoff announcement, Martin felt it important that the people of Windsor

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<sup>32</sup>House of Commons Debates, May 11, 1965, pg. 1172.

<sup>33</sup>House of Commons Debates, May 11, 1965, pg. 1172.

<sup>34</sup>House of Commons Debates, April 26, 1965, pg. 401-2.

<sup>35</sup>*Windsor Star*, April 24, 1965.

were aware that the Department of Labour had no prior knowledge of the move until the union itself was informed. Indeed, nothing was mentioned or even hinted at in the meeting of a week and a half prior. Martin acknowledged for perhaps the first time that it was both important for advance notice to be given so that planning for such disruptions could begin as soon as possible, and that cooperation between government, union and management in exchanging information on each others' plans was essential.<sup>36</sup> With Martin's criticisms came the union's realization that the early mismanagement of the layoff crisis was not solely the fault of any one individual or group.

Yates pointed out that upon being notified of the impending layoffs, Allan MacEachen recommended investigated the possibility of setting up a tripartite committee to examine the job dislocation question once and for all.<sup>37</sup> The tripartite possibility, which MacEachen had brought to the fore due to intense union and NDP pressures to do so, had become more of an issue of practicality now than it had been during the time of the Bladen Royal Commission, the duty-remission plans, or the Auto Pact's birth. After stating that he agreed in "principle" with the desirability of tripartite meetings to solve the issue at hand, MacEachen admitted that at an April 9 meeting between himself and the company presidents, the auto giants "made clear" that they were not ready for such an arrangement.<sup>38</sup> This conflicted with one of the union's January 17, 1965 preconditions for Auto Pact support, namely that the government require management to cooperate during the dislocation process. The companies' agreement at the meeting to discuss the exact extent of displacement with the departments of labour and industry was called into question on April 22 when the public was informed of Ford's mass layoff without being given any official prior notice. Given this late April debacle, the NDP members in the House of Commons expressed concern over how the next waves of layoff were to be

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<sup>36</sup>*Windsor Star*, April 24, 1965.

<sup>37</sup>*From Plant To Politics*, pg. 120.

<sup>38</sup>House of Commons Debates, April 26, 1965, pg. 401-2.

handled.<sup>39</sup> Yet, at the same time, the NDP and union recognized that one of the key reasons for the absence of official government-labour-management cooperation was, and probably would continue to be, the refusal of the latter to participate.

Management's unwillingness to engage in joint meetings was not all that was needed for the worker to realize that government was not solely to blame for their upcoming misfortunes. Ronald Todgham of Windsor, president of Chrysler Canada Ltd., spoke about his overwhelming approval of the Auto Pact during perhaps its most questionable moment. Three days after the layoff announcement at his neighbouring plant, Todgham, in an obvious reference to the union and NDP respectively, stated that opponents of the Auto Pact either harboured "selfish attitudes or a political motive."<sup>40</sup> The union, which acknowledged and knew well that the deal was a positive one for Canada in broad terms, was reminded that their struggle was not just with Ottawa.

In no way did the acknowledgment that the companies were not acting in labour's interests take the heat off of the Pearson Liberals. For months the Canadian UAW had demanded of the government that it keep in close contact with management in order to deal with the layoffs that were accepted as necessary to achieve the intended purposes of the Auto Pact. There existed a worry throughout these months that the absence of a tripartite body would mean that workers would learn about their fate in last-minute press releases.<sup>41</sup> The NDP, realizing that the first wave of layoffs was an accomplished fact, set their sights on the near future. They believed, backed by the union, that in future cases, supposedly including the upcoming mid-summer layoffs, government should be required to *force* management to engage in joint talks. Indeed, it was felt that regulations for such meetings should be entrenched in any future agreement.<sup>42</sup> The attempts of Paul

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<sup>39</sup>House of Commons Debates, April 26, 1965, pg. 401-2.

<sup>40</sup>"Chrysler President: Auto Pact Or Bust," *The Telegram*, April 27, 1965.

<sup>41</sup>House of Commons Debates, April 30, 1965, pg. 794.

<sup>42</sup>House of Commons Debates, April 30, 1965, pg. 794.

Martin to turn the blame onto management did not take the responsibility off government. Much bitterness and frustration was still centered on the Liberals.

David Orlikow of the NDP was at the forefront of the attack on the Liberals in the House of Commons in this period. Herb Gray, a member from Windsor, to him was simply a man who spoke “kindly” of the Canadian UAW, yet did absolutely nothing for them in their time of need. To Orlikow, Allan MacEachen was also a politician who claimed to have great opinions of workers, but of whom only “sweet words and no action” could be expected:

All we are asking, and all that Mr. Burt and his executive officers are asking... is that consideration be given now, before the layoffs take place. What the hon. Member for Essex West is saying, is, “We will worry about it after the layoffs take place”-and I say that is too late.<sup>43</sup>

The lack of tangible legislation was what bothered the union and NDP most. Without the existence of a specific plan, not only were workers placed in a state of uncertainty, but there was also nothing solid to scrutinize and debate, as was being done in the United States.

United Auto Worker VP Leonard Woodcock’s statement to American Congress that his union would not have approved of the APTA legislation had safeguards not been incorporated directly therein became a constant point of reference for dissenters in Canada. George Burt was not the only member of the Canadian UAW to make demands for legislation. As well, “vigorous representations” had been made by local union presidents such as Hank Renaud, Alex Simkovitch, Charles Brooks and Reg Rudling to the federal government.<sup>44</sup> “Apprehensions” were being felt by a large section of the union over the fact that clear-cut answers and details had not been forthcoming, and continued to be so even with the next, and larger, wave of dislocations approaching.

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<sup>43</sup>House of Commons Debates, May 11, 1965, pg. 1164

<sup>44</sup>House of Commons Debates, May 11, 1965, pg. 1159

George Burt's union had asked during the previous months that Ottawa give the "same consideration and the same thought" to the workers in the industry as to the companies. It was known that if government had not worked out plans for overcoming difficulties with management *before* the Auto Pact's signing, the companies would not have agreed to the plan.<sup>45</sup> By the time of the layoff announcement, for example, it was widely known that the automobile companies were to save an annual \$50,000,000 on duties under the Auto Pact.<sup>46</sup> Burt called for equitable treatment.

One of his first moves after hearing the news of the layoffs was to send a telegram to Allan MacEachen concerning the large "handout" to the companies. On many previous occasions the Canadian UAW had made their feelings clear that they should not be using their SUB, which they could alternatively have received in the form of wages, as compensation for the nationally-beneficial agreement.<sup>47</sup> Burt, seeing the immediate financial gains of the companies, asked the Minister of Labour to force the companies to use some of their \$50,000,000 savings to aid the adversely-affected Ford workers. He explained that his workers anticipated being laid off for six weeks per year for the customary model changeovers, but did not expect the type of layoffs now confronting them without remuneration:

...this will cause real financial hardship for some people... Why should they have to take the brunt over something of which they had no control?... These men must still meet their mortgage payments like anybody else.<sup>48</sup>

A week following Burt's request and with no response forthcoming, the government was subjected to a barrage of follow-up questions in the House of Commons. When asked if the \$50,000,000 advantage would be used to maintain the salaries of laid-off workers,

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<sup>45</sup>House of Commons Debates, May 11, 1965, pg. 1164.

<sup>46</sup>*The Telegram*, April 24, 1965.

<sup>47</sup>House of Commons Debates, May 11, 1965, pg. 1175.

<sup>48</sup>*The Telegram*, April 24, 1965.

Bud Drury had no direct response.<sup>49</sup> The answers that George Burt and his allies in Ottawa sought did not come.

Liberals Bud Drury and Herb Gray, quite unlike their colleagues Allan MacEachen and Paul Martin, felt that the Canadian UAW had been accommodated adequately from the beginning. For them no conflict existed. In the midst of the initial wave of layoffs Drury stated his belief that the “letters of undertaking” addressed to the government by the automobile manufacturers were to act as the “principle safeguards” for labour.<sup>50</sup> The letters contained assurances that the companies would increase Canadian auto production by a fixed amount annually. Taking the emphasis off the issue of short-term ills, the Minister of Industry demonstrated that his attention was focused on the broader implications of the trade agreement. Direct worker protection was not needed in Canada as it was in the United States, he claimed, as problems would be best dealt with as they arose. As well, the Canadian UAW’s official support of the general benefits of the Auto Pact became a point of reference for Drury, effectively taking the focus and attention off the more pressing and immediate objections of the union.<sup>51</sup>

Gray approached the layoff crisis in much the same way as the Minister of Industry. He expressed his contentment at the way in which all interested parties had cooperated in order to better combat the situation. Those who had expressed “concern and criticism” towards the government’s handling of the situation before, Gray believed would now “modify their views...and...come to share our view” that the situation was being dealt with properly.<sup>52</sup> With layoffs in progress and significantly more ahead, the views of the Canadian UAW and NDP were in no way modified.

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<sup>49</sup>House of Commons Debates, April 30, 1965, pg. 778-9.

<sup>50</sup>House of Commons Debates, May 10, 1965, pg. 1128-9.

<sup>51</sup>House of Commons Debates, May 10, 1965, pg. 1081.

<sup>52</sup>House of Commons Debates, May 11, 1965, pg. 1159-60.



The views of the union, and indeed those of the wider Ontario labour movement, towards government were emphasized in a significant labour gathering in mid-June. The topic of the 1965 Ontario Farmer-Labour Conference sponsored jointly by the CLC and OFL taking place at the UAW Education Centre in Port Elgin was, fittingly, “automation.” Attendance in 1965 was higher than at any previous conference, with a large number of Canadian UAW delegates among the 130 involved. No doubt with the Auto Pact in mind, D. F. Hamilton of the OFL officially opened the conference by stating in his introductory remarks that the theme of this conference was “a most timely and important subject.”<sup>53</sup> For hundreds of workers across Ontario, Hamilton’s observations held special importance.

The topics discussed at the weekend conference were pressing ones for the Canadian UAW and NDP at the time of the talks: the effects of technological change, in combination with factors such as new trade policies, on workers. Training, retraining, and mobility concerns took centre stage at the conference. The delegates acknowledged that although new employment may be created in some regions, as was undeniably the case with the Auto Pact, it is often too distant from the places where technological advancement has displaced large numbers of workers. Essentially unemployed workers may be barred access to the jobs due to inadequate training, distance, or a combination of both. The delegates agreed on what was already generally accepted among the ranks of the auto union, namely that the problems were so broad in scope that realistically only government could provide a framework for their solution. Trade unions, management, and organizations could only reinforce the policy through their activities at the plant and community levels, but “the basic job must be done by government” who “certainly

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<sup>53</sup>*The Automated Society: Good or Bad?*, Ontario Farmer-Labour Conference, 19-20 June 1965, sponsored by CLC-OFL at UAW Education Centre, Port Elgin, ‘Report of the Sixth Conference,’ pgs. 20-27.

haven't given us very much to cheer about yet."<sup>54</sup> In mid-June, blame for the predicament of the affected workers was being placed primarily on Ottawa by the wider Ontario labour movement.

The members of the conference recognized, perhaps less readily than the NDP, that only weeks prior the government had announced a new mobility assistance program. However, before the move, Canada had done next to nothing to assist in the mobility of workers, despite the fact that most countries of northern and western Europe had had comprehensive labour mobility programs for years, usually based on outright grants that covered the total costs of transportation (including family, furnishings, belongings, etc.) to another part of the country. All that existed in Canada up to this point was "a few scattered provisions for loans and grants."<sup>55</sup> The NDP, which was largely responsible for pushing such a position, was not even willing to concede that the recent government mobility move was a positive step. "No real manpower policy exists in Canada," NDP leader T. C. Douglas claimed just weeks *after* the mobility announcement.<sup>56</sup>

After given some time to reflect on the late-April layoff debacle, the NDP leader decried the entire approach of government from the start.<sup>57</sup> Despite continuous rhetoric concerning plans for manpower retraining coming out of Ottawa, to Douglas no such plans even existed. He took great exception to the fact that "the Minister of Immigration is running around saying he has to bring people from Hong Kong and Europe as we are short of men" at a time when countless Ford workers were being shown the

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<sup>54</sup>'Report of the Sixth Conference,' pgs. 20-27.

<sup>55</sup>'Report of the Sixth Conference,' pgs. 20-27.

<sup>56</sup>Memo on 'Automation,' T. C. Douglas, Oshawa, Ontario, 1965.

<sup>57</sup>Nor would Douglas put up with Diefenbaker championing the Auto Pact issue. To the NDP, as well as the consensus of the labour conference in 1965, the Conservatives and Liberals were one and the same. "The battle to protect the interests of the Canadian workers...fell entirely on the small group of New Democrats in the House of Commons." From 'Report of the Sixth Conference,' pgs. 20-27; Memo on 'Automation,' T.C. Douglas, Oshawa, Ontario, 1965.

unemployment line.<sup>58</sup> As well, the \$50,000,000 handed over to the manufacturers while “the men have been thrown back on their own resources...” represented another injustice to Douglas.

T. C. Douglas’ tone as the summer progressed turned into one of exasperation. The delegates at the conference, though placing as much blame on Ottawa as the leader of the NDP had, appeared to be more forward-looking. They realized that perhaps the biggest weakness of Canada’s manpower policy was in the area of research. No agency of the government carried out continuous analysis and forecasting of changes in the labour market.<sup>59</sup> The Canadian UAW had indeed criticized this absence for months and resolved to undertake their own intensive studies as a result. Yet, aside from looking at the Auto Pact situation, one of the purposes of the labour conference was to look at the future. It concluded, largely as a result of the existing failures, that a proper manpower policy must be in place to correct the balances in the labour market so that employment could be maintained even during times of rapid and accelerating technological or other change, whether brought on by automation, trade agreements, or something else. For some in the Canadian UAW, adverse effects of automation still did not represent the entire problem with the Auto Pact.

In the first part of the 1960s when the Canadian UAW had suggested integration as a possible cure to the industry’s ills, three sizable locals spoke out vehemently against the official stance of their union. Apart from exhausting the leadership of the union, this dissension had the effect of undermining and detracting from the Canadian UAW’s priority of seeking assistance guarantees to workers so that their support could be attached to the *practical* as well as the *principle* of the Auto Pact. Throughout the years this internal opposition never completely ceased.<sup>60</sup>

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<sup>58</sup>Memo on ‘Automation,’ T.C. Douglas, Oshawa, Ontario, 1965.

<sup>59</sup>‘Report of the Sixth Conference,’ pgs. 20-27.

<sup>60</sup>An American social scientist, John Fayerweather, undertook a study in the mid-1970s

At a pivotal Canadian UAW Council meeting in June, which it was hoped would be used to deal with the pressing practical concerns of the Auto Pact, George Burt noted that “the Canadian US Automotive Trade Agreement has been heavily attacked as a sellout to the US....” The Director added that the union was also being “attacked for their so-called support of the program” at the local union level.<sup>61</sup> He expressed dissatisfaction that ‘Brother’ Rutherford of his union had spent months devoting his column in a local union newspaper to “blasting” the Auto Pact.<sup>62</sup> Rutherford, Burt recognized, was just one example of a bigger phenomenon. The leader, who was always quick to point out that illegitimate opposing factions never consulted with the central body, knew all too well the divisive elements within his union:

I realize that there are at least two schools of thought in our union on the Canada-US Auto Trade Agreement. The majority position approves the plan, in principle, but decried the inadequate benefits provided by the Canadian Government for workers dislocated by the plant rearrangements inherent in the plan.... The minority opposes the plan in principle.<sup>63</sup>

In the midst of mass layoffs, the opposition within the union had the effect of detracting from the union’s main agenda by continuing the principled opposition that had never totally subsided throughout the years. At no time was George Burt able to present the

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concerning the attitudes of different segments of the Canadian population towards nationalism in general and the Auto Pact specifically. Through asking questions on the Auto Pact, he found that “elite groups” including trade union leaders tended to think favourably about the trade agreement, whereas blue-collar workers had a “decidedly unfavourable view.” *Canada’s Unions*, pg. 112-3.

<sup>61</sup> ‘Report of Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario, September 25 & 26, 1965,’ UAW Toronto Sub-Regional Office Collection, Series 2, District Council 26, Accession 296, Box 14, File ‘Meeting, Sept., 1965, Report,’ WSU, Detroit, Michigan.

<sup>62</sup> George Burt to Ted O’Connor, GM Intra-Corporation Council, Oshawa, Ontario, December, 1965.

<sup>63</sup> George Burt to ‘Editors of All Canadian UAW Local Union Papers,’ October, 1965.

government with a united labour front, although the layoffs, when they materialized, became an overriding concern for even the nationalist elements.

### **JUNE 28, 1965: GOVERNMENT ASSISTANCE ANNOUNCED AND REACTIONS**

On June 28, following a weekend that witnessed the layoff of the first wave of 505 Ford workers in Windsor, the Canadian UAW came out in full opposition to the Auto Pact for the first time. On the fateful weekend the leaders of *every* local in the Canadian UAW, representing the union's 80,000 members, instructed the Canadian Region to put the union on record as being "completely opposed" to the Auto Pact if adequate worker safeguards were not forthcoming.<sup>64</sup> On the morning of June 28 a response letter was sent by George Burt to all Canadian delegates and local unions announcing that the Canadian UAW Council's mandate of opposition would be given due to the federal government's failure to provide adequate compensation in the face of a crisis situation.<sup>65</sup> After months of clinging to their principled support while pleading for safeguards, within just hours of the first group of workers being laid off, the union altered the core of its stance on the historic trade agreement, one in which it had played an essential role in creating.

Ottawa's response came just hours later. After months of being relentlessly pressured by the Canadian UAW, the NDP, the UAW in the United States, the American government, and the wider Canadian labour movement, the federal government announced its long-awaited adjustment assistance plan for workers. On June 28, 1965, the Minister of Labour acknowledged in the House of Commons that workers should no longer, nor in the near future, be asked to bear the entire financial burden of industrial

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<sup>64</sup>Maurice Jefferies and Jack Kent, "Auto Assistance Plan Pros and Cons: Auto Aid Plan Draws Mixed Reactions," *Windsor Star*, June 29, 1965.

<sup>65</sup>'Report of Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario,' September 25 & 26, 1965.

adjustment.<sup>66</sup> For the first time, the government unveiled a *detailed* plan to deal with the less desirable realities of the Auto Pact.

Under the government's Transitional Assistance Benefits Program (TAB) a worker would be eligible to receive assistance benefits ranging from between 62 and 75 per cent of his weekly pay, plus \$1.50 for each dependent up to a maximum of four. The benefit, however, was prohibited from exceeding 65 per cent of the average weekly wages in the automobile industry, which at the time was approximately \$75.<sup>67</sup> A Canadian auto worker with at least 30 weeks employment in the calendar year prior to layoff would be eligible for TAB. In addition, in order to further determine his eligibility the Adjustment Assistance Board, which was subsequently set up by the government to deal with the adjustment problems of workers and headed by Vincent Bladen, would be required to find that a significant proportion of workers in the affected plant would be laid off for more than 30 days, and that the layoff was a direct result of the Auto Pact.<sup>68</sup> Through pamphlets, newspapers and announcements, the Department of Labour attempted to make the specifics of the long-awaited plan understood.

The government realized that one of the potential points of confusion and controversy would be with how the TAB program would affect the existing employer-employee SUB plans, or vice versa. The SUB plans were contributory, built into union-management contracts intended to provide short-term compensation for technical adjustments, such as plant retooling or seasonal layoff for annual model changes; whereas TAB ostensibly was to provide public compensation for adjustments made necessary by changes in government policies or agreements. Some of the laid-off

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<sup>66</sup>House of Commons Debates, June 28, 1965, pg. 2910.

<sup>67</sup>Pamphlet 'Transitional Assistance Benefit Plan for Workers in Motor Vehicle and Parts Industries,' published under authority of Honourable Allan J. MacEachen, Minister of Labour, Canada, WSU, Detroit, Michigan.

<sup>68</sup>Pamphlet, 'Transitional Assistance Benefit Plan for Workers in Motor Vehicle and Parts Industries'

workers would normally be eligible for SUB (if they had paid in), a plan provided for in the labour-management agreements of Chrysler, General Motors, and most importantly, Ford. MacEachen expressed his view that “the companies, which will be receiving direct financial benefits under the automotive agreement, should meet part of the financial burden of the lay-offs.”<sup>69</sup> So that the companies would share the costs of TAB with the Canadian taxpayer, the Minister of Labour announced that the companies with SUB plans would be asked to contribute the equal amount to TAB that they otherwise would have been required to pay in SUB. The government also specified that the contributions of these companies were a “requirement” for payment of TAB workers otherwise eligible for SUB.<sup>70</sup> In this way, theoretically worker credits in SUB funds would not be used up and would therefore be available for their intended purpose, namely unforeseen and unavoidable future layoffs.

Although government clarity was one of the ever-present demands of the Canadian UAW, NDP members in the House of Commons just minutes after MacEachen’s TAB announcement predicted that its “grave deficiencies” would make it unacceptable to labour. Reid Scott commended the Liberals for finally establishing the principle that workers should not be forced to suffer for conditions beyond their control, but not before he pointed out that those who foresaw the current difficulties “some months ago were laughed at and somewhat downgraded by the Government.”<sup>71</sup> However, the main concern at this time was with the actual program. Reid Scott’s first concern was with who was going to actually pay for the TAB program in the final analysis. He expressed fear that the companies would be able to “escape their responsibility” under the existing arrangement, while recognizing that management’s

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<sup>69</sup>House of Commons Debates, June 28, 1965, pg. 2910.

<sup>70</sup>Pamphlet, ‘Transitional Assistance Benefit Plan for Workers in Motor Vehicle and Parts Industries’

<sup>71</sup>House of Commons Debates, June 28, 1965, pg. 2911.

cooperation was a necessary precondition to the execution of the plan. His second apprehension was with the actual amount of assistance afforded eligible workers, which was referred to as a “joker in the plan.” A ceiling of 65 per cent of the average wage rate would place workers at an automatic disadvantage and loss, indeed providing nothing more than a substitution for SUB. Furthermore, the NDP frowned upon the fact that this was “considerably below” the 85 percent to be available in the United States for American workers.<sup>72</sup> The union defenders in the House of Commons immediately predicted after hearing MacEachen introduce TAB that it would provide no satisfaction to the Canadian UAW.

Reid Scott’s insight into the union’s reaction highlighted just how intertwined the union and political party were on their Auto Pact stances. George Burt responded on the same afternoon immediately after receiving word of the morning’s developments in Ottawa. The TAB announcement left the leader with “no alternative but to put forward the Council’s decision to oppose the auto trade agreement in its entirety into effect at once.”<sup>73</sup> A meeting of UAW officials in Toronto all immediately supported the stand taken by the District Council that the Auto Pact would be opposed until more ample benefits were forthcoming.<sup>74</sup> For Burt, the TAB, simply representing a substitution of SUB, fell far short of what autoworkers had a right to expect:

With gross pre-tax wages and salaries in the Canadian auto industry running at an average of \$122-a-week over the past 12 months, the federal TAB payment for a single worker amounts to only 54 percent (\$66) of gross earnings, and in the case of a married man with four dependents only 62% (\$76.61). The TAB program is based on straight-time earnings only, to the exclusion of premium pay for overtime which has been consistently at high levels over the past two years

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<sup>72</sup>House of Commons Debates, June 28, 1965, pg. 2911.

<sup>73</sup>‘Report of Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario,’ September 25 & 26, 1965.

<sup>74</sup>“Trade Pact Condemned: UAW Vows Opposition Pending Larger Benefits,” *The Guardian, Official Voice of UAW Locals 195, 200, 210, 444, Windsor, Ontario*, Volume VIII, No. 18, July 15, 1965.



with the boom in car sales.<sup>75</sup>

Burt spoke disparagingly about the fact that the 505 workers laid off the previous week would be placed in an unfair position. He pointed out that although the union was one of the prime movers of the Auto Pact, they had insisted that adequate protections be built into the scheme before the signing, and had continued to request such provisions since.<sup>76</sup>

Not only was Scott's prediction that the union would take exception to the raw dollar amounts founded, but so too was his assertion that clear American superiority would be a factor. The day of the announcement, Henry Renaud, president of directly-affected Ford Local 200, blasted the government on the grounds that it had implemented an assistance plan "well below" the American formula based on over 80 per cent of the average weekly wage. He stated that his workers had hoped that unemployment insurance would total \$52 per week in addition to \$50 SUB for a final total of \$102 or about 85 percent of the industry weekly average, effectively bringing it up to par with the American situation (see Tables 1 and 2).<sup>77</sup> In view of the inadequate amounts and significant US superiority, the leader of the union announced on the day of the government move, "with regret, but full determination,"<sup>78</sup> that his union would do all

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<sup>75</sup>*Windsor Star*, June 29, 1965.

<sup>76</sup>Yates points out that the "very implementation" of TAB suggests that Ottawa was listening to the union. However, she acknowledged that the actual program "fell short" of what the union desired. *From Plant To Politics*, pg. 121.

<sup>77</sup>*Windsor Star*, June 29, 1965.

<sup>78</sup>"...full determination" nicely encapsulates the force which with the union was prepared to oppose the Pact given the turn of events on the final weekend in June. NDP Scott refers to the UAW's stance in late June as being "bitter opposition" and the rhetoric, as well as actions, of the union back this up. Yet, Charlotte Yates gives this crisis a little bit of a different analysis. To her the union only "nominally" withdrew support after TAB: "The UAW found itself trapped. Its demands (for TAB) had been met within the accepted confines of compromise upon which lobbying was premised. Should the union engage in outright confrontation with the government, it might well lose its toehold of influence. The UAW began walking a fine line, nominally withdrawing its support for the Auto Pact while continuing to consult with both companies and the government. This balancing act was made easier by the absence of an organized opposition." *From Plant To Politics*, pg. 121.

in its power to influence Canadian public opinion against the Auto Pact.<sup>79</sup> Amidst massive dislocation in Windsor the crisis that had been mounting for months, even years, had reached a boiling point.

**TABLE 1-**  
**WEEKLY INCOME OF CANADIAN AUTO WORKERS ELIGIBLE FOR**  
**TRANSITIONAL ASSISTANCE BENEFITS (TAB) COMPARED WITH**  
**BENEFITS PAYABLE UNDER SUB PLANS<sup>80</sup>**

Hourly Rate	Weekly Earning	SUB* Payment	TAB Payment	TAB as Percentage of Weekly Earnings
\$1.90	\$76	\$51.62	\$53	69.70%
2	80	54.1	56	70
2.1	84	56.58	58	69
2.2	88	59.06	61	69.3
2.3	92	61.54	64	69.6
2.4	96	64.02	67	69.8
2.5	100	66.5	70	70
2.6	104	68.98	72	69.2
2.7	108	71.46	75	69.4
2.8	112	73.96	75	67
2.9	116	76.42	76	65.5
3	120	78.9	79	65.8
3.1	124	81.38	81	65.3
3.2	128	83.86	84	65.6
3.3	132	86.34	86	65.2

As the first wave of layoffs, consisting of the 505 workers, progressed, the Canadian UAW and NDP continued to strongly voice their disapproval. The main concerns remained the inadequate amounts of assistance as well as the fact that SUB funds would

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<sup>79</sup>*The Guardian, Official Voice of UAW Locals 195, 200, 210, 444, Windsor, Ontario, July 15, 1965.*

<sup>80</sup>Irv Bluestone to Carroll Coburn, UAW Interoffice Communication, October 14, 1966, UAW Region 7-Canadian Regional Office, Accession 372, Box 6, File 9, WSU, Detroit, Michigan

**TABLE 2-**  
**ESTIMATED WEEKLY INCOME OF U.S. WORKERS ELIGIBLE FOR**  
**ADJUSTMENT ASSISTANCE BENEFITS UNDER U.S.-CANADIAN AUTO**  
**TRADE AGREEMENT, 10/12/65<sup>81</sup>**

Hourly Rate	Weekly Earnings	Adjustment Assistance Benefit	Amount Considered to Represent Unemployment Compensation	Total Unemployment Compensation and SUB	SUB Payment	Adjustment Assistance Benefit Plus SUB	Total Weekly Income as a Percentage of straight-time Weekly Earnings
\$2.10	(a)84.00	\$55	\$42	\$56.58	\$14.58	\$69.58	82.2
	(b)96.60	63	44	56.58	12.28	75.58	90
2.2	(a)88.00	58	44	59.06	15.06	73.06	83
	(b)101.20	66	44	59.06	15.06	81.06	92.1
2.3	(a)92.00	60	44	61.54	17.54	77.54	84.3
	(b)105.80	67	44	61.54	17.54	84.54	91.9
2.4	(a)96.00	63	44	64.02	20.02	83.02	86.5
	(b)110.40	67	44	64.02	20.02	87.02	90.6
2.5	(a)100.00	65	44	66.5	22.5	87.5	87.5
	(b)115.00	67	44	66.5	22.5	89.5	89.5
2.54	(a)101.60	67	44	67.49	23.49	90.49	89.1
	(b)116.84	67	44	67.49	23.49	90.49	89.1
3	(a)120.00	67	44	78.9	34.9	101.9	84.9
	(b)138.00	67	44	78.9	34.9	101.9	84.9
3.5	(a)140.00	67	44	91.3	47.3	114.3	81.6
	(b)161.00	67	44	91.3	47.3	114.3	81.6
3.8	(a)152.00	67	44	98.5	54.5	121.5	79.9
	(b)174.80	67	44	98.5	54.5	121.5	79.9

inevitably be depleted.<sup>82</sup> Yet, the perceived inaccessibility of TAB also became an issue for George Burt, who believed that his workers had become “economic cannon fodder” during this transition period.<sup>83</sup> The 30-day waiting period while the Adjustment

<sup>81</sup>Irv Bluestone to Carol Coburn, UAW Interoffice Communication, October 14, 1966.

<sup>82</sup>Charlotte Yates deals briefly with the generalities of TAB, mainly how it conflicted with SUB: “The TAB plan...fell far short of the UAW’s proposed assistance benefit program. The key complaint lay in the necessary depletion of SUB funds before workers became eligible for TAB payments. Employer contributions to SUB had been negotiated in lieu of part of a wage increase, not to sustain workers laid off as a result of a government policy that was proving highly lucrative for the corporations. Canadian autoworkers saw this use of SUB as gouging out part of their wages.” *From Plant To Politics*, pg. 120-1.

<sup>83</sup>George Burt to ‘New Democrat, Liberal and Conservative candidates in ridings with

Assistance Board reached its decision was seen as too long a time for desperate workers . Conversely, under the SUB plan a person laid off could receive his full benefits after only seven days.<sup>84</sup> In this way, the union was opposed to the TAB plan for a number of different reasons. The Canadian UAW, tired of the government simply “plug(ging) a hole”<sup>85</sup> as situations arose, indicated that the door had been opened to a great deal of unrest between labour and the government as a result of these inadequate measures.<sup>86</sup>

Minister of Labour Allan MacEachen responded immediately to the barrage of criticisms and condemnatory remarks that followed his June 28 TAB announcement. His message was that the government would stand firm and no changes, or even *consideration* of changes, would be forthcoming. On the day after TAB was introduced, NDP Reid Scott asked the minister in the House of Commons whether he would be willing to refer the whole agreement to a committee where it could be studied and scrutinized given the bitterness it was causing among the labour movement. MacEachen’s response was a firm “no.”<sup>87</sup> Two days later, with the Canadian UAW mounting its expression of displeasure, former Conservative labour minister, Michael Starr asked whether there would be a possibility of withdrawing the entire TAB plan in the face of union opposition. On this question MacEachen’s answer was the same.<sup>88</sup> Clearly, the TAB plan was to remain, and with no alterations.

Allan MacEachen openly acknowledged that he was aware of the strong opposition of the trade union movement. It would be unusual, he noted, for George Burt to have fully accepted the plan without suggesting that the benefits be higher, and in this

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heavy UAW membership,’ September, 1965, UAW Region 7- Canadian Regional Office, Accession 372, Box 186, File 8, WSU, Detroit, Michigan

<sup>84</sup>House of Commons Debates, June 30, 1965, pg. 3097.

<sup>85</sup>UAW Press Release, Windsor, Ontario, January 26, 1966.

<sup>86</sup>House of Commons Debates, June 30, 1965, pgs. 3098-9.

<sup>87</sup>House of Commons Debates, June 29, 1965, pg. 3000-1.

<sup>88</sup>“Auto Firms Won’t Have To Contribute To Plan,” *The Telegram*, July 2, 1965.

respect the reaction of the Canadian UAW was “fully...expected.”<sup>89</sup> As well, the minister believed that the union had not fully understood the TAB plan before reacting. Because many of the proposals of the Canadian UAW had been largely accepted, MacEachen suggested “that once this plan is fully understood by the automobile worker there will be much less resistance...I venture to suggest...support for the plan will increase.”<sup>90</sup> Amidst the perceived confusion and misunderstanding, the minister did make a special effort to explain to the union one key, “superior,” feature of the TAB plan.

MacEachen side-stepped dealing with the union’s criticism that American transitional benefits were significantly higher than those of Canadians. He did, however, defend his belief that one aspect of TAB was “definitely superior” to its counterpart in the United States.<sup>91</sup> As was widely known by this time, the Canadian UAW had made representations to the government for months to the effect that the built-up management-employee SUB funds should in no way be used to cushion the blow caused by the Auto Pact. The government, accepting that these credits should instead be used by the autoworkers for “non-Government-induced-layoffs,” claimed it had solved the SUB/TAB question. Companies with SUB plans, notably including Ford, were being “asked” to pay into the TAB fund the same amount that they would have paid had SUB been in operation. In this way, the existing SUB funds would remain fully intact to protect workers during future layoffs.<sup>92</sup> Although the underlying notion of the plan before American Congress was identical,<sup>93</sup> the minister claimed victory vis-à-vis the American plan.

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<sup>89</sup>“Canadian Benefits Superior,” *Windsor Star*, July 2, 1965.

<sup>90</sup>House of Commons Debates, June 30, 1965, pg. 3101.

<sup>91</sup>House of Commons Debates, June 30, 1965, pg. 3094-5.

<sup>92</sup>*Windsor Star*, July 2, 1965.

<sup>93</sup>Many observers (notably NDP and Canadian UAW) pointed out that the Canadian plan was simply an inferior copy of the American plan that the government devised by

Immediate concern and question arose over the fact that the companies were *not required* to contribute to TAB, with all observers realizing that if indeed management did not cooperate, then there would be no TAB. MacEachen confirmed that the auto manufacturers would not be compelled to contribute to the program to help ease the laid-off workers during this adjustment period. The minister's attempt at reassurance saying that the government "fully expect(s) the companies will come forward and make a contribution" was probably not of much comfort to the union and its laid-off workers.<sup>94</sup> What eclipsed the government's claim that they had full faith in management was the comment of a Ford spokesman, who immediately upon hearing of the TAB plan claimed that his company was "unhappy" with it.<sup>95</sup> Management, which for months had flatly refused to engage in the union's proposed tripartite discussions, was put in a position to have the final word on how effectively or ineffectively workers would be compensated under the new government assistance plan.

Given the fact that layoffs precipitated by the Auto Pact were not anticipated at all plants, spokesmen of General Motors and Chrysler claimed that the TAB program was not expected to have any effect on them. However, the situation at Ford was very different. After expressing immediate unhappiness, Ford pointed out that the major automobile manufacturers already had SUB funds for workers affected by layoffs. Their spokesman noted that in the government legislation there existed an "escape clause" which would allow companies with SUB to refuse participation in the government program. Although not mentioning the Canadian UAW's well-known stance that SUB should be used for layoffs caused by such circumstances as seasonal model changeovers or slumps in sales and not government policies, the Ford spokesman did admit that his company's opting out would mean that more senior employees would get lower benefits

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watching the situation unfold in Washington.

<sup>94</sup>*The Telegram*, July 2, 1965.

<sup>95</sup>*The Telegram*, July 2, 1965.

than their junior counterparts.<sup>96</sup> Soon after Ford's strong hints at refusal to cooperate, the company, the first to lay off significant numbers under the Auto Pact, told the government to pay TAB itself as they had no intention of doing so.<sup>97</sup> They added that SUB had been negotiated with the union to cover a layoff even as exceptional as this and did not see why the fund should not be operative.<sup>98</sup> In less than a week of MacEachen's announcement, the TAB plan, which itself would take at least 30 days to administer in the best of cases, was "rendered virtually useless"<sup>99</sup> by Ford.

The dissatisfaction and disappointment felt by the NDP and Canadian UAW was expressed immediately. NDP leader T. C. Douglas displayed his disappointment that workers would be thrown back on their own resources and government Unemployment Insurance to depend on their SUB benefits while the companies would contribute none of their \$50,000,000 annual savings to combat layoffs.<sup>100</sup> The degree of union bitterness was evidenced in a Canadian UAW Council meeting in Hamilton, Ontario during the height of layoffs in Windsor. After reiterating that SUB should not be used in this case at all to the agreement of all the delegates, 'Brother' Wakeman "castigated" Ford for opting out of the TAB program.<sup>101</sup> Furthermore, at the meeting 'Brother' Nat Wineberg, Director of the Special Projects Division of the International Union out of Detroit and expert on the Auto Pact, came to address his fellow Canadian members.

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<sup>96</sup>*The Telegram*, July 2, 1965.

<sup>97</sup>George Burt to 'New Democratic, Liberal, and Conservative Candidates in ridings with heavy UAW membership,' September, 1965.

<sup>98</sup>'Report of Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario, September 25 & 26, 1965.'

<sup>99</sup>'Canadian and US Car Prices, AFL-CIO, 2-9-66,' UAW Region 7- Canadian Regional Office, Accession 372, Box 6, File 17, WSU, Detroit, Michigan

<sup>100</sup>Memo on 'Automation,' T. C. Douglas, Oshawa, 1965.

<sup>101</sup>'Minutes: Canadian UAW Council, Hamilton, September 25 & 26, 1965, Canadian Director's Report,' UAW Toronto Sub-Regional Office Collection, Series 2, District Council 26, Accession 296, Box 14, File 'Meeting, Sept., 1965, Minutes,' WSU, Detroit, Michigan

After stating that the Canadian TAB plan in all respects was “most inadequate,” Wineberg proceeded to tell the Canadians that the full support of the American parent union would be given to improve TAB.<sup>102</sup> A great amount of dissatisfaction was centered at both Ford’s rejection of TAB, as well as the government’s *allowing* the company to opt out. The events that immediately followed the Minister of Labour’s TAB announcement constituted another example of the gulf between the union and both management and government.

### A SUMMER OF TRANSITION

Two significant layoffs occurred in the summer of 1965 which were both directly attributable to the Auto Pact, and both provided fitting examples of the problems surrounding the entire TAB situation. The layoff of 1,500 unskilled workers at Ford was accompanied by a smaller one at Kaiser Jeep in Windsor. The Kaiser dislocation of 70, similar to Ford, began around the first week of July, was certified by the Adjustment Assistance Board, and involved the opting out of the company as they held SUB plans.<sup>103</sup> These were the two layoffs which the AAB approved of, and by extension TAB supposedly covered. In both cases the refusal of the companies automatically denied TAB payments to the workers covered by SUB. Only the *few* in the companies with no entitlement to SUB were deemed eligible for TAB. The *many* Ford workers who had been hired in the months before the layoff, having less than one year’s seniority, also had no entitlement to SUB. Second, service in the industry for less than 30 weeks had the effect of disqualifying many more under SUB.<sup>104</sup> The amount of workers who had TAB dangled in front of them and then quickly withdrawn proved quite high.

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<sup>102</sup>Minutes: Canadian UAW Council, Hamilton, September 25 & 26, 1965, Canadian Director’s Report.’

<sup>103</sup>Canadian and US Car Prices, AFL-CIO, 2-9-66.’

<sup>104</sup>Report of the Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario, September 25 & 26, 1965.’



The largest of the layoffs in terms of raw numbers, Ford, involved two main waves; the first occurring at the end of June and comprising of 493 men, and the second of 809 men taking place in mid-August (see Table 3). Two-thirds of those in the first layoff were re-employed at Ford after being gone for about half a year, while the second layoff proved far less disruptive with 93 percent being re-employed approximately four months after they left.<sup>105</sup> Of the men laid off, seventeen percent never returned, totaling 220.<sup>106</sup> Although the experiences of the Kaiser Jeep men were similar, the numbers were far less significant. By the middle of 1966 it was claimed that over 6,000 auto workers and their families had faced, or were about to face, extended layoff in Ontario due to the Auto Pact- about 4,500 in the 'auto belt' of Oshawa, St. Catharines, and Windsor alone.<sup>107</sup> Ford and Kaiser were simply the most immediate, and as a result, controversial.

In both layoffs the processing of TAB applications was delayed by government 'red tape.' On November 22, 1965, certification for the Kaiser layoff was issued, but no benefits were forthcoming until after the new year. Even though TAB regulations were not published and no claims were taken until almost three months after their layoff, the government's Unemployment Insurance Compensation first rejected the Kaiser workers' claims due to the apparent "delay in filing for benefits."<sup>108</sup> Only about 13 employees in the Kaiser layoff were eligible for TAB, with 10 receiving the payments totaling \$2,4000 to cover up to 15 weeks. These benefits were a minor supplement to the regular UI

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<sup>105</sup>C. M. Birch and J. B. Gertz, *The Impact of Layoff and Recall at Ford Windsor: An Examination of the Effect on Employees of the Ford Foundry and Engine Plants of the Reorganization of Production Facilities Arising from the Canada-United States Automotive Trade Agreement*. A Report of the Ontario Economic Council, 1966, National Library of Canada, Item 33286109474854, pg. 7.

<sup>106</sup>*The Impact of Layoff and Recall at Ford Windsor*, pg. 28.

<sup>107</sup>'Adverse Impact of Auto Products Agreement on Workers and Consumers, 3rd Provincial NDP Convention, 1966,' UAW Region 7- Canadian Regional Office, Accession 372, Box 6, File 2, WSU, Detroit, Michigan

<sup>108</sup>'Canadian and US Car Prices, AFL-CIO, 2-9-66.'

**TABLE 3-  
DESCRIPTION OF THE FORD LAYOFFS<sup>109</sup>**

<b>Characteristic</b>	<b>First Layoff (493 men)</b>	<b>Second Layoff (809 men)</b>
Living in Windsor	63% in the city	78% in the city
Age	88% under 35	93%, 35 and older
Marital Status	42% single	20% single
Seniority	95% two years' or less	92%, 17 years' or more
Pay Class	79% earning \$2.44, \$2.49 or \$2.54 per hour	87% earning \$2.44, \$2.79 or \$2.54 per hour
Length of Layoff	5,6 or 7 months	4 months or less
Number returning	326 (i.e. 66%)	786 (i.e. 93%)

benefits. The combined UI and TAB amounted to either 62 or 75 percent of these workers' average straight-time weekly pay prior to layoff, dependent on whether they were single or married respectively.<sup>110</sup> As at Ford, the TAB program at Kaiser became virtually useless once the company refused to participate. The program, which was allotted a budget of \$5,000,000 in June of 1965, by June 1966 had made payments of what the Canadian UAW referred to as "the meager total," and sarcastically as "the glorious total" of \$4,599.<sup>111</sup> As feared in the months leading up to the first layoff, workers were largely forced to rely on their own negotiated benefits as they otherwise would have in an unforeseen layoff.

The execution of the program in the Ford case was similarly bungled. Notification to laid off workers to apply for TAB came in late September, almost three months after the beginning of the first layoff. The notification was given in the form of a newspaper advertisement in the local *Windsor Star*. Adding to the complications, no follow-ups were undertaken by either the company or the National Employment Service to assist workers through the confusing processing stage.<sup>112</sup> The Canadian UAW later

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<sup>109</sup>*The Impact of Layoff and Recall at Ford-Windsor*, pg. 7.

<sup>110</sup>'Canadian and US Car Prices, AFL-CIO, 2-9-66.'

<sup>111</sup>'UAW Brief on the Canada-United States Automotive Products Agreement,' 1968, National Archives of Canada, MG 28 1119, Vol. 3, File 17.

<sup>112</sup>'Canadian and US Car Prices, AFL-CIO, 2-9-66.'

explained that despite both the government delays and Ford's opting out, they proceeded "with this application on the chance that some of the workers might just have entitlement to TAB...."<sup>113</sup> The union well knew that the TAB program was not to be a factor.

As of the end of September no payments of TAB had yet been made to laid off autoworkers, despite the fact that hundreds were going into their fourth unemployed month. Finally, on September 7 the Adjustment Assistance Board announced its regulations and the Canadian UAW made its application for certification that the layoff of 1,484 Ford Windsor workers was directly attributable to the Auto Pact.<sup>114</sup> Although the layoff was certified, the great majority of workers relied on SUB, a combination of SUB and UI, or went on to new work. The Canadian UAW, viewing the Ford layoff as "the first test of the government's willingness to face up to its responsibilities to the workers injured,"<sup>115</sup> claimed with regret and disappointment that only three Ford workers had applied for and received TAB.<sup>116</sup>

The workers laid off in Windsor were forced to rely on avenues other than TAB for income substitution. The men in Ford's first wave of layoffs drew benefits of seven or eight weeks on average, and virtually all of them exhausted the benefits half-way through their layoff period. About 90 per cent of these men were forced to seek alternative employment elsewhere during their time away from the Ford plant, but also relied heavily on UC, SUB, and past savings. The men of the second layoff lived mostly on UC, SUB, and prior savings alone. Of the 220 that never returned to Ford, most went to work soon after, while some left Windsor entirely and a smaller number retired.<sup>117</sup>

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<sup>113</sup>'Report of Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario, September 25 & 26, 1965.'

<sup>114</sup>'Report of Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario, September 25 & 26, 1965.'

<sup>115</sup>'Report of Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario, September 25 & 26, 1965.'

<sup>116</sup>'Canadian and US Car Prices, AFL-CIO, 2-9-66.'

<sup>117</sup>*The Impact of Layoff and Recall at Ford Windsor*, pgs. 7-8.

However, most notable was the fact that with TAB a non-factor, the only government contribution was through the UC, which only entitled the worker to between \$27 and \$36 per week provided they met specific requirements (see Table 4). Much of Auto

**TABLE 4-  
EXPERIENCES OF THE LAID-OFF FORD MEN<sup>118</sup>**

<b>Experience</b>	<b>Less Than 11 Weeks Laid-Off</b>	<b>11-15 Weeks Laid-Off</b>	<b>16-20 Weeks Laid-Off</b>	<b>21-25 Weeks Laid-Off</b>	<b>More Than 25 Weeks Laid-Off</b>	<b>Total Number of Men</b>
Wife went to work	4	3	25	3	22	57
Children Quit School	2	0	2	1	0	5
Used UC/SUB Respectively	49 & 55	53 & 58	229 & 249	36 & 29	86 & 25	453 & 416
Decreased Savings	25	39	151	26	91	332
Borrowed Money	1	8	30	5	28	72
Piled Up Bills	8	20	77	9	62	176
Help From Relatives	1	2	22	3	15	43
Moved to Cheaper Quarters	1	2	8	2	1	14
Other family member got job	6	1	9	2	16	34
Received Public Assistance	0	2	1	1	2	6
Sold car or durables	0	0	6	1	5	12
Gainfully Employed	6	11	50	31	177	275
Number of men	62	63	272	48	196	641

Pact-induced layoff was funded on the workers' own resources.

In September 1966 a small team of University of Windsor's Faculty of Business Administration was granted a project by the Ontario Economic Council:

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<sup>118</sup>*The Impact of Layoff and Recall at Ford-Windsor, pg. 7.*

Our assignment from the Ontario Economic Council was to ascertain the impact of the Ford experience on a section of its employees, with respect to who they were, what happened to them, how did they live, and did they get a job back.<sup>119</sup>

**TABLE 5-**  
**FINANCIAL EXPERIENCES COMPARED TO LENGTH OF LAYOFF<sup>120</sup>**

<b>Experience</b>	<b>Less Than 11 Weeks Laid-Off</b>	<b>11-15 Weeks Laid-Off</b>	<b>16-20 Weeks Laid-Off</b>	<b>21-25 Weeks Laid-Off</b>	<b>More Than 25 Weeks Laid-Off</b>	<b>Total Number of Men</b>
Wife went to work	4	3	25	3	22	57
Children Quit School	2	0	2	1	0	5
Used UC/SUB Respectively	49 & 55	53 & 58	229 & 249	36 & 29	86 & 25	453 & 416
Decreased Savings	25	39	151	26	91	332
Borrowed Money	1	8	30	5	28	72
Piled Up Bills	8	20	77	9	62	176
Help From Relatives	1	2	22	3	15	43
Moved to Cheaper Quarters	1	2	8	2	1	14
Other family member got job	6	1	9	2	16	34
Received Public Assistance	0	2	1	1	2	6
Sold car or durables	0	0	6	1	5	12
Gainfully Employed	6	11	50	31	177	275
Number of men	62	63	272	48	196	641

The professors concluded after interviewing the majority of the affected workers that the layoff period was “disruptive and often difficult.” Yet they pointed out that little evidence was found of *extreme* hardship, such as children being pulled out of school, homes being lost, or furniture and belongings being sold. With the absence of significant government assistance, the availability of alternative employment at the time and place was of “major importance in accounting for the lack of resort to extreme economic

<sup>119</sup>*The Impact of Layoff and Recall at Ford-Windsor*, pg. 6.

<sup>120</sup>*The Impact of Layoff and Recall at Ford-Windsor*, pg. 22.

measures by the laid-off men...in less prosperous times their economic experiences might well have been quite different.”<sup>121</sup> The layoff was not an easy time for the workers nevertheless (see Tables 5, 6, and 7).In the fall of 1965 the Canadian UAW resolved

**TABLE 6- SOME FINANCIAL EXPERIENCES OF INTERVIEWED EMPLOYEES WHO RETURNED**<sup>122</sup>

<b>Question</b>	<b>First Layoff 'YES'</b>	<b>First Layoff 'NO'</b>	<b>Second Layoff 'YES'</b>	<b>Second Layoff 'NO'</b>
Wife went to work	25	197	32	351
Children Quit School	1	214	4	378
Education and Training Acquired During Layoff	15	219	11	393
Decreased Savings	112	122	220	185
Borrowed Money	33	201	39	336
Piled up bills	71	163	105	300
Help from relatives	18	216	25	380
Moved to cheaper quarters	3	231	11	394
Other family member got a job	18	216	16	389
Received Public Assistance	3	231	3	402
Sold car or other durables	6	228	6	399
Used UC	114	120	339	68
Used SUB	45	189	371	36
Gainfully employed	208	26	67	340

to play a significant role in ousting the Liberals from Ottawa in the November 8 federal election. The TAB program, it was decided would be one of the main issues to be utilized in bringing the union's point of view before Canadian voters.<sup>123</sup> Before the election, George Burt became frustrated with some misunderstanding he sensed was occurring concerning his union's political orientation:

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<sup>121</sup>*The Impact of Layoff and Recall at Ford-Windsor*, pg. 8.

<sup>122</sup>*The Impact of Layoff and Recall at Ford-Windsor*, pg. 23.

<sup>123</sup>The other issue that the union used in their attempt to persuade Canadians to vote NDP was the maintenance of vehicle prices in the country even after the Auto Pact. This issue, of special interest to car consumers, was probably of more relevance to a great number of Canadians than the dislocation issue.

Enemies of the UAW and the New Democrat Party are forever trying to drive a wedge between the union and the political party of its choice. They see in the complex Canada-US Automotive Trade Agreement an opportunity to confuse, and thus perhaps confound, the public- and , if possible, our own members.<sup>124</sup>

**TABLE 7- A COMPARISON OF EMPLOYEES WITH THE LONGEST LAYOFF**<sup>125</sup>

Experience	272 Men Off 16-20	272 Men Off 16-20	185 Men Off 26-30	185 Men Off 26-30
	Weeks in Second Layoff 'YES'	Weeks in Second Layoff 'NO'	Weeks in First Layoff 'YES'	Weeks in First Layoff 'NO'
Gainfully employed	50	222	175	10
If gainfully employed did it take you less than 6 weeks to find employment	38	12	142	33
Wife went to work	25	229	22	155
Drew UC	229	43	78	107
Drew UC less than \$30 per week	21	208	36	42
Drew less than 6 weeks	20	209	39	39
Drew SUB	249	23	16	169
Drew less than \$36 per week	146	103	11	5
Drew SUB less than 6 weeks	20	229	7	9

The NDP and Canadian UAW had held similar stances on integration from the time of the Bladen Commission, and that unity continued unabated through into the years of the Auto Pact, and the resulting adjustment assistance crisis.

On October 6, a month before the election, NDP leader T. C. Douglas spoke at a rally in Oshawa, Ontario. He pointed out that on the entire debate "the UAW of the United States...and the UAW of Canada...and the members of the NDP in Parliament have worked closely together and we are completely in agreement as to our views on this

<sup>124</sup>George Burt to 'Editors of All Canadian UAW Local Union Papers and Presidents of All Canadian UAW Locals,' October 18, 1965, UAW Canada, Accession 372, Box 80, File 12, WSU, Detroit, Michigan

<sup>125</sup>*The Impact of Layoff and Recall at Ford-Windsor*, pg. 26.

matter.”<sup>126</sup> The NDP was indeed the only party to ally itself with the Canadian UAW, while the Conservative Party clearly swayed opportunistically with the tide and the Communist Party sympathized with the union minority that opposed integration to begin with. At an NDP convention that dealt with the Auto Pact in depth, the party “deplored” the failure of the Liberals to *require* Ford to fulfill their obligations to workers. The fact that the deal was brought into being by order-in-council, as well as the lack of emergency debate in Parliament were also causes of much antagonism. The government’s refusal to take steps to provide alternative employment and adequate assistance for workers forced the NDP to declare its firm opposition to any similar future agreement in any industry, until legislative measures had been enacted to protect workers *beforehand*.<sup>127</sup> The NDP knew that the union had been pleading for safeguards since 1960. The party committed itself to making the Auto Pact a strong issue in its election campaign of 1965.

The Canadian UAW and NDP endeavoured to organize a massive one-day lobby of Ottawa precipitated by their dissatisfaction with the government’s dealings over the Auto Pact, scheduled to be held on October 4, a month before the federal election. Numerous delegations had gone to Ottawa before in order to press the union’s program on the federal government. At the June meeting of the Canadian UAW Council a special committee was established to continue efforts to pressure government for a better deal. The committee undertook plans to organize a day-long lobby of Cabinet Ministers and Members of Parliament. Union members, after being briefed on the adverse effects of the Auto Pact in “laymen language,”<sup>128</sup> were invited and encouraged to participate. In

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<sup>126</sup>George Burt to ‘Editors of All Canadian UAW Local Union Papers and Presidents of All Canadian UAW Locals.’

<sup>127</sup>George Burt to ‘Editors of All Canadian UAW Local Union Papers and Presidents of All Canadian UAW Locals,’ October 18, 1965; ‘Report of the Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario, September 25 & 26, 1965,’; ‘Adverse Impact of Auto Products Agreement on Workers and Consumers, 3rd Provincial NDP Convention, 1966.’

<sup>128</sup>George Burt to ‘Editors of All Canadian UAW Local Union Papers,’ October, 1965;



the meantime, Canadian UAW staff were set to work making detailed surveys of the Auto Pact and TAB program in preparation of the day.<sup>129</sup> With members of the Canadian UAW and NDP immersed in preparation, the union's leadership finally decided that the election being one month after the scheduled lobby rendered the latter impractical as the politicians would be leaving Ottawa to campaign in their own constituencies for re-election.<sup>130</sup> The desire to educate the public of the injustices of the Auto Pact, and by extension, to contribute in the overthrow of the Liberals was in evidence in Canadian UAW offices and on shopfloors throughout the 1965 campaign.

Despite a strong showing for the NDP in Ontario, November 8, 1965, witnessed a return to power by the Liberals.<sup>131</sup> It was not until the beginning of 1969 and thousands of layoffs later, under Trudeau, that the Department of Labour finally announced changes to the TAB program. The changes, which were the culmination of demands made by the union over years, included "a reduction in eligibility time, an increase in benefits, and the possibility for individual autoworkers to draw *either* SUB or TAB benefits when laid off due to readjustment under the Auto Pact..."<sup>132</sup> Unlike from between 1960 and 1965, the federal government consulted with the union prior to official bilateral consultations on the trade deal when the American government began strongly opposing Canadian

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William J. Marshall, Secretary-Treasurer to Mr. Nat Weinberg, Special Projects Division, International Union, UAW, Detroit, October 4, 1965, UAW Region 7- Canadian Regional Office, Accession 372, Box 72, File 12, WSU, Detroit, Michigan

<sup>129</sup>*The Guardian, Official Voice of UAW Locals 195, 200, 210, 444, Windsor, Ontario, July 15, 1965.*

<sup>130</sup>'Report of Canadian Director George Burt: Meeting of Canadian UAW Council, Hamilton, Ontario, September 25 & 26, 1965.'

<sup>131</sup>Over 90 percent of auto manufacturing came out of Ontario at this time, and a similar percentage of Canadian UAW members hailed from Ontario as well. Layoffs resulting from the Auto Pact were of no importance to provinces outside Ontario. The 1,196,308 popular votes for Liberals put beside the 594,112 NDP votes (933,753 Conservative) in the province illustrate how influential the labour vote was in the Liberal minority result.

<sup>132</sup>*From Plant to Politics*, pg. 145.

safeguards under the Auto Pact.<sup>133</sup> For years the workers had been forced to draw upon their SUB before being eligible for TAB , thus draining the important SUB fund. The manifestation of the new “just society” under Trudeau was welcomed by the Canadian UAW, but in many ways and for many workers was a few years too late.

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<sup>133</sup>*From Plant to Politics*, pg. 145.

## CONCLUSION

On July 5, 1960, the Canadian United Auto Workers suggested to the Government of Canada that “the feasibility of closer integration” should be explored as a possible remedy to the industry’s major structural shortcomings. At the same time, the union expressed its view that any government move *must* be accompanied by protection for workers who would be adversely affected. Although rationalization was the union’s own idea, union support would not be attached unless the state recognized the principle that no workers should be made to suffer for a change brought about to serve the greater national good. This was the *condition* of Canadian UAW support, and it was made known from the start.

In 1961, division over the integration issue within the union, although at times a setback and detriment to the District Council’s main agenda, did not stop the workers from pressing the Royal Commission and Vincent Bladen for entrenched assistance provisions. The reaction of the union upon hearing that its integration recommendation had been accepted while its adjustment assistance request had been rejected was less than favourable, thus pointing to the fact that the *condition* of support was as important or more than the principled support itself.

Two duty-remission plans, in 1962 and 1963 respectively, were supported by the autoworkers, and as integration with the United States loomed closer, the union continued to remind Ottawa of the necessary inclusion of protection once the tariff wall came down. Conferences on the effects of technological change and automation on the workforce attracted unprecedented attendance numbers in this period, and the autoworkers in Canada contributed significantly to the great turn-outs. Not an opportunity was missed for an autoworker delegate to remind industry, government, and the rest of labour of the responsibilities of the state to the victims of change, *especially* change precipitated by policy decisions made in Ottawa.

With the union increasingly beginning to feel that the government was turning a deaf ear to its requests, the left-leaning Canadian-American Committee became another vehicle through which they could send their message. George Burt, the union's leader, refused to sign the Committee's late 1964 free trade proposal although it set out exactly what the union had suggested four years earlier as an option for increasing and improving the industry's efficiency, employment, and balance of trade. Feeling that the government had an unacceptable past record on assisting workers facing adjustment, the union opposed the document due to a section on adjustment assistance that was not definitive enough. Just months before the signing of the trade deal, this further demonstrated the union's determination to secure worker guarantees before any support could be forthcoming.

The government's rejection of the Canadian UAW's "demand" that implementation of the deal be stopped just days before its passing was largely a reflection of the four previous years in which Ottawa had failed to accommodate the workers on their one main concern. The passing of the Auto Pact by order-in-council created a situation whereby those concerned about labour adjustments were denied a forum to voice their reservations. For the autoworkers in Canada it also served as a sobering contrast to the situation in the United States. American officials conferred daily with labour before the Auto Pact legislation was passed as Walter Reuther's official support was seen as *essential*, and in doing so, provided the American UAW with opportunities to scrutinize and criticize. The existing Trade Expansion Act and the entrenched Bill 6960 (Title 3) in the United States both recognized, in theory and practice respectively, that workers should not suffer the consequences of a trade deal, and as a result would not. American labour had the same condition of support as their Canadian counterparts, yet after the fact, American workers were content while Canadians were not.

Although this was a period in which the Canadian UAW was brought into the federal government's confidence on a number of issues, partly due to the fragile Liberal minority government, the dislocation issue proved an exception. The Auto Pact immediately showed signs of broad success, and thus enabled the government to diminish the importance of the layoff question, when it was acknowledged at all.

In April, 1965, when Ford announced the layoff of 1,600 men effective immediately, and the union subsequently withdrew all remaining support for the Auto Pact, Ottawa could no longer afford to fail to act. With intense pressure coming from both American and Canadian labour, the Minister of Labour announced an assistance plan the Monday after the weekend layoff announcement. Quickly realizing that the plan was late, insufficient, inaccessible, and relied on management's contribution (which Ford immediately made clear would *not* be forthcoming), the Canadian UAW and all its locals continued with their opposition and committed to educating Canadians about the government's negligence. With TAB a non-factor, in the end result, most workers were forced to rely on their existing collective agreements with management, Unemployment Insurance, personal savings, alternative employment, and in isolated cases, more extreme measures. Amidst the layoff debacle, the workers and union leaders used the failure to adequately assist Auto Pact victims as an issue in order to attempt to defeat the Liberal government in the November 1965 federal election.

A full understanding of the stance of the Canadian UAW from the birth of the integration idea in 1960 to the aftermath of the Auto Pact in 1965 cannot be arrived at with the existing literature. Most, if not all, accounts of the Auto Pact overlook the labour angle in favour of perceived broader, usually 'after-the-fact,' perspectives. Works on the auto union in Canada have generally swept over the mid-1960s developments with simple mention of either support, opposition, or division within. Of all studies to present, only Charlotte Yates touches on the precariousness of the union's position concerning the Auto Pact.

Once the internal division subsided in 1961, the autoworkers in Canada pledged their overwhelming support for government moves towards continentalism. Over the next half decade, as small steps were taken to lower the tariff wall before the big move in 1965, the union took advantage of every opportunity to clearly state that government protection for adversely affected workers was a *necessary* precondition for their support. As the Bladen Commission recommendations, the duty-remission plan of 1962, the full remission plan of 1963, the Auto Pact of 1965, and the first attributable layoffs transpired, the union remained firmly committed to its stance that government had a responsibility to the car makers. After years of feeling shut out and denied, and with thousands leaving the plants for months with no proper government assistance plan in place, the principled support of integration became less important and significant to the union than their clear condition of the necessity of government provisions. Any account of labour and the Auto Pact in Canada that fails to take the *condition* of the union's stance into consideration, in doing so also fails to fully and properly impart the position of the Canadian UAW on the Auto Pact and its prehistory.

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