Organized Labour and the Making of Public Policy in Twentieth-Century New Brunswick

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Abstract

The long view of New Brunswick history over the past century shows us glimpses of a vigorous tradition of social reform, much of it driven by the activism of organized labour. The New Brunswick Federation of Labour, established in 1913, was a major force in this history. The Federation played a leading part in the achievement of labour standards such as workmen’s compensation (1918) and subsequently in the enactment of laws to protect the right to union membership and collective bargaining. In pursuing these and other objectives, the province’s labour organizations have contributed to traditions of social democracy that are too easily overlooked in contemporary debates in New Brunswick. This essay sheds light on that important history, and why organized labour still matters in the province.

In the years before the turn of the twentieth century, when Sidney and Beatrice Webb were writing their classic works on the theory and practice of trade unionism in Britain, at least one New Brunswick intellectual was also exploring the contemporary labour question. In 1898 John Davidson, who held an appointment as professor of political economy and moral philosophy at the University of New Brunswick, published a remarkable text that described the essential conflict at stake in the relationship between workers and employers. “Labor, in spite of sentimental objections, is undoubtedly a commodity which is bought and sold,” wrote Davidson in *The Bargain Theory of Wages*. However, he went on to explain, this is no ordinary economic proposition, as market conditions can never be a sufficient guide to the value of such a unique commodity: “Labor differs from most, if not all, other commodities in retaining, even under modern industrial conditions, its subjective value to the seller. We cannot separate the labor and the laborer. It is labor that is bought and sold but, with the labor, goes the laborer. Therefore instead of a great simplification we have a great complication.”

In our own neoliberal times, when the claim is again made that workplace standards and economic efficiencies are best regulated by the marketplace, this is an observation worth pondering. In the early months of the year 2011, for instance, the news in New Brunswick has been filled with alarming reports about the freezing of wages, the redefinition of pensions, the suspension of minimum wage increases, the curtailment of bargaining rights, and the reduction of public services. From Davidson’s perspective, such debates can be seen as controversies about the relative distribution of wealth within society. In a time when global financial markets are in difficulty and rates of return to wealthy individuals and private corporations are falling, the attempt to shift burdens onto the less powerful members of the community can be seen...
as the latest round in the ever-continuing “bargain theory” of wage determination. Indeed, much of the progress of the twentieth century in New Brunswick took place in defiance of the conventional wisdom of market regulation. To take the most obvious examples, child labour was limited by provincial legislation, soon followed by compulsory school attendance laws; slowly but surely, working-class incomes increased, both through the enactment of employment standards and through the collective bargaining process; by the 1960s the province was even taking its first steps to require employers to pay women the same rates as male workers. Labour organizations were especially prominent among the social reform movements that insisted on the extension of political, social, and economic rights to previously underprivileged and excluded categories of citizens. Under such pressures, the power of public policy was deployed to achieve measurable improvements in employment and social conditions in the province. However, as in the rest of Canada, real wages, standards, and services have been under threat since at least the mid-1970s, and the claim that the market is the best regulator of distributive justice threatens to become an accepted social orthodoxy.2

The following discussion draws on recent research undertaken as part of a larger project, supported by the Community-University Research Alliances program of the Social Sciences and Humanities Research Council of Canada, under the title “Re-Connecting with the History of Labour in New Brunswick: Historical Perspectives on Contemporary Issues.” One of the specific research tasks has been the preparation of a history of the New Brunswick Federation of Labour, the provincial “parliament of labour” that seeks to represent the interests of workers in provincial affairs.4 As one of the first three provincial federations of labour in Canada, this organization is now approaching its centennial year in 2013 and is one of the longest continuously existing federations of labour in Canada. This itself is already a contradiction of the conventional wisdom about New Brunswick, which includes the claim that the province’s labour movement lacks “deep regional roots.” The late senator Eugene Forsey had long maintained that New Brunswick was one of the birthplaces of the pre-Confederation union movement in British North America, and as I recently suggested in a presentation to the Historic Sites and Monuments Board of Canada, it may well be that New Brunswick today has one of the oldest existing union locals in the country—the Saint John longshoremen, whose history dates back to 1849; there is also the important example of the Canadian Brotherhood of Railway Employees, founded at Moncton in 1908, which became one of the major national unions in Canada.6

As the Webbs pointed out many years ago, labour unions arise from existing conditions in workplaces and communities. They are created to meet felt needs, and their organizational structures have gradually evolved to address the opportunities for wider solidarities among diverse workers and across larger territories. In the Canadian case, provincial federations are especially relevant for the simple constitutional reason that, for better or for worse, the Canadian constitution as it has existed since Confederation provides that most workers live and work under employment standards and labour relations systems established and administered by the provincial governments. Although the federations have no direct control over their affiliates and do not represent them in collective bargaining, they speak for the more general interests of workers within the provinces and seek to promote labour solidarities at the provincial level. This interim discussion singles out only a few episodes in the story of organized labour and the making of public policy in New Brunswick over the past century.7 In these examples, we see how workers sought to overcome the indifference and inertia of the provincial government and to advance their claims for recognition within provincial society. Much of the result depended on vigilant attention to political detail and active mobilization of support at moments of strategic opportunity. New Brunswick workers refused to wait for paternalistic interventions or settle for the false coinage of counterfeit reform. Instead, even in the relatively underdeveloped condition of provincial historiography, we are able to see the evidence of workers, both as individuals and as union and Federation members, asserting their place as actors in the historical process and making their contribution to the history of the province.

Social historians often write about large groups of people, but to begin it is helpful to consider the story of one individual “citizen-worker” who played a largely unknown part in New Brunswick history. Born in West Saint John, 1 September 1883, James Leonard Sugrue grew up in the Irish working-class community there. His mother, Mary Josephine Driscoll, was the daughter of Irish immigrants from Cork; his father, James R. Sugrue, was a Kilkenny immigrant who taught in the city schools for many years. Sugrue and his older brother both went to work in the building trades. “Jimmie” Sugrue, as he was often known, became active in the carpenters’ union, and his abilities were recognized more widely when he was elected president of the Saint John Trades and Labour Council in 1912.8
Plans for a federation of labour were discussed among provincial labour leaders in 1912, and Sugrue kept the idea alive in 1913. He was disappointed with the token Fair Wages Act brought in by the provincial government that year. He argued that it showed the need for workers to have more influence in public affairs: “What a splendid piece of legislation. The workers should certainly be proud of the lawyers, doctors and business men who are representing them . . . . Let’s quit acting comedy, brothers, and get down to business. We need a Federation of Labor in this province and the time is ripe for its formation.” At this time only Alberta and British Columbia workers had established provincial federations, and New Brunswick’s became the third. An organizational meeting took place in September 1913, and the founding convention was held at the Carpenters’ Hall in Saint John in January 1914.

He was only thirty years old at the time, but the delegates recognized Sugrue as an effective representative of a new generation of union leaders and chose him to serve as their first president. During his time in office, Sugrue met regularly with premiers and politicians to lobby for changes in provincial laws that were endorsed at Federation meetings. In addition to calling for improved wages and conditions for workers, this included free school books for children, more health regulations and medical inspections in schools, labour representation on public boards, and the extension of the franchise to women on the same basis as men. As Sugrue once explained, the cause of labour was important to the whole community: “In the long run we hope to so improve conditions here that the people won’t leave for the west in search of better wages and shorter hours of labor.”

In these early years, the Federation’s biggest priority was to improve the laws for the compensation of workplace death and injury. Its first challenge was to establish the fact that the existing Workmen’s Compensation for Injuries Act, adopted in 1903 and sometimes pointed to retrospectively as a landmark in social reform, was in reality an act to limit the liability of employers for accidents, since the worker was obliged to prove that the employer was somehow at fault before any compensation could be authorized. Middle-class reformers had objected to the inadequacies in the law before, but it was the efforts of organized labour that made the difference. In early 1917 the province finally appointed a commission of inquiry, with two of the five members drawn from the unions—Federation President Sugrue and Saint John longshoreman Fred Daley (whose brother, the local union president, had lost his life on the waterfront four years earlier). The commission studied the new laws enacted in Ontario and Nova Scotia, which introduced a system of public insurance against workplace accidents. Interestingly, this was all happening in the worst years of the Great War, which was exacting its bloody toll, and politicians may well have considered it due time to pay attention to casualties on the home front as well.

Meanwhile, the union leaders stirred up public support and met at length with the provincial cabinet, and out of this agitation emerged a consensus for reform. In the spring of 1918 New Brunswick adopted a new law governing workers’ compensation. The legislation accepted the premise that workers and their families were entitled to compensation for death and injuries arising out of their employment and that the costs should be a charge upon the employers, with the whole system administered by a board on which workers had equal representation with employers. The change was “revolutionary in its character,” noted one of the opposition leaders—a comment he made with evident approval. Because it transferred liability for accidents from individuals to the state and “socialized” the costs of workplace hazards, we can classify it as an example of the “new liberalism” of the early twentieth century that established a shared social responsibility for the safety and security of citizens.

This was certainly a reform that operated within the cultural and ideological limitations of its time. For instance, widows lost their benefits on remarriage, and important categories of workers were excluded—farm labourers, domestic servants, clerical workers, police, and firemen. Moreover, there was no debate on an amendment to exclude workers in the fisheries, one of the most dangerous occupations in the province. There was more controversy about workers in the lumber industry, and in the 1918 session the government amended its own bill to exclude logging in the woods and work on the river drives. A year later, however, the legislature changed its mind and extended the Compensation Act to these workers. Once it came into effect, there were sustained attacks on the act, especially from Angus McLean of the Lumbermen’s Association, who refused to pay assessments for the Bathurst Lumber Company until ordered to do so by the Supreme Court of Canada. Although union members were relatively few in number at this time, and those affiliated to the Federation even fewer, a well-informed labour movement had succeeded in achieving changes that made a difference for many thousands of workers and their families, union members or not. Ever since then, workers’ compensation has
occupied a high place on the labour agenda in this province, as unions have sought to extend and defend the rights of workers under a program that was one of their major contributions to provincial public policy.¹¹

We could go on from here to discuss other social legislation and employment standards—from mothers’ allowances and minimum wages through to equal-pay laws and medicare—that were achieved through the leadership and collaboration of organized labour, but this will have to wait for more detailed accounts of New Brunswick’s reform tradition. We turn instead to a second kind of public policy that is also important for workers, and that is the underlying right to union recognition and collective bargaining. Union membership was legal in Canada, at least after the Trade Union Act of 1872, but it was a formal political right that workers often exercised at their peril. A determined employer had every right to dismiss workers who were union members (or not hire any at all), and employers could readily demand, as a condition of employment, that workers sign agreements not to engage in union activity. The need for unions, and in particular the need for laws to protect union members, was one of the conclusions workers drew from their experiences of powerlessness. This view won growing support during the Great Depression, and at the 1937 meetings the Federation approved four separate resolutions calling for legislation to give union rights to all New Brunswick workers.¹²

Meanwhile the Province of New Brunswick established a Fair Wage Board, with a mandate to seek “voluntary adjustments” in wages and hours and issue directives to employers—but only in the most extreme situations. This was a feeble step forward. On the Miramichi in the summer of 1937, workers did not wait for the Fair Wage Board to investigate why they were earning as little as 17.5 cents an hour and working ten-hour days; instead they went on strike under the banner of the New Brunswick Farmer-Labour Union and did not return to work until they had a minimum wage of 28 cents an hour and a nine-hour day. They were not alone. During that same year in 1937 some one thousand men went on strike in the Grand Lake coalfield, also in defiance of the Fair Wage Board, and students from the University of New Brunswick and the Student Christian Movement raised funds and delivered supplies to support the strikers and their families.¹³

In response to this militancy, the 1938 spring session of the legislature unanimously passed a Labour and Industrial Relations Act stating that “employers and employees have the right to organize and bargain together collectively.” It was hailed in the press as “a Bill of Rights for N.B. labor,” but there was less to it than met the eye. A young lawyer in Fredericton, a McGill University graduate originally from the Miramichi who was sympathetic to the cause of labour, assisted the Federation in making a critique of the bill. To begin with, the definition of “employee” was too limited—it excluded agricultural workers and domestic servants (“in many cases . . . the worst treated class of labor in the province”) as well as employees “by or under the Crown” (“there is no reason in the world why this class of Labor should be set apart and marked off from the rest of the labor movement”). The biggest deception was that, unlike the 1937 Trade Union Act in Nova Scotia or the 1935 Wagner Act in the United States, there was nothing to compel employers to recognize unions and engage in bargaining: “The Act is as flat as a pancake if there is no provision dealing with Union recognition.”¹⁴

The logjam was broken by the Second World War. Union membership rose rapidly during the war years, and it was clear there would be no turning back. Once the war against fascism was won, New Brunswick was going to be “a province fit for heroes,” said Federation of Labour President James Whitebone, repeating this theme on more than one occasion when discussing plans for postwar reconstruction: “Every worker needs the union and will need it more than ever in the critical times following the war.”¹⁵ In 1944 a federal order-in-council, PC1003, guaranteed workers the right to union representation and collective bargaining under the law. It was a Magna Carta with an early expiration date at the end of the war, but in 1945 the New Brunswick government signalled its acceptance of the new standard by enacting a Labour Relations Act to continue most of the provisions of PC1003. This included a New Brunswick Labour Relations Board, administered by staff in the recently created Department of Labour, whose first cabinet ministers, both Liberals and then Progressive Conservatives, were card-carrying union members.

The so-called “postwar compromise” between workers and employers, sometimes referred to as a system of “industrial legality,” was not as complete as the Federation had hoped. The usually very diplomatic Whitebone used some of his strongest language to attack the “ridiculous and stupid policy” of excluding public employees: “It is difficult to understand why the Provincial Government persists in refusing to recognize and bargain with legitimate Unions of its own
employees while enacting and attempting to enforce laws which required private employers to do so.\footnote{16} Resolutions objecting to the inferior status of public employees were adopted repeatedly at Federation conventions in the coming years, and the long campaign for union rights led eventually to the enactment of the Public Service Labour Relations Act in 1968. This important breakthrough in New Brunswick, as elsewhere in Canada, has helped to keep union density close to the 30 percent mark since the 1950s, even in the face of structural shifts in the workforce that have reduced the significance of union membership in industrial employment and the resource sector. The logic of history is that just as the organizing waves that created craft and industrial unionism were followed by similar waves of unionization in the public sector, we are likely to see new initiatives, perhaps even new forms of organization, to meet the needs of workers in the new technology and service sectors of a changing economy.\footnote{17}

Although much is heard about the weakness of organized labour in recent years, it is worth noting at least one recent success for the unions in this province, which was the decision in 2009 by the Court of Queen’s Bench in the so-called “casuals” case. This is another example of persistent agitation and education by the union movement in order to defend the rights of workers in the province. The case originated in the significant omission of “casual” workers from the definition of employees in the 1968 Public Service Labour Relations Act, depriving them of access to most of the normal securities and entitlements of the employment relationship. It was a loophole that provincial administrations exploited with increasing frequency in later decades. When New Brunswick unions brought the situation before the International Labour Organization, it was judged a violation of ILO Convention 87 (Freedom of Association and Right to Organize), which Canada had ratified, with the support of the province of New Brunswick.

The recourse to the courts in 2004 was made necessary by the failure of the province to remedy the situation, and several unions, including the Canadian Union of Public Employees, the New Brunswick Nurses Union, and the New Brunswick Union of Public and Private Employees, collaborated in the challenge, as did a group of four courageous individual women “casual” workers. The union argument advanced evidence that these workers were excluded from normal provisions for pay, benefits, and security, and were consequently condemned by the law to belong to what a study by the New Brunswick Advisory Council on the Status of Women described as “a distinct and inferior category of non-status workers.” The argument also demonstrated that the right to union membership and collective bargaining was an evolving one arising from a century of efforts to improve the social and economic conditions of workers, sometimes called the “union advantage,” and that the state had a responsibility to respond to efforts on the part of citizens to activate rights, even if these had been permitted to lie fallow in the past.

The outcome of the case, as decided by Madame Justice Paulette C. Garnett, was conditioned by the decision of the Supreme Court of Canada in 2007 that recognized collective bargaining as a necessary consequence of the fundamental freedom of association protected by section 2(d) of the 1982 Charter of Rights and Freedoms. As the court pointed out, the right to collective bargaining was activated and acquired by Canadian workers in the course of a long progress of social reform. To its credit, the province decided not to appeal the 2009 decision to the Supreme Court, and as a result of the enactment of Bill 35 in 2010 several thousand previously excluded New Brunswick workers are now entitled to union representation and collective bargaining.\footnote{18}

There is much still to learn about the making of public policy in this province. One important point is that the conservatism of New Brunswick’s political culture has been exaggerated. Although there are numerous examples of evasion and intransigence on the part of provincial governments, the long view also shows a considerable history of progressive reform in the province, much of it driven by the democratization of politics and the activism of organized labour. It is not a history of radical changes but one of a conservative, even reluctant or ambiguous, progressivism. The driving force rarely came from the established leaders of provincial society, and in recent years governments have often been willing to casually ignore historic achievements and discard legal precedents when it suited the opportunism of the moment. We may safely leave it to the political philosophers to determine if the history of social reform in the province should be described as a tension between the new liberalism of the early twentieth century and the neoliberalism of the late twentieth—we could call it a Dr. Jekyll and Mr. Hyde political culture in which politicians channel Louis Robichaud in the morning and Frank McKenna by night. At a less abstract level, we need to draw attention to the relatively weak knowledge of provincial history in general and labour history in particular among those who form and administer public policy in the province as well as among the general public. Such concerns are in turn related to the regrettable failure of
the province to establish a required course in Canadian history, if not provincial history, as a graduation requirement for New Brunswick high school students.¹⁹

What policy makers and citizens need to know is something that union members have often learned from their own history. When we “re-connect” with labour history, in this province or elsewhere, we see evidence that workers have been able, through their unions and their federations, to achieve changes in public policy that protect the rights and conditions of working people and their families within the provincial community. When we look back across the century and listen to the voices of the past in New Brunswick history, it is difficult to avoid hearing the words of the Saint John social reformer Frank Hatheway, who, like the political economist and moral philosopher John Davidson, recognized the labour question as one of the great challenges of the twentieth century. Unlike Davidson, Hatheway was not only an observer of conditions but also a social and political activist (who was elected to the provincial legislature). In “The Cry of Labour” in 1906, Hatheway issued a prophetic call for recognition of the place of workers in our society. The words are tinged with the gender and cultural specificity of his times, but they still have the power to appeal, and they are now quoted on the website of the Hatheway Labour Exhibit Centre in Saint John’s Rockwood Park, land that Frank and Ella Hatheway set aside for the working people of the city:

The laborer stands at the portal of the twentieth century knocking . . .. He hears the words of the Magna Carta repeated, he listens to the sonorous sentences in the Declaration of Independence and he remembers the liberty phrases of the French Revolution. All through the 19th century he watched the vast increase of wealth gained by his arm and his skill, and now he stands at the gate of the 20th century crying, “How long, O Christ, shall we wait for thy law to be understood?” ²⁰

A century later, there are many things to tell about the province’s progress during the past one hundred years, and a full account must include the achievement of recognition for unions and of rights for workers. It is a history of change in the direction of a wider democracy in which political rights carry meaningful social and economic consequences. In a democratic society numbers make a difference. The history is slow, but it does move.

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Endnotes


3 For the project website, which contains a variety of features, resources and illustrations, see [http://www.lhtnb.ca](http://www.lhtnb.ca). The project is discussed in David Frank, “Reconnecting with History: A Community-University Research Alliance on the History of Labor in New Brunswick,” *Labor: Studies in Working-Class History of the Americas*, 3, 1 (Spring 2006), pp. 49–58.


7 The present text originated as a presentation to the project’s September 2009 conference, “Informing Public Policy: Socio-Economic and Historical Perspectives on Labour in New Brunswick” and has been revised in 2011 for the present publication. A bilingual conference summary booklet prepared by Linda Kealey and Yolande House is available on request, or by free download from the project website.


9 *Eastern Labor News* (Moncton), 29 March 1913.

10 *Eastern Labor News*, 21 September 1912.

11 By the early 1990s, for instance, the Federation was leading a “Fight Back Campaign” against changes in health, safety and compensation legislation where, they argued, “the cornerstones and founding principles are under attack and are being destroyed”: *New Brunswick Federation of Labour Proceedings [NBFL Proceedings]*, 1993. This attack on workers’ compensation was in turn only one element in the larger “corporate agenda” that threatened to undo earlier achievements by organized labour, particularly by reducing spending on public services and undermining the collective bargaining process. For a study of one major struggle that involved an alliance of public sector workers, see Linda Kealey, “‘A Bitter Pill to Swallow’: New Brunswick Nurses, Professional Identity, and Collective Bargaining, 1991–92,” in Janet Guildford and Suzanne Morton, eds., *Making Up the State: Women in 20th-Century Atlantic Canada* (Fredericton: Acadiensis Press, 2010), pp. 217–28. More generally, see Tom Mann, “Déjà Vu...All Over Again: The Assault on Workers’ Rights in New Brunswick, 1988–2008,” *University of New Brunswick Law Journal*, 59 (2009), pp. 138–52.

12 *NBFL Proceedings*, 1937: Resolutions 9, 10, 26, 39.


15 NBFL Proceedings, 1941, 1943.

16 NBFL Proceedings, 1946.


18 For the New Brunswick decision, see Canadian Union of Public Employees vs. Province of New Brunswick, Court of Queen’s Bench, New Brunswick, 17 June 2009. For a nuanced discussion of the Supreme Court decision, see Eric Tucker, “The Constitutional Right to Bargain Collectively: The Ironies of Labour History in the Supreme Court of Canada,” Labour/Le Travail, 61 (Spring 2008), pp. 151–80.

19 The requirement for a Canadian history course exists in the French-language high schools (which also have the benefit of a New Brunswick-produced textbook on Canadian history) but not in the English-language schools, a surprising failure in public policy in a province that has long sought to strengthen the provincial identity as well as the recognition of New Brunswick’s place in Confederation.