

A PLACE IN THE SUN:

*The Industrial Council at Massey-Harris, 1919-1929**

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Undoubtedly the most important and difficult problem which faces industry at the present time is that of labor....Labor is seeking a place in the sun, deserves it, and will have it by fair means or foul. The best policy therefore seems to be the suppression of the extremists, but recognition of, and cooperation with, the sane majority in organized labor.

The Contract Record, Toronto, 8 January 1919.

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Business attitudes toward labour underwent important changes during the First World War. The ever-present "labour problem" was intensified as businessmen contemplated the magnificent opportunities that awaited a properly functioning industrial system in the post-war world, and considered the damage that labour strife could cause under expected conditions of international competition. The answer that grew out of the war experience seemed to lie in "cooperation" and "cooperative effort", the key words upon which Canadian businessmen sought to build a "new" system of industrial relations. In fact Canadian businessmen were relatively late in embracing the ideology of cooperation compared to some of their progressive counterparts in the United States. As early as 1909 George W. Perkins of International Harvester, United States Steel, and the National Civic Federation had explained

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the need for cooperation between capital and labour underlying all the industrial reforms which the NCF was promoting.¹ However, as the labour troubles and union organization that came with the First World War pressed home to Canadians the fact that the traditional relationship between capital and labour was changing, they became increasingly interested in all the concrete forms of "industrial democracy" (which became synonymous in the minds of most businessmen with "cooperation"). These included professional management and scientific study of labour problems, personnel departments, profit-sharing schemes, pension plans, and a great variety of "welfare" or fringe benefit schemes to improve working conditions. Employee representation plans or industrial councils were an integral part of this whole movement, and cannot be separated from the other structures of welfare capitalism that were developed in this period.

Cooperation in industrial relations had two important practical tasks: to minimize the threat of radical labour to the established industrial state, and to maximize industrial efficiency. In general a firm's active interest in cooperative industrial relations varied directly with the resources at its disposal to implement liberal labour policies. There was thus a group of businesses, usually large, often subsidiaries of foreign firms, who took the lead in setting up industrial councils at the end of the war. There was another, larger group of businesses, usually smaller in size, traditionally oriented toward domestic markets and conservative in labour policies, who were less fully devoted to the idea but recognized the practical benefits of the rhetoric and forms of cooperation when actually confronted with labour unrest, especially between 1918 and 1920.² The most elaborate industrial councils were set up in large, multi-plant companies, such as Imperial Oil, International Harvester, and Massey-Harris, but these were just the most visible and longest-lasting manifestations of a movement that, for a time anyway, prompted reforms of varying degrees of formality in a wide range of companies.³

Formal industrial councils in Canada had two main roots, one in Britain and one in the United States. The British model was the Whitley councils, formed in a number of British industries at national, regional, and company levels after 1917 on the advice of a sub-committee of the Reconstruction Committee of the United Kingdom. These councils were formed of representatives of employers and workers in equal numbers, and met at regular intervals to discuss all matters relating to the industry or to relations between capital and labour within the industry. The representation within the councils was based on employer associations and on existing trade unions.⁴ The incorporation of organized unions into the council structure proved to be the main difference between the British Whitley councils and the American employee representation plans which served as the second main influence on

Canadian industrial councils. The American type of council was developed largely by Mackenzie King in his work for the Rockefeller family during and after the Colorado coal strike in 1914. King helped several Rockefeller companies set up a council system that enabled the companies to avoid recognizing any union as the representative of their employees. Direct elections among the workers provided employee representatives who sat on monthly councils with an equal number of management delegates to discuss terms and conditions of employment, discipline, grievances, sanitation, health services, safety, and recreation. The council's function was always advisory, never executive. All questions could be appealed from the council only to the management of the company.⁵

While industrial councils on the Whitley model were temporarily adopted in a few industries in Canada, notably in construction,⁶ Canadian businessmen overwhelmingly opted for the Rockefeller-King style of employee representation that could keep labour relations on a plant-by-plant basis and be used to render trade unions "unnecessary", as Mackenzie King put it.⁷ In February 1921 the Federal Department of Labour published a report in the *Labour Gazette* which made the only official estimate of the number of workers in Canada covered under some sort of industrial council: 145,000 as of July 1920.⁸ The only other estimate was made by H.A. Stark in 1928, who said the number in 1920 was closer to 200,000.⁹

The movement evidently declined in terms of total workers involved after 1920 or 1921, but since no other statistics are available it is hard to say at what rate. Even these meager figures show, however, that industrial councils were probably more important in the early 1920's in Canada than in the United States. Even taking the more conservative government figure of 145,000 we can see that it is equal to roughly 40 per cent of the number of all workers in organized unions in Canada in 1920 (373,842).¹⁰ In the U.S. on the other hand, workers in employee representation plans equalled less than 10 per cent of the number of workers in organized unions in 1919 and 1920.¹¹ Similarly, while the Canadian labour force was between seven and eight per cent of the U.S. labour force in the 1920's, Canadian workers in employee representation plans, at least at the start of the decade, equalled close to 30 per cent of U.S. workers in similar plans.¹²

The Canadian preference for the American type of employee representation was not entirely an accident. Most of the pioneers in Canada, such as Imperial Oil, International Harvester, Bell Telephone, Canadian Consolidated Rubber, and Swift Canadian, were subsidiaries of American firms and organized councils at the same time as their parents did.¹³ When the Department of Labour called a national conference in 1921 to discuss the operation of industrial councils, not only

were half the companies who attended subsidiaries of U.S. companies, but A.H. Young of the International Harvester Company of Chicago and Cyrus Ching of the U.S. Rubber Company of New York were the featured guest speakers.¹⁴

Since the companies that instituted industrial councils tended to be the companies that had a history of interest in professional management and progressive welfare policies, most councils were set up in conjunction with various fringe benefits and privileges, but were considered of special importance by businessmen because of their general nature.¹⁵ They were the general structures through which the details of various welfare plans or scientific management policies were to be implemented, and through which the management could communicate with the workers. Although the anti-union nature and use of industrial councils was widely acknowledged and welcomed, especially by the conservative elements of the Canadian Manufacturers' Association, the purpose of the councils was always more than the simple destruction of unions. In addition to allaying discontent by settling personal grievances quickly and efficiently, businessmen expected the councils would improve productivity by instilling in the workers a spirit of loyalty to and identification with their firm. These goals were not separated in the minds of most businessmen from that of avoiding union organization; they were two sides of the same coin.

When they have dealt with them at all, labour historians have generally treated industrial councils in Canada as abortive forerunners of the Labour-Management Production Committees of the Second World War, or as transparent and ultimately unsuccessful anti-union manoeuvres on the part of management which were quickly and completely discarded by the labour movement.¹⁶ However, a close examination of the experience of one firm, such as Massey-Harris, suggests that for the management of large firms, at least, there was much more to the success of an industrial council than the question of unionization. G.D. Robertson, Minister of Labour in the Borden government, indicated where the ultimate significance of the industrial councils might lay when he summed up two years of experience with the councils in February 1921:

If the industrial council plan had not been brought into existence I am very sure that today our industrial difficulties would be much greater than they are, and that because of it, thousands of men in this country . . . have had their viewpoints altered and have seen and realized the difficulties with which their employers have to contend. Through the instrumentality of the industrial council movement the employees should . . . realize the problems facing industry and the emp-

*loyer. Then they will realize that their success is bound up with the success of the industry in which they are employed.*¹⁷

II

With the exception of an Employees' Mutual Benefit Society, which had been set up in 1890, most of the enlightened policies of the "new" industrial relations at Massey-Harris originated during the First World War under the direction of President Thomas Findley. For example, in the spring of 1918 the company reduced the working day from ten to nine hours without a cut in wages. The reduction was accompanied by a campaign carried out by the foremen to "consult" the employees in hopes of stimulating them to greater productivity. Afterwards the company was pleased to report that output was the same as with the ten-hour day, which seemed to confirm that "sympathetic cooperation on the part of the men" could be won by enlightened policies implemented in an open fashion.¹⁸ At the same time in 1918 the company put all its foremen on a yearly salary, removing them from the daily wage list and enabling them to draw pay for annual holidays. A well-equipped cafeteria offering meals at cost for all employees was opened, and a joint committee of workers and management set up to oversee its operation. A full-time first-aid nurse was hired for the first time, and the company bought thirteen acres of land to subdivide into garden plots for the use of its employees. Findley confessed he was rather surprised at the workers' enthusiasm and appreciation for these new policies.¹⁹

However, as George Valentine, Massey-Harris' Assistant General Manager, put it, the industrial council itself was established in "trying times", specifically during the May Day strike of the Toronto Metal Trades Council in May 1919. By this time, after some months of study, the management had decided to adopt a modified version of the plan the International Harvester Company had set up in its Canadian plants in March 1919.²⁰ The industrial council at the Toronto plant of Massey-Harris would be a body composed of equal numbers of representatives elected by the employees and delegates appointed by the management. It would meet once a month to consider and make recommendations on "all questions relating to working conditions, protection of health, safety, wages, hours of labour, recreation, education and other matters of mutual interest to the employees and the management." To record an official vote on an issue employees and management voted separately, the two sides having to agree to commit the council as a whole. A recommendation from the council was referred to the president of the company, who could implement the proposal, veto it, or recommend it to the Board of Directors for further consideration. The council itself had

no other powers except to appoint committees of investigation. Employee representatives were to be elected from thirteen constituencies organized from the various departments of the plant, with no set ratio of representatives to workers.²¹ All representatives had to be Canadian citizens or British subjects and had to have been with the company for at least one year. There was in addition the open-shop guarantee standard to all employee representation plans: there would be no discrimination on account of "membership or non-membership in any church, society, fraternity, or union."²²

As it happened, however, the management held the first elections for the council at the Toronto plant in the last week in May 1919, when more than 300 of Massey-Harris' employees were out on strike, effectively filtering out any union activists in the metal trades that might have been elected.²³ The result was that three of the thirteen electoral divisions were not represented at the council's first meeting on 18 June 1919. The ten employees who had been elected and ten management delegates were addressed by President Findley in what was to be their regular meeting place, the company Board Room. Mr. George Valentine, who was also Director of Industrial Relations, was in the chair serving in a dual capacity as management delegate and permanent chairman.²⁴

The first thing that became apparent was that the management intended to use the minutes of the council meetings as part of its campaign to win the loyalty of the employees. It was jointly decided at the first meeting that the "essential features" of the minutes of each meeting would be published in the company newspaper, *M-H Weekly*. In practice this meant that the company's secretary avoided reproducing any debate that might prove embarrassing to the management and never recorded votes, except to say "carried", "not carried", or "carried unanimously". In any case management's policy was never to win votes numerically, but to prepare and control the monthly meetings so that split votes on crucial issues were impossible or at least highly improbable. The council was a success in management's eyes if it succeeded in giving the representatives of the employees the illusion of participating in making decisions while avoiding confrontation as much as possible.

The importance placed on the smooth and unanimous functioning of the council could be seen in the casual attitude toward attendance. After the fall of 1919, when the metal trades strike had ended, the full complement of employee representatives was 15, theoretically matched by 15 from the management, including the chairman. In practice the attendance varied greatly, and no one paid any attention to which side had the majority on a particular day. Of course with the "panel system" of voting, a numerical advantage was not necessary to veto the other side's proposals, but in fact this system was used only once in all the

council meetings.²⁵ Another important mechanism was the system of sub-committees that were delegated to investigate specific matters and to resolve management-labour differences before they reached the minutes of the monthly council meetings.

The first settlement to arise from the industrial council in 1919 was typical of the management's handling of subsequent issues and indeed of its attitude toward the council in general. At the very first regular meeting of the council on 26 June 1919, the employees brought up the subject of a wage adjustment. J. Roxburgh of the Saw and Wood Department moved that the 25% bonus that had been granted to employees during the war be removed as a bonus and added permanently to wages. The minutes note: "A pleasant, instructive, and interesting debate followed."²⁶ The workers, in their first flush of power, were evidently willing to stand their ground, for the discussion was terminated by the management who suggested that Roxburgh's motion be "postponed" because of "differing views" on the subject. Immediately afterward an unnamed management delegate moved that one week's notice be given in writing to the secretary of all questions to be raised in the council. This was apparently intended to avoid in the future unexpected debates such as the one that had broken out that day on the subject of wages.²⁷ Of course, because of the rule adopted at the preliminary meeting, the management was not obliged to reproduce the details of the workers' case for the wage increase in the published minutes.

At the July meeting the wage question came up again, with much discussion from both sides. This time, however, the management was well prepared, and proposed a counter-motion that:

In lieu of the 25% bonus now being paid on all piece work and day rates, these rates be advanced so that, with a bonus of 10%, the same earnings on the same output will be obtained as at present; a definite guarantee be given by the company to all employees affected that the new piece work rates become the basic rates, and that employees, in return, undertake to increase their daily output, being assured that the company will not reduce any individual piece work rates unless the method of operation or construction of the piece is changed.

The workers' representatives withdrew to deliberate in private, and being impressed with the company's offer, or being afraid to push their luck too far, returned to withdraw their original motion and unanimously passed the management's proposal.²⁸

One week later, at a special meeting of the council, the secretary read a letter from President Findley which said:

*We are greatly pleased at the fairness, breadth of view and sound judgment shown by the employees' representatives in this important matter...We have decided to accept the recommendation without reservation and make it effective on the opening of the works after stock-taking, which will be about the middle of August.*²⁹

Findley also took the opportunity to assure the workers that the remaining 10% bonus would be in effect for at least one year. This presentation effectively obscured the fact that the policy implemented had been a management proposal in the first place. The workers' sense of accomplishment was appropriately heightened and the secretary noted that the letter was received "with applause and smiles of approval."³⁰

This showed that concessions would be made, but only as a result of careful deliberation and preparation by the management. With few exceptions the employee representatives who participated cooperated in the careful orchestration of the meetings to maintain the appearance, if not the substance, of unity. If a proposal could not be passed unanimously, it was carefully withdrawn, postponed, sidestepped, or otherwise avoided. This cooperation in the conduct of the meetings was undoubtedly based on a realistic understanding of the actual power which remained in the hands of the management, primarily the power to simply veto any "recommendation" the council might make.

Only a few of the workers' representatives participated at all in the council meetings on a regular basis. In general the tasks of debate, parliamentary manoeuvring and committee work were assumed by two or three semiofficial leaders, while the rest of the representatives remained silent. In fact one worker delegate was so quiet that he attended the first twelve meetings of the council as "G. McClellan" before the management's secretary discovered his name was McClennan.³¹ Exactly what mixture of awe, respect, agreement, and indifference prompted the workers' silence is of course difficult to say. Certainly lack of experience with public speaking and the elaborate parliamentary rules of order the management had instituted had some influence. In addition, the impression of meeting on management's "home ground" must have been heightened by the impressive surroundings of the Board Room, with its carpets, leather chairs, and walls lined with bookshelves.³²

It was also true that some older workers were genuinely grateful to the management for the improvements they had seen in working conditions over the years.³³ For example, one representative who shouldered much responsibility in meetings and on committees was J. Lynn, from the Machine, Separator, and Malleable Departments, who always spent a good deal of his speaking time effusively thanking the management for their benevolence and consideration. His technique sometimes

reflected more than simple gratitude, as in March 1920 when he spoke most highly of the attention given by the company to the welfare of the employees, particularly in the form of first-aid nurses. He went on to mildly suggest the possibility of having a plant doctor, too. In this case his speech led to an investigation and the ultimate hiring of a doctor.³⁴ But on the other occasions, for example at the November 1920 meeting, Lynn must have warmed the hearts of the management delegates with his unsolicited praise of the plant cafeteria and its warm and wholesome meals. Needless to say, such speeches were reproduced in their entirety in the council minutes.³⁵

Other employee spokesmen kept up a more constant pressure on the management with a wide variety of demands and problems. Most notably, J. Roxburgh was responsible for putting most of the workers' demands before the management in the first two years of the council meetings. In the August 1919 meeting he moved that the council recommend to the management that one week's holiday with pay be granted to all employees who had been with the company for five years.³⁶ After "a very interesting discussion", J.W. Russell of the management moved that consideration of the question be postponed for six months. As an amendment another management delegate moved the proposal be tabled permanently. This was carried and the subject was apparently killed.³⁷ However, two meetings later, in October, Roxburgh succeeded in getting the holiday proposal untabled and discussed. As a delaying tactic this time J. T. Orr of the management moved the formation of a committee to study the matter. The management made sure that both Roxburgh and Lynn were appointed to the four-man committee.³⁸ The committee reported back to the council in December 1919, after two months of direct discussion with the Toronto superintendent and higher management. The management's private explanations evidently were enough to persuade Roxburgh to abandon his position, for he acquiesced when G. White, management chairman of the committee, reported that "While the object was good, and he would like to see it take place, he did not think that this was an opportune time". On White's motion the subject was tabled for good.³⁹

In October 1919 S. Fisher from the Pattern and Tool Rooms proposed a general policy to allow five minutes to wash up before plant closing time. This time when the employees refused to be put off by management arguments for delay, the chairman resorted for the first and only time to the "panel system", which Massey-Harris had borrowed from the International Harvester plan, and the management and employee delegates voted separately. The motion failed to pass among the thirteen employees present that day, while the eleven management delegates presumably voted unanimously against. The subject was dropped.⁴⁰

At the January 1920 meeting the employees again asked Valentine about the prospect of a wage increase. Their inquiry was less bold than that of six months earlier, but nevertheless Valentine referred the question to the Board of Directors. At the February 1920 meeting a letter from Vincent Massey was read:

The management, in reviewing the question of wages, are faced with the fact that now is an inopportune time to incur the extra financial burden which a general increase would involve. Several factors contribute to the difficulties of the manufacturing, financial, and economic situations that confront us; the rise in the cost of raw materials, and the difficulties and delays in procuring them; the uncertainty of foreign markets; the serious situation in international exchange, both as between Canada and European countries, and between this country and the United States (where we are obliged to purchase large quantities of our supplies)—all these point to a condition which brings the cost of our goods to the consumers to a point that threatens to reduce sales.

On the other hand we recognize that the increased cost of food, clothing, etc. presents a very acute problem for our employees, and we feel that we must make every effort to keep the wage scale in close relation to the general cost of living. For this reason we have felt recently that the wages through-out the factory should be raised sometime during the spring. It now appears advisable that this increase should take place at an earlier date, and therefore the Management have pleasure in announcing the decision to raise all wages in the Toronto Factory by adding a second bonus of 10% to the basic rate. This change will take place on March 1st, 1920.⁴¹

Afterwards Roxburgh moved that the letter be "adopted" by the council, meaning in effect that the council was recommending to the management a policy which the management had already announced it was going to carry out. This illustrated perfectly the position of the industrial council at Massey-Harris. It was made plain that it was management alone who decided which proposals could be afforded as a gesture of cooperation with the employees, and which ones involved sacrifices that would be too heavy. While it was true that the management, in contrast to pre-council days, was obliged to provide an explanation for its decisions, the letter from Massey was characteristic in relying on impressive-sounding but essentially vacuous statements about international market conditions to limit and evade the demands of the workers' representatives in the council.

In June 1920 Roxburgh proposed setting up a committee to investigate amendments to the council's constitution. At the July meeting his purpose became clear as the committee recommended that the employee representatives no longer be required to be Canadian citizens or British subjects.⁴² In the following discussions, as Valentine expressed it at the Conference on Industrial Relations in February 1921, "there was some sentimental desire to have the restrictions as to Canadian and British citizenship remain."⁴³ Most of the sentimental desire was on the part of the management, however, since the restrictions had originally been implemented, as in the case of most employee representation plans, to deliberately underrepresent foreign-born workers, who, the management feared, were more easily infected with the virus of Bolshevism.⁴⁴ The management delayed action on the committee's recommendation, both inside and outside the council, until December 1920, when, as Valentine put it, "it was finally decided that it would be entirely safe to leave to the judgement of the employees the matter of suitability of candidates elected."⁴⁵

In fact, the management at Massey-Harris was increasingly pleased with the way things were handled by the employee representatives in the first two years of the council's existence. Valentine remarked in February 1921:

*At first our councillors advised that they had difficulties with their constituents when they returned to the shop after a meeting unless they had gained some concession for said constituents. That difficulty has gradually disappeared and the elected men, as well as the appointed men, now more fully appreciate their dual responsibilities and there has been a lot of cooperative work done on both sides of the council.*⁴⁶

One important area where there was a marked lack of controversy was safety. Safety and health was one area where workers found concessions easy to ask for and management found them easy to grant. In addition, participation by rank-and-file workers in the plant was welcomed, and the results of council work were readily apparent. A committee on safety, sanitation, and health had been set up at the very first meeting in June 1919. Starting with the meeting of February 1920 the report of this committee began to receive more and more emphasis. At this time the greatest effort was spent in putting guards on exposed machinery. Thus in January 1920 the committee had overseen the placing of four wire guards on drive belts in the woodshop, two guards on shears in the smithy, two guards on electrical spot-welders in the Separator Department, as well as the installation of drinking fountains and wash basins in two warehouses.⁴⁷

In addition to physical alterations within the plant the committee

was responsible for management acting to provide a visiting nurse in January 1920 and a plant doctor in November 1920.⁴⁸ The committee was composed of two workers and two management delegates until January 1921, when the management proposed that it be enlarged to include representatives from every shop in the plant. By February 1921 twenty additional employees had been picked to work "in association with" the official committee.⁴⁹ Subsequent work by the committee was largely in response to suggestions from the shop floors about which drive belt needed to be guarded, which stairway needed to be cleaned, and so on. Although the council itself rarely made recommendations, preferring to rely on delegated authority, workers' representatives became noticeably more talkative when practical questions of safety improvements came up for discussion.⁵⁰ A good part of the management's optimistic views on the council stemmed from the cooperative success of the safety committee.

In contrast, another project that the management had evidently decided would be a major part of the council's work met with general indifference on the part of the workers. This was a suggestion box scheme, for which the management took great pains to get the council's "approval" in the first year. In December 1919 the management released a statement which read in part:

On the proposal of the employee representatives on the Industrial Councils of both the Toronto and Brantford plants, a committee was appointed to investigate and recommend some plan whereby the making of such suggestions might be participated in on a competitive basis by all the employees with some monetary reward for those that were considered worthy.⁵¹

In spite of such statements, all the evidence suggests that the idea was management's from beginning to end. In the second meeting of the council, in June 1919, it was moved and seconded by management delegates that some system be set up to receive suggestions from workers. In the discussion that followed and in the four-man committee set up, workers participated and added the idea of receiving grievances from employees as well.⁵² However, by the time the committee, under the chairmanship of management delegate J.B. Warnock, reported to the third meeting in July 1919, grievances had been forgotten and a "Suggestion Card System" was what was proposed officially. It was also thought that such a system was the proper responsibility of management alone and the council should play no role in its formation or administration.⁵³ Thus about six months later, with no further consultation with the council, the company announced the terms of its suggestion policy.

Prizes would be awarded for the best suggestions "resulting in more efficient or economical methods of operating the factories of the Company under such subjects as: improvement of product, improvement of manufacturing methods, elimination of waste, reduction of costs, reduction of accident or fire hazard, convenience and working conditions." Prizes ranged from \$3.00 to \$30.00, totalling \$295 in the first six months if all were awarded.⁵⁴ In view of the meager prizes, it was not surprising that the approval of the industrial council was considered all-important for success. From this time on management considered one of the principle aims of the industrial council to be the promotion of the on-going suggestion system.

In spite of this, worker enthusiasm was never very high. More than a year later, in December 1921, J.T. Orr reported on behalf of the management through the suggestion committee that the scheme had been a failure. After considering the suggestions from the shop floor in 1920 and 1921 "the quality of the suggestions received is such that the committee have decided not to ask for any award for the suggestions submitted. . . . The present plan has not been effective in drawing from the employees suggestions which they no doubt are able to make and which would be of value to the company."⁵⁵ Orr proposed a new three-point suggestion scheme: first, that awards would be made monthly; second, that all suggestions of value would be paid for; and third, that the amount of the award would be in relation to the value to the company for any one year of manufacture.⁵⁶ This, however, was immediately rejected by higher management, with the exception that in the future the competitive aspect was to be reduced and all "suggestions of value" were to be rewarded.⁵⁷

In an industry where, perhaps more than in any other, the value of exclusive patents and continual redesign had always been recognized, the management's manoeuvres must have been seen as a particularly blatant attempt to deny workmen-inventors their proper reward. In spite of many subsequent exhortations by J.T. Orr and the suggestion committee the workers remained largely indifferent to the suggestion scheme. In November 1923 Orr reported that 140 suggestions had been received in 1920, 16 in 1921, 24 in 1922, and 21 in 1923. During these four years 37 awards had been made, averaging \$7.00 each. Orr was still unable to comprehend the workers' indifference. "There is not the general interest in this scheme which the extent of the opportunities afforded would warrant," he remarked.⁵⁸ As for the suggestions that were submitted, the trouble was that "most of them make reference to changes of an experimental character, involving an increase in the cost of machines. Your committee (as Orr was careful to phrase it) would be encouraged if more suggestions were submitted by the men relating to improvements in working method, or improvement in the product which

would result in reduced cost of output."⁵⁹ For the most part, however, this remained a vain hope.⁶⁰

Another area the management saw as an important part of the council's activities was recreation. Every spring a picnic committee would be organized to make preparations for the annual company outing. In contrast to other committees of the council, every employee representative was appointed to at least one of the various subcommittee on sports, tickets, transportation, refreshments, or music. As summer approached discussions of the picnic took up more and more time in the monthly meetings. In the summer of 1920 there were two extra meetings of the council to deal with picnic business.⁶¹ In spite of the efforts of the management and the workers' representatives, attendance was low at the 1920 picnic, and in 1921 no picnic was held, although discussions in the council took up almost as much time as before.⁶²

As far as grievances were concerned, the council's role was seen by management as preventative and disciplinary. Management delegate R.F. Thompson called the council "invaluable as a means of ventilating and adjusting those small grievances which so easily ripen into serious troubles."⁶³ Yet the management made it clear that the council itself had no authority to actually resolve grievances. In April 1920 the first official complaint was presented to the council by the workers' representatives on behalf of the men in the Smithy, who were dissatisfied with the response of their foreman to a request for higher wages. After some ineffectual discussion, the dispute was shifted outside the council by the employees who proposed a committee be formed to investigate further. It was evidently this committee appealing directly to higher management that produced a satisfactory, though unspecified settlement.⁶⁴ The council itself thus served mainly as an ear-to-the-ground that alerted management decision-makers to important issues.

A new rule had been adopted in December 1919, reducing the penalty for lateness from a half-hour to fifteen minutes. Six months later, in July 1920, Superintendent Gifford sent a report to the council showing that the loss of time had increased drastically under the fifteen-minute penalty. Two management delegates immediately moved that the old half-hour penalty be restored. Roxburgh, who was becoming adept at using the parliamentary procedures on behalf of the employees, moved instead that a committee be organized to investigate further and discuss the problem directly with Gifford.⁶⁵ At the next meeting, in September, the Committee on Lateness reported that Gifford had agreed to issue orders to all foremen to watch lateness extra carefully, but the committee thought that there remained "considerable room for improvement". They therefore recommended that each employee's late record be posted publicly and forwarded to the superintendent for his file.⁶⁶ This was a case of the employee representatives, in an attempt to

keep a more lenient rule officially on the books, exerting themselves to discipline the rank-and-file employees on behalf of the company. Ultimately, the record posting policy was not implemented because Representative Fisher suggested a delay to allow the situation to improve. But even he saw the improvement coming through the strengthening of the regular channels of authority and tighter control on the part of foremen.⁶⁷

In October 1920 the committee reported that lateness had declined sharply since the summer, but in November the management brought up the subject of poor attendance on Saturdays and Mondays, hoping again to use the council to exert some disciplinary control. The council again recommended that the matter be dealt with by Superintendent Gifford asking the foremen to talk to each absentee individually.⁶⁸ From the management's point of view even a lukewarm endorsement by the council of the superintendent's authority was a great improvement over pre-council days when the only disciplinary measures available would have been to further alienate the workers by reimposing the old half-hour rule or dismissing absentees. From the employees' point of view, the representatives apparently saw the foremen's verbal warnings as an improvement over pre-council penalties for lateness and absenteeism.

In another case in 1920 the council was asked to forestall a grievance by approving in advance a cut Superintendent Gifford was making in the wages of a piece-work machine operator making washers. The choice presented to the council was that if the wages were not lowered, Gifford would be forced to buy the part from an external supplier. Faced with these alternatives, the employee representatives decided to save the job, and supported Gifford's action.⁶⁹ Thus, whether or not they were personally inclined to do so, the employee representatives often found themselves placed in a position of defending the company's actions against rank-and-file workers. The willingness with which this was done evidently prompted Valentine to make his remarks in February 1921 about the employee representatives having learned to accept their "dual responsibilities", that is, to the company as well as to their constituents.⁷⁰

The deepening recession of 1921 presented the greatest test thus far of the Massey-Harris industrial council. At the meeting in July of that year all regular business was suspended and the General Manager, Bradshaw, addressed the representatives on the subject of the annual close-down, explaining that it would be longer than usual this year, and warning that before reopening a wage adjustment (downward) would be necessary.⁷¹ No meeting was held in August, and when the council met again at the end of September all the topics that had taken up so much time in the first two years, such as the picnics, plant nurses, safety,

suggestions, and holidays, were dropped in favor of the substantive issue, the company's "manufacturing programme", i.e. whether there would be any work. Bradshaw pointed out that "The falling off in the buying power of the farmer had created a serious situation in the farm implement industry, as a result of which the product of implement firms was not being sold and could not be sold until prices were substantially reduced."⁷² Thus the company had reluctantly decided that an across-the-board wage reduction of 20% was necessary at the Toronto factory to assist in lowering manufacturing costs.

In the subsequent discussion all the employee representatives accepted the necessity of the drastic cut and restricted their remarks to methods of implementing the adjustment with the minimum of hardship. It was finally proposed that there be an immediate 10% reduction for anyone starting work again (the company called back the employees as they were needed following the close-down), and after four weeks another 10% reduction. This was graciously accepted by the management. The employee representatives made a special point of asking that the minutes of the meeting be posted with a view to easing the painful explanations to their constituents.⁷³

The October 1921 meeting was cancelled, and the November meeting was unusually formal. Depleted in numbers and unsure of their jobs, the employees seemed numbed by the events of the summer and fall.⁷⁴ Finally, in December 1921, the management took the initiative in reviving the safety committee, which presented a report on safety improvements for the first time in six months. J. T. Orr also revived the suggestion committee at this point and proposed his new plan to involve the workers.⁷⁵ Roxburgh revealed where the employees' thoughts were by asking about the prospects of employment in the next few months. Bradshaw's evasive reply emphasized the company's vulnerability in the face of uncertain harvest conditions in Europe, South America, and Australia.

The management is at all times desirous that those who are associated with it should know pretty nearly as much as they know. . . . I am naturally an optimist, and even while I cannot see very much light in a situation I always think there is a better time coming. Our chief hope is in a good harvest next year and that you know is uncertain. Anything may happen to turn the tide in our favour. The settlement of the Irish question will certainly give power and influence to Great Britain among the nations of the world, and when Great Britain once gets back to where she was, other countries will benefit.⁷⁶

Bradshaw bid the men to be of good cheer, and assured them of the

mindful interest the company had in their employees, and the meeting was adjourned.

In some ways the council was never the same again after 1921. For one thing, Roxburgh shifted jobs from the Saw and Wood Department and was defeated in his bid for re-election from a different constituency in January 1922. The most outspoken of the employee representatives was thus effectively silenced.⁷⁷ In addition to influencing the composition of the council and its committees, the production cutbacks demonstrated in the most forthright manner that while the council had some role to play in safety and peripheral matters, in the area of production, wages, and employment the council had little or no influence. When employees did bring up questions of wages and employment, they usually found themselves entangled in a maze of technicalities.

Another example occurred in March 1922 when J. O'Brien, one of the representatives newly elected in January 1922, tried to bring a wage grievance before the council. He had discussed his complaint of inadequate rates in the Packing Department with Superintendent Gifford, with no results, and asked the council to take action. He was informed that

the regular mode of procedure when the Superintendent and a Representative did not agree was for the Representative to state his grievance on the regular printed form for that purpose, and hand it to the Secretary who in turn would acquaint members of the Council with the nature of the grievance that they might be prepared to deal with it intelligently. As this had not been done it would naturally have to be referred back.⁷⁸

W. Tomlinson, the employee representative from No 2, 3, and 4 Machine Shops, supported O'Brien's right to bring up the subject at the March meeting. J. T. Orr and D. J. Bowker both disagreed on behalf of the management, and insisted on the use of proper channels of communication. Finally two other management delegates proposed the formation of a committee to "wait upon Mr. Gifford" and investigate the matter. One month later the committee reported that it was dissatisfied with Gifford's response. It was thereupon instructed by the chairman to re-examine the question and report again. In May 1922 the committee finally reported a majority decision upholding Gifford, even though three of the six members were workers, and the subject was dropped.⁷⁹

Without the will or the expertise to continue a struggle on these fronts, the employee representatives adopted the management's frame of reference and began to limit themselves to asking for a monthly statement on international market conditions in hopes of learning when

production might be restored to former levels. The management responded in a fashion just candid enough to heighten the representatives' feeling of importance and just vague enough to commit the company to nothing.⁸⁰ For example, in May 1922, when Lynn asked if there were any prospects of orders in the coming year from Russia and Australia, Valentine confided that as far as Russia was concerned, the problem was financing. While the company was anxious to sell good implements, it was equally anxious to receive good money in return. The company, Valentine added, was doing everything it could to be in line for any possible trade offer. This response seemed to exhaust the topic, for no one had any further questions on either Russia or Australia and the meeting broke up.⁸¹

As it turned out, 1922's employment at the Toronto plant was less than a third of that of 1920.⁸² In April, on the initiative of the workers, elections for the council were postponed for six months because the plant was so understaffed.⁸³ The July meeting was cancelled altogether, and in August with only seven management and ten workers in attendance, the workers moved that the next meeting of the council be at the call of the chair. The reason became immediately obvious when Valentine announced that the annual close-down would be of indefinite duration, thanks to a coal strike that had complicated the delivery of basic materials. "The outlook for the 1922-23 season would be very much better and clearer," he summed up, "if the industrial situation in the U.S.A. were cleared up."⁸⁴ There was no discussion and the council adjourned until further notice.

1922 thus saw the complete breakdown of the council in the face of production cutbacks that brought to the fore the spectre of unemployment and demonstrated the council's impotence in the crucial area of lay-offs. In spite of the management's brave attempts to spark some interest in safety work and the suggestion scheme, employee participation dwindled to practically nothing, even when the plant was open.

III

After five months the council was convened again in January 1923. In a sense it was a completely new start. Only eight workers were present, and only three of these had had any previous experience with the council. Vincent Massey, who had replaced Thomas Findley as president of the company, addressed the meeting and expressed the hope that there would be no necessity for a discontinuance of the council in the future. Orders were larger this year and Massey hoped that conditions generally would be far more pleasant for all concerned. However, he added, as long as the countries of Europe were fighting they were not working, and so long as this condition continued the

company would not be out of the woods.⁶⁵ Bradshaw also took the opportunity to address the council in a way which by now had become familiar. He linked the manufacturing programme to the wheat crops in Canada, Europe, Argentina, and Australia, reminded the representatives of the keen competition in the implement business, and expressed the hope "that the Factory would continue to cooperate with the management in every possible way in reducing costs, so that our sales organization would not be handicapped."⁶⁶

At the very next meeting, however, in February 1923, the employees again brought up the subject of a wage increase. Representative A. Gallondie of the Forge Department inquired as to the possibility of regaining some of the 20% reduction that had been made in 1921. Valentine informed Gallondie that this was too important a subject to bring before the council without official notice, but allowed an "informal" discussion to take place. It was agreed that "the proper procedure would have been for the Elected Representatives to appoint a committee and wait upon the Superintendent, and express just exactly what they want."⁶⁷ This time W. Tomlinson, who had become the senior employee representative, was also a little disturbed that Gallondie had not advised the other representatives before raising the subject in the council. Valentine took the opportunity to advise the employee representatives "against drifting into what might be termed a 'caucus' or 'party politics'".⁶⁸ This exchange demonstrated clearly the contradictory position the representatives found themselves in. On the one hand they were required by the rules laid down by management to organize themselves and wait upon the superintendent as a group to present their requests. On the other, they were warned against engaging in "party politics", that is voting as a bloc in the council.

In this case, after a month's delay the workers gave official notice that they wanted the 20% wage reduction restored in March 1923. Before the motion was voted on, however, "at the request of one of the management delegates" President Massey himself appeared to give the council "a clear, brief statement of the company's position during the past few years", after which he withdrew. In spite of this awe-inspiring presentation, several of the workers defended their motion strongly, some speaking for the first time ever in a council meeting. They had no secondary bargaining position however, and when the management presented its only counter-proposal, they accepted it without comment. The management proposed that "inasmuch as the company is apparently not in a position to grant any increase in wages", piece work rates should be made up to day rates, that piece rates should be made daily wherever possible, and that individual day work rates should be investigated and where necessary adjusted.⁶⁹ This committed the company

to practically nothing, and seemed to absolve the management delegates in the council from any responsibility for the refusal of the original request.

After this outburst early in the year, the pattern of council activities became increasingly smooth in 1923. The safety committee was reorganized and expanded again. Each month there was a written report from each department outlining safety conditions and needed improvements. Worker participation in this area, both inside and outside council, reached a new high. The committee itself not only supervised the completion of hundreds of renovations in the plant, but sponsored individual shop meetings addressed by outsiders on the subject of safety, and branched into such topics as how the General Rules and Standards of the Industrial Accident Prevention Association were to be interpreted.⁹⁰

The report of the Cafeteria Committee became a regular feature of council meetings, bringing lengthy discussions of repairs, garbage disposal, menu planning and prices, and the attendance of women employees at the cafeteria.⁹¹ The Suggestion Committee also reported monthly on the prizes it had advised the management to award, and on its efforts to generate more employee suggestions.⁹² The annual picnic was revived and the council as a whole was converted into a Picnic Committee during the summer to discuss the details and finances.⁹³ The array of committees was enlarged in September by the addition of a Fuel Committee when the workers asked the company to assist employees in procuring fuel for the winter.⁹⁴ What time there was left in meetings was occupied with election business, and with talks by Valentine on international conditions, business prospects, his own trips abroad, productivity, and the success of the industrial council.⁹⁵

The tone of the revitalized industrial council was set by representative Tomlinson as much as by any one. Tomlinson, who had become the senior representative when Lynn had not been re-elected in 1923, expressed the sort of cooperative spirit that the management welcomed. In December 1923 the mutual good will in the council reached a new peak with Tomlinson's extension of Christmas greetings to the management and their families. He made a speech reviewing the work of the council, in which, the secretary noted,

*He emphasized the work done outside the council chamber, in investigating and settling questions before they became serious. He stated that the work of the council was being carried on as desired by our late President (Findley) and was one of the finest things we ever did. The election just closed showed a greater interest in the council than ever before.*⁹⁶

Valentine was inspired to respond with further praise for the council. He

reminded the representatives, if they needed to be reminded by this time, that "by meeting together in council, discussing our mutual problems, we are able to obtain a better knowledge of each other's viewpoints and as a result be more fair and reasonable in our judgments."

He also spoke of the dual responsibility that rested upon every councillor, pointing out that the elected section not only represented their constituents but, as the name implied, were councillors with the appointed members of the management in considering and recommending questions of policy relating to matters of mutual interest between employer and employee.⁹⁷

By 1924, with the prospects for employment once again steady, the workers turned their attention to drawing what benefits they could through the council system. Any improvement in working conditions that could possibly be termed a safety feature—for example, eye examinations, lockers, showers, special shoes at the expense of the company—were pushed for, usually with success. Sometimes the improvement did not cost the company anything, as when eye examinations were arranged at a 20 per cent discount for all employees with a local optician.⁹⁸ Still, the council oversaw the definite improvement in many details of factory working conditions.

Worker requests outside the area of safety were met with the by now traditional response. For example, in February 1924 A. Reid from the Foundry complained that the superintendent had removed an extra allowance from the wages of night workers that had been in effect for twenty years. Although Reid tried to insist that the council take a definite stand advising the superintendent to restore the allowance, the council gave the superintendent another month to reconsider the situation.⁹⁹ By the March meeting Reid had obtained no satisfaction from the superintendent, and Tomlinson and R. Gordon from the Saw and Wood Department supported Reid's request for action by the council as a whole. At least they did until Bradshaw "defined the company's position, indicating that the general principle of paying additional for night work as against day work could not be conceded". Bradshaw further took the opportunity to outline the difficult times and conditions under which the company was working. Hearing this, Tomlinson moved and Gordon seconded a motion that Reid drop his motion, which of course was carried.¹⁰⁰ Tomlinson was clearly as eager as the management to maintain the facade of unanimity and avoid a confrontation.

In another typical exchange in April 1924, after the usual reports from the various committees had occupied most of the meeting, Tomlinson asked for a statement on the effect of the new tariff on Massey-Harris' business. Mr. Hossack replied for the management that "it was

too early to determine what effect the tariff would have on our business, or how we could meet it, but we were still in business and intended to remain there".¹⁰¹ This response exhausted the topic of the tariff and the council adjourned to go into session as the Picnic Committee. Throughout 1924, when the employee representatives expressed concern over the future business prospects of the company the management's response was to strike a hopeful note while repeating that "next month" they would probably have more complete information about crop conditions somewhere around the world.¹⁰²

By January 1925 the council meetings had evolved into a very smooth procedure, usually with no votes at all except to adopt committee reports. After the Safety Committee, the Suggestion Committee, and the Cafeteria Committee reports, new business would generally deal with management's thoughts on future sales and market conditions. In January 1925 Tomlinson took it upon himself to advise the newly elected members of council about their duties as "councilmen", emphasizing that "work done outside the council chamber in investigating and settling questions before they became serious was much more important than just attending council meetings."¹⁰³ Even Chairman Valentine, who happened to be absent at the time, could not have put it better.

With business conditions improving throughout the year 1925 passed uneventfully in the council. It was true that after the elections in June, Tomlinson was obliged to report that there were some complaints among the men in one of the machine shops who thought the existing electoral divisions were unfair. Whether this and the unusually large turnover in the employee elections that June were indications of rank-and-file dissatisfaction with the cosy atmosphere of the council is difficult to say. In any case Tomlinson succeeded in avoiding a reorganization of his own constituency by postponing consideration for one year. When the reorganization finally took place in June 1926 Tomlinson was defeated.¹⁰⁴

The larger manufacturing programme in 1925 called for an increase in employment. In March and April of 1925 alone over 500 new employees started work at the Toronto plant.¹⁰⁵ One of the results was that 1925 was the worst year in recent experience in terms of losses due to accidents.¹⁰⁶ The safety programme was emphasized more and more. By May 1926 things were bad enough to prompt an appearance by Superintendent Shenstone himself before the council to talk about the company's determination to reduce accidents by every available means. The reason for some of the management's urgency was revealed by Valentine, who added that unless the accident rate was reduced the Workman's Compensation Board would place the company in a more hazardous group.¹⁰⁷ By the end of 1926 all other council activities had become peripheral to safety work. At a typical meeting,

for example in November 1926, the bulk of the time was spent listening to a report of the more than 40 safety devices installed in the previous month, and discussing five or six other safety matters. The cafeteria report was reduced to a statement of attendance and sales, while the Suggestion Committee merely reported that the usual five or six suggestions had been received that month and were under consideration.¹⁰⁸

The one new subject that was discussed in the council in 1926 was holidays. In February 1926 Tomlinson brought up the subject of holidays for the first time since it had been tabled in 1921. In April the committee on holidays reported that it had made its recommendations directly to the management and was awaiting its reaction before advising the council. By May the (still unspecified) recommendations had passed to the Board of Directors and the committee was awaiting their reply.¹⁰⁹ Finally in June the committee submitted its recommendations, which in effect had already been cleared by the management. The basic proposal was for one week's holiday with pay for employees with ten or more consecutive years of service. The time of all vacations was to be at the company's discretion, and it was understood that they would be taken as much as possible during the annual stock-taking when the plant was closed anyway. The company would have the right to decide exactly who had ten years' service, that is, who had been a "continuous" employee through all the lay-offs of previous years and who had been fired and re-hired.¹¹⁰

The chairman then produced a "reply" to this proposal written by Bradshaw, who at this point was already on his way to Europe, in which Bradshaw granted one week's vacation to all employees with ten years of service as of 1925, to be taken at the company's discretion in 1926. "The privilege granted for 1926," Bradshaw was careful to add, "is not to be construed as a continuing one, nor as indicating the policy of the company, nor yet as establishing a precedent." Bradshaw went on, in spite of the booming business conditions of 1926, to remind the employees of the company's increasingly tenuous position in the face of "keen competition from larger and wealthier concerns."¹¹¹ Since Bradshaw's prepared "reply" made the basic request company policy, the council did not even have to rubber-stamp it, and no vote was taken. It only remained for an employee representative to complete this choreographed display of cooperative industrial relations by moving an official heartfelt vote of thanks to the management for their consideration.¹¹²

With R. Gordon of the Saw and Wood Department as semi-official leader, the workers' representatives moved in early 1927 to set up a new committee to revise the factory rule book.¹¹³ In February Gordon reported that the committee could not agree to a rule adopted in March 1925, when Tomlinson was the employees' leader, to the effect that time

and a half was the regular pay for all overtime work, except "where otherwise agreed".¹¹⁴ Gordon, in moving that this phrase be struck from the rules, was attempting to gain full time and a half for all those employees still under "special agreements" with the management. As the management's first counter-move, Orr proposed that Gordon's four-man committee be enlarged and the question returned to it for further consideration. In the past this had always been a successful delaying tactic, but Gordon refused to back down. He moved instead that the 1925 committee led by Tomlinson be ruled out of order altogether and its decisions invalidated. No one dared second this unprecedented challenge, but the discussion which ensued finally had to be ended by Bradshaw, who stepped in to remark "in the interest of all, would it not be better to take a little more time rather than to come to a hasty decision which might not be as desirable as we would all like."¹¹⁵ In a private recess of employee representatives Gordon was persuaded to drop his motions and the committee was enlarged to ten members.

At the March meeting the enlarged committee merely reported "progress" in their deliberations, but Gordon again pushed things forward by introducing his own resolution that "standard procedure" would include a 48-hour week and time and a half for all overtime, except in special cases like watchmen. This was seconded by Tomlinson's replacement, C. McLellan. Two management delegates immediately moved in response that the overall rate for overtime be reduced to time and a quarter. Two other workers moved in turn that time and a half be the rule for day workers and time and a quarter for piece workers. "A very full discussion took place," noted the secretary, which ended only when the workers asked for private deliberations.¹¹⁶ This time, when the council reassembled, Gordon made the unprecedented announcement that the employees refused to withdraw their motion. The result was that it was immediately voted on and defeated, though the attendance was 13 employees and 11 management. The management's motion carried and the council officially recommended to the company that all overtime be reduced to time and a quarter, based on a week of 48 hours.¹¹⁷

A month later, at the April meeting, Bradshaw explained the reasoning behind the management's objections. Gordon's original motion "would deprive the company of what it has always enjoyed and which it regards as most valuable, namely its right to make bargains with individuals or groups." It was therefore out of the question. Further, the motion as passed would reduce the night shift from 57 to 48 hours a week, entailing some loss to the company and some inconvenience in persuading night workers to return home early in the morning "at an hour when transportation to their homes is not available."¹¹⁸ To offset this loss and inconvenience the company thought a reduction in all

overtime to time and a quarter would be suitable. The company was therefore pleased to accept the council's recommendation, with the provision that the reduction in night hours be delayed until July. The employee representatives lamely responded by "accepting" the management's decision, asking only that the overtime wage reduction also be delayed until July.¹¹⁹

In pre-council days all day workers at the Toronto plant were paid time and a half for overtime as a matter of course. In December 1919, following Roxburgh's insistence in the council, this rule was extended to piece workers as well.¹²⁰ Gordon's attempt in 1927 to gain an increase for the minority of the staff still not covered was manipulated by the management into a decrease for everyone in the plant. The employees' one serious attempt at bargaining in the council thus resulted in a deterioration of conditions even compared to the pre-council years. Although the council never completely reverted to the cozy mutual admiration of the years when Tomlinson was a representative, the workers' representatives never tried again to challenge the management in such a direct manner.¹²¹

The only other major initiative made by the employees came in January 1929 when Gordon again brought up the subject of vacations. Perhaps encouraged by the company's gracious extension of vacations in 1927 and 1928, the workers proposed in 1929 that all employees with 10 years of service be given two weeks and all those with five years be given one week. On the management's suggestion a committee was duly formed to collect information and "canvass the situation thoroughly."¹²² Two months later the committee reported the expected cost to the company of the bold plan (over \$14,000). Surprisingly, after the figures were presented at the March meeting Gordon's motion was passed unanimously, as a recommendation to the management of course.¹²³

In April the acquiescence of the management delegates became clear as Bradshaw replied officially that "although the Directors and Management are sympathetic with the gradual extension of holidays with pay, the suggestion of the Holiday Committee is so radical that it is with regret that they cannot see their way clear to adopt the same." However, the company was pleased to extend the privilege of one week's vacation to all employees with eight or more years of service starting in 1929.¹²⁴

Although the management also tried to reorganize the suggestion scheme again in 1929, the decade ended largely the way it had begun, with a steady trickle of suggestions and awards ranging from \$50 for a way to save two inches of space in one of the packing boxes to \$5 for a new way to attach canvas slats on conveyor belts.¹²⁵ The council's primary activity remained safety work and the discussions of safety

installations were usually interrupted only to hear management talks on productivity or business conditions. These talks seemed to be increasingly remote from the conditions and prospects of work in the Toronto plant. For example in December 1927 Bradshaw entertained the council with an extensive account of his recent trip to Europe, describing in great detail property just acquired near Cologne and the proposed factory that would stand there. He also talked about the expansion of production in France and the members of management and their families who had been transferred from Canada to the French plant.¹²⁶

Thus the industrial council meetings passed pleasantly enough until late in 1929 when intimations of the greater tragedy to follow began to appear. In December 1929 the main item of business was a letter from Bradshaw announcing the cancellation of the annual Christmas party and the layoff of some of the staff due to falling sales and unsatisfactory conditions in Western Canada. "Nevertheless," Bradshaw went on, "the management desires to extend to you and to those whom you represent its very best wishes for a Christmas full of happiness and to assure you that it will be our aim to assist as much as possible those of our fellow workmen who may not have the opportunity to enjoy the pleasures in which you and we may be able to participate."¹²⁷ The Massey-Harris council limped along until June 1931, when the plant was shut down, and was revived a few years later with improved business conditions only to be replaced by a CIO union in 1943.

IV

During its first ten years the industrial council at Massey-Harris' Toronto plant proved to be primarily a tool of public relations for the company's management. It functioned basically as a means of communication with the workers, a device through which the management announced its decisions and policies, hoping thereby to legitimize those actions in the eyes of the workers.¹²⁸ There is no evidence that any of the reforms or improvements in working conditions that the company implemented between 1919 and 1929 would not have been implemented in the absence of an industrial council. On the contrary, it is likely that the management of Massey-Harris, who had already been converted to the "new" industrial relations in pre-council days, would have granted the same concessions as conditions permitted. Even the council's "regular" business, such as safety and health, was continued by the company with no noticeable difference during those periods when the council was not meeting. Similarly, there is no evidence that the council ever prevented or even retarded the management's implementation of lay-offs, wage reductions, or the withdrawal of privileges as business conditions varied from year to year.

The fashion in which council business was conducted made it clear that the management conceived the council's greatest role to be in the area of communication with the employees. Rather than solving problems the council informed the workers that problems had been or would be solved. Rather than resolving grievances the council alerted the management to discontent on the shop floors and reassured workers that their interests were being considered by the management. Rather than actually determining wage rates or terms of employment the council was intended to convince the workers of the benign, considerate nature of the company and thereby to inspire in them a feeling of trust and loyalty that would enable them to accept wage cuts or lay-offs and still work with maximum efficiency.

Part of the message was that the management's good-will was symbolized by the council itself and the democratic nature of the council's proceedings. For this reason the way in which business was conducted was at least as important as the substance of the business, and usually more so. Since the management of course did not want to promote democracy at the expense of its own authority, there was the problem of maintaining a fine balance between democratic expression and authoritarian actions, which was solved by emphasizing unanimity and consensus. The management had the most trouble maintaining the appearance of consensus during the first two years of the council when the employees made aggressive demands in a number of areas. However, the management usually succeeded in handling these demands in a way which minimized the concessions while maintaining a facade of unanimity in most decisions.

With the demoralization and shuffling of workers that accompanied the lay-offs of 1921 and 1922 the employee representatives seemed to lose most of the little aggressiveness that they had displayed. Afterwards they largely accepted the management's conception of what the council's duties were, and council meetings became more and more of a smooth formality. The management liked to think of the absence of discord as a product of the council itself, but it is also likely that the representatives who participated in the council were among the employees who felt the greatest loyalty to the company to begin with. There was of course the fact that the council was set up in the middle of a major strike in 1919. Afterwards, the workers who were elected and played a leading role in the council were usually already convinced of the management's good intentions.

As for the majority of employee representatives who kept quiet during council meetings, and the workers in the plant as a whole, we can be much less certain. There are some indications that the industrial

council, even in conjunction with a variety of fringe benefits, did not succeed in the 1920's in instilling any great sense of loyalty and company spirit in the work force as a whole. Not only did the employees largely ignore the management's suggestion scheme, and only attended functions such as the company picnics irregularly if at all, there was also an increasing unwillingness to stand for election and serve on the council itself.¹²⁹ After 1922, out of the six or eight employee representatives elected every six months, two or three would be elected by acclamation every time.¹³⁰ The indifference of the employees is not particularly surprising, given the fact that the council did not alleviate in any way the basic insecurity of employment caused by the annual shutdowns and the variability of agricultural production in Canada and elsewhere.

Still, the council at Massey-Harris, and those at other large Canadian firms, helped to achieve a decade of relative labour peace, holding off the spectre of union organization, smoothing difficult wage reductions, ironing out grievances, and inspiring some genuine enthusiasm in at least a minority of employees. What actually was occurring in the council can be clarified by reference to some recent theories about workers' participation in management. For example, Mulder and Wilke have pointed out that "participation" in structures like industrial councils in fact usually increases the influence of the "powerful" (the management) over the "powerless" (the workers), especially when power is linked closely to knowledge.¹³¹ Denhardt has also shown that participation in such forums usually leads to greater deference on the part of employees to authority.¹³² Something like this was clearly happening at Massey-Harris, especially in the case of those acquiescent employee representatives who were impressed with the management's display of knowledge and good-will.

Kenneth Walker has also reminded us that it is a mistake to always think of authority, or control over events in the operation of a firm, as a fixed sum which can only be divided in a way which gives additional power to workers by taking it away from the management.¹³³ In fact employee participation in industrial councils often increased the total amount of control exercised over events and procedures in the firm, by bringing under control events that were previously uncontrollable by management alone, or by extending joint control over procedures that were previously individually controlled. This was certainly happening at Massey-Harris in the 1920's, especially in the important area of safety which took up so much of the council's time. As late as 1927, for example, the safety committee was busying itself painting clearly the "on" and "off" positions on all the electrical switches in the plant, which had never been done before.¹³⁴ The management also stated that

one of the greatest benefits of the council was the indirect control it exercised over the behavior of foremen, which had previously often been arbitrary and individualistic, sometimes to the detriment of the company.¹³⁵ Thus the employees through their representatives were indeed able to exercise more control over their conditions of work without actually changing the overall balance of power in the firm.

Recent work on the employee representation plans in the Bell Telephone System in the United States has suggested that some councils played a positive role in the later development of independent industrial unionism. Industrial councils could help to overcome the feeling of differentiation between workers in the various crafts, departments, or plants within a company. They also helped workers gain useful organizational and leadership skills.¹³⁶ Although there were of course various organizational and economic differences between Bell Telephone and Massey-Harris, nothing in the Massey-Harris experience with industrial councils would contradict these broad conclusions. The experience of the industrial councils undoubtedly did contribute to the workers' confidence and expertise when dealing with the management in later union struggles.

The most interesting question still remains, however, the effects of the council in the area the management emphasized most—that of communication with the workers. To what extent did the industrial councils, in conjunction with the external market forces to which the workers were exposed in the 1920's, shape the work force that would later form independent unions, most importantly by defining in the workers' minds "areas of mutual interest" and "areas of conflicting interest" in employer-employee relations? The councils emphasized and reinforced again and again the difference between topics that were suitable for discussion on a cooperative basis, notably safety and productivity, and topics that remained an area of irreconcilable conflict, such as wages and terms of employment. The latter area, in which the management at first held undisputed sway, was later to become central to the adversary system of collective bargaining. On the other hand, cooperation in the areas of "mutual interest", especially productivity, had by the end of the 1920's already become fixed into both the philosophy and structure of Canadian industrial relations.

The industrial councils were both rivals and examples to the unions struggling for recognition and survival in the 1920's, including the unions that initiated the union-management cooperation movement in Canada in 1925 in the CNR maintenance shops in eastern Canada.¹³⁷ Employers did not react to union-management cooperation in the form of joint committees to increase productivity, either in 1925 or any time later, as a radical or innovative breakthrough in labour rights since they had been

promoting the same idea to the labour force through industrial councils since the closing days of the First World War. Judgements as to the effects of industrial councils on the character of unions that were organized in the 1930's and later would of course entail a great deal more study, but the evidence from the 1920's suggests that industrial councils were more important in the history of Canadian industrial relations than has generally been acknowledged.

FOOTNOTES

¹ James Weinstein, *The Corporate Ideal in the Liberal State 1900-1918* (Boston 1968), pp.45-46.

² See S.D. Clark, *The Canadian Manufacturers' Association* (Toronto 1939), pp.63-69.

³ Compare the International Harvester Plan, *Labour Gazette* May 1919, pp.577-81, and the *Articles of Agreement*, Feb. 20, 1923, between employees and management of three furniture companies in Hanover, Ontario.

⁴ *Industrial Councils: Texts of the Reports of the Whitley Committee and of Certain Communications Relating Thereto*, Dept. of Labour, Ottawa, April 1919. *Joint Councils in Industry*, Dept. of Labour, Ottawa, Feb. 1921, pp.12-16. *Labour Gazette*, Aug. 1917, pp.570-72; May 1918, pp.306-07; Sept. 1918, pp.742-45; and *passim*.

⁵ *Joint Councils in Industry*, Dept. of Labour, Ottawa, Feb. 1921, pp.19-20. W.L.M. King, *Industry and Humanity*, (Toronto 1973), pp.297-306. F.A. McGregor, *The Fall and Rise of Mackenzie King 1911-1919*, (Toronto 1962), pp.96-145. H.S. Ferns and B. Ostry, *The Age of Mackenzie King*, (London 1955), pp.193-208. Weinstein, pp.191-207. B. Selekman and M. VanKleeck, *Employees' Representation in Coal Mines*, (New York 1924).

⁶ *Labour Gazette*, April 1919, p.437; June 1919, p.682; June 1920, p.628; Aug. 1920, p.1002; April 1921, p.548; Aug. 1921, p.978; Feb. 1922, p.191. *Contract Record*, April 16, 1919, pp.357-8, 367. *Joint Councils in Industry*, Ottawa, 1921, pp.9-10.

⁷ McGregor, p.252.

⁸ *Joint Councils in Industry*, Dept. of Labour, Ottawa, supp. to *Labour Gazette*, Feb. 1921, p.6. In the 1920's industrial councils operated under many names, and Canadian businessmen confused the issue by often using the term "joint standing industrial council" or "Whitley council" to describe plans borrowed directly from the Rockefeller companies in the U.S. and known there as "works councils" or "employee representation". Part of the principle of cooperative labour relations, it seems, was to emphasize the uniqueness of the company's plan. "I suppose it is fairly well known that the Imperial Oil Company put into operation a joint industrial council," said Mr. D. Strachan, assistant to the president of Imperial Oil, at the National Industrial Conference in Ottawa in 1919. "It is not the Rockefeller plan, if there is such a plan; it is not the Whitley Plan; it is not the Leitch Plan; it is simply the Imperial Oil Plan." For simplicity "industrial council" is used here generally to cover any council or committee composed of workmen and management organized to meet on a

regular basis to discuss issues within a plant or company. This does not include "company unions", into which employees pay dues and which hold meetings apart from management. Neither does it include "union-management cooperation" agreements, such as at the CNR in 1925.

⁹ H.A. Stark, "Industrial Democracy in Canada", unpub. M.A. thesis, University of Toronto, 1928, p.37.

¹⁰ H.A. Logan, *Trade Unions in Canada*, (Toronto 1948), p.78.

¹¹ Milton Derber, *The American Idea of Industrial Democracy 1865-1965*, (Urbana 1970), pp.214, 260.

¹² 145,000 in Canada; 550,000 in the U.S. Derber, p.214. I. Brecher and S.S. Reisman, *Canada-United States Economic Relations*, (Ottawa 1957), pp.227-28.

¹³ *Labour Gazette*, Jan. 1919, p.46; May 1919, p.502; Aug. 1919, pp.864-65; Feb. 1920, p.112; March 1920, p.210; March 1921, pp.508-12. *Joint Councils in Industry*, 1921, pp.17-20.

¹⁴ *Labour Gazette*, March 1921, pp.485-544.

¹⁵ H.C. Pentland, *The Social, Economic, and Political Background of the Canadian System of Industrial Relations*, draft study P.C. Task Force, 1968, pp.98-101. Social Service Council of Canada, *Co-Management Experiments in Canadian Industry*, Jan. 1921, pp.4-16. *Social Welfare* April 1919, p.154; Sept. 1919, p.287. *Labour Gazette*, Jan. 1919, p.46; May 1919, p.502; Jan. 1920, p.3.

¹⁶ Logan, pp.291-95. Norman S. Duce, "Plant Level Labour Management Cooperation in Canada", unpub. MBA thesis, Queen's University, 1965. W.R. Dymond, "The Movement for Labour-Management Cooperation in Industry", unpub. M.A. thesis, 1946; "Union-Management Cooperation at the Toronto Factory of Lever Bros. Ltd." *CJEPS*, (Feb. 1947). W.D. Wood, "The Current Status of Labour-Management Cooperation in Canada" Industrial Relations Centre, Queen's University, 1964. See also Milton Derber, *The American Idea of Industrial Democracy 1865-1965*.

¹⁷ *Labour Gazette*, March 1921, p.543.

¹⁸ *Industrial Canada*, June 1918, pp.62-63. See also M. Denison, *Harvest Triumphant: The Story of Massey-Harris*, (Toronto 1949), pp.227-28. The success of the company's plan of course also depended a great deal on the prevalence of piece-work rates.

¹⁹ *Industrial Canada*, June 1918, pp.63-64.

²⁰ *Labour Gazette*, March 1921, pp.495-96. The Massey-Harris plan differed from the International Harvester council primarily in not setting up a General Council composed of delegates from all the company's plants. In this it was closer to the employee representation plan set up at Imperial Oil in January, which had been borrowed directly from the various Rockefeller companies in the U.S. *Labour Gazette*, Jan. 1919, p.46; June 1919, p.649; Feb. 1921, pp.285-86; March 1921, pp.508-12. *Saturday Night*, Jan. 4, 1919.

²¹ The thirteen divisions were as follows: 1, Foundry and Core Room; 2, Scratch, Lumber and Labour, Stock, and Power Departments; 3, Knife and Bolt Depts.; 4, Smithy; 5, Pattern and Tool Rooms; 6, Packing and Shipping Depts.; 7, Saw and Wood Dept.; 8, Construction, Wheel, Erecting, and Paint Depts.; 9, Bar and Sheet Iron Depts.; 10, No. 1 Machine Shop, Separator, and Malleable Depts.; 11, Nos. 2,3,4 Machine Shops; 12, Jobbing, Extras, Publishing, Canvas, and Cafeteria Depts.; 13, Women. The Weston plant was added later as Division 14, and some divisions later had two representatives. Massey-Harris followed the general pattern of employee representation plans in giving some "white collar" workers their own representatives partly to counterbalance potential militancy in the "blue collar" divisions. See Robert Ozanne, *A Century*

of *Labor-Management Relations at McCormick and International Harvester* (Madison 1967), p.123.

²² *Labour Gazette*, Jan. 1919, p.46; May 1919, pp.577-81; March 1921, pp.495-96. *Co-Management Experiments in Canadian Industry*, 1921, p.4.

²³ "Average" employment varied widely but was around 1,000 at the Toronto plant during this period. *The Globe*, May 3, 1919; June 2, 1919.

²⁴ Massey-Harris Toronto Works. *Industrial Council Minute Book No. 1*, (henceforth MB 1), pp.1-2.

²⁵ MB 1, p.17; *Labour Gazette*, March 1921, p.497.

²⁶ MB 1, p.4.

²⁷ At the Conference on Industrial Relations in Ottawa in February 1921 Valentine misrepresented this action as originating with the employees, who, he said, wanted one week's notice of motions in order to "discuss these matters intelligently". The fact that it was a management idea does not necessarily mean the workers never benefitted, but what is interesting is Valentine's attempt to exaggerate the workers' initiatives in the council. *Labour Gazette*, March 1921, p.496.

²⁸ MB 1, p.8.

²⁹ MB 1, pp.9-10.

³⁰ MB 1, p.9.

³¹ MB 1, p.31.

³² See photo of Toronto works council "in Session", *M-H Weekly*, Aug. 22, 1919, p.4.

³³ See Denison, *Harvest Triumphant*, p.228.

³⁴ MB 1, p.32.

³⁵ MB 1, p.58.

³⁶ MB 1, p.12.

³⁷ MB 1, p.13.

³⁸ MB 1, p.17.

³⁹ MB 1, p.22.

⁴⁰ MB 1, p.17. *Labour Gazette*, March 1921, p.497. The result would have been the same of course even if all 13 workers had voted for, as long as a majority of the 11 management delegates had voted against. This case was unusual in that Fisher refused to withdraw the motion at the first sign of management resistance.

⁴¹ MB 1, p.29.

⁴² MB 1, pp.41, 44.

⁴³ *Labour Gazette*, March 1921, p.496.

⁴⁴ See Ozanne, pp.131-32. *Industrial Canada*, June 1919, p.69; July 1919 pp.166-67. *The Contract Record*, April 9, 1919, p.347.

⁴⁵ *Labour Gazette*, March 1921, p.496. MB 1, pp.48, 59.

⁴⁶ *Labour Gazette*, March 1921, p.497.

⁴⁷ MB 1, p.30.

⁴⁸ MB 1, pp.22, 25, 34, 49, 54, 57.

⁴⁹ MB 1, pp.64, 66.

⁵⁰ MB 1, pp.12, 28, 79, 110, 114, 115.

⁵¹ MB 1, p.25.

⁵² MB 1, pp.4, 5.

⁵³ MB 1, p.5.

⁵⁴ MB 1, p.26.

⁵⁵ MB 1, pp.79, 80.

⁵⁶ MB 1, p.80.

⁸⁷ MB 1, p.80.

⁸⁸ MB 1, p.125.

⁸⁹ MB 1, p.127.

⁹⁰ MB 1, pp.131, 141, 147, 154, 160.

⁹¹ MB 1, pp.4, 17, 37, 38, 41, 43, 44, 47.

⁹² MB 1, pp.69, 70, 72, 75.

⁹³ *Industrial Canada*, Jan. 1927, p.113.

⁹⁴ MB 1, pp.33, 35, 36.

⁹⁵ MB 1, p.45.

⁹⁶ MB 1, pp.47-48.

⁹⁷ MB 1, p.48.

⁹⁸ MB 1, pp.54, 58.

⁹⁹ MB 1, pp.50, 51, 54. The girl who had been making the washers showed more gumption than the employee representatives and quit when told that her \$6-7 daily wage was too high.

⁷⁰ Valentine also cited a case where without any prompting from the management the employee representatives took it upon themselves to stop a strike in one department over the appointment of a new foreman. *Labour Gazette*, March 1921, p.497.

⁷¹ MB 1, p.76.

⁷² MB 1, p.77.

⁷³ MB 1, p.77.

⁷⁴ MB 1, p.78.

⁷⁵ MB 1, pp.79-80.

⁷⁶ MB 1, p.81.

⁷⁷ MB 1, p.82. It is impossible to say who initiated Roxburgh's shift in departments, although the management certainly had to approve it at some point. His new job was, for electoral purposes, part of Division 12, which included the Publishing, Canvas, and Cafeteria Depts., making it probably the most "white collar" of all the electoral divisions.

⁷⁸ MB 1, p.88.

⁷⁹ MB 1, pp.88, 89, 90, 93.

⁸⁰ MB 1, pp.84, 89.

⁸¹ MB 1, p.94.

⁸² MB 1, pp.54, 99.

⁸³ MB 1, p.91.

⁸⁴ MB 1, p.97.

⁸⁵ MB 1, p.98. The first item of business was the report of the safety committee which enumerated the improvements made in the plant since the last meeting. The fact that safety work proceeded without disruption while the council was in fact moribund underlined the management's initiative in this area.

⁸⁶ MB 1, p.99.

⁸⁷ MB 1, p.102.

⁸⁸ MB 1, p.102.

⁸⁹ MB 1, p.105.

⁹⁰ MB 1, pp.108, 109, 110, 112, 114, 115, 118, 120, 124.

⁹¹ MB 1, pp.110, 113, 116, 119, 121, 125, 127, 128.

⁹² MB 1, pp.106, 107, 110, 115, 119, 120, 125, 127.

⁹³ MB 1, pp.111, 113, 116.

⁹⁴ MB 1, pp.120, 122, 126, 133.

⁹⁵ MB 1, pp.107, 123, 124.

⁹⁶ MB 1, p.129.

⁹⁷ MB 1, p.129.

⁹⁸ MB 1, pp.130, 131, 135.

⁹⁹ MB 1, pp.133-35.

¹⁰⁰ MB 1, p.137.

¹⁰¹ MB 1, p.140.

¹⁰² MB 1, pp.137, 144, 145, 146, 151.

¹⁰³ MB 1, p.158.

¹⁰⁴ MB 1, pp.169, 170, 171, 191, 194.

¹⁰⁵ MB 1, p.164.

¹⁰⁶ MB 1, p.180.

¹⁰⁷ MB 1, p.192.

¹⁰⁸ MB 1, pp.205-207.

¹⁰⁹ MB 1, pp.71, 184, 185, 189, 192.

¹¹⁰ MB 1, p.195.

¹¹¹ MB 1, p.196.

¹¹² MB 1, p.207.

¹¹³ MB 1, p.211.

¹¹⁴ MB 1, p.163.

¹¹⁵ MB 1, p.216.

¹¹⁶ MB 1, pp.217-20.

¹¹⁷ MB 1, pp.220-22, 225.

¹¹⁸ MB 1, p.222.

¹¹⁹ MB 1, p.225.

¹²⁰ MB 1, pp.23, 221.

¹²¹ MB 1, pp.233, 239.

¹²² MB 1, p.287.

¹²³ MB 1, p.294.

¹²⁴ MB 1, p. 297. That the management delegates knew ahead of time that the employees' proposal would be rejected by Bradshaw was perhaps indicated by the actions of the chairman, who, in the March meeting when Gordon's proposal had been passed, suggested for no apparent reason that the vote be taken as a "committee of the whole" rather than as the council itself. Bradshaw's rejection then was not addressed to the council but to the Holiday Committee, again preserving for outside observers a facade of cooperative unanimity in the council itself. MB 1, p.294.

¹²⁵ Massey-Harris Toronto Works, *Industrial Council Minute Book No. 2*, pp.2-3, 9, 11-12, 16. MB 1, pp.141, 280.

¹²⁶ MB 1, pp.253-54.

¹²⁷ MB 2, p.35.

¹²⁸ One of the principle drawbacks of welfare work without councils had been that the company had been accused of "paternalism". *Industrial Canada*, June 1918, p.63.

¹²⁹ MB 1, pp.48, 70, 99, 164, 238, 271. See also I. Bernstein, *The Lean Years*, (Boston 1960), pp.179-87.

¹³⁰ MB 1, pp.60, 83, 91, 93, 102, 110, 111, 128, 144, 157, 169, 179. MB 2, pp.2, 7, 33.

¹³¹ Mauk Mulder and Henk Wilke "Participation and Power Equalization", *Organizational Behaviour and Human Performance*, 5 (Sept. 1970), pp. 430-48.

¹³² R.B. Denhardt, "Alienation and the Challenge of Participation", *Personnel Administration*, (Sept.-Oct. 1971), p.25.

¹³³ K.F. Walker, "Workers' Participation in Management: Concepts and

Reality", International Institute for Labour Studies, Geneva, Sept. 1970. See also A.S. Tannenbaum, *Control in Organizations*, (New York 1968).

¹³⁴ MB 1, p.217.

¹³⁵ *Labour Gazette*, March 1921, pp.497-98. *Industrial Canada*, Jan. 1927, p.113.

¹³⁶ John N. Schacht, "Towards Industrial Unionism: Bell Telephone Workers and Company Unions, 1919-1937", *Labor History*, 16 (Winter 1975), pp.5-36. See also Milton Derber, "The Idea of Industrial Democracy in America, 1915-1935", *Labor History*, 8 (Winter 1967), pp.3-29; and Derber, *op. cit.*, 1970.

¹³⁷ See Louis A. Wood, *Union-Management Cooperation on the Railroads*, (New Haven 1931). Also Milton J. Nadworny, *Scientific Management and the Unions 1900-1932*, (Cambridge 1955).