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Development and Underdevelopment,
and the Rise of Trade Unionism
in the Fishing Industry of
Nova Scotia, 1900-1950.

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Abstract

This is a study of the development of capitalism in the fishing industry of Nova Scotia between 1900 and 1950. In particular, it traces the patterns of growth of two intertwined institutions through two distinct periods - that up to 1930, and after. The first is the growth of business organisation - from mercantile capitalist through industrial capitalist to modern monopoly capitalist; the second, the rise of trade unionism - from initial beginnings in co-operativism to militant "industrial" unionism. Structural links between the rise of capitalism and the development of trade unionism, as a defensive class response to it by a proletarianized workforce, are made through a discussion of the socio-economic and subjective class attitude changes engendered by the latter as a result of the development of capitalism.

As a second major theme throughout the study, the development of organisation in the fishing industry is linked to the overall process of regional economic underdevelopment to show the peculiarities of this growth and the dependent links between it and national and international capital.

Acknowledgements

I would like to thank the members of my thesis committee, Professors Leonard Kasdon, Herbert Gamberg and Tom Bottomore for their very helpful suggestions, criticisms and encouragement of my work. As well, I am deeply indebted to Mr. Charles Murray for unstintingly giving of his time and knowledge of the history of the fishing industry; and John D'Orsay, junior colleague and close friend, for his helpful insights and comments. And lastly I wish to express my sincere thanks to Mrs. Muriel Flinn for her time and patience in typing this thesis.

Introduction

This thesis is a study of the formative development of organisation in a primary industry in Nova Scotia. Using a Marxist perspective, the history of the fishing industry is traced to show the parallel growth and interaction of two processes; capitalist development and the proletarianization of labour. Insofar as these are not two separate and equal processes, - in fact the growth of wage labour being an aspect of the development of capitalism, the proletarianization of fishermen and the rise of trade unionism in the industry is treated primarily as a defensive response by labour to structural changes in the organisation of the industry. Therefore, while labour's response to capitalism did in fact affect the subsequent course of its development, the objective structural context which generated these changes is given some analytic primacy.

The development of capitalism in the fishing industry is viewed within the context of regional economic underdevelopment as a whole. While the economy of Nova Scotia, and, in particular, business organisation in the fishing industry, was indeed capitalist from a very early period, it occupied a lower position in a hierarchical world, and national, capitalist structure, wherein it was subordinated to the interests of higher order metropolitan capital

located in Upper Canada and the U.S.* This was clearly reflected in the stunted nature of capitalist development in the industry. For example, in the extraordinary degree to which outmoded forms of business organisation and technology persisted into this century. The mechanics and contradictions of this process - clearly a progression from mercantile capitalist, to industrial capitalist to monopoly capitalist, and yet, just as clearly, subordinated to the interests of an external bourgeoisie and hence underdeveloped - form the main scope of chapters one and three of this thesis.

* The history and nature of this underdevelopment has been well documented from the time when the Maritimes were first established as colonies or hinterlands for British mercantilism in the 18th century. And has been shown to have persisted with little variation up to the present, by even the crudest comparative economic indexes such as productivity, income per capita, percentage of manufacturing industry, unemployment, underemployment in low productivity primary industries, levels of educational attainment, standard of government services, outmigration, etc., etc...¹

Without venturing into an extended discussion of the pros and cons of different theoretical approaches to underdevelopment, or the related Marxist debate over "modes of production",² I would merely comment that the recent discussion of the concept of the "colonial mode of production" by Homza Alavi (1975) seems to offer some useful new perspectives.³ In particular his theory is an imaginative synthesis which avoids empiricist trends on the one hand and overly simplistic and vulgar theoretical trends on the other, establishing⁴ some fresh insights, in the spirit of Amin's work (1974), and rejuvenating a dialectical and historical materialist approach to the question of underdevelopment. While he is not explicitly concerned with regional underdevelopment per se, his framework is sufficiently sophisticated to be relevant to the N.S. case. In particular, it facilitates the analysis of socio-economic, underdevelopment without ignoring the function and relative strengths of an indigenous ruling class, or the very real importance of indigenous capital development - albeit disarticulated - over a long period of time.

By definition the development of wage labour - of the growth of propertyless workers deprived of their own means of production, and dependent for their living on only the sale of their labour power - is an intrinsic part of the development of capitalism. And in discussing the development of capitalism in the fishing industry, the proletarianization of its labour force is therefore of fundamental significance. However this was not a quiet, passive, or one-way process whereby formerly independent owner/workers - fishermen - suddenly accepted this new condition. Labour in the fishing industry, like labour in other sectors, underwent changes with the growth of capitalism and the spread of industrial, centralized production. And, like others, they responded defensively to these changes with the knowledge and resources at their disposal at the time. Labour's response to capitalism involved a complicated, dialectical sequence which was by no means simply linear - from less to more militant or from unorganised to fully organised, but in fact reacted on the course of development of capitalism itself.

For the purposes of a clear understanding of the history of this industry, and with the hope of making this history illuminate and serve contemporary problems, this thesis concerns itself mainly with labour's organised response to capitalism insofar as this developed into a genuine pro-working class response. A circumstance that would be clearly evident with the rise of trade unionism, for example.

Therefore the historic case of the co-operative movement amongst fishermen in Nova Scotia receives only cursory analysis since it involved an anti-working class strategy in an attempt to exacerbate "craft" distinctions between inshore and offshore fishermen by dividing their unity of interests. As well, all working class responses to capitalism, or any one of its many diverse manifestations such as industrialism, centralization, money exchange, vertical integration, etc., either cultural, social, or even psycho-cultural, are not dealt with to any great degree.

Chapters two and four below deal with this history of the organised response of labour in the fishing industry to larger structural changes in the society, concentrating on the rise of militant trade unionism as the most important manifestation of this. But most importantly these chapters attempt to draw out the close relationship between the changing nature and locus of contradictions in the economy, and changing class alignments and antagonisms in the industry.

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3. Alavi, Hamza, op. cit.
4. Amin, Samir, op. cit.

CHAPTER I

Social and Economic Conditions in the Fishing Industry, 1900-1930.Introduction

Two substantive problems shaped the social and economic development of the fishing industry in Nova Scotia between 1900 and 1930. The first concerned the type of technology which was chiefly used, of the shift away from inshore fishing methods to an increasing reliance on offshore techniques, such as the schooner, vessel type, and the steam trawler. The second problem concerned the shift away from the salt fishing trade to the fresh fish business. These two problems were intimately related, as the transformation from inshore to offshore "vessel" techniques involved a drive for greater productivity in salt and dried fish, from World War I to the mid-1920's, while the development of the fresh fish trade presumed the regular, year-round fishing methods characteristic of the trawlers.

While both the fresh and salt fish trades were co-existent in the fishing industry by at least 1910 in Nova Scotia, the history of the shift in their relative size and importance, of the changes in the types of technologies used, of the rise of larger, vertically integrated corporations based on capitalist principles, and lastly of the organized response by fishermen to all these changes, comprises the economic and social history of this early period.

The Salt Fish Trade - growth of the "vessel" fishery.

The history of the development of the fishing industry in Nova Scotia differs substantially, in most respects, from that in Newfoundland. Nova Scotia was not in such close geographical proximity to the Grand Banks which facilitated small-scale inshore fishing out of small isolated communities on a wide scale. While being still closer to these banks than, say, New England, Nova Scotia was still far enough away that the inshore fishing was not the wholly most efficient and productive method. While inshore fishing communities in areas such as the western counties - from Queens to Digby, around Canso, and on the eastern edge of Cape Breton did thrive, an alternative, offshore fishing utilizing schooners, also emerged in the larger centers.¹

The Town of Lunenburg, which emerged by the turn of the century as the primary center for the offshore fishery, initially had its chief mercantile concerns in the "carrying" trade. Other centers such as Arichat and Cheticamp were also important in this trade, but once the salt fishery became increasingly profitable, an export trade to the West Indies emerged from the carrying trade and Lunenburg and Halifax became the primary focal points. Prior to the mid-1880's the main activity in Lunenburg County was agriculture. While a beginning had been made in fishing as early as 1767, when there were six schooners and sloops owned in the town

area, the more lucrative foreign and coasting trade took precedence. The size of this trade can be estimated from the fact that in one ten-week period in 1818, 150,000 ft. of pine lumber; 24,850 ash and oak staves; 1,300 gallons of fish oil; 453 barrels of pickled fish; 5,320 quintals of dry cod; 20 spars; and 11,000 shingles were shipped to the West Indies in return for rum, sugar and molasses.² In October of that year 40 or 50 coasters had made two or three trips each to Halifax, and by 1829, one hundred or more vessels were engaged in foreign trade, coasting and the fisheries.³

By 1840 agriculture had grown only slightly while the fisheries had made great strides. There were now 186 vessels and 458 boats in use, employing 659 men; while 743 boats and 50 vessels were in the course of being constructed, the shipbuilding trade employing an additional 640 men.⁴ In 1859 the mercantile firm of Jason Eisenhauer and Co. was founded. At first it had only a modest interest in the fishery, but later controlled a whole fleet, and became the "best known fish firm in Canada".⁵ In a description of this period written in 1907, the (Lunenburg) Progress Enterprise observed, "With the establishment of this business in 1859 commenced the modern commercial life of Lunenburg".⁶

In 1870 a key partner in the Jason Eisenhauer Co., Lewis Anderson, left the firm with his one-third interest

(\$10,000.) and most of the company's fishing fleet, to form his own company.⁷ In general, this was an expansionary period in the offshore fishery - by 1872, 2,156 men were employed in the industry - and the new Lewis Anderson & Co. helped spearhead this development. In 1873, under their employ, a top captain in Lunenburg, Benjamin Anderson, became one of the first to take his schooner to the Banks.⁸ Instrumental to his success was the innovation of a system of trawl fishing which became the technological wherewithal for a general expansion in the bank fishery, not only in Lunenburg, but around the Province.⁹ By 1875 ten vessels sailed for the banks and the primacy of the Lunenburg banking fleet was established.¹⁰

Anatomy of the fishing industry: Inshore and offshore.

The offshore fishery was concerned with operations on the banks, and was characterized by schooners manned by 16 to 20 men, with between 6 and 8 two-man dories to a schooner.¹¹ As well, steel and wooden trawlers of three and four hundred tons became prevalent on the banks from the turn of the century on, but between 1910 and 1930 only a small number were Nova Scotia owned and operated.

On the banks the dory crews would leave the captain, cook and two boys aboard the schooner each day and lay eight trawles or lines 20,000 ft. long to which were attached 800 hooks. Each doryman was in charge of four trawles, which meant rigging and baiting some 3,200 hooks possibly three

times per day. The trawles were then set and pulled and fish was taken to the parent ship to be cleaned, split and salted or buried in ice.¹² For the most part, vessels would make two trips a season; one, termed the "Spring Baiting Trip", commencing "the morning succeeding the Sabbath nearest the 21st of March...", and the second about the 7th of June. The vessels would return from the first trip at the end of May, when a few days would be spent on shore unloading cargoes at the fish curing stores, and from the second trip in late autumn. In the interval, lasting the duration of the second trip, the time would be spent on shore in "making" the fish from the first trip. Often vessels would only make one trip per season, this lasting from the 20th of May to late autumn.¹³

The inshore fishermen operated using small boats manned by one or two men. They would operate either by setting trawles, similar to those described above, from one to fifteen miles from shore to catch "live" fish (i.e., cod, haddock, halibut, hake). Or, even closer to shore, by setting long trap nets to catch "net" and "trap" fish (i.e. mackerel, herring, salmon, and lobster).¹⁴ The season on live fish was open all year round to any size fish or class gear, but net and trap fishing was regulated both by season and apparatus used.¹⁵

The inshore fishermen would in most cases bring their catch into various small communities around the province where it would be split, cleaned, and either salted or dried

by the fishermen's own family. As in the case of the schooner, the finished product would then be sold or bartered to a local merchant for cash or credit in his general store, the merchant then handling the marketing phase. Only later, with the decline in salt fish markets, and the rise of fish processing firms with cold storage facilities, did the fishermen's family cease to fulfill this production function.

As the fishing seasons were separated by a long slack winter period, most fishermen from both fisheries would take other types of employment to supplement their fishing income and offset, to some extent, their economic hardships. In the northern sections of the province, people occupied small farms or, when the opportunity arose, worked in the woods. In the industrial parts of Cape Breton, fishermen in the off season could get industrial jobs. By the turn of the century in fact, a labour report stated that, "... in Cape Breton the recent activity in mining circles has not only led to the employment of fishermen between the fishing seasons, but has actually induced a number of them, because of the comparatively high wages paid, to give up fishing altogether and become miners".¹⁶ On the south shore, especially in Lunenburg County, the land could not be that profitably exploited and fishermen found it more lucrative to engage in either lumbering, coasting, the West India trade, or shipbuilding.¹⁷ The larger schooners were often

chartered to carry coal and other freight along the coast or to take salt fish to the West Indies. And, despite the low wages, fishermen often could find nothing better.¹⁸

As well, by the turn of the century, shipbuilding had become quite important in this area, and the Labour Gazette reported that in the River LaHave area, from ten to fifteen vessels on an average were built each year.¹⁹

Productivity - the inshore vs the vessel fishery.

Key to the maximizing calculations of any salt fish firm, in terms of long run expansionary expectations, was the productivity and efficiency of their source of supply - the fishermen. Table I gives some indication of the relative importance of the offshore and inshore fishing techniques, as well as a useful comparison of productivity by counties. It is readily evident that by the turn of the century at least, Lunenburg County was the primary locus of fishing activity in Nova Scotia and, for that matter, with the exception of Gloucester, Mass., all of North America.

This table shows that by 1900 the proportionate size in the value of the fish taken from the bank fishery as compared with the inshore fishery was approximately 3:1. However, caution is advised in weighing this proportion too strongly as this table gives no indication of the relative values of the different types of fish caught, and since the inshore fishery was concerned with lobster as well as ground and flat fish, while the schooner fishery was solely con-

TABLE I

"Value of the Fisheries by Counties"

No.	County	Fishing Vessels				Fishing Boats			Canneries		Total Value of Fish	
		No.	Ton.	Val. \$	Men	No.	Val. \$	Men	No.	No. of Hands Emp.	\$	cts.
1	Cape Breton	22	375	7,850	124	578	12,761	1,145	15	508	387,260	00
2	Inverness	30	506	10,700	153	793	20,644	1,751	27	533	311,808	75
3	Richmond	46	1,430	18,800	333	1,240	20,829	2,315	15	2,303	473,880	04
4	Victoria	4	66	1,150	15	641	10,044	1,033	17	237	127,370	85
5	Antigonish	1	10	200	3	243	3,144	333	6	153	83,161	00
6	Colchester	-	-	-	-	179	3,045	375	1	11	50,975	00
7	Cumberland	3	65	800	11	345	6,570	245	31	325	128,149	00
8	Guysborough	28	661	17,873	164	2,165	47,460	2,400	34	523	608,749	00
9	Halifax	66	1,678	38,300	450	2,489	31,672	2,862	20	327	732,678	00
10	Hants	1	18	300	2	57	1,110	63	-	-	12,916	00
11	Pictou	1	30	400	3	306	6,813	383	28	381	105,112	28
12	Annapolis	13	306	4,800	78	158	3,175	226	-	47	133,496	25
13	Digby	57	1,819	43,650	532	467	20,095	880	11	894	1,246,218	30
14	Kings	2	32	900	8	65	1,030	119	-	-	38,379	75
15	Lunenburg	169	13,845	596,680	2,650	2,134	64,965	1,494	6	352	1,403,791	45
16	Queens	9	320	13,900	68	450	9,969	423	13	88	102,301	00
17	Shelburne	57	2,194	8,425	586	1,869	50,005	2,427	12	227	778,691	60
18	Yarmouth	44	1,987	64,770	527	887	9,046	992	11	651	622,574	75
TOTALS		553	25,342	901,498	5,705	15,366	322,437	19,466	247	7,570	7,347,603	92

Source: Labour Gazette, 1901, p. 346.

cerned with ground and flat fish,²⁰ the comparability of the figures, in productivity terms, is hazardous.

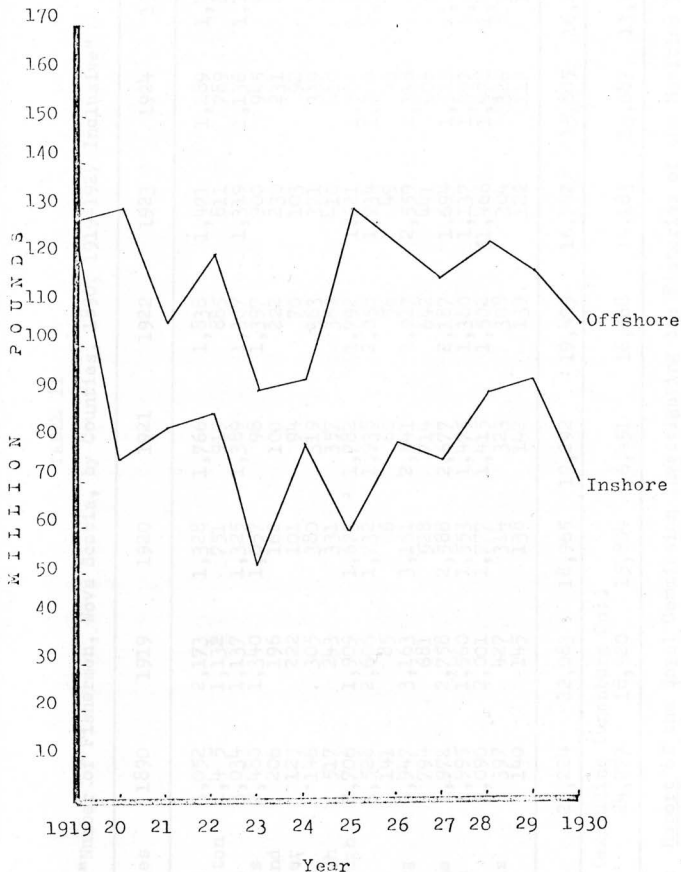
Of more value in showing this relationship is Figure I below which compares the production of Nova Scotia shore and deep sea fishermen only in terms of ground and flat fish. Again it is clear that the offshore fishery outstripped the inshore but by an average margin of only 33.8% between 1919 and 1927.

In terms of relative changes in the size and importance of each fishery over time, one can point to two general trends. First of all, to an absolute decline in the number of inshore fishermen engaged in fishing since 1890, and secondly, to an absolute decrease in the numbers of schooners on the banks since 1915. The first trend is evident from the statistics presented in Table II below.

If one excludes the figures for Lunenburg County then the percentage decrease in the number of inshore fishermen in Nova Scotia between 1890 and 1927 is 45%. As was clear from Figure I, consonant with this decline in the numbers of fishermen was also a decline in the productivity of inshore fishermen. Between 1919 and 1927, a 29% decrease in the number of fishermen was correlated with a 38% decrease in their production of ground fish. This overall decline in productivity was also paralleled by a 12% decline in production efficiency per man among inshoresmen. In retrospect, it is quite probable that this rise in inefficiency was

Figure I

"Production by N.S. Shore and Deep Sea Fishermen of
Cod, Haddock, Hake, Cusk, and Pollack"



Source: S.A. Saunders, "Problems of N.S. Fisheries", in Public Affairs, ix, 3, June 1946, p.163

TABLE II

"Number of Fishermen, Nova Scotia, by Counties, 1890, 1919-1927 Inclusive"

Counties	1890	1919	1920	1921	1922	1923	1924	1925	1926	1927
Richmond	3,052	2,173	1,328	1,766	1,838	1,471	1,289	1,435	1,375	1,374
Cape Breton	1,45	1,132	751	919	885	811	789	874	843	825
Victoria	3,034	1,137	1,325	1,389	1,367	1,319	1,136	1,128	1,069	1,028
Inverness	2,480	1,340	1,057	98	1,397	900	945	942	868	800
Cumberland	206	196	162	100	222	230	231	286	295	312
Colchester	125	222	101	94	70	103	92	72	74	70
Pictou	146	305	380	319	363	371	339	326	335	340
Antigonish	517	243	331	357	362	410	410	390	381	492
Guysborough	2,706	1,909	1,673	1,782	1,792	1,621	1,503	1,561	1,522	1,539
Halifax	3,528	2,606	1,732	1,938	2,058	1,734	1,760	1,718	1,621	1,706
Hants	141	85	66	60	56	49	46	43	51	55
Lunenburg	3,947	3,163	3,161	2,841	2,927	2,559	2,118	2,427	2,724	2,675
Queens	794	681	528	714	642	441	608	643	639	611
Shelburne	1,972	2,758	2,588	2,677	2,187	1,694	1,521	1,402	1,480	1,329
Yarmouth	1,995	1,560	1,553	1,475	1,380	1,137	1,097	1,088	1,108	1,076
Digby	1,090	2,001	1,777	1,415	1,502	1,466	1,478	1,488	1,460	1,460
Annapolis	397	427	314	323	308	304	326	326	367	330
Kings	140	145	138	142	139	122	117	117	103	105
TOTALS	28,224	22,083	18,965	19,292	19,495	16,742	15,805	16,266	16,315	16,127
TOTALS (excluding Lunenburg Co.)	24,277	18,920	15,804	16,451	16,568	14,183	13,687	13,839	13,591	13,452

Source: Report of the Royal Commission Investigating the Fisheries of the Maritime Provinces and the Magdalen Islands. (Ottawa: King's Printer, 1928), p. 96.

unnecessary, to say the least, as fishermen were potentially in a position to increase their landings per man with the advent of gasoline engines and other technological improvements in fishing methods during this period.

The fact that improved technology existed in the province from a very early time is evidenced in a resolution passed at the 1907 annual meeting of the Fishermen's Union of Nova Scotia which reaffirmed the position of the Union on the removal of duty from gasoline engines, which were being adopted at the time as an auxiliary power by the owners of boats engaged in the inshore fisheries.²¹ As well, extensive advertising done in both Lunenburg papers by the Acadia Gas Engine Company of Bridgewater, testifies to the fact that engine technology was available to those at least who could afford it.

Founded in 1907, with an output of 35, two-cycle engines per year, the Bridgewater firm expanded into four-cycle engines, producing one every 40 minutes by 1919 and increasing their sales 40% over the previous year.²² A 1924 ad by this company, clearly aimed at the inshoresmen of the County, stated: "You can buy an Acadia with a small first payment and begin to make money out of it right away. Other payments, spread out over nine months, can be paid out of profits."²³

Similarly, a letter from this company to the Lunenburg schooner outfitting firm of W. C. Smith & Co. on January 24th, 1921, speaks of the manufacture of new engines designed for

fishing boats which saved 40% fuel over the older type. They conclude by stating, "We hope you will treasure this literature (i.e., catalogues) - it is a big asset to you - it is part of your working capital, and we sincerely trust that it will lead to business that will not only be profitable to you, but also a satisfaction and a pleasure to your customers."²⁴

By the end of the first war it is safe to assume that mercantile companies like W. C. Smith and possibly numerous smaller merchants around the province had access to engine technology, along with the other types of fishing gear and outfitting supplies which they normally offered the fishermen. It is quite a different question however, as to how many fishermen were in a position to capitalize on this opportunity. Retailers and middlemen merchants historically offered supplies to fishermen on credit terms at exorbitant prices and rates of interest. Often if a fisherman did attain sufficient credit to get a small gas engine, he in fact never owned it but merely used it, as the credit, "truck" system was such that he never got completely out of debt, if indeed he ever saw any cash from one year to the next.²⁵ Some correspondence between W. C. Smith and Company and a poor inshore fisherman of Upper Blandford named George Gates concerning credit and the operation of a boat and engine should serve to make this dependent relationship clearer. On March 9, 1931, Mr. Gates sent a letter to

M. M. Gardner of the company requesting that a boat belonging to the company which he had previously bought on credit, be left to him and his son with an extension of the terms of payment until he was in a better position to pay them off.²⁶ On March 23, having received a curt refusal from Gardner, Gates responded,

...in answer to your letter saying that you want the boat brought to Lunenburg or arrangement made for settlement. Well, I am going to tell you once again that I have no money now and I am satisfied to give you security of the boat and of some property if you will give me two years chance to pay off the bill as I have told you and tried to explain that the time I have had I was ruled(!) by someone else and had no chance to do my part but I will guarantee to pay the bill and if you won't except this I will have to be all through..... 27 (emphasis added)

In successive letters to Gates on March 25 and April 23, Gardner persisted in his refusal of more time and stated that if when sold (by the Company), the price received for the boat was over and above the claim of W. C. Smith, then the balance would go to Gates and his brother.²⁸ (Ironically, the brother supported the Company's position as he felt that one summer's operation would not be enough to satisfy the Company bill as well as other creditors.)²⁹

The exasperated response to Gardner by Gates is self-expressive in its heart-rendering pathos and spontaneous outrage. It read:

Just a line from George Gates in answer to your nice encouraging letter which I received from you yesterday. Well, I have often heard you talk and seen you and judging by your appearance thought you was a man who would give a man a chance for a tryout, but I see you are not. You didn't even have the gall to tell me right to my face that I would not have the boat but gave me a hint of encouragement so that I put about \$12 worth of paint and rope on her and rigged her up ready for a start out for I felt sure the word would be to use her for this season and see what I could do, but not the case. But you are not in need of anything, I don't suppose, but I sincerely wish you no good-luck by leaving me in the mess with nothing to work with. In the first place I have your word telling me if I payed you \$50 last fall you would give me a chance with the boat and last fall when I wanted to come across with the money you said you wouldn't except it and you knocked me off from fishing last winter. So you think you are the man to give me a chance and as far as the boat is concerned she lays at anchor in deep cove....³⁰ (emphasis added)

Subsequently, and of little surprise, Gates was forced give in to the demands of the Company but not before Mrs. Gates had refused to comply with the request of a Company collector for the register of the boat and George had stripped the boat of its deck engine.³¹ While this incident is not meant to serve as an illustration of the full dimensions of the "truck" system in Nova Scotia, it should serve to give some insight into the problems faced by inshore fishermen in their efforts to improve their fishing methods, their productivity, and their standard of living.

The second trend concerning productivity was the dramatic decline in the number of schooners fishing out of Lunenburg County after 1915. The number went from a high

of 158 vessels in that year to a low of 84 in 1927.³² However, unlike the inshore fishery this decline in numbers was paralleled with a consonant increase in productivity from as early as 1907. This inverse relationship is depicted in Figure II below.

Between 1915 and 1927 the number of vessels declined by 47% while the total annual catch from the fishing vessels in Lunenburg County increased by 60%. In fact, in 1923 alone the number of vessels fishing decreased by 21% while the amount of fish caught increased by 40% over the previous year.

Also in contrast to the inshore fishery, the trend toward declining efficiency and productivity per unit was not evident in the vessel fishery of Lunenburg County. Table III below shows this relationship. For example, between 1915 and 1926, the number of vessels declined by 44% but the productivity per vessel, measured in terms of the average catch per vessel, skyrocketed by 323%.

"Productivity and Number of Vessels by Year (1897-1927, incl.) for Lunenburg County"



Source: Compiled from, Report of the Royal Commission Investigating the Fisheries of the Maritime Provinces and the Magdalen Islands, (Ottawa: King's Printer, 1928), p.123

TABLE III

"Number of vessels, total, and average catches by year (1900-1927 incl.) for Lunenburg Co."

Year	No. of Vessels	Total Annual Catch (qtls.)	Average Catch Per Vessel (qtls.)
1900	142	266,780	1,878
1901	139	224,530	1,615
1902	142	266,230	1,875
1903	141	226,200	1,604
1904	142	131,480	925
1905	149	149,460	1,003
1906	124	127,640	1,029
1907	105	71,580	681
1908	114	106,540	935
1909	100	170,530	1,705
1910	117	186,100	1,591
1911	144	207,180	1,439
1912	138	232,120	1,682
1913	135	166,020	1,230
1914	148	196,660	1,329
1915	158	149,480	946
1916	141	215,880	1,531
1917	141	208,080	1,476
1918	149	247,090	1,648
1919	143	237,470	1,661
1920	149	301,860	2,026
1921	125	302,390	2,419
1922	140	271,900	1,942
1923	110	379,290	3,448
1924	87	275,820	3,170
1925	91	271,040	2,978
1926	89	356,410	4,005
1927	84	239,375	2,850

Source: Compiled from, Report, Royal Commission on Fisheries, op. cit., pp. 122-124.

Investment and Capitalization in the Offshore Fishery.

The fact that the offshore vessel fishery was able to increase its productivity, presumably through a mechanisation process which was not evident in the inshore fishery, begs the question how the offshore fishery was able to overcome the investment and capitalization problems which retarded technological development of the inshore fishery.

With the predominance of offshore, schooner fishing, the capital investment required of fishermen to successfully engage in the business was quite large. For instance in 1903 the cost of a vessel alone averaged between \$4,000. and \$4,500.³³ By 1907 this figure had reached \$9,000;³⁴ and by 1917 it was between \$22,000. and \$23,000. per schooner.³⁵ In fact, in 1919, a Lunenburg captain, Capt. Abram Cook had a \$50,000. schooner constructed equipped with the latest crude-oil engine.³⁶ As well, of course, with the advent of three and four hundred ton steam trawlers from 1895 onwards, large amounts of capital were required not only for the initial construction, but for day-to-day operating costs and to support a well-coordinated fish processing system on land.³⁷

This problem of investment in schooners early on led to the system known as the "Lunenburg 64", whereby each vessel was divided into 64 shares, the shareholder retaining a sixteenth interest, and the captain an eighth. The Progress Enterprise claimed in 1907 that quite often the shareholders

in a schooner sailed as fishermen on their own vessels, thus receiving both an income from fishing and a dividend income on their shares. And that, where possible, fishermen would own shares in several vessels to minimize the risks of loss.³⁸ According to a Lunenburg captain, an outfitting firm would own a very small portion of these 64 shares, on the average, not more than four shares, "...investing (just) enough money in the boat for certain captains to get their outfits from them".³⁹

World War I represented a tremendous boom period for the offshore fishery. By 1916 the Allied armies as well as a large portion of the civilian population in Great Britain were looking to Canada for a steady fish diet to make up for meat scarcity and to offset the high prices of meats. During that year, the Minister of Militia from England put through an order of one and one-half million pounds of fresh frozen fish for British soldiers. This was in response to the good success Canadians seemed to be having with weekly fish rations to their own soldiers in the trenches. As well, civilian demand in Italy, France and Britain increased to the point where Canadian exports reached five million pounds in that year.⁴⁰ The food shortage was also affecting Canadians by 1917 so the government sponsored a huge advertising campaign to increase the domestic consumption of fish. An editorial of the time stated:

No opportunity must be let slip to encourage greater consumption of fish at home and in the foreign fields, where the fisheries have been practically put out of commission by the loss of men and ships, there a huge export trade is actually waiting for Canadian energy to develop it.

The tendency everywhere among the branches of the industry is for development. There are no retrograde movements in the fishing industry. All that the fishermen study are improvements in their schooners, in their work, and... in their prices. ⁴¹

1918 saw an unprecedented prevailing price for fish at \$13.96 per quintal. ⁴² The income of fishermen on the

vessels rose accordingly and a captain in Lunenburg of the time later recalled that, "a lot of fishermen made maybe \$100 extra, and invested this in vessels". ⁴³

During the latter part of the war, the shipbuilding industry also experienced quite a boom, and in fact old vessels were sold at unprecedented prices.

However, as with most war-boom production, with the end of the war the consequences of over-production and a loss of markets led to a glut of fish on the foreign market and a huge stockpile of dead and rotten fish. Under these conditions the British government, in addition to dumping, gave large quantities of haddock to the Salvation Army. In like manner the Canadian government gave Russia credit for \$25 million so that they might buy "chum salmon" - B.C. canned salmon begging a market. ⁴⁴

With the return of peace, fish prices hit rock bottom,

while the costs of outfits and gear skyrocketed. A spokesman for fishermen at the time pointed out that in the U.S.,

The Fish Pier (Boston) monopoly had raked in the shekels, had grown rich quick and were in no hurry to let go their hold. Their profits, for all the slump in prices, from the vessels were as large as ever, while the earning power of the fishermen had shrunk. 45

The inflationary trend in the price of gear and equipment had disastrous effects in terms of fishermen's investment in vessels. As is shown in Table IV below, between 1914 and 1919 the cost of outfitting fishing vessels out of Lunenburg increased by 222%.

TABLE IV

"An estimate of the cost of outfitting fishing vessels sailing from Lunenburg County, N.S., from 1896 to 1927, incl."

1896.....	\$976.00	1912.....	\$2,002.00
1897.....	831.00	1913.....	1,676.00
1898.....	866.00	1914.....	1,814.00
1899.....	834.00	1915.....	1,658.00
1900.....	995.00	1916.....	2,370.00
1901.....	1,034.00	1917.....	3,020.00
1902.....	1,055.00	1918.....	4,432.00
1903.....	970.00	1919.....	5,850.00
1904.....	1,130.00	1920.....	5,200.00
1905.....	1,115.00	1921.....	3,902.00
1906.....	1,428.00	1922.....	3,876.00
1907.....	1,550.00	1923.....	2,851.00
1908.....	1,415.00	1924.....	3,021.00
1909.....	1,370.00	1925.....	3,926.00
1910.....	1,580.00	1926.....	4,652.00
1911.....	1,770.00	1927.....	3,656.00

Note - "This estimate includes the cost of salt, provisions, lines and ship chandlery. But does not include anchors, dories, or bait."

Source: Report, Royal Commission on Fisheries, op. cit., p. 125.

And even by 1927 when the costs had more or less stabilized, this cost was still double that of the prewar period. Any of the new vessels built late did not come in for the inflated prosperity, as it took at least one year before returns were paid on these vessels and by then the bottom had dropped out of the industry. According to the (Lunenburg) Argus, "...during the last few months numbers of vessels have sold at one-quarter their cost and it is only in special cases that the owners who have invested in the high priced vessels, have come out square in the transaction".⁴⁶ Captain Knickle recalled that the debts of the shareholders on the vessels became so great that they had to be sold by the firms at public auction to pay off the outfitting costs, and in a lot of cases the amount received for the vessels did not nearly cover the debt and the fisherman would have to reach into his savings.⁴⁷ Knickle summarized this situation and emphasized that "...when the vessels went into debt they were in debt to the firm and they just figured out to let them go far enough until they saw they could probably realize the amount of the debt, and they put them up for sale, by public auction, and what happened was the firms bought them back and they eliminated the ordinary man from having a share in some, and that is why the firms are getting a stronger hold every day".⁴⁸

The mechanics of these control bids are clear in the following W. C. Smith and Company correspondence. In a

reply to Mulcahy Bros., merchants in Cape Broyle, Newfoundland on August 26th, 1931, the Company explained that it was not the owner of a certain schooner, the "Glazier", but merely her outfitter, and that the vessel owed them, (as well as Mulcahy), a very large sum of money and they also found it impossible to collect it.⁴⁹ "The vessel is now up for sale and we have no doubt but what if a sale is effected the amount received will not reach the bill she owes us by a few thousand dollars."⁵⁰ Subsequently, in a letter addressed to Messrs. Stephen Mosher, Captain David Mosher, and Gordon Mosher on October 6th, from B. C. Smith, executive of the Company, and managing owner of the schooner "Glazier", he asked them to call by the office of the Company to sign the bill of sale for the vessel.⁵¹ The following November 14th, M. M. Gardner, of the Company, wrote to these three shareholders passing Sight Draft on them for \$71.60, \$71.60, and \$143.20, respectively, as their proportion of the debt of the schooner.

The other edge of the post-war deflationary trend was the fact that both real and money wages of fishermen were declining drastically. If an ordinary fisherman was not already locked into a "Lunenburg 64" ownership scheme, there was even less chance that he would do so by the 1920's because he had less money and because the risks of loss and the costs of shares were rising as fast as the operating costs. The investment climate in the 1920's indeed presented a substan-

tially different picture to the fishermen than it had in the 1900's. In correspondence from M. M. Gardner to the Hon. F. B. McCurdy, M.P., and Minister of Public Works on Feb. 28th, 1921, shares in the schooner, "Annie B. Gerhardt" were advertized at \$525.00 each.⁵³ This was noticeably higher than the initial 1/64 interest of a \$3000 schooner in 1907 which would have been \$46 per share.

Throughout the period up to 1930 the method of payment for crewmen on schooners out of Lunenburg was such that they had to wait four, five, or six months to get paid. This was because Lunenburg had to cure most of its fish for the West Indian market and the process took months and the firms,⁵⁴ capitalizing on the fact that the fishermen had no organized bargaining power, refused to even consider laying out the wages and themselves bearing the risk. Rather they utilized this "waiting period" not only to shift the burden of market risk onto the schooner fishermen, but also to lure them progressively further in debt through elaborate credit systems, as noted above. This was unlike Gloucester, Mass., where the fishermen's union, as well as a system whereby fish was sold to a domestic market, enabled fishermen to be paid immediately upon the completion of a trip.⁵⁵ In Lunenburg, for example, even as late as November 1923, fishermen had not received their earnings for 1922, because the fish were moving so slowly and large amounts were still in the merchants' hands.⁵⁶ This system figured high in the out-

migration of fishermen to the U.S.,⁵⁷ in their shift into illicit U.S. rum trafficking,⁵⁸ and in their overall impoverishment during the 1920's.

During the 1917 fishing season, with the extremely high fish prices prevailing because of the war, earnings per capita for the 1884 men manning the schooner fleet were \$1360 as compared with an average of between \$150 and \$250 during the previous decade.⁵⁹ The Progress Enterprise reported that some crews shared quite a bit over \$1000 per man for the five month season, but that most averaged from \$800 to \$900 each.⁶⁰ While these figures reflect the general prosperity of the times, it is unlikely that they were an accurate statement of the fishermen's actual "take-home" pay. Since "bankers" would not get paid for long periods, they were extremely dependent on credit arrangements with local company stores. Hence their earnings were often reduced by as much as one-half by the time the fish companies settled their accounts. The Report of the Royal Commission on Price Spreads (1937) documented evidence that the fishermen on schooners out of Lunenburg were paid,

...and in every instance the amount of money due (had) already been used up in credits given the fishermen's family at the Company store... In this community, Lunenburg, the transaction arising from the salt fishing period appears to be substantially one of barter between the Company store and the fishermen's family. 61

By 1922, in the midst of the drastic post war recession,

fishermen's earnings were declining in both real and money terms. Cooks' wages declined absolutely from a high during the war of \$150 per month to \$125 in 1922.⁶² Cursory analysis of figures drawn from correspondence to various fishermen by W. C. Smith and Co. in 1921, shows average earnings to have been approximately \$278 for the season. This, however, was only a gross figure, for the average account debt incurred by these same fishermen with the Company store was \$145, leaving "take-home" earnings at only \$133.63.

To compound the problem of "money" wage reductions, "real" income drops taking into account the rising cost of living, were accelerating the impoverishment of fishermen at an even faster rate. Figures for Lunenburg County given in the Argus showed that the average price for food in a family budget increased from a low of \$7.96 for the month of November 1914, to a level of \$16.92 in June 1920, and levelled off at \$10.69 by December of 1923.⁶⁴ The latter figure, while lower than that for 1920, still represented a food cost increase of 40% over that for 1914 and objectively multiplied the deleterious effects of lower wages.

Some human sense of the dimensions of the hardships faced by Lunenburg fishermen during the period following the war can be deemed from the correspondence of W. C. Smith and Company which in 1921 and 1925 was riddled with scraps of paper from fishermen or their wives pleading for an

advance on wages, or some credit to mitigate the worst effects of starvation and disease. Following are some brief examples of this: On November 15, 1921, a Robie Smith of Gold River wrote to W. C. Smith requesting \$20 on his fish to pay his bills.⁶⁵ On February 25th, Mr. James Vaughn, a crewman from Martin's Point, wrote to the Company asking a favour, since he had heard nothing in terms of the settlement on the fish from the previous summer and since he had earned no money in the last two months. He pleaded for some advance as there was sickness at home as both his wife and daughter had T.B.⁶⁶ For the most part this credit was not given in cash, but in kind, and where the crewmen were not from Lunenburg proper, local rural merchants fell in league with the Company in bolstering this system of dependency by tying in their account books and cross-referencing credit arrangements. This is evident from the following correspondence between a J. S. Vogler, General Merchant, Vogler's Cove, and M. M. Gardner of W. C. Smith and Co., dated 28th January, 1921:

Enclosed find bill of goods delivered to Mrs. Farous Cross per your orders. The amount was not to exceed \$25, but I went a little over the mark. When I phoned you the second time you will remember she wanted \$10 or \$15 (cash) and you said I should give it to her. As she was here in the office I could not tell you that she did not need this cash. I told her you refused to pay out any cash, but would only pay for groceries, etc., to carry her along until her husband returned. If she had the cash she would only waste it.... (emphasis added) 67

By 1925 the barrage of pleas from the wives and family of fishermen became more acute. In a letter addressed to M. M. Gardner from a Mrs. Warren Barkhouse on February 26th, she explained that her entire family was down with the flu and she needed \$10 or \$15 as her husband was away on the "Jean Smith".⁶⁸ Subsequently on June 3rd and July 11th, this same woman again had to deal with domestic economic crises, and had to plead for an additional \$25, and later \$15 on her husband's account.⁶⁹ On November 17th a crewman named Ruggles Rafuse, of the schooner "Jean Smith" wrote to M. M. Gardner pleading for a month's wages, less the store bill, to go to his wife so she could pay the rent.⁷⁰ While in general it seems that the Company would oblige these requests, keeping in mind that they had a policy of charging 7% interest on overdue accounts, in one circumstance at least, a request from a wife of a crewman was turned down. In her reply to this denial of June 9th, 1925, Mrs. William Ernst of Indian Point asked again for \$50, stating quite vociferously,

...you can't keep my husband's wages from me. I can't wait until August or September. That's what my husband is working for... 71

The wretched condition faced by most schooner fishermen in the 1920's clearly shows that they could not maintain their ownership shares in schooners whereby, at one point, they had been able to enjoy some measure of autonomy in

their relations with the companies, if only in a formal, legal sense, and where they had been able to secure a second concurrent source of income. However, as explained in the testimony of Captain Knickle before the Royal Commission on Price Spreads (1934), the other half of this coin was that companies, taking advantage of this impoverishment, consolidated their control over the schooners and, in the process, further undermined the "traditional independence" of Lunenburg fishermen.

To corroborate Knickle's testimony and to show that indeed this process was evident long before the 1930's, when he was testifying, it is useful to analyze the ownership data on the schooners which outfitted with W. C. Smith and Co. between 1921 and 1924. This information is summarized in Table V below:

TABLE V

"Crewmen Shareholder Ownership of Vessels Outfitting with W. C. Smith and Co., 1920-1924 (Inclusive)"

Year	Vessels Outfitting	Vessels with a Majority Crewmen/ Shareholders	Average No. of Crewmen/sharehold per vessel
1921	11	1 (14 of 24)	3, 4 of 20
1922	12	0	2, 3 of 20
1923	12	0	1, 2 of 20
1924	7	0	2, 3 of 20
TOTAL	42	1	2.5 of 20 (average)

Source: Compiled from PANS, LSP Collection, Office Files 1921, 1922, 1923, 1924.

Of the 11 vessels in 1921 for which there was both a crew's list and a shareholder's list, only one vessel had a majority of shareholders (14 of 24) who were crewmen. Of the others, the average number of men who held shares in their own vessel was between 3 and 4 of 20 crewmen.⁷² In 1922, a similar situation existed. Of the 12 vessels on which both sets of information provided a cross reference, no schooners had a majority of crewmen who owned shares in their vessel. At most, one schooner had 9 crewmen of 21 who held shares, while the average number was somewhat lower than that for the previous year, being between 2 and 3 of 20 men per vessel.⁷³

In 1923, again the ownership question presented a like picture. Of 12 vessels, none had a majority of shareholders who were also crewmen aboard. And in fact, the one vessel mentioned in 1921 on which there was a proportionate majority, by 1923 had experienced a drop from 14 of 24 to one of 18. The average for this year was again somewhat lower than the previous two years, being between one and two men per vessel.⁷⁴

In 1924, of only 7 vessels on which information existed, again none had a majority of crew who were shareholders. However, the average number of crewmen/shareholders had increased from the previous year to between 2 and 3 of 20 men per vessel.⁷⁵ Logically it would be unlikely that this latter figure would drop below one since most captains held large numbers of shares in their own vessels and also figured in the crews list, usually without being identified as such.

It can be concluded from this that, contrary to the widely held assumption of the time, Lunenburg crewmen, at least those working for the largest expanding company in the town, did not hold a stake of ownership in the vessels on which they worked.

The question then becomes if they did not, who did?

Since the income tax returns, both "employer" and "corporate", for these schooners were filed by W. C. Smith & Co. each year, it was logical to crosscheck both, names of the known 23 Smith family members (including relatives, e.g., M. M. Gardner), and those of the other shareholders in the company itself, with the corporation returns of each schooner for each year. This procedure would reveal not only if the company had a majority ownership in the vessels, but also the degree of actual control it would have had over them. Again, this data is summarized in Table VI below:

TABLE VI

"Family and Corporate Ownership of Vessels Outfitting with W. C. Smith & Co., 1921-1924 (Inclusive)"			
Year	No. of Vessels	Average % Ownership of Shares by Smith Family	Average % Ownership of Shares by W. C. Smith & Co. Shareholders
1921	11	20-25%	33-50%
1922	12	20%	50%
1923	12	17-20%	50%
1924	7	25%	50%
TOTALS 42		(Average) 22%	(Average) 50%

Source: Compiled from PANS, LSP Collection, Office Files 1921, 1922, 1923, 1924.

Of the 11 schooners on which information existed for 1921, the Smith family controlled, on the average, between one-quarter and one-fifth of the shares for each vessel. When other W. C. Smith and Co. shareholders were considered, this proposition jumped to between one-third and one-half.⁷⁶

For 1922, a similar situation existed of 12 schooners, the Smith family controlled, on the average, one-fifth of the shares, and this proportion again increased to approximately one-half when the total number of shareholders was considered.⁷⁷

1923 again presented an analagous picture. Of 12 schooners, the Smith family controlled between one-sixth and one-fifth of the shares involved; this proportion increasing to approximately one-half when the other company shareholders were considered. In fact, in the cases of two schooners, 53% of the shares were controlled by the company.⁷⁸

Lastly, 1924 presents a similar situation again in that, of 7 schooners on which information was available, the Smith family controlled one-quarter of the shares and their company, over one-half of the shares on the average for each vessel.⁷⁹

By way of conclusion one can see that not only did the crewmen not own or control their own vessels, but instead, a company, and in fact a mercantile family, held at least controlling interest, if not majority interest, in them.

To supplement this direct control, outfitting companies

often employed many other more subtle and indirect forms of control over the fishermen to guarantee themselves some measure of security in their operations (a cheap supply of fish), and in their profit margins (enforcing low prices for fish and high prices for supplies).

Historically, the ideology of the individual fisherman's autonomy in the Lunenburg fishery was couched in the assumption, not only that they owned and controlled their own vessels, but that they exercised some consonant autonomy in the bargaining process involved in arriving at the price of fish. That through a process of "free competition", whereby the variables of supply and demand worked in an unfettered manner, an equitable price could be arrived at. Theoretically this procedure could only occur if the schooners had freedom of choice with regard to whom they sold their fish. (Assuming, unrealistically, on the other hand, that the merchants of a town did not collude to fix prices, or allow price variation only within fixed limits, which amounted to the same thing.)* That is, if the profit consideration per vessel was the chief determinant in all the selling decisions taken, and not the profit maximization of the combined investment of the whole operation of a company.⁸¹

* The fact that this was an unrealistic assumption was borne out by the findings of the Royal Commission on Price Spreads for the early 1930's. They concluded that the uniformity of prices offered indicated that there was at least a price understanding among dealers, and that, "In its effect upon the primary producer, it is immaterial whether this practice of uniform prices is referred to as an "understanding" or as a "combine".⁸⁰

Freedom of choice as to whom a captain would sell his vessel's catch and for what price, was inconceivable not only when the outfitting company owned his vessel, but when various types of "creditor-debtor", "patron-client" relations between the vessel - its captain and its crew - and the outfitter reinforced and even predated this formal ownership. For example, W. C. Smith and Co. were the exclusive outfitters of a number of schooners. They would give credit for outfitting at the beginning of each trip and deduct their account when the fish were brought in after each trip. Usually the legally designated "managing owner" selected from among the shareholders was either one of the company shareholders, or a member of the Smith family. He had sole authorization to make purchases for each trip.⁸²

Secondly, the Lunenburg Coal and Supply Company, formed in 1920 as a subsidiary of W. C. Smith and Co. (with the same board of directors), supplied all coal and wood to "their" schooners, similarly deducting their account after each trip.⁸³ As well, W. C. Smith Ltd., and later Lunenburg Sea Products, Ltd., (formed in 1926 to handle the W. C. Smith fish business, again with a similar board of directors), supplied all bait and ice for each trip.

Thirdly, W. C. Smith and Lunenburg Sea Products bought the entire catch of all the schooners,⁸⁵ and fourthly, the firms of W. C. Smith and Co. and Lunenburg Coal and Supply Co. gave extensive personal credit to most crewmen and their

families during the year, deducting their accounts from their wages after each trip.

Without belabouring the issue, suffice it to say that the vessel captains were under phenomenal pressure to give a particular firm their business. It should be clear as well, from this discussion of centralization of control, and referring back to the initial point of takeoff concerning productivity, why the schooners were able to mechanize and carry out technological improvements to increase their productivity per vessel while inshore fishermen were victimized by falling incomes and high debts. While it was not the individual schooner fisherman who innovated, himself feeling the effects of the recession as much as the inshore fisherman, the control of the vessel had passed over to "professional innovators", to business interests, who could afford to think about productivity during dismal times.

Capitalist development and underdevelopment in the fishing industry - the decline of salt fish/the rise of fresh fish.

The centralization of business control portrayed above in terms of one company, in one town, was just a small part of a larger scene encompassing the entire province and country. Indeed, what was happening throughout the period and later, in the fish products industry, was also true of both the food products industry and the entire manufacturing sector of the country as a whole. However, the history of monopoly capitalist development in the food industry which involved the rise of large conglomerates such as that

of Garfield Weston, of vast agri-businesses, and the penetration of foreign capital, is beyond the scope of this thesis. The fish products industry in Nova Scotia was both the beneficiary and the victim of this process. Monopolistic expansion, technological innovation, and the proliferation of standardized products were all characteristics of the corporate history of the fishing industry. But so, too, was the insufficient expansion, lack of indigenous capital, and poor competitive market positions which characterized industries victimized by the contradictory principles of capitalist development which retarded business growth in "peripheral" regions such as Nova Scotia. The history of this dialectical development is what follows.

Initially and by way of introduction, it may be useful to outline the conclusions which the Royal Commission on Price Spreads (1937) drew concerning the state of business organization in the Nova Scotian fishing industry by the early 1930's. The commissioners identified a definite tendency toward centralization in the distributing end of the industry, where formerly there had been a multiplicity of small companies or dealers purchasing fish in every fishing center on the coast. With the postwar recession of 1919 and the early 1920's, and the Great Depression from 1926 on, numerous small dealers were forced out of business and larger enterprises emerged. In time, the Report shows, a large number of small, diffuse enterprises located along

the coast were shut down and operations became centralized among a few buyers in the larger centers. These buyers would co-operate in the purchase of fish, through price fixing, territory and business divisions, etc., while engaging in cutthroat competition in the marketing of the product.⁸⁷ They concluded, "Limitation of domestic and foreign markets, concentration of distributors, the lessening of the number of buyers and agreement between the dealers insofar as purchases from the fishermen have been concerned, have inevitably led to an almost total loss to the fishermen of bargaining power without which he is reduced to the position of having to accept from the dealers for his fish whatever price they care to offer."⁸⁸

With this perspective in mind, the corporate history of the fishing industry in Nova Scotia up to 1930 will be approached mainly through the histories of three companies: W. C. Smith and Co., Maritime Fish Corporation, and National Fish Company. While there were certainly many other companies of no less noteworthy mention in Nova Scotia at that time,* the specific developments affecting these companies which made them the earliest direct antecedents of National Sea Products Ltd., in addition to the fact that between them they accounted for the largest portion of total production, sales, profit, employment, etc., at that time, make their histories especially illuminating.

* Notably the Atlantic Fisheries Company, which, by 1907 succeeding Hirtle, Rafuse and Co., and Black Bros. in Lunenburg,

W. C. Smith and Co.

Of the three, the story of the development of W. C. Smith and Co. is most closely akin to the traditional fishing industry "Horatio Alger" success story. Of the mercantile "family" firm which was forged from nothing by five brothers who were the most successful captains in the town in the days of "sailing ships and iron men".⁹⁶

ran a very profitable dried fish business. William Duff, later Mayor of Lunenburg and M.P. for the County,⁸⁹ was credited with establishing an immense business with the financial backing of the Bank of Montreal. With headquarters in Lunenburg and branches in Canso, LaHave, Bay of Islands, and Barrington, each specialized in a different department of the business. Two steamers and a large number of schooners would collect the fish and convey them to the factories. At the Lunenburg and LaHave plants the fish would be bought "green" and dried in driers, later to be shredded and packaged.⁹⁰ With distributing and wholesale agents in Montreal and points west, and employing directly hundreds of men, this company represented a very advanced organizational type, attempting to vertically integrate the production, processing, distributing, and marketing functions.⁹¹

For various reasons, foremost among which was the decline in demand for dried and salt fish, the Company was sold to other interests in 1910 to become part of a new conglomerate in the dried fish trade, Robin, Jones and Whitman. Charles Murray makes reference to the formation of this Company as an attempt "to become the Hudson's Bay Company of the fishing industry".⁹² As characterized the development of the fresh fish industry, the dried fish trade necessitated large scale organization in order to exercise effective quality control over the product until it was marketed, and it offered the possibility of competing, by means of its varying grades, on a wide variety of markets.⁹³ This quality control problem as well as the intensity of competition in foreign markets led to business failure and conglomeration among the companies involved.⁹⁴ Harold Innis (1954) documented this as follows:

Incorporated in late 1899 with an operating capital of \$15,000., the firm competitively managed and outfitted schooners for the salt bank fishery, and by 1914, "...grew to be one of the largest and most aggressive fishing units in the province".⁹⁷ By World War I the Company's fleet of vessels had increased from six to twenty and it had branched into the lucrative West Indian and European winter charter trade.

In the glorious tradition of most merchants in the Province, W. C. Smith and Co. also ran a general retail store which supplied local fishermen and their families.⁹⁸ Supposedly secret to their success was the method whereby the Company "locked" skippers into their business operation as a whole. They transposed and interlocked the traditional "Lunenburg 64" system of schooner ownership with the land

The Jersey firms of J. and E. Collas united with Charles, Robin and Company in 1892 and became the Charles Robin Collas Company. As such, in 1895, the new Company had thirty-four stations on Chaleur Bay and the North Shore. In 1889, a member of J. and E. Collas severed relations and formed a new firm, Collas Whitman and Co., with A. H. Whitman. The latter succeeded as partner, and had adapted an apple-drying process to the drying of fish. In 1904, further amalgamation followed, and the Charles Robin Collas Co., became the C. Robin Collas Company, while its head office was moved from Jersey to Halifax. In 1910 this firm, which sold its Canso plant to the Maritime Fish Company, acquired the Lunenburg plant of the Atlantic Fisheries Company, Ltd., Black Brothers (producers of boneless fish), and A. G. Jones and Co., salt-fish merchants in Halifax, and so formed the firm of Robin, Jones and Whitman.⁹⁹

operations of a commercial business. Of the original six vessels they outfitted in 1900, all six skippers were also shareholders in the Company.⁹⁹ According to a newspaper account of it,

Young and ambitious skippers, attracted by the prospect of the work for their vessels after the season was over, came to outfit with the new firm. They were offered stock and became shareholders in the business. 100

This innovative profit-sharing plan proved well for the Company as it survived and indeed expanded during the lean post war years when others were crumbling around it. The same newspaper account describes this as follows:

The world-wide depression consequent on business inflation during the war years came with unexpected suddenness and (W. C. Smith and Co.)... was seriously affected... Here, however, the lines of safe business so consistently followed for twenty years proved their worth. The business stood the test and...(is) in a most flourishing condition... 101 (emphasis added)

So flourishing indeed was its post war condition that it bought out the adjacent Lunenburg Coal and Supply Co. to handle a new fuel and heavy supply business as its first subsidiary. 102

In early 1920, the Lunenburg Coal and Supply Co. purchased the stores, wharves, and shipyards of J. B. Young and Co. with the hope of carrying on the coal business along with a general outfitting and retail trade, as well as

entering the shipbuilding industry.¹⁰³ The executive of the new concern, as with Lunenburg Coal and Supply Co., was typecast with its parent Company. While the foray into shipbuilding was a partial failure, of more significance was the fact that at this same time, the parent Company expanded into the salt fish processing end of the industry to become "a very large exporter in a short period of time".¹⁰⁴ This expansion was very significant for the Company. For the first time it became concerned in its profit calculations, with a primarily capitalist affair - processing a product - rather than with strictly mercantile pursuits such as buying and selling, interest and rent. It became concerned with co-ordinating the combined cost/profit statements of its entire operations, which now included the production of a commodity. Instead of being chiefly concerned with making money on the difference between the retail price of a supply product for a schooner and its wholesale cost, or the difference between wholesale and retail prices of consumer goods (and of course, the interest charges on overdue accounts), the firm became increasingly preoccupied with making profit on the difference between the price it gave to fishermen (schooner crew and captains) for the raw product, and the price it received for the finished product from a distributor or wholesaler. It became concerned chiefly with two new cost/profit calculations: I, the price to fishermen, and II, the costs of production, i.e., overhead, wages, transportation, etc.

Clearly, W. C. Smith did not give up its other mercantile pursuits but rather increasingly subordinated, or more accurately, made them supplemental to its new capitalist concern - the production of a commodity. Indeed, as was shown above, the Company increased its control over vessels almost to the point of outright ownership in order to lower its capital costs of production - to ensure a secure supply of fish for its new production interests, and, more importantly, to put an effective control on the limits of the range within which the price of fish could vary. As well, of course, buyer collusion became a more timely concern as another method to hold down the price of fish.

The Fresh Fish Industry - the problem of cold storage, steam trawlers, the rise of large corporations.

Historically, the growth of various important fish processing centers such as North Sydney, Canso, Halifax, and Lockeport followed closely on the development of bait freezing facilities in these centers by fishermen's bait associations with the help of government subsidies. By 1908 there were thirty-seven freezers in operation in Nova Scotia, supplying bait to inshore and offshore fishermen, and to foreign vessel fleets.¹⁰⁵ However, the uncertainty of demand for bait weakened the competitive position of these associations and contributed to their consolidation in the hands of private interests who were just beginning to produce fresh fish for the expanding domestic market which

followed the growth of coal and iron and steel industries and urban populations in the province.¹⁰⁶

In Canso, a private family named Whitman built a large freezing and cold storage plant called the Canso Cold Storage Company with aid from the Fisheries Branch of the Department of Marine and Fisheries in 1904.¹⁰⁷ This was later sold to the Atlantic Fisheries Company (see p. 39 above) who, by 1910, in turn sold the plant to the Montreal interests of the newly formed Maritime Fish Corporation under A. H. Brittain.¹⁰⁸ By 1909-1910 this Company along with just two others, Leonard Fisheries Ltd. of Saint John N.B., who acquired a cold storage plant in North Sydney, and National Fish Company* of Halifax and Port Hawkesbury, were the only three companies engaged in the fresh fish business in Nova Scotia.¹¹⁰

The fresh fish industry, by its very nature, necessitated large-scale capital investment in cold storage and packing equipment, by-products processing facilities, fast transportation services, and a dependable, large supply of fish.¹¹¹ By 1910 steam trawlers were introduced on a permanent basis to provide this dependability of supply. The trawlers had the advantage over inshore and schooner operations of being able to fish under widely varying weather conditions, of catching larger volumes, and of supplying an expanding market precisely, on certain days of the week.¹¹²

* Or more accurately, its immediate predecessors: the Halifax Cold Storage Company and later the North Atlantic Fisheries Company. 109

Arthur Boutilier, who later organized the National Fish Company, was the initial native innovator in terms of developing the deep sea trawler fishery. The first steam trawler, the "Active", came to Nova Scotia in 1895, but, along with her successor of a few years later, the "Wren", came to no good end and lost money for Boutilier.¹¹³ Undeterred, Boutilier invited some trawlers of the British Grimsby fleet to charter to fish for his Company in Canadian waters, but under their own skippers and crew. As Boutilier later observed, "Success crowned the experiment - and the losses of the first two boats were explained when we saw the different methods and more efficient management of the English fishermen."¹¹⁴ With World War I, the Grimsby fleet remained in Britain, and the newly formed National Fish Company ventured into steam trawlers on their own again. This time their new boat, the "Triumph" proved successful and in 1924 two more were added to their fleet.¹¹⁵

Between the three firms mentioned above, the number of Nova Scotian trawlers increased from four to eight during World War I and to 10 by 1927. Of these 10, six were owned and registered in Canada - one each to Leonard Fisheries Maritime Fish, and four to National Fish, three were English - two chartered to Maritime Fish and one to Leonard, while the remaining one was a Newfoundland trawler chartered to National Fish.¹¹⁶

From the beginning, however, the most important factor contributing to the development of the fresh fish industry was the improved transportation facilities to inland markets. In 1908 the industry was aided by a government subsidy toward transportation costs whereby shipments to points west were charged only one-third the normal express duty. As well, the government increased the duty on competitive American fish from one-half to one cent per pound.¹¹⁷ By 1910 a rail line to Mulgrave, Nova Scotia, had been built and in 1913 a government subsidized refrigerated express to Montreal was inaugurated. One car left Mulgrave on the Saturday of each week and shipments from Halifax and elsewhere were consolidated in this car in Truro. By 1917 ten refrigerator cars were travelling between Nova Scotia and Montreal and in 1918 a "Sea Food Special" provided refrigerated fast freight service between Mulgrave and Halifax and Toronto.¹¹⁸

Decline of the Salt Fish Industry

The 1920's saw significant changes in the fisheries of Nova Scotia which spelled the beginning of the end for the salt fish industry, the consolidation of large enterprises engaged in the fresh fish business, and most significantly, the retardation of the development in the fresh fish trade in the face of American and Upper Canadian development.

With the end of the war, salt fish markets were taken over by Norway, Great Britain, and Iceland because of their

greater efficiency, improved technology and quality product, and in some cases, government subsidization. (For example, Norway paid \$600,000 in subsidies to secure the Havana market.)¹¹⁹ Similarly, Newfoundland lost its European and Brazilian markets and was forced to concentrate on the traditional Nova Scotian West Indies market. Nova Scotia retreated from its new found Havana and South Brazil markets and steadily lost ground to Newfoundland in other parts of Cuba, Puerto Rico, and Trinidad. For example, in 1926, Newfoundland was said to have supplied very nearly half of Puerto Rico's dried cod requirements, practically all of which a few years previous were supplied by Lunenburg.¹²⁰

In this changing climate, W. C. Smith and Co. sniffed the winds of change and introduced fresh fishing and fresh fish processing on a large scale. In February of 1925, a public meeting of the town was called for the purpose of generating investment capital for the construction of a cold storage plant.¹²¹ Subsequently on October 22nd, 1926, the firm of Lunenburg Sea Products and Cold Storage Ltd., was incorporated and began operations under W. H. Smith, president. The original financing consisted of \$40,450 common stock, all owned by W. C. Smith and Co., and an issue of \$85,000, twenty-year, six percent, first mortgage, sinking fund bonds, the interest on which was guaranteed by W. C. Smith and Co., and 94% of which was immediately bought up by members of the Smith family.¹²²

To ensure itself of a steady year-round supply of fish, in the absence of its own trawler fleet, Lunenburg Sea Products convinced one of its captains, Newman Wharton, to install an auxiliary diesel engine in his schooner, the "Jean and Shirley" and to go fresh fishing during the winter.¹²³ It no doubt took little convincing to persuade most of the rest of the Lunenburg fleet to follow suit, as 1928 marked the height of overproduction in the world salt fish industry and the industry entered the Great Depression with a bang.¹²⁴

Underdevelopment in the fresh fish industry.

Two significant technological developments made in the U.S. during the 1920's revolutionized the fish products industry of North America. These, on the one hand, gave a noticeable impetus to further expansion and growth in Nova Scotia, but, on the other hand, were a good index of the degree to which the fishing industry here was underdeveloped. The first of these breakthroughs came in 1922 and involved the development of a "filleting" operation at the point of production rather than at the retail outlet. This meant the elimination of the excess weight created by bones, leads, and waste from transportation costs; it allowed the manufacture of by-products such as fish meal; aided in quality control and improvement; facilitated the transformation of packaging and commercial handling; gave impetus to large-scale marketing and advertising efforts; and publicized the

brand name of the producer rather than the retailer.¹²⁵

In other words, it allowed the fish products industry to catch up, and in some cases, out-compete, the rest of the food industry. It facilitated the industrialization of the production process, and the introduction of monopoly capitalist methods into the industry - consolidating the processing, marketing, and retailing concerns into one vertically integrated enterprise.

The second development made in the U.S., that of quick-freezing, did not affect Nova Scotia until the 1930's and will be discussed in the second part of the thesis.

The growth of the fresh fish business in Nova Scotia became more rapid with the development of the filleting technique and by 1929 fully one-half of the fresh and frozen trade was in fillets. By 1939 this number increased two and one-half times while the fish processed in "round" form during the same period remained constant.¹²⁶ However, while this process gave impetus to the fresh fish business in Nova Scotia, the extent to which it did was rather less revolutionary than elsewhere. Large-scale investment, on the whole, was non-existent as "...private investible funds that might have flown into the fishing industry...tended...to move into the central provinces where greater profitability was promised".¹²⁷

Instead of undergoing revolutionary transformations in the careful grading of the product, by developing new marketing and packaging techniques, increased advertising, or

adopting new methods of production as were other food industries on the continent,¹²⁸ the Nova Scotia fish products industry became saddled with antiquated and inefficient technologies and forms of organization in an increasingly competitive food market. According to Bates (1944) this underdeveloped state was even more prevalent in some intimate complementary trades. For instance, boat-building remained a tailor-made process, diesel marine engines were not produced locally on any comparable scale of production, a fact which necessitated the use of combustion gas engines on boats which kept operating costs high. Road trucking hardly affected the fishing industry, and with the government subsidy rescinded in 1919, refrigerated rail cars and ocean space remained an inefficient and expensive form of transportation compared to elsewhere.¹²⁹ The fishing industry, for Bates, was merely making adjustments, for example, in the "addition" of engines to schooners, while other food industries were undergoing "revolutions".¹³⁰ The industry was merely conceding to a laboursaving motif by developing the filleting process, turning to boneless salted cod instead of dried salt cod, or wrapping its fillets in parchment and trusting the care given them by distributors hundreds of miles away, would advertise the name.¹³¹ "The catching of fish, unloading of vessels, cutting of fish, handling and packing in plants, all (depended) almost entirely on hand labour...even in the largest plants."¹³²

While the production of fresh and frozen fish in-

creased from 9% to 34% between 1920 and 1939, "...this change", according to Bates, "was forced on the industry more by the decline in the salted fish markets abroad than by any revolution in the methods of catching, processing, or distributing the product".¹³³ During the 1920's the expansion that did take place consisted almost entirely of growth within the Canadian market as 90% of the fresh and frozen trade was in Canada. However, because the industry remained characterized by a multiplicity of superfluous functionaries ranging from very small dealers and merchants in the outports, to specialized marketers, specialized wholesalers and specialized retailers, the quality of the fish remained poor, the retail price high, and the marketing possibilities limited.¹³⁴

Later, faced with a saturated Canadian market in which fish was even losing ground to other foodstuffs, the fish business interests in Nova Scotia were faced with two possibilities if they wished to continue accumulating capital at a faster rate. Either they would have to maintain their expansionary drive - which had started with their transformation from business organized on mercantile principles to business organized on capitalist principles - and further transform themselves from "laissez-faire" capitalist into "monopoly" capitalist enterprises. Or they would have to cut the price of their products in order to enter the U.S. market on a competitive basis. As will be shown in the second part of

this thesis, the business interests in the fishing industry for the most part were forced to choose the latter route and, as each middleman along the way passed on the cost of price reductions, the fishermen and fish plant wage-workers, both of whom had the least bargaining power, took the brunt of the losses.

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The Trawler Controversy

Perhaps the most blatant manifestation of under-development in the fishing industry in the 1920's was the so-called "trawler controversy" which brewed and flared from as early as 1905 and culminated in the appointment of a Royal Commission in 1927. John Watt summarized the situation as follows:

As had happened in practically every country when trawlers were introduced, strong opposition to them quickly developed among shore fishermen and schooner owners. Viewed from this distance in time (i.e. 1963) the opposition seems to have been extraordinarily effective and to have remained so for an extraordinarily long time.

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The protests against the use of steam trawlers off Nova Scotia came very early, mainly from various pressure groups - fishermen, schooner owners, small merchants - and forced government to pass restrictive legislation and resolutions. For instance, in 1908 an Order-in-Council prohibited the use of steam trawlers within three miles of the coast of Nova Scotia. In late February 1911, another Order-in-Council cancelled the right of fishermen on trawlers to receive the traditional

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fishermen's bounty.¹³⁸ In 1915, the federal government restricted trawlers, clearing from a Canadian port to fishing outside a twelve-mile limit,¹³⁹ despite the fact that foreign trawlers could fish up to within three miles.¹⁴⁰

During the 1920's, the trawler issue became a focal point for unity between inshore fishermen, fish merchants and conservatives. In the mid-1920's for instance, the Halifax Herald and the Fishermen's Union of Nova Scotia, (see Chapter II below), or more precisely its chief benefactor and spokesman Moses H. Nickerson, mounted a vociferous attack against the steam trawlers and their chief proponents, the National and Maritime Fish Companies and the Canadian Fisheries Association.¹⁴¹

But perhaps the most interesting display of consistent opposition to the trawler came from inshore fishermen in and around Canso. From as early as 1910 the three Companies operating trawlers did so out of the Canso and Port Hawkesbury area. And from 1911, the fishermen in Canso held meetings and organized protests against these trawlers.¹⁴²

The protests culminated in 1927 with the appointment of the MacLean Commission, ostensibly to investigate the fisheries, but whose central concern quickly became steam trawlers as much as anything else. This issue split the Commission, but its majority report recommended that legislation be enacted prohibiting trawlers as of 1929.¹⁴³ The legislation that was passed, however, imposed only a tax of one cent per pound on all

fish caught on foreign built trawlers and two-thirds of a cent per pound on all fish caught on Canadian built trawlers.¹⁴⁴

At first sight this government opposition seems indeed to have been oddly anti-capitalist in sentiment, especially at a time when, "North America was just due to cross the threshold into a fish trade different from that developed elsewhere".¹⁴⁵ However, it is indeed rare in this society to ever find a government which has acted in a completely anti-capitalist fashion, as, by their own definition, they are, at the very least, supposed to protect the "public" interest. As it turned out, and quite predictably so, in this case the government, instead of mediating the interests of capital and labour, merely reconciled one of the many intra-capitalist contentions which ensued from the anarchistic competitive struggles that defined their existence. As it happened, one of the capitalist interests in the dispute had enough in common with inshore fishermen on the question of trawlers, that they were able to jointly ally against the larger corporations.

Stewart Bates, in his Report on the Canadian Atlantic Sea Fishery (1944) for the Dawson Commission uncovered this situation quite clearly. He concluded that apart from the opposition to the trawlers based on biological grounds, (which in any case did not figure that strongly in government deliberations in that period), the social and economic

objections raised were by far the deciding factor. Of these it was the combined opposition of some fish firms, the owners of schooners, and the inshore fishermen which overrode the position of the fresh firms.¹⁴⁶

For most of the existing fish producers, a trawler license would have been a valuable asset, but realizing that the government could not wholly ignore public sentiment and consequently would not permit the wholesale issuance of licenses, they allied with the opposition. As such not being against the trawlers but against giving advantages to their competitors.¹⁴⁷ A second group, the owners of existing schooners, feared that the wholesale development of a trawler fishery would have spelled the obsolescence of their schooner technology and placed them in an even worse competitive position.¹⁴⁸ The shore fishermen feared the widespread use of trawlers for two reasons, both of which later proved to be well founded in terms of their own survival. They feared the technique would shift the whole center of gravity of the industry to the main fishing ports and into the hands of large financial interests. A process which was certainly already taking place, not necessarily because of the trawler, but because of the shift in the industry to fresh fish production which required large and centralized technology. Bates rightly characterized this as part of the traditional opposition of hand labour to mechanization, or more accurately, of the threat posed by

industrial technology to the independent status of family operations in the inshore fishery.¹⁴⁹ The second argument of inshore fishermen was that they feared the use of trawlers would jeopardize their economic position as suppliers of fish. Bates explained that this would have been true not inasmuch as they were competing for the same species fish, as, in this regard, the schooner was their main competitor, but rather insofar as the industry was underdeveloped and the traditional salt fish trade was waning. The argument used by the fresh fish companies was that the trawler would have been able to expand the market for fresh fish by its regular supply, and thus benefitted the inshore fishermen as well. However, Bates showed that in itself the introduction of trawlers would not have expanded the market, as this would have also required modernized onshore plants, transportation, and wholesale and retail distribution. And, as the shore plants and the distribution system of the Nova Scotia fishing industry were underdeveloped in this respect, the shore fishermen had a valid point in arguing that a wide extension of trawlers would merely increase supplies, causing a glut of fish, and lower prices for all.¹⁵⁰ In fact, in testimony before the MacLean Commission, inshore fishermen pointed out that the whole heart of the trawler problem was one of over-production, of the glutting of markets, of lower prices and a restricted market for fishermen, and consequently of the depopulation of fishing villages.¹⁵¹

Conclusion

By way of conclusion one can very generally outline three factors which shaped the social and economic history of the fishing industry in the period up to 1930. All can be viewed in terms of their destructive effects on the traditional "family" economy of most inshore fishing communities, the main factor which prompted what organized labour response there was among fishermen in this period.

The first factor was clearly the tendency toward capitalist, as opposed to mercantilist, organization among the salt fish firms. Prior to this period the family had been the main, if not the sole, unit of production in terms of processed fish. The fish, in finished form had been collected and marketed by middlemen and merchants whose concern was not the production of a commodity but the difference between a buying and selling price of the same product. Fish processing firms based on capitalist concerns took away the economic function of the family operation in two ways: I. in terms of the actual processing function, and II, by utilizing offshore schooner techniques of fishing which undermined the inshore fishing method which was intrinsic to the family operations.

The second factor was the decline in salt fish markets due to world over-production, and the rise of the fresh fish industry which centralized and consolidated even more the production of fish and contributed further to the loss of rural autonomy.

The third factor was the stifled nature of the capitalist development in the fresh fish industry. As was shown in terms of the effects of the trawler on the supply of fish, over-production and saturated markets contributed further to the immiseration of the inshore fishermen and the depopulation of small fishing communities.

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CHAPTER II

Labour Response to Economic and Social Changes
in the Fishing Industry, 1900-1930.Introduction

There were four basic types of labour which were involved in the fishing industry in this period. First, there was the small but growing number of wage-earning fish plant workers, and second, three different types of fishermen - the inshoresmen, the schooner "banker", and the trawlermen. Of these only the fish plant worker resembled the traditional image of a propertyless worker who worked in groups for wages. The others, to varying degrees, differed in their conformity to each of these "basic" criteria, and more closely corresponded in their conditions of life to such independent proprietors as farmers. However, historically productive owner/workers, such as fishermen and farmers, have often become conscious of their exploitation as much as productive workers and have certainly been no less militant as others in seeking social, political and economic change.¹ One has only to think of the experience of farmers in western Canada and the U.S., and of fishermen in B.C., the U.S., and Great Britain to verify this. The fact that fishermen to greater or lesser degrees have owned and controlled their immediate means of production does not disqualify them either from a discussion of labour radicalism, or indeed from a discussion of labour response to industrialism in general - it only complicates the analysis somewhat.

Fish plant workers in this period were a newly burgeoning class of wageworkers, a group whose work situation was such that trade union organisation was at best difficult. As late as the 1920's most fish plants were still small in size, hiring often under ten workers, even during peak periods, and were diffusely distributed in small fishing communities. Wages were extremely low and at best the workers received four or five months of steady employment. Consequently the workforce had to be mobile and flexible in terms of skills for the off season - a factor which posed endless problems in terms of building any type of permanent organisation.

Popular conceptions and sentiments concerning traditional individual "independence", hardworking self-sacrifice, worker-owner co-operation, the sanctity of "hand work", etc., were the ideological hallmarks of the fishing industry in general and were no less prevalent among fish plant workers. With members of one's own family often still fishing, and with a knowledge of the skills in "making" fish coming from long-standing family tradition and experience, fish plant work was at best viewed as but a secondary adjunct to the fishing process as a whole and consequently to have more in common with it than with the working class character of mine work or labour in the steel mills or dockyards. This was not so unusual since these workers were caught in a transitional situation. On the one hand they symbolized a move toward centralized capitalist production of processed fish which

involved the breakdown of the family as an economic unit of production. But, on the other hand, the workers had to continue to live and work in small parochial communities characterised by the cultural and social vestiges of a more traditional social setting. At best workers could sell their labour power for wages while being victimized in most other relationships by exploitative, patron-client, "feudalistic" types of interaction and exchange.

Centers such as Halifax, of course, presented a different picture. Industrial labour was an everyday fact of life, trade union organisation was on the rise, and the impact of industrial strife elsewhere was quite strong. There was one spontaneous strike by unorganized fish plant workers in Halifax during this period which gives some indication as to their state of organisation. On August 7th, 1906, 200 fish handlers working in five plants along the Halifax waterfront spontaneously walked out for a wage increase of twenty-five cents per day. The workers claimed that, taking into consideration the high cost of living, it was impossible to live decently on \$1.25 per day. The merchants claimed to have been taken by surprise. One stating that, "...they received a note written in lead pencil signed "Employees", stating that they wanted \$1.50 per day to work at fish handling".² Certain of the employers offered \$1.35 and others \$8.00 per week permanently, both of which were declined. It was said that N. M. Smith and Co. were already paying permanent fish handlers \$1.35 and, due to technical

innovation, their work was not as difficult as elsewhere. An agreement was finally reached by which an offer of \$1.35 was accepted by the workers.

However, apart from this spontaneous coalition of workers around a strike, there does not seem to have been any other attempts to establish a permanent trade union organisation among fish plant workers, despite the worsening conditions of work and life in the 1920's. This state of affairs would soon change however, as in the 1930's and 1940's, fish plant workers would lead the entire trade union movement in Nova Scotia on a number of different fronts.

As mentioned above, the fisherman was in an ambiguous position relative to wage labour. This position was even more clouded because of the three different categories of fishermen and the differing degrees to which each conformed to either the "ideal-type" fisherman or the "ideal-type" wage earner. The inshore fisherman most closely resembled the classical "petty bourgeois" type - the small independent proprietors, who individually owned and managed the capital with which they worked, and derived their income from selling their product for a profit.⁴ The schooner "banker" and the schooner captain were slightly different again. The latter represented the closest approximation in the fishing industry to the "independent business man", having to make decisions affecting subordinates concerning production and marketing, and owning shares in the venture. However, he, too, "laboured"

physically to some degree and had to face the erratic natural conditions which affected the products, so in some ways was more akin to the zealous yeoman farmer.⁵

Schooner fishermen, while earning their income in a similar fashion to inshoresmen - i.e., as a percentage of the value of the catch - were certainly more akin to wage workers in that by the 1920's they had lost ownership* over their means of production and toiled in collective work settings under the traditional "iron" authority of a captain.

Trawler crews were, of course, closest to industrial wage workers on the sea. While they also would receive a percentage of the catch, the largest portion of their pay was in the form of wages. They also worked in collective settings, but, unlike the schooners, utilized modern machine technology, again under the scrutiny of the captain, but under no illusions that they worked for anyone but the company that owned the trawler.

It appears that industrialism and the development of capitalist forms of organisation in the fishing industry in this period had a very real proletarianizing effect as one looks at the range of types of fishermen that arose. Very

* It is open to question just how real their control was over the schooners even when each crewman held one or two shares in their vessel, in the absence of any collective organisation to enforce their will, in the face of the authority of the captain over his vessel, and since the captain had major financial interests at stake both in the vessel and in companies with which they could potentially deal.

briefly, one would expect the response to industrialism on the part of these fishermen, depending on the different objective conditions of each and on subjective influences, to have been of two types. First, with the encroachment of industrial life and capitalist organisation on the traditional economy and communities of inshore fishermen, and their consonant loss of autonomy, the development of "protective"⁶ co-operative types of organisation, especially marketing and producing co-operatives, with the express purpose of retaining and rejuvenating their traditional self-sufficiency. And second, with the increased proletarianization of the fishing workforce - "employee" fishermen on schooners, and strictly wage earning trawlermen - an increased concern with the problems of collective bargaining, at first through loose "protective" trade associations, and later trade unions.

The Fishermen's Union of Nova Scotia.

The first fishermen's union was formed in Nova Scotia in 1905. This was exclusively for inshore fishermen and excluded by name "hired hands on private vessels".⁷ With approximately 12,000 native born people, representing 10,000 families engaged in the inshore fishery, it was felt that inshore fishermen should seek "official guidance and assistance". In particular, according to the "unpaid sponsor of the association",⁸ Moses H. Nickerson, M.L.A. for Clarke's Harbour and fish merchant,

The status of the fishermen as an industrial class, it was thought (by fishermen and other concerned interests(?) in N.S.) might be improved, and their common interests promoted by organizing on lines similar in certain respects to those of other unions, but with the objects more particularly in view of securing more expeditious means of presenting their views to the governmental authorities, and of obtaining greater freedom from restrictions in the preparation and marketing of their "catches". 9

One of the chief concerns of the union was to arrange a satisfactory transportation system seeking government assistance to combat exploitative speculation and middleman control. It was felt that these ends could be best attained through legislation for the incorporation and establishment of various union stations in accordance with a fixed method and clearly defined objectives. An Act to this effect was passed on April 7th, 1905, prescribing the aims and organizational structure of these stations. The aims were basically information and reform oriented, such as gathering and communicating the latest information on technology, processing, transportation and marketing; or making representation and "furnishing" information "to the proper authorities". By way of organisation, the provisions made for the issuance of a certificate of incorporation by the Registrar of Joint Stock Companies under the name "Station No. ... Fishermen's Union of N.S." where not less than 15 fishermen wanted a union.¹⁰ However, in 1910 this latter was amended so that only 10 fishermen were required.¹¹ Each station was to have

officers, and the power to pass by-laws, which however, could only be certified by the Lieutenant Governor-in-Council.¹²

Three of the first four stations - Wood's Harbour, Little Harbour, and Clarke's Harbour, (the other being Port Jolie) - were organised through the personal efforts and direction of M. H. Nickerson.¹³ By 1906 the Union claimed to have added six new stations in Digby Co. and six in Cape Breton. By 1907 the total number had reached twenty stations,¹⁴ and by 1909, 25, including, as they claimed, the principal fishing places from Digby to Antigonish and Halifax and Cape Breton.¹⁵

It is difficult to assess the nature of this early Union, since information on its actual local practice was not sought out. However, three clues are evident in the various annual conventions up to 1911 which suggest that this organisation was far more "co-operative" and "protectionist" than trade unionist. The first is the curious key organising and promoting role that a fish merchant and politician played. The centrality of his position is evident from his appointment in 1908 as a special lecturer for the Union to visit all fishing localities in Nova Scotia and Cape Breton with the view to conferring with fishermen on questions affecting their interests.¹⁶ Similarly, during the second convention, a curious note of thanks was given by the Union to the Premier of the Province and M. H. Nickerson, M.L.A.

for "interest shown in the welfare of the fishermen".¹⁷ While the centrality of his role would not in itself necessarily mean paternalism, a description of the method of organising that he used in forming the first three stations certainly does. In these cases he entered the communities, read out the Act, and asked for members - an organisational strategy certainly coming from the top down by directive, rather than from the bottom up by initiative.¹⁸ Interestingly enough, when Nickerson left Nova Scotia around 1930 for Gloucester, Mass., "without a leader, and by the inroads of politicians", in the view of its founder, the Union "fell to pieces".¹⁹ (emphasis added)

A second circumstance which calls into question this organisation's position, was the fact that it chose to continually reiterate resolutions which had been passed in *previous years, at all its annual conventions. In the first place* these resolutions were shallow reforms asking either for the regulation control and assistance of the industry by government, or for social security benefits. And secondly, these were always presented as petitions to government through "due process" and consequently nothing ever seems to have come of them as they were continually repeated and reaffirmed year in and year out. In fact by 1911 some frustrations seem to have finally been vented by the fishermen as the Union held a conference with the Superintendent of Fisheries (Federal) whose attention was called "to resolutions which had been

adopted at previous annual meetings".²⁰ Apart from these ineffective resolutions, one should also consider the actions which the organisation did not take. One key strike by 300 of their own members in Gabarus and Main-a-dieu, Cape Breton, in 1909, seems to have been completely ignored. The strike involved 300 lobster fishermen and lasted from May 17th to June 10th, 1909. The fishermen were resisting a reduction of \$1.50 per case of lobster by four local companies. The main tactic used by the fishermen was to co-operatively pack their own lobsters, but the success of it seemed to be indefinite.²¹ This strike was not even mentioned in the annual meetings, and it seems certain that the Union played little or no effective role.

A final circumstance which indicates the type of organisational strategy adopted by the Union was a resolution on the work of the organisation, passed at the first convention in 1905. It stated quite explicitly that,

The assistance of organisers of other trade union bodies will not be accepted, on the grounds that the objects of the fishermen's union differ in a number of material points from those of other trade unions and that they could not be so effectively served if the Union were affiliated in any way with international trade unions. 22

This anti-trade union position speaks for itself and indicates the degree to which the Union isolated itself from the growing labour movement in Nova Scotia in general. The subsequent strike-breaking stand taken by this Union relative to fisher-

men's strikes in New England (see below) was also logically consistent with this high and lofty statement of principles. Even within the fishing industry, by their exclusion of deck hands and schooner fishermen they isolated themselves and it should be no surprise that their demise came in the late 1920's when the last thing impoverished fishermen needed was a narrow "pure" association that acted to divide their interests along artificial "craft" lines. This, however, is not to minimize the deleterious effects which their strictly lobbying tactics, or their paternalist, mercantile leadership had, on the other hand.

New England Fishermen's Strikes

During the summers of 1917, 1918, and 1919 large strikes by fishermen, trawlermen, and fish handlers shut down the entire fishery of New England. A report from the Gloucester Times, reprinted in the Progress Enterprise reported that the first strike of April 1917 assumed serious proportions when a fleet of some 18 local gillnetters, and the Boston and Portland beam trawling fleets numbering 17 steamers hauled out and the crews joined the strike. As well,

...intimation was made by some of the union men that they might carry things even further if a speedy settlement (were) not reached. There (was) talk of requesting the Fish Handlers' and Splitters' and Fish Skinners' and Cutters' Union to join in the strike... 23

On July 6th, 1919, 6000 fishermen went out for a guaranteed minimum wage based on the selling price of fish at the dock,

and, in the process, shut down the entire New England fishery in Portland, Gloucester, Boston, and Provincetown again. Ten days into the strike the Progress Enterprise reported that the Bay State offer of \$110. per month had been rejected by the fishermen.²⁴ By 1920, the Fishermen's Union of the Atlantic, an International Seamen's Union affiliate, had secured an unprecedented wage settlement which guaranteed offshore fishermen \$130 per month. This, of course, was a very significant gain over the \$35.00 monthly wage they had received prior to this.²⁵

The Fishermen's Union of Nova Scotia came under some criticism for not calling a sympathy strike in support of the New England fishermen since the Fishermen's Union of the Atlantic was receiving little or no support from the I.S.U.²⁶ The position of the Fishermen's Union of N.S., as presented by Nickerson was unequivocal on this, however. Nickerson, in addressing a regular meeting of the Fishermen's Union of Clarke's Harbour on Aug. 20, 1919, observed that the Fishermen's Union "lives and moves and has its being" on a different basis than that of the Boston Union given their differing conditions of work.

The conditions are entirely different. You are owners of the boats and gear you handle, judging your own times, seasons, and hours of labour. You are on the same industrial plane as the farmers or fruit-growers.²⁷

He went on to point out that not only did their provincial charter imply the promotion of the common interests of

fishermen, "but also it would tend to stimulate and assist local business of any kind to a considerable extent". There were no antagonisms between owners, dealers, crews and speculators as the Union was simply a self-helping order serviceable to the community. There was nothing to strike against and, if this was done, they would be breaking the laws and their charter would be forfeit. Charitably, he concluded, "we sympathize with the Atlantic Union and wish them success... But any effort in their behalf on our part would not have helped the course in the least, but it would have blasted our prospects forever". This was not entirely true however, for while they certainly did not support the Boston strike with any sympathy call, they did in fact objectively act as strikebreakers by not calling a halt to their shipments of lobster to Boston. In fact, in a very optimistic tone, Nickerson stated that "... (they) might send all other catches (to Boston) if (they) were only well organized and would work together".²⁸ (emphasis added)

While conceding that the cause of the New England fishermen was just, given "their" circumstances, Nickerson propped up his own Union's self-righteous neutrality by playing on the fishermen's own delusions of their individual freedom and autonomy. At one point he even urged the Maritimers involved in the strike, "to return to the Provinces to which most of them belong, and if they still choose to follow the calling, make themselves as independent of owners

and operators as the most of our boat fishermen, and the crews of the Lunenburg banking fleet".²⁹ (emphasis added)

As we have seen, this conception of the independent and self-sufficient fishermen, free from the desultory enslavement of wage labour, was indeed a fanciful myth by the 1920's. Inshore fishermen, traditionally the most ruggedly individualistic, were on the one hand, increasingly indebted to rural merchants and middlemen, and on the other, increasingly detached from the processing function of their trade as a result of the penetration of large-scale capital. Schooner "banker" fishermen, faced with the same drop in standards of living and income, also became indebted to merchants, in this case losing control over the schooners to large-scale capital. The industrialised work force of the offshore trawler fishery, while not expanding that rapidly, became an increasingly lucrative alternative to traditional "self-employment" and contributed to the cultivation of fraternal attitudes between the fishermen and other members of the working class.

(Nova Scotia, like New England and elsewhere, was the scene of really radical working class struggles during the 1920's. Centering mainly in Cape Breton amongst workers in steel and coal, numbers of violent and at times revolutionary strikes and confrontations in bitter fights for union recognition and better wages marked a progression to a new level of militancy and class consciousness among these workers.³⁰) A farm-labour coalition arose to become the official opposition

in the House of Assembly between 1921 and 1925.³¹ And in general the worsening effects of the recession, which added wage cuts and unemployment to an already long list of grievances, stoked the fire of industrial unrest in the province.

In this atmosphere, the bourgeois class interests grasped for straws with which to maintain their hegemony, and the concept of the "Lunenburg 64", and the mythology surrounding its so-called distinctiveness and beneficial dividends for fishermen, took on ideological overtones. The profitsharing system of ownership first developed in Lunenburg was lauded by a number of divergent interests as the most viable and potentially fruitful approach to harmonious labour relations in the Province in general.

In an editorial in 1918, J. J. Kinley, M.L.A. for Lunenburg, placed the reason for success of business in Lunenburg on

...the co-operative system existing between capital and labour, affording men an opportunity to share in the profits and reinvest their earnings in the enterprise, thus affording them an opportunity for advancement and attracting good men to the business as well as eliminating labour troubles. 32

He went on to conclude that the idea of co-operation between owners and workers should be adopted **in all the fisheries.**³³

In a similar vein, the Maritime Merchant, an official organ of N.S. business, proclaimed in 1919, that

In these days when labour troubles are reported on all sides; when the employees in various industries are holding meetings, and forming industrial organisations to fight their battles for higher wages, it is refreshing to turn to one industry in this province in which... there have been no signs of discontent. ³⁴

Referring to the Lunenburg fishing fleet by name, the author went on to outline the, by now familiar refrain, proclaiming the fishermen, their family, and friends as their own bosses, and further pointing out that the industry saved a million dollars because of this co-operation in the previous year. (One wonders which section of the industry saved the million?) According to this author there was "no watered stock in the fishing industry; no bonus for the promoter, everyone (got) in on the ground floor, everybody (got) his share of what (was) going".³⁵ (emphasis added) The journal reiterated this view in a similar editorial in 1922, esteeming the

capacity of the Lunenburg "banker", not only as a fisherman but as a trader. Taking one season with another, he gets about all that is coming to him in the latter connection and therefore needs not to join up with the O.B.U. idea of Mr. McEachlan in order to get equate with the tyrannious capitalists. ³⁶

As well, of course, the media played no small role in this campaign. In introducing an article on the fishermen's strike of 1918 from the Gloucester Times, the editor of the Progress Enterprise commented that the low state of the American fisheries was due to labour troubles and that

Such a condition could hardly exist in Lunenburg owing to our co-operative system of sharing in the profits, but it is, nevertheless a warning of what might happen to our fishing industry if we were to listen to paid agitators and trouble seekers. 37

In fact, in an editorial in July of 1919, the Gloucester Times described the Lunenburg custom and stated that

By this method the men claim that they are assured larger returns in the voyage. The plan had its advantages in obviating labour troubles as each man is interested as a property owner. 38

Once the whole anti-steam trawler issue developed, the newspapers and certain government people used this "co-operative" mythology as an argument against the widespread use of the new technology. In fact, J. J. Kinley, as M.L.A. in 1920, made a speech to the Legislature in which he pointed out the inherent contradiction between the co-operative share system of ownership and the new beam trawlers which required such huge capital expenditures which were obviously beyond the means of fishermen. 39

In such a small, thoroughly staunch, German Protestant County as Lunenburg, the influence of the Church, was, of course, strong. In an interesting welcome-home service for the fishermen attended by a capacity congregation in Riverport on Sept. 21st, 1919, the minister preached that,

The highest incentive to work is not wages... there are services rendered by the doctor,... the miner, working 5,700 ft. underground, the sailor... for which there is no reward in money... By work and by sacrifice our race progresses. Not only labour but a human life was given for every 3,600 quintals of fish wrested from the sea this year. (emphasis added)

The minister went on to call attention to the equitable system of profit distribution among fishermen, stating that,

No little capitalistic ring scoops in the profits doling out a miserable wage to those who do the work and endure the hardships. The fishing industry in this country is a lesson to the world.

The intent of this campaign was quite clear, but its success, at least in terms of pacifying discontented workers in the fishing industry is rather less clear. The fact that no large militant trade unions arose in the fishing industry in the 1920's is perhaps somewhat telling. However, this cannot be attributed automatically to the acceptance of this ideology by fishermen, as indeed during the 1920's many took the position that it was better to "quit than fight" and entered more lucrative occupations such as rum running, wage labour in the cities, or even fishing in the U.S. Certainly the demise of the Fishermen's Union of N.S. in the mid 1920's indicated that fishermen were no longer satisfied with paltry, lobby associations, and, in that sense, indicated a progressive development. In terms of the Independent Labour Party the amount of support which they received from fishermen is unclear. At least one candidate, a Mr. Lenas Bower who was a lumbermill owner from Shelburne, ran in a 1920 by-election and won on a Conservative-Farmer-Labour-Fisherman ticket. But few conclusions can be drawn from this.⁴² In 1923 the Act calling for the Organisation of Fishermen's Unions was revised to make it less specific to the time in which it was

passed (i.e., not specifying the date for the first annual meeting in 1905).⁴³ But apart from this minor change it remained the same and the role of the ILP in this remains unclear.*

The Fishermen's Federation of N.S.

By 1927 the Fishermen's Union of N.S. had become obsolete and fishermen in Eastern Nova Scotia, notably around Canso, held meetings and agitated for a more comprehensive Act which would formally give them the opportunity for co-operative action to secure better prices and marketing assistance.⁴⁴ With the assistance of local Catholic priests and M.L.A., this petitioning culminated in the enactment of "An Act to Provide for the Organisation of the Fishermen's Federation of N.S." in March of 1927.⁴⁵ While this new Act was a mere revision of the old, it specified as a new purpose for the Union, "to co-operate in the matter of purchases of fish, fishing supplies and accessories and in the canning, curing, storage, preservation, selling, marketing and export of fish."⁴⁶ The importance of this clause is that it marked a change in the organisational strategy of inshore fishermen, allowing, for the first time, for united independent co-operative action to process, market, and transport their own fish. With this the fishermen advanced from a mutual "educational", and lobbying association to actually develop

* House of Assembly debates and proceedings were not published in N.S. between 1916 and 1950.

co-operative techniques in their fight to remain a viable fishing force.

However the fact that the Act still called on the fishermen to form a corporate body to be granted a certificate of incorporation by the Registrar of Joint Stock Companies ⁴⁷ indicated the direction that this labour response by inshore fishermen was still taking. They were clearly acting to protect themselves from ruthless exploitation at the hands of merchants who had preyed on them at will because they were unorganised. But additionally, co-operative production and marketing also represented a significant concession by inshore fishermen to the necessity for large-scale organisation and the abolition of the inefficient, parochial family operation. While still not wholly welcoming capitalism with open arms, these fishermen responded to industrialism by attempting to compete with it, within its own framework. The Fishermen's Federation Act was also significant in that it marked the crossroads which inshore fishermen had reached as to which organising path they would follow - the "protective" co-operativism of the Newfoundlanders which as much as a decade before had successfully set up the inshore fishermen as competitive capitalists, ⁴⁸ or the trade unionist approach of New England ⁴⁹ and B.C. fishermen. ⁵⁰ They chose the former by which they attempted to stop being the "little man" and tried to become as successful as the big producer on his own terms.

Canso was one of the first to become a chartered station of the Fishermen's Federation of N.S., and under John Kennedy Jr., their president, called a large public meeting of fishermen, representatives of the federal government, and Catholic clergy to discuss the rapidly deteriorating economic and social condition in the fishery - the extremely low prices, the demise of rural communities, the over-production of the steam trawlers, and the exodus of young fishermen to the U.S.* As a result of this meeting two notable resolutions were passed concerning the future of the industry. First, that a federal royal commission should investigate its condition, and second that the co-operative movement beginning among fishermen should be encouraged and nurtured.⁵²

Throughout the late 1920's the Fishermen's Federation grew only in the eastern part of N.S. where, by 1929, there were conflicting reports of 20 stations.⁵³ The Canso station was by far the most militant, a situation resulting in two consequences: the MacLean Commission, and the withdrawal of both Maritime Fish Co., and National Fish Co. from the area and the closing of their plants. Ostensibly, the companies pulled out because the trawler tax, imposed on the recommendations of the Royal Commission, made it unprofitable for them to continue operations. However, in reality it was done because of the intensity of the militant opposition by the

* Apparently the Catholic Church through Father J. J. Tompkins of Canso take credit for "arousing" the fishermen from their apathy and calling this meeting in Canso. 51

inshore fishermen, through the Federation, against not only the trawlers but the companies.⁵⁴ The companies, not content with destroying the economy and lives of fishermen in Canso and the surrounding region by leaving, even went so far as to blacklist trawlermen from the Canso area as "troublemakers" and "radicals" and consequently forced most out of the fishing industry altogether.⁵⁵ The Straits area then was left in an unbelievably impoverished condition just at a time when the worst effects of the Great Depression were beginning.

The United Maritime Fishermen - its origins in 1929-1930.

The MacLean Commission came up with recommendations which formally called for the establishment of a co-operative organisation, assisted by the federal government and administered by a paid organiser.⁵⁶ The burden of co-operative legislation and promotion was thus lifted from the shoulders of the province and placed in the lap of the federal government. This also reflected the central concern of the newly formed Extension Department of St. Francis Xavier University in Antigonish with a continuing adult education program in an attempt to eradicate the poverty of the "masses" in N.S.⁵⁷ The Church wished to unify the fishermen of both the eastern and western shores of the province in a single organisation which would propagate and establish co-operatively organised communities based on the philosophy of economic co-operation.⁵⁸

In 1928, Dr. M. M. Coady was chosen as a paid organiser to establish a co-operative movement. Shortly thereafter he was also appointed chairman of the Extension Department and proceeded to weld the dual purposes of these interests in a single organisation later named the United Maritime Fishermen.⁵⁹ Without dealing too extensively with the nature of the social philosophy behind this movement as it has been done well elsewhere - one comment⁶⁰ is useful in terms of putting this development into perspective. Basically, the U.M.F. should be seen as a continuation of the secular economic co-operativism which had been agitated for by fishermen in the past, with the new elements of Christian Utopianism⁶¹ added. At the same time as it was utopian in its ideology, it was also a significant attempt on the part of the Church to co-opt the fishermen and stifle any potential militancy, notably in Canso, and to prevent the growth of working class sentiments and solidarities among fishermen, particularly at a time when the working class in N.S. seemed so revolutionary. The following quote from Coady should suffice to expose the original intentions of this "middle of the road" alternative:

We cannot defend ourselves from the threatening evil ideologies of our time by mere negative opposition. We cannot talk communism or fascism down; neither can we reform our own so-called democratic society by mere persuasion...group action in the economic field will bring about the proper evolution of social and political society... We must organise the masses of people for economic and social group action.

Conclusion

One can characterise the period between 1900 and 1930, in terms of labour response in the fishing industry, as one in which inshore fishermen and their problems of prices and markets took precedence. Within this movement however, as the contradictions inherent in the "dualistic" nature of their economic and social situation intensified, the nature of their co-operative response changed from one of very shallow lobbying tactics, to one of co-operative action in production and marketing. In other words, as the effects of capitalist expansion and underdevelopment become more closely felt, the response among fishermen in general became polarized. The shift in type of organisation among inshore fishermen initially went from educational to economic, and then, with the growth of United Maritime Fishermen, it solidified still further within the confines of a populist response, taking on sophisticated ideological trappings. In the meantime, schooner fishermen and trawlermen, initially only kept out of the fishermen's organisation by "trade" distinctions, were de facto, increasingly excluded by "class" distinctions and ideological justification. As this process continued into the next two decades, and the work force in the fishing industry became increasingly proletarianized, trade unionism took a crowning place on their agenda for protective action.

Notes - Chapter II

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46. Nova Scotia, Statutes, An Act to Provide for the Organization of the Fishermen's Federation of Nova Scotia, Ch. 9, 1927, (Halifax: King's Printer, 1927), p. 147.
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CHAPTER III

Social and Economic Conditions in the Fishing Industry,
1930-1950.Introduction

The social and economic conditions of the fishing industry between 1930 and 1950 basically represented an extension of the processes already begun in the first decades. One can very generally divide the period chronologically into three distinct periods: that immediately prior to the depression and its first years, when U.S. capital had a tremendous impact on the industry; the depression years, which witnessed the relative failure of U.S. capital in the industry, the further development of indigenous capitalist interests, and the complete immiseration of all sections of the workforce in the fishing industry; and the war and post-war years which marked a crisis stage in the industry brought on by the contradictions of underdevelopment and labour militancy. This latter period signaled the indigenous growth of monopoly capital in the fishing industry, the increased action of government to mitigate the worst effects of underdevelopment, and the growth of labour militancy. The history of these three periods is what follows.

Underdevelopment and U.S. Capital

The U.S. fish products industry, in addition to developing the revolutionary filleting process, innovated a technique for fast-freezing which equally transformed the industry. Developed simultaneously by two men working independently of each other in the mid 1920's, the process facilitated standardized quality control and allowed easy transportation to distant markets. It also gave the processor some measure of insulation from the worst effects of market fluctuations since gluts of fish could be frozen and stored immediately, to be marketed when conditions were more profitable.¹ While the method was invented privately, the process patented by Clarence Birdseye of Gloucester, became the sole property of General Seafoods Corporation of New England, a subsidiary of General Foods Corporation. The other, patented by Harden F. Taylor of the U.S. Bureau of Fisheries, became the property of the Atlantic Coast Fisheries Company of Groton, Conn., and New York.²

Historically, the imposition of tariffs on Canadian fish by the U.S. has been a powerful weapon whereby the dominant market position of its fish products industry was secured. By stifling both the influx of a cheap Canadian product, and capitalist development in Canada, as well as ensuring itself, in the process, of a steady supply of cheap Nova Scotian labour, the U.S. systematically contributed to the underdevelopment of the fishing industry in Nova Scotia.

In 1922 the U.S. imposed a duty of two and one-half cents per pound on imported Canadian fillets. This meant an increase in export price of 25 percent on the basis of 1920 prices, and a 35 percent increase on the basis of 1930 prices.⁴ As well, reciprocal port privileges were revoked meaning that American fishing vessels could no longer land their catches for trans-shipment to the U.S. through Canadian ports. The substantial loss of U.S. markets and the sizable decline in port fish handling business, seriously compounded the effects of the scarcity of investment capital and the world-wide decline of salt fish markets on the fishing industry in Nova Scotia. The tariff was blamed directly for a decrease of 2,700 men in the fishing industry in 1922⁶ and further exacerbated the traditional gravitation of labour "...from low wages to high, and from the truck system to the cash system; that is, from Newfoundland to Nova Scotia and from Nova Scotia to New England".⁷ Nova Scotians migrating to New England "... (took) the place of the formerly cheap European immigrant labour now barred by the American quota laws".⁸ The combined effect of all these factors left the two chief fish processors in Nova Scotia - Maritime Fish Company and National Fish Corporation - in serious difficulties by the late 1920's.

The New England fishery was not without its own contradictions however. On the one hand, its competitive position had been vastly enhanced by the effects of its

two "inventions" (over which it had a complete monopoly), and the tariffs. But, on the other hand, it recklessly over-estimated its resources and suffered the consequences of short-sighted expansionism. In 1922 the haddock catch in New England was 52.9 million pounds. By 1930 this had increased to 165.1 million, a figure over two and one-half times greater than 1922, but only one-half as great as the catch for 1929 and little better than one-third that of 1927. Overfishing their own banks, the New England fleet was forced farther afield and, enmasse, they flocked to the Scotia shelf.⁹ Within 200 miles of Nova Scotia lay 18,000 square miles of fishing grounds, not to mention the 70,000 square miles of the Grand Banks, which were 300 miles closer to Halifax than Boston.¹⁰ However, "The expenses of these long voyages, and the detriment to the quality of the fish, (threatened) to bring fish prices in the States to a point where our own fishermen might be able to compete there again, ... in spite of the Fordney Tariff."¹¹ As a result of this, "American capital...(came)...into Nova Scotia with the idea of developing Nova Scotia as the "Fish Pier of America".¹² The strategy which the Americans had in mind was twofold: to buy up cheap, secondhand English trawlers which had become outdated for British needs, and to buy out local processing firms. The latter, of course, stifled by underdevelopment, would welcome foreign capital, organisation, research techniques and markets. To this end,

General Seafoods Ltd. and the Atlantic Coast Fisheries Company, the two prime movers in the growing frozen fish business in the U.S., came to Nova Scotia in 1929.

Through A. H. Brittain, the president of Maritime Fish Corporation, the Atlantic Coast Fisheries Company of New York forged an amalgamation of nine companies - all of them subsidiaries of either Maritime Fish or the National Fish Company - into Maritime-National Fish Co. Ltd.¹³ The American firm provided \$750,000 to buy up all the outstanding shares of the subsidiaries, which came to a par value of \$1,041,000.¹⁴ Subsequently all the current assets, stocks and liabilities of each subsidiary were turned over to Maritime-National in return for \$50,000, the entire sum of its capital stock.¹⁵ This made Atlantic Coast Fisheries Ltd. the sole owner of the new "Canadian" company which, in the process, became the largest processor of fresh and frozen fish in Atlantic Canada.¹⁶

Britain and Maritime-National Fish very quickly took advantage of the extensive research department of their parent company.¹⁷ In both 1931 and 1932 they paid out \$30,000 to Atlantic Coast Fisheries for "administration services" in return for the use of the latter's quick-freezing methods of processing and merchandising, and for new techniques in making cod and halibut liver oil. In addition to this however, Maritime-National also supplied, at cost, halibut livers, and all "surplus" fresh fillets to the parent firm.

And by 1934, even though the administrative charges had been reduced to \$7,500 because of the depression, 25 percent of all the output of Maritime-National went to the U.S. and 80 percent of this went directly to Atlantic Coast Fisheries.¹⁸

In late 1929, when the takeover was in the final stages of completion, the presidents of both General Seafoods and Atlantic Coast Fisheries appeared before Senate hearings in Washington attempting to get tariff reductions on one or two lines of fish in which they were interested.¹⁹ Winthrop Bell succinctly exposed what the real interests were behind this move.

They haven't been applying for free entry of our fish, and they do not appear as interested in many fish items which concern the trade as a whole. But if they could get a tariff on their own particular lines a little less than the difference between the cost of landing fish by the cheap foreign trawler at Halifax, and by the expensive American one in Boston, wouldn't it be fine? Yes, for them! If they could use the cheap foreign trawler freely out of Halifax they would have the edge, on the one hand, over their American competitors, and over the Canadian fishermen on the other.

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Evidently, the American interests succeeded in getting the tariff reduced for certain kinds of fish, as, by the 1930's, the duty on boneless and filleted fish was reduced by 25 percent. Between the mid and late 1930's exports of fresh or frozen mackerel to the U.S. increased by 907 percent, from 2,658 hundredweight to 26,776 hundredweight. Fresh

or frozen halibut increased by 112 percent and fresh or frozen cod by 70 percent.²¹ Quite clearly, if, as Stewart Bates argued (see Part I above), the Canadian market had reached satiation and wider markets could only be found by reducing prices, then a major part of the problem was caused by the penetration of U.S. capital. In the 1930's,²² if increased sales were made only at sacrificial prices, then the fact that the single largest fresh and frozen fish processor in the region was "selling" fully 20 percent of its entire output at cost to its parent U.S. company figured significantly in the further impoverishment of fishermen and the further underdevelopment of the fishing industry in Nova Scotia.

The second major penetration of U.S. capital came in 1928-29 when General Seafoods Corporation of Boston became associated with the Nova Scotia Fish and Cold Storage Company of Halifax. To facilitate buying and to "obtain local experience" they bought out the firm of Mitchell and MacNeil, who had been merchants engaged in the salt fish and lobster business around Nova Scotia with headquarters in Halifax.²³

However, despite the fact they had the same intentions in mind as Atlantic Coast Fisheries in moving into Nova Scotia, they immediately ran into two major obstacles. As with the other U.S. concern, they wished to either use their own American trawlers, or buy up cheaper English trawlers to

supply their fish business. However, because of the trawler restrictions of 1929 they could not obtain any operating licences.²⁴ Despite the fact that the portions of the Fisheries Act dealing with the imposition of a tax on fish landed by trawlers was declared ultra vires in 1931,²⁵ a new licensing program gave the six existing trawlers out of Halifax, five of which were owned by Maritime-National Fish, a virtual monopoly.²⁶

The most crucial circumstance which greeted the arrival of General Seafoods however, was the collusion among local fish buyers - including Maritime-National Fish - to force it out of Nova Scotia. Instrumental in this move were the Smith, Boutilier, Connor, and Brittain interests in the local Fish Buyers Association.* The power of this group was at the same time immense and ruthless. As noted in Part I above, the Report of the Royal Commission on Price Spreads concluded that a price fixing combine existed among buyers in Nova Scotia. But it was common knowledge in the industry at the time that this clique also decided "who could catch fish, who could buy it, and who could not".²⁹ As one fisherman put it, "If one blew their nose, the other one wiped it."³⁰ Rumor had it that at one point there were

* Organized in 1925 around the growing fresh fish interests in the fishing industry,²⁷ it was succeeded in 1942 by the Nova Scotia Fish Packers Association with H. G. Connor, president, and R. G. Smith of Lunenburg, vice-president.²⁸

two brothers in the Association, each in the fish business, and the ruling interests decided that one of them was going to go out of business. They informed the one brother to give the other the bad news, saying that if he didn't he could go out of business, too.³¹

With the depression, and the intense competition that prevailed in the marketing of fish, the Fish Buyers Association could not afford to let General Seafoods, with its superior technology, quality product, and marketing organisation, gain a foothold in Canada. The Smith, Leonard, Robertson and Bell interests were concerned for their hold on the Canadian fresh fish market, and the Connor, Boutilier, and Brittain interests (actually Atlantic Coast Fisheries) were concerned about the competitive edge they might lose in the American market.³² All schooner captains and crews outfitting with firms in the Association were told not to sell to General Seafoods unless they could secure a contract for the entire year. In the meantime, rumors were spread that it was generally expected that General Seafoods would go out of business within the year. One thing led to another and soon the prophecy became self-fulfilling. With a general lack of confidence prevailing, captains were not going to stick their neck out, and consequently by 1930, Mitchell and MacNeil had lost one million dollars for their parent U.S. company. General Seafoods withdrew, not to attempt to break into the Canadian market

again until 1936.³³

The Depression Years

Development and Canadian Capital

The depression years marked a period of intense impoverishment for the population at large, and decline and failure for most businesses. But it also signaled the rise of monopolies and the consolidation of smaller, less efficient and unsuccessful businesses into larger, more efficient, more profitable corporations. In Nova Scotia for instance, with the failure of two of their plants - at Port Hawkesbury and North Sydney - in 1934, Leonard Fisheries sold out to Ralph P. Bell* who controlled the more prosperous and growing Lockeport Cold Storage Company Limited.³⁶ W. C. Smith grew as well during these dismal times. In 1929 a canning factory was opened in

* Ralph Pickard Bell, the son of A. M. Bell - well-known businessman, president of the Halifax Board of Trade and founder of A. M. Bell and Co. in the 1890's - was a key Nova Scotian capitalist of this century. Selling his father's firm in the late 1910's he entered the real estate business in Halifax, but later moved into the timberland and pulpwood business in a big way. By 1920 he had organized and controlled the Canadian Pulpwood Association, which was a group of exporters who bragged that they controlled the pulpwood trade with the U.S. from Sydney to Port Arthur. In addition, Bell bought and sold large tracts of forest land in Nova Scotia creating the Cedar Lake Lumber Co. and the Nova Scotia Timberlands Company, and was the original promoter of the project which became the Mersey Paper Co. of Liverpool. In the late 1920's Bell entered the fish business, acquiring the Lockeport Cold Storage Company which had only recently shifted from a salt to a fresh-and frozen fish industry under American capital.³⁴ Under Bell the Company underwent extensive rationalization and modernization, and within a few years expanded its volume of sales six times to make it the third largest fresh fish producer in the region.

Lunenburg and in 1930 a Fish Meal plant was added.³⁷ Shortly thereafter they sent a representative to Gorton-Few Fisheries Co. in Gloucester, Mass. to study their methods, costs, and techniques of manufacturing boneless and packaged fish with the view in mind of developing this trade themselves.³⁸ Most significantly however, exploiting the ruinous effects of the depression on their competitors, they acquired by the 1930's the Nickerson Brothers' plant at Liverpool³⁹ and the F. A. Robertson Co. at Port Mouton, as well as plants at Centerville and Yarmouth.⁴⁰ In keeping with his "wheeling and dealing" style, Bell sold all his fishing interests* - the plants at Lockeport, Port Hawkesbury, and North Sydney - to W. C. Smith and Co. in 1936.⁴²

This sale to the Smith interests of Lunenburg completed a consolidation during the depression in the fresh fish industry which saw at least seven large firms combine into two very large corporations. The Atlantic Coast Fisheries Co., which through Maritime-National Fish Co., controlled National Fish Company of Halifax and its subsidiaries of Fasterfat Ltd., National Laboratories Ltd., Lambert Ltd., Venosta Ltd., Prospect Trawlers Ltd., and Halifax Carriers Ltd.,⁴³ and Maritime Fish Company of Digby and its subsidiaries of the Pioneer Steam Trawling Co., the A. H. Brittain

* Bell immediately bought Pickford and Black Ltd., a shipping and stevedoring business at Halifax, later again selling the shipping interests but remaining as president of the original corporation which continued operation as an investment company under the name Picbell Ltd.⁴¹

Co., the Golden Bay Fish Co., and the Robinson Glue Co.⁴⁴ And W. C. Smith Co. and Lunenburg Sea Products Ltd. of Lunenburg, which through their many subsidiary "divisions", operated plants at North Sydney, Port Hawkesbury, Lockeport, Liverpool, and Lunenburg.⁴⁵ According to Harold Innis (1954):

Being closer to Halifax as a terminal point for transportation to the interior and possessing dominance in the bank fishery, the latter firm was able more effectively to combine the frozen - and fresh-fish with the salt fish industry. This diversity (had) been extended by the acquisition of (smaller) plants in the eastern and western parts of the province. The larger organization had the advantage of connections with Saint John at Digby which became the center of a varied industry including salt fish... and, in 1934, a fish meal plant. Halifax, however, was the chief center of its frozen - and fresh - fish industry. It...operated trawlers, and, since their numbers were reduced by Dominion regulations, Lunenburg power schooners, for supplies of fish to be handled fresh, frozen, and as fish meal. 46

In 1936, General Seafoods made another go of its Canadian business. The Company had been involved in terrific cutthroat competition during the previous year with Booth Fisheries of Mass. and again desperately needed a cheap supply of fish to gain some competitive advantage in the U.S. market.⁴⁷ To this end they decided to manufacture all their frozen "Birdseye" patent products in Halifax for the New York and Boston markets.⁴⁸ Mitchell

and MacNeil was reorganized and formally renamed General Seafoods and their production operations moved to new premises which adjoined the Halifax Cold Storage facility.⁴⁹ By 1937 the Company felt it had enough new connections in the Canadian market to attempt to enter it again as well, and they hired a new Canadian manager from Toronto.⁵⁰ However, although opposition from the Fish Buyers Association was relaxed, the structure of the Canadian market made this endeavour virtually impossible. Characterized as it was by a multiplicity of dealers and middlemen with traditional allegiances, intense marketing competition, and a woeful deficiency of refrigerated distribution and retail equipment,⁵¹ the Canadian venture of General Seafoods again floundered. A situation clearly evidenced by the successive suicides of two of its Canadian market managers.⁵²

While General Seafoods had not attempted to operate in Nova Scotia during the depression, Atlantic Coast Fisheries stuck it out, despite the trawler restrictions. It had been able to consolidate the power of the two former largest processors into one Company, a factor which no doubt offset most of the disadvantages accruing from the trawler restrictions, (apart from the fact that because of the restrictions they had a monopoly on trawlers in Nova Scotia). However, for whatever reasons, the 1930's did not fare well with Maritime-National Fish despite initial successes. As is clear from the comparisons of the net profit per pound for

each of the three largest companies in Nova Scotia between 1929 and 1933, in Table VII below, Maritime National Fish was not in good shape,⁵³ (apart from whether or not its parent firm was reaping super profits because of their association). The profit of National and Maritime Fish showed a definite upturn in 1930 following the takeover, and after they had abandoned their operations in Canso and Port Hawkesbury.⁵⁴ However, it incurred losses consistently into the mid-1930's. Faced with this situation in Canada the American firm sold its interest in Maritime-National to a Nova Scotian syndicate headed by Harold G. Connor and Walter H. Boutilier, both executives of Maritime-National.⁵⁵

Canadian capital expansion was also evident in the acquisition in 1936-37 of whole sale houses in Montreal, Toronto, and New York by W. C. Smith.⁵⁶ Indigenous capitalist interests began attempting to move beyond the stage where the consolidation of production - monopoly takeovers of only rival producers - was the chief concern, to the point where the vertical integration of many functions - not only production, but distributing, wholesaling, and retailing - became primary. Formerly the rate of profit reflected mainly the intensity of "sweatshop" exploitation, but now the manipulation and control of prices made possible unprecedented levels of profits. For various reasons however, W. C. Smith Ltd. did not attempt a wholesale reorganisation of its capitalist structure for another eight years. At most, this token

TABLE VII

"Profit/loss, misc. costs of processing, Lunenburg Sea Products Ltd.,
Maritime-National Fish Co., Lockeport Co. Ltd., 1929-1933 (incl.)ⁿ."

Company	Year	Lbs. fish bought /yr.	Ave. Price Paid to Fishermen /lb.	Ave. Cost Processing /lb.	Fixed Costs /lb.	Total Cost /lb.	Ave. Selling Price /lb.	Net Prof. /lb.	Net Prof.	
Lunenburg Sea Prod.	1933	10,000,000	1.588	.759	.648	2.995	3.142	.147	\$1.5 mil.	
	1932							.124		
	1931							.279		
	1930							.221		
	1929							.133		
Lockeport Company Ltd.	1933	+9,000,000	1.32	.6	.74	2.66	2.67	.01	\$90,000	
	1932							.12		
	1931							(.01)		
	1930							.17		
	1929							(.04)		
Maritime- National Fish Co.	1933	+28,000,000	1.5	1.14	.77	3.41	2.99	(.42)	(\$12 mil.)	
	1932							(.31)		
	1931							(.28)		
	1930							.13		\$5.2 mil.
	1929							53,000,000		(.03)

Source: Compiled from Report, Royal Commission on Price Spreads, op. cit., p. 193.

expansion acted to give it^{*} a competitive advantage over the other companies in the fishing industry at the time.

Underdevelopment and Canadian Capital

This turn of events signaled, on the one hand, the further decline in significance of U.S. capital in the fishing industry and a harbinger of indigenous capitalist expansion. But on the other hand, the exacerbation of existing inequalities between the more and less developed within the industry. In the late 1930's and 1940's the fishing industry in Nova Scotia changed from one where monopoly capitalist contingencies were stifled, to one (more closely resembling "normality", in capitalist terms) of monopoly capitalist expansion by a few, and permanent undevelopment of the many.

The reason Smith Fisheries could gain some advantage over its rivals with this minor expansion was that the milieu of the industry as a whole in the late 1930's was substantially the same in structure as it had been prior to the depression and prior to the influx of American capital. The Report of the Royal Commission on Price Spreads (1937) investigated in some detail the financial records of twenty-nine companies and dealers, specializing

* Or more accurately the new holding company of Smith Fisheries Ltd. which was formed in 1938 to consolidate all the holdings of W. C. Smith and Co. and Lunenburg Sea Products Ltd. of Lunenburg.

in all manner of functions - ranging from distributing to retailing - in the fishing industry on the east coast. They concluded that, apart from a tendency to price fixing and business concentration in distributing, the industry as a whole, was not guilty of excessive profit-making, despite the fact that profit margins were maintained by each function during the depression by passing losses down the line to the fishermen.⁵⁸ Stewart Bates (1944) commented that while the Commission did not find that the high costs of fish were due to exorbitant profits, they did not question that such inefficiency as prevailed "deserved" any profit at all.⁵⁹

Table VII below presents the statistics on price spreads between the producer and the retailer for certain kinds of fish in 1934, which the Report presented. These clearly show the extent to which certain mercantile capitalist functions persisted into the 1930's and complemented industrial capitalist production; and which fly in the face of the report's conclusions. While these price spreads may not have meant high profits, they certainly did represent avaricious inflation bordering on usury. The price received for fish by the distributor from the wholesaler was on the average 174 percent higher than that paid by the distributor to the fishermen. The average price received by the wholesaler from the retailer was 355 percent above that given to the fishermen, and, despite the fact that

TABLE VIII

"Price Spread for Cod, Haddock fillets and Cod, Haddock Steak shipped to Montreal and Toronto retail markets by N.S. distributing companies, first week, October, 1934".

	Price Pd. by Distributor (to Fishermen)	Price to Wholesaler	% Change	Wholesaler's Price to Retailer	% Change	% Change over \$ to Fishermen	Retailer's Price to Consumer	% Change over \$ to Wholesaler	% Change over \$ to Fishermen
Oct. 1934			(cts. per lb. processed fish)						
Montreal-									
Cod Fillets	3.26	10.	207%	13.	30%	299%	18.	80%	452%
Haddock "	5.21	12.	130%	16.	33%	207%	20-22	75%	303%
Cod Steaks	1.50	5.	233%	8.50	70%	433%	15.	200%	900%
Haddock "	2.44	5.50	125%	7.50	36%	207%	10-11	91%	330%
Toronto-									
Cod Fillets	3.26	10.	207%	13.	30%	299%	19.	90%	483%
Haddock "	5.21	1.2	130%	16.	33%	207%	22.	83%	322%
Cod Steaks	1.50	5.	233%	8.50	70%	433%	15.	200%	900%
Haddock "	2.44	5.50	<u>125%</u> 174%	8.50	<u>55%</u> 45%	248%	12.	<u>118%</u> 117%	<u>392%</u> 510%

Source: Compiled from Report of Royal Commission on Price Spreads, op. cit., p. 192.

the commodity remained unchanged in his hands,* 45 percent higher than the price he had paid to the distributor. The price charged the consumer by the retailer for exactly the same product as left the distributor's hands was 117 percent higher than the distributor's original price, and an unbelievable 510 percent higher than the price paid to the fishermen before processing. With each middleman maximizing his profit for each superfluous function along the way, any company that could standardize the quality of their product and cut costs by consolidating at least the wholesale function, would gain a significant competitive advantage, being able to offer a better quality product at a cheaper price. Interestingly enough, the retail function was undergoing monopolist consolidation on its own by the 1930's, such that, "the corner grocery outlet (had) been largely eliminated".⁶⁰

Chain stores were able to charge lower prices because of their enormous buying power and could secure fish from either the wholesaler or the distributor at an average price of one cent a pound less than other retail dealers.⁶¹ It would be

* This is assuming that in this case the "distributor", the fish company, has already become a capitalist in the sense that he "adds value" to the raw product, processing it into a marketable commodity. If he were still a mere middleman, the fisherman being the producer, then the 174 percent spread in the price he paid the fishermen and the price he received from the wholesaler would be "userous" profit as well.

only a matter of time before the retailer would deal exclusively with the processor, and, depending on the relative strength of each, move to consolidate the other into one single gigantic operation. *

Further Decline of Salt Fish

The depression witnessed the salt fish industry at its lowest ebb ever. The landed weight of fish processed into salted forms declined from 80,774 metric tons in 1920, to 50,756 in 1938.⁶³ Newfoundland, irreversibly tied to the salt fish trade, and faced with a "do or die" situation, ruthlessly continued its market invasions and became the world's largest producer of salt fish in 24 of 29 consecutive years between 1920 and 1948.⁶⁴ Table IX gives some sense of the degree of market control that Newfoundland gained in the Caribbean at the expense of Canada. And, according to Watt (1963), a similar picture existed relative to the South American market as well.

While it was losing its West Indian and South American markets however, Nova Scotia salt fish became proportionately more dependent on the American market. This

* Historically, it has been the conglomerates of the food industry in general, such as George Weston Ltd. or General Foods Corp., which have consolidated first the retail function, and then the fish processing function into single corporate enterprises. (For example, George Weston - its retail chain stores such as Loblaw's and Sobey's, and its fish processors such as B.C. Packers, and Connors Bros.) 62

TABLE IX

"Percentage control of Caribbean Markets, 1920-1946,
by Canada, Newfoundland, Norway".

Year	Canada	Newfoundland	Norway
1920-24	15.7%		2.7%
1924-25		8.7%	
1925-29	15.8	9.6	5.0
1930-34	9.5	12.6	4.0
1935-39	7.8	20.0	3.1
1940-44	5.8	16.1	.2
1946	6.0	17.2	4.5

Source: J. W. Watt, op. cit., p. 16.

dependence was evident every time the U.S. changed its tariff rates. For instance, the 1930 tariff change reduced the duty on green (i.e. unprocessed) salted fish, and raised the duty on boneless salt or dried fish. Bates (1944) argued that this effectively discouraged, "the manufacture of (salt) fish in Canada and elsewhere, and adjusted tariff rates so as to cheapen the import of green fish for American manufacturers".⁶⁵ The 1939 tariff change pushed the process even further, such that the percentage of salt fish exports in "green" form almost doubled from that exported in 1929, while the percentage of boneless salt fish exports remained the same by 1937.⁶⁶

Added to the already drastic effects of the depression on the fishermen's standard of living, these tariff changes further exacerbated the process outlined in Chapter I whereby the economic self-sufficiency of the inshore fishermen and their communities was undermined by structural changes in the larger society. J. W. Watt (1963) summed up the problem in this way:

This decline meant serious hardship and poverty in many Nova Scotia communities. In the fishing villages it meant decline and deterioration of fishing fleets and curing establishments, a melting away of capital resources of all kinds. Credit, never having been plentiful, became almost impossible to obtain. Had it not been for the lobster and for the growth of small fresh-fish industries on parts of the coast, the Nova Scotian's positions would have become almost as bad as Newfoundland's. 67

Concentration and Capitalization

While the fresh and frozen fish industry did not present the picture of health either, its growth, since the early 1920's had magnified existing inequalities in the industry as a whole. By its very nature the fresh and frozen trade concentrated capital in certain areas. By 1939, two-thirds of the freezing capacity in the industry was concentrated in nine freezing plants between Halifax and Shelburne.⁶⁸ As well, 52 percent of the filleting trade was concentrated in Halifax, 16 percent in Lockeport, 10 percent in North Sydney, 10 percent in Lunenburg, 4 percent in Shelburne, and 3 percent in Canso.⁶⁹ Of the eleven main fishing areas landing over five million

pounds of fish in 1939, nine lay on the south shore between Halifax and Digby Neck. This region accounted for 75 percent of all fish taken in Nova Scotia, 68 percent of the total value of landings, and 57 percent of the fishing equipment in the province.⁷⁰

By 1939, 64 percent of all ground fish and flatfish caught was done so at the ports of Halifax, Lunenburg, North Sydney and Lockeport - three trawlers and 45 schooners, representing only 10 percent of the fishermen, accounting for two-thirds of all ground and flatfish.⁷¹

Inshore fishermen were averaging between 12,000 and 13,000 pounds in landings per man per year, whereas schooner fishermen, fishing year-round in the fresh fish trade, averaged between 80,000 and 100,000 pounds per man, and trawlermen, 200,000 pounds per man.⁷²

Bates emphasized that it was neither luck, nor necessarily location that determined the volume of one's landings, (and the income that one received), but rather the access to equipment that one had. He calculated that in Nova Scotia in 1941, the average amount of capital invested per man was a meager \$800.⁷⁴ Table X below shows that by as late as 1939, almost 50 percent of all fishermen in Nova Scotia did not have engines of any kind, and of those with engines, only .01 percent had good marine diesels. The implication of the low capitalization per man, and, for the 90 percent of fishermen in the inshore fishery, low

TABLE X

"The number of fishing craft used in Nova Scotia in 1939 by the type of engines employed."

1 9 3 9

Kind	No. of Vessels			No. of Boats	TOTAL
	40 tons and up	20-40 tons	10-20 tons	under 10 tons	
Diesel	45	2	20	-	65
Gas*	-	19	414	5,900	6,335
No Engines	3	2	28	4,637	4,670
TOTAL	48	23	462	10,537	11,070
No. of Fishermen	1,300	200	1,500	11,400	14,400

* Usually discarded auto engines, bought for cheapness in outlay, but high in operating costs, because of their speed, high gas consumption, and proneness to break down under marine conditions.

Source: Stewart Bates, op. cit., p. 36.

productivity per man, was a very low level of value of landings and consequently a low income and standard of living.*

Income

Low capitalization coupled with the crippling effects of low prices forced fishermen to live at subsistence levels

* Bates (1944) illustrated graphically that there was a distinct symmetrical relationship between the amount of capital used in each of the 89 fishing districts of the Maritimes and Quebec and the value of the landings taken in these areas. 75

during the 1930's. However it was not only the expansion of the fish trade at sacrificial prices, problems of capitalization, and the decline of salt fish which impoverished fishermen. Fish processors could take advantage of the disorganisation among fishermen and plant workers to force on them these low prices and wages, objectively exploiting them as a reserve labour pool. Stewart Bates summed it up as follows:

The price reductions that had to be made to widen the American market reflected themselves in the low standard of living to which the Canadian fishermen became increasingly subject. In other words, the usual method adopted by the industry in trying to widen its market, was to cut the export price. Practically no attention was given to any other possible way of achieving the same end - the power of organisation among processors and exporters that might have prevented panic price-slashing, or the search for cost-reducing innovations in the industry itself. The labour of fishermen and plant workers was too cheap to force the industry into such alternatives, and in the milieu that existed, labour could be made to bear the incidence of low prices.

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One of the few exceptions to this was of course, W. C. Smith and Co. who expanded their operations to a certain extent during the depression. They persisted nevertheless, in their traditional reliance on cheap labour, however. Following the war one fisherman commented, "...this company (National Sea Products) cannot repeat

the performance of its predecessors (W. C. Smith and Co., Lockeport Co. Ltd., and Maritime National Fish Co.), who were building big additions to their plants in the '30's while fishermen's children starved".⁷⁸

Inshore fishermen fared very poorly indeed in the depression years. The average yearly cash income which inshore fishermen received from fishing in 1933 was \$210.⁷⁹ This ranged from a "high" of \$300 to \$400 a year in Lunenburg, Lockeport, Shelburne, and Yarmouth Counties - the most capitalised counties - to a low of \$75 to \$100 per year in the Glace Bay-North Sydney area of Cape Breton.⁸⁰ These figures conflicted quite sharply with various "unofficial" ones given by inshore fishermen themselves for the depression years. For instance, a Lunenburg captain presented the vouchers of a Captain Ben MacKenzie of Lockeport to the Royal Commission on Price Spreads in 1934. These showed the net yearly earnings of inshore fishermen on one boat to have been a mere \$70.40 per man. A figure substantially less than the "official" \$300 figure. Another set showed that for seven of eleven trips made in November and December of 1933, fishermen in Lockeport made nothing, while the average for all eleven came to only \$11.41 per man.⁸¹ For Canso, the "official" report showed average income from fishing to have been \$160 per fisherman per year.⁸² Yet figures presented by

inshore fishermen for 1937 showed daily earnings per man to have averaged only 80 cents,⁸³ which, in a good year,* optimistically would have netted the fishermen only \$45.

In spite of these discrepancies, an average income of \$210 or even \$400, meant unbelievable hardship for the fishermen and their families. The fishermen themselves felt that \$600 a year would be the bare minimum by which they could have a decent standard of living and sufficient capital to maintain it.⁸⁵

Schooner fishermen fared little better, despite their higher productivity. Captain Knickle testified before the Royal Commission on Price Spreads that the income of schooner fishermen out of Lunenburg in 1934 averaged \$210⁸⁶ - the same as shore fishermen. However, this figure represented not only a cash income, but also the value of the credit that was accorded the fisherman's family by the company store during the fishing seasons. Consequently, Knickle noted that salt fishermen "settling" in December after six months fishing had only averaged \$10 per year per man in cash since 1929.⁸⁷ However, by 1934, 70 percent of the fishermen in Lunenburg fished twelve months, with the adoption of schooners to fresh fishing, and that fishermen now could average \$20 a month or approximately \$240 a year.⁸⁸ Instead of having to stretch

* In 1947 a good average, in terms of the number of days an inshore fisherman could get in fishing - keeping in mind the relatively better prices which prevailed - was 50 days a year.⁸⁴

the income they earned in six months' work, for twelve months, and having to go on relief - as had been the case in the salt fishery and was still the case for 30 percent of Lunenburg's fishermen - fishermen could work at fishing as a full-time occupation.⁸⁹

Table XI below provides an example of the income that the captain, crew* and fishermen of the schooner "Astrid W." derived from fishing year-round out of Lunenburg in 1931. As will be noticed, the figure of \$267, which represents the net income of fishermen for the year, correlates quite closely with that given above by Knickle for the five-year period, 1929-1934. However, the utility of this statement lies in the comparison it provides of the income differences between captain and fishermen. For example, each fisherman's net income represented only 3.61 percent of the total income of the vessel, whereas the captain's was fully 15.05 percent. On the other hand, the average account debt of each fisherman was 15 percent of their own gross income for the year, the combined account of all the fishermen being, 75 percent of the total account of the vessel. The average account of the captain was only 9.86 percent of his gross income and 13 percent of the total account of the vessel. Clearly, with the captain's net income fully four times greater than the fishermen's, the captains, as a group, were experiencing the deprivating effects of the depression only in **relative**

* The term "crew" here refers to the wage labour - the cook and engineer - on the schooner. There were 15 fishermen on this schooner.

TABLE XI

"Statements from Schooner "Astrid W." for trips made, 1931"

Total no. trips - 28
 less deficit trips - 4
 (accounts not charged) 24

I	Total income (less expenses) of schooner for year	\$7399.08	I	Total account of schooner for year	\$ 954.97
	Average income per trip	264.25		Average account per trip	39.79
II	Gross income of Captain	1236.11	II	Account of Captain	122.99
	Average income per trip	44.14		Average account per trip	5.08
	Net Income for year	\$1114.11			
	Net Income per trip	39.79			
III	Gross income of cook and engineer	1438.	III	Gross accounts of cook and engineer	117.00
	Net income for year	\$1321.00			
	Net income per person/yr.	660.50			
	Net income/person /trip	23.58			
IV	Gross income of fishermen	4724.97	IV	Gross accounts of fishermen	715.97
	Ave. income per fisherman	314.99		Average account/fisherman	47.73
	Ave. income/fisherman/trip	11.25		Average account/fisherman/trip	1.98
	Net income for year	\$4009.00			
	Net income/fisherman	267.26			
	Net income/fisherman /trip	9.54			

Source: Compiled from PANS, op. cit., 1931, "Statements of Schooner "Astrid W."

terms, in comparison to the absolute impoverishment of offshore and inshore fishermen.

In discussing schooners and the depression however, it is of vital concern to point out that the very use of schooners not only presupposed a cheap labour supply, but exacerbated the problem of low wages in the industry as a whole, and ultimately acted to perpetuate the social problems on which its success depended. Historically, schooner interests argued that the schooner was superior to the trawler because of its lower capital and operating costs.⁹⁰ However, as Bates (1944) cogently argued,

So far as Canadian fishermen have gradually deserted the schooners, their operation has depended on the seasonal importation of a cheaper type of labour. If the owners paid a price to induce Canadian fishermen to man them, schooner costs would be higher than they have been...

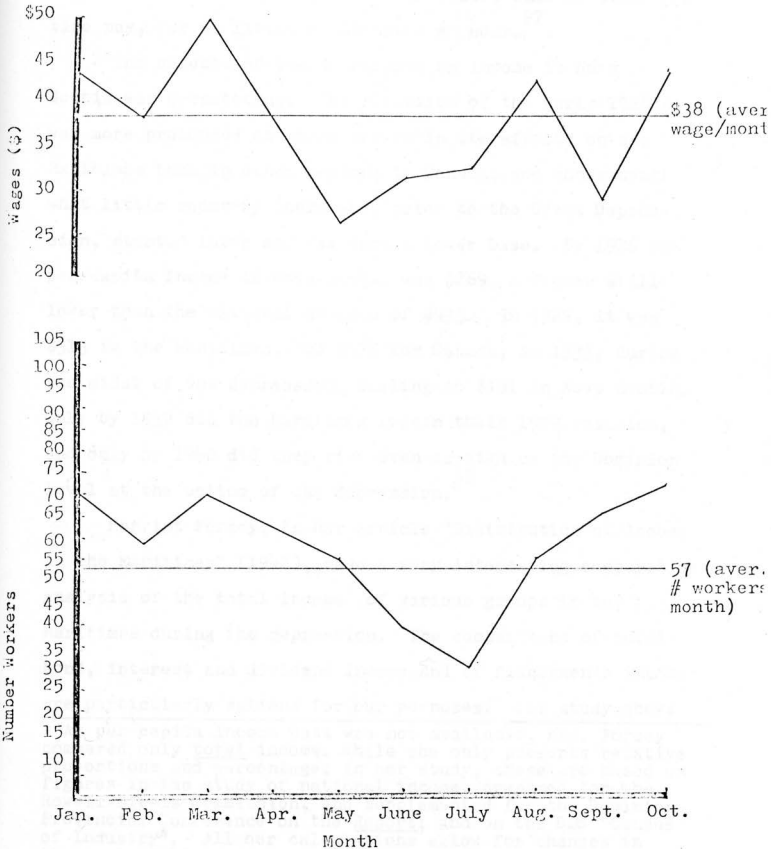
By the early 1940's, schooners were notorious for their undependability. Of the ten schooners in the year-round, fresh fish trade, the summer average per trip was 130,000 pounds, while during the peak demand winter period, the average was only 80,000 pounds. Compounding this variability problem was the "feast or famine" problem caused by excessive deviations about the mean. For instance, in one six-week period in February of 1941, the pounds per vessel average jumped from 9,460 to 162,000.⁹² Consequently,

In pre-war days, the plant operators could throw (the) risk (of gluts and scarcities) on the shore labour; there was a great pool of shore labour, and operators employed or dismissed plant labour according to the landings. Thus one of the social costs of using schooners was the employment variations among plant labour. 93

The vulnerability of shore plant labour to catch fluctuations is shown in Figure III below which depicts variations in the average monthly wage and employment figures relative to the number of months worked at the Lunenburg Sea Products' plant in 1931. Of a total of 107 men, the plant employed on the average only 57, for an average of five months, at \$38 per month. Making for a meager income of only \$190 per year. During the year, employment fluctuated by as much as 57 percent and, in one two-month period, the average income dropped by 46 percent.

In the largest fish plants in the province, those of Maritime-National Fish in Halifax and Digby, which employed between 155 and 233 men, the average hourly wage in 1933 was 30 to 40 cents per hour. Working on a piecework basis such that in the period March 1933 through February 1934, they averaged \$12.67 per week,⁹⁴ these workers were paid approximately \$3.17 per week more than the workers at Lunenburg Sea Products just two years previous. This discrepancy was a hallmark of the employment conditions existing in the fishing industry in Nova Scotia⁹⁵ and daily contributed to the gravitation of labour from rural to urban areas and from fish plants to higher paying industrial jobs. By the

"Average Monthly Wages and Employment by Month,
Lunenburg Sea Products Ltd., 1931"



Source: Compiled from PANS, op.cit., Lunenburg Sea Products Ltd., Payroll for 1931.

end of the 1930's, their competitive position substantially deteriorated, Maritime-National imposed wage cuts⁹⁶ such that workers were working often 121 hours, with no over-time pay, for as little as 21 cents an hour.⁹⁷

The effects of the depression on income in Nova Scotia was devastating. The recession of the early 1920's was more prolonged and more severe in its effects on the Maritimes than in other regions in Canada, and consequently, what little recovery there was, prior to the Great Depression, started later and was from a lower base. By 1926 the per capita income in Nova Scotia was \$269, a figure still lower than the national average of \$433. In 1929, it was \$313 in the Maritimes, but \$471 for Canada; in 1933, during the midst of the depression, falling to \$191 in Nova Scotia. Only by 1937 did the Maritimes regain their 1929 position, and only by 1940 did they rise even as high as the Dominion level at the bottom of the depression.⁹⁸

Harriet Forsey, in her article "Distribution of Income in the Maritimes" (1942), made a very interesting comparative analysis of the total income* of various groups in the Maritimes during the depression. The comparisons of total bond, interest and dividend income and of fishermen's income are particularly salient for our purposes. The study shows

* As per capita income data was not available, Mrs. Forsey compared only total income. While she only presents relative proportions and percentages in her study, these are based on figures in the study of national income, prepared for the Rowell-Sirois Commission, and supplemented for the Dominion-Provincial Conference on the Report; and on the DBS "Census of Industry". All her calculations allow for changes in the cost of living.

that in the period 1926-1940, the returns to bond and shareholders, (corporate income, in other words), was never once less than 10 percent above its 1926 level - generally speaking the peak year prior to the depression for all forms of income. In fact by 1933, at the bottom of the depression, bond, interest and dividend income had fallen to only 4 percent below its own peak year level of 1929, while total wages in manufacturing had fallen 30 percent; in mining, 36 percent; agriculture, 30 percent; and fishermen's income had fallen 60 percent. In 1937, Maritime bond and shareholders income "recovered" to 16.5 percent above its 1929 level and maintained this new peak for three of the next four years.⁹⁹

In contrast, fishermen's income was never once less than 12 percent below its 1926 level. In 1933, at the bottom of the depression, it hit a low point of 36.5 percent and only "recovered" to 73 percent of its 1926 level by 1937. Even as late as 1940, fishermen's income had fallen again to 60 percent of its 1926 level.¹⁰⁰ Compared with bond, interest and dividend income, fishermen's income stood, "at a high of 68 percent of bond interest and dividends in 1926, ...fell to 22 percent in 1933, rose to 36 percent in 1939, and fell again in 1940 to 31 percent".¹⁰¹

Clearly the depression affected different income groups in different ways. It subjected the most vulnerable, and poorly organized - those who could afford it least - to

the most brutal and devastating deprivation. The wealthy, on the other hand, were only minimally affected, and for a shorter time, rebounding to an even better position once the higher profit rates of war production and monopoly expansion could be reaped.

The War Years - The Contradictions Deepen

The Second World War brought about economic expansion which closely resembled that of the first war. By 1943 government purchases for the British Ministry of Food caused 25 percent of the production of frozen cod and 100 percent of frozen flatfish and pollack to be diverted to the U.K.; high price ceilings on fresh and frozen fish exported to the U.S. indicated an absolute growth in that industry; and there was a sizeable but short-lived boom in the fish canning industry.¹⁰² However the government demands for increased production and efficiency focused attention directly on the deficiencies of the fishing industry in Nova Scotia. In particular an unprecedented labour shortage in the industry had major consequences.

The assumption that underlay every phase of the fishing industry, namely, an abundance of cheap labour, was no longer tenable by 1942. Among the industries of Canada, the Atlantic fishing industry had had a low occupational status, with depressed incomes, with little selective activity within it, and with much casual, and short-time work common to it because of the seasonal and other variations in landings. As more attractive opportunities offered, the bulk of these men moved away from this low-grade occupation,

and the convenient labour surplus on which the industry had come to depend, was lost to it. A labour shortage followed, and it appeared unusually acute because the industry in its methods had become accustomed to a plentiful supply of men at low costs that it could employ and dismiss at will. By 1942, these days had gone.

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The gravitation of men to war jobs and the armed forces by 1941 forced several Halifax fish companies to employ labour scouts to induce rural labour in small fishing communities around the province to move to the city. Living accommodations were supplied to incoming workers, "But the wage differential between fish plants and other local industries engaged on government works, was such that the best recruitment efforts served only to make the plants act as a funnel through which labour was imported to fishing centers, only to drain off into more remunerative jobs in the areas concerned."¹⁰⁴ Other attempts to offset this labour shortage included extending mechanization, employing women wherever possible, and importing cheap labour from Newfoundland.¹⁰⁵ With the companies merely using shortsighted stopgap measures to prop up their sagging industry - attempting to maintain their profit margins by the traditional methods of exploiting cheap labour, instead of revolutionizing their production and organisational strategy. Outside regulation and intervention was required.

The Role of Government

On the basis of specific recommendations from the

Dawson Commission, and in keeping with its new role of protecting the "public interest" by mitigating the worst effects of an unregulated private economy,* both federal and provincial governments acted decisively to attempt to improve the depressed state of the fishing industry. In the 1940's the federal government offered subsidies and depreciation allowances to encourage the construction of draggers and trawlers,¹¹⁰ and, in 1944, amended these to provide grants for longliners and craft down to 55 feet - (instead of 72 feet).¹¹¹ In fact, W. C. Smith and Co. (Smith Fisheries Ltd.), was one of the first to exploit this aid program, using government subsidies to build its

* According to Bates (1944), "In Canada, the Rowell-Sirois Commission gave its blessing to these (Keynesian) objectives before the war..."¹⁰⁶ However, Peter Newman in his book, The Canadian Establishment (1975) claims that this new economic philosophy came much later. Quoting John Kenneth Galbraith as saying that Canada was, "the first country to commit itself to a firmly Keynesian economic policy"¹⁰⁷ Newman cites a tax credit for investment expenditures proposed in the budget of the spring of 1939 as one of the first clearly Keynesian measures in Canada.¹⁰⁸ However,

The Keynesian ideas found their first cohesive public expression in the White Paper prepared under the instructions of C. D. Howe in the spring of 1945...

The White Paper on Employment and Incomes was tabled in the Commons on April 12, 1945... (and)...represented the first outright acceptance by any government anywhere of Keynes' economic principles and set out a specific plan for a government-managed economy from which no Canadian government has since deviated. 109

first two otter Diesel trawlers at Meteghan N.S. during the war.¹¹² In 1947 the Fisheries Loan Board became concerned with assisting inshore fishermen in modernising efforts, granting subsidies up to \$165 per ton for draggers and longliners from 55 to 60 feet, if owned by fishermen, and for vessels over 60 feet, if owned by groups of fishermen. However little use was made of the provision for larger vessels as the government still balked at subsidizing vessels over 65 feet and fishermen felt that for winter fishing something larger was required.¹¹³ Watt (1963) commented that, "While this very necessary and highly desirable transfer of inshore fishermen to larger boats was in progress and while the restrictions on otter-trawl gear were being relaxed for the small draggers..., restrictions on large trawlers were lessened only cautiously."¹¹⁴ Finally in 1949, a one-for-one concession was granted on trawlers by the federal government and licences were given for new or used trawlers built in the U.K., if for each, a new trawler was built in Canada.¹¹⁵

The provincial government took an active role as well. In 1943 the Nova Scotia government created the Fisheries Division to deal with the dual problem of encouraging large-scale development, as would be required by a viable frozen fish industry, and equipping smaller-scale fishermen with the means suitable to competitive fishing for post-war markets. Policy quickly centered around four main programs: the reorganisation of the Fisheries Loan Board, vocational

training for fishermen, large capital contributions for freezing plants, and financial assistance for small and intermediate port facilities.¹¹⁶

As a prelude to a discussion of just how the government of Nova Scotia acted to "protect" the "public" interest (see Chapter IV below), it is interesting to note how the Fisheries Department pursued the last two of these policies. As early as 1944 proposals were current for the construction of a large freezing plant at Louisburg. This location was favoured because it was the most northerly and easterly ice-free harbour in Nova Scotia, it was well located in relation to the Atlantic fishing grounds, and it had a good rail connection with western markets. For the next six years, the Nova Scotia Department of Trade and Industry tried to find capital sufficient to reap the profits from an "economy of scale" operation. In 1950 the provincial government signed agreements with two large corporations - the newly formed Nova Scotian conglomerate of National Sea Products* (see discussion below), and Gorton-Pew Fisheries

* In spite of the fact that this Company was formed from an amalgamation of 18 companies, including the three largest fish processors in Atlantic Canada, the Department of Trade and Industry regarded it as a positive development. Acting on the advice of its lawyers who suggested that the new corporation would "be in a better position to produce better products, transportation facilities, and get better prices...", the government accepted the latter's opinion that "...it (would) be an asset to the industry and in no sense (could)...be regarded as monopoly". Since National Sea Products did not liquidate its rivals but merely brought them under its control, the legal justification put forward for this attitude was that it did not violate Chapter 15 of the Statute of Nova Scotia, 1945, "The Closing of Industrial Enterprises Act". 117

of Gloucester - to build duplex processing plants with common rights to cold storage and reduction facilities, the entirety of which was to be assisted by provincial government loans for plants and vessels.¹¹⁸ From 1945 on, the government also attempted negotiations to establish a plant at Petite-de-Grat, N.S. Finally, in 1949, Booth Fisheries Corporation of Chicago indicated an interest and arrangements were made for the province to provide paved highways, power, and a water supply - and a plant was built in 1953.¹¹⁹

The government of Nova Scotia however, was doing more than performing the typical Keynesian "regulatory" role which was characteristic of capitalist countries following the 1940's. It was also actively attempting to mitigate the worst effects of underdevelopment. Operating under the liberal economic, (and classical functional), assumption that somehow economic underdevelopment and capitalist stagnation were abnormal and pathological, and only required an artificial boost to allow the economy to finally "take-off", the Nova Scotia government entered the modern age of "sell-outs".* By cultivating the repenetration of U.S. capital into Nova Scotia on the conditions that it did, the Nova Scotia government clearly was acting quite similarly to governments in other underdeveloped

* Capitalist governments in underdeveloped regions have historically made all manner of sacrificial offerings - ranging from cheap raw materials and labour, to made-to-measure infrastructures, to tax-free profits and protective import tariffs, to non-union and no-strike pacts - to entice foreign capital investment into their region.

regions. Functioning, not in the general, "public" interest, but as an agency for business interests, offering capital the possibility of higher rates of profit and capital accumulation in an otherwise marginal region. The extent and consequence of this role, not only in the fishing industry, but in all sectors of the economy, would become even clearer in the two and one-half decades to come.

National Sea Products Ltd.

The final and most significant development in terms of the economic and corporate history of the fishing industry in Nova Scotia up to 1950 was the growth of an indigenous monopoly capitalist organisation.

Having disposed of the shipping interest in Pickford and Black Ltd., Ralph Bell was called to Ottawa in 1941 by C. D. Howe to be a member of the executive committee of the Department of Munitions and Supply.¹²⁰ Here he came into close contact with the cream of Canada's corporate elite,¹²¹ an experience which Newman (1975) summarized as follows:

It was the network of connections and interconnections between business and government, fathered by Clarence Decatur Howe, that became the Canadian Establishment - its great dynasties spreading into every form of commercial enterprise across the country. It turned out to be an astonishingly resilient structure, and large remnants of the original group or their heirs still exercising the power that counts. When the dollar-a-year men fanned out at the close of World War II to run the nation they had helped to create, the attitudes, the working methods, and the

business ethic they took with them determined the country's economic and political course for the next three decades. * 122

By August 1940 Bell was appointed Director-General of Aircraft Production for the country, and later became Aircraft Controller and a member of the Joint War Production Committee.¹²⁴

Resigning from this position in 1944 he followed the examples of his peers, putting together and heading a syndicate backed by Canadian capital which organized the largest amalgamation of firms in the history of the fishing industry under the name National Sea Products Ltd. Interestingly enough, three other parties^{**} involved in the deal had also been associates of Bell in government

* As an example of the importance of these interconnections, Newman cites the case of the Argus Corporation, the new holding company E. P. Taylor formed after the war, recruiting six former associates of the Dept. of Munitions and Supply as senior partners. 123

** This number later increased to four as Halifax lawyer, Frank Covert, who had served as a Solicitor for the Legal Branch of the Dept. of Munitions and Supply during the war, became a director of the company. A graduate of Dalhousie Law School, Covert articulated under James MacGregor Stewart and later became partner in the law firm of Stewart, MacKeen and Covert.¹²⁵ In addition to this position in N.S.P., Covert went on to become the senior Maritimes director of the Royal Bank, and to sit "on the boards of Sun Life, IAC Ltd., Trizec Corp., Petrofina Canada, Phoenix Assurance, Maritime Paper Products, Ben's Holdings Ltd., Great Eastern Corp., Maritime Steel and Foundries Ltd.....Minas Basin Pulp and Power, Canadian Keyes Fibre Co., Sydney Engineering and Dry Dock, Home Care Properties, Eastern Telephone and Telegraph, Acadian Lines Ltd., Lindwood Holdings, Maritime Accessories Ltd., Bowaters Mersey Paper and Canning Investment Corp..." 126

war production. James MacGregor Stewart, who became a director of National Sea Products, had been in charge of Coal Control with the Dept. of Munitions and Supply between 1939 and 1943.¹²⁷ He was a prominent lawyer in Halifax, a director of the Royal Bank of Canada, and Mersey Paper Company, and formerly Chairman of the Board of Maritime-National Fish Company.¹²⁸ C. J. Morrow, who became secretary-treasurer of National Sea Products, had been in charge of Fishery Products with the Wartime Prices and Trade Board in Ottawa between 1942 and 1944.¹²⁹ He had previously been one of the founders of Lunenburg Sea Products Ltd. and was the son-in-law of Benjamin C. Smith, one of the original brothers who started W. C. Smith and Company.¹³⁰ W. Stanley Lee, who became director of Public Relations for N.S.P., during the war had been the Nova Scotia chairman of the Wartime Prices and Trade Board. He had previously been associated with his father's firm of O'Leary and Lee Ltd., lobster packers, which was incorporated into N.S.P. but had not been operating since 1936.¹³¹

Chartered in July of 1945, National Sea Products Ltd. was formed from the amalgamation of 18 companies and their subsidiaries, including the three largest existing fish companies - Maritime-National Fish, Lunenburg Sea Products, and the Lockeport Company (see Appendix "A"). As was noted above, two of the three associates of Bell in War Production had large, if not controlling, interests in these three firms - Stewart in Maritime-National, and Morrow in Smith Fisheries which controlled Lunenburg Sea Products and the Lockeport

Company. The executives and directors of the new firm were as follows:

Ralph Bell, president; Harold G. Connor, formerly president and managing director of Maritime-National, vice-president; C. J. Morrow, secretary-treasurer; H.V.D. Laing, formerly a director and secretary of Maritime-National, and a lawyer, manager;¹³² W. W. Smith, son of Benjamin C. Smith and formerly of the Smith Companies,¹³³ director of production;¹³⁴ Ronald G. Smith, grandson of James L. Smith and formerly active in the Smith companies,¹³⁵ director of sales; W. Stanley Lee, director of Public Relations; H. P. Connor, son of H. G. Connor and formerly active with Maritime-National, associated director of finance; James MacMurray, president of Eastern Securities Ltd., of Saint John N.B., director; P. J. Smith, local manager of W. C. Pittfield Ltd. of Halifax, director; J. MacGregor Stewart, director;¹³⁶ Winthrop P. Bell, formerly a fish merchant¹³⁷ and Ralph Bell's brother, director; James I. MacLaren, son-in-law of Bell, director; and Mrs. R. P. Bell, wife of Bell, director.¹²⁸

With a capitalization of \$750,000, divided into 7,500 preferred shares at \$100 each, and issuing 250,000 common shares, without nominal or par value, and a closed bond issue of \$2,000,000, the new company launched its operations. Enough capital had been gathered to purchase the operating assets of 18 companies, all the shares in four other companies, and control of two more companies - making 24 in all (see Appendix "A").¹³⁹

With this massive, unprecedented transaction, National Sea Products became the largest organisation on the Atlantic Coast of North America engaged in the production and processing of fish.¹⁴⁰ Processing and marketing fresh, frozen, smoked and pickled fish, fish fillets, fish meal, medicinal and liver oil, poultry cod liver oil and glue, the company soon handled annually two-thirds of the total poundage of fish handled at the Boston Fish Pier.¹⁴¹ Opening sales offices around the Maritimes, across Canada, and in the U.S., the Company increasingly became the picture of a thriving monopoly capitalist concern.

Having virtually eliminated all competition, National Sea Products, by the late 1940's, was moving on at least four fronts to consolidate and improve its monopolistic position. Firstly, it ensured its security of supply by phasing out the schooner as its chief fishing technology. Taking advantage of government subsidies, the company had seven trawlers constructed, five of which were the new steel type, by 1953.¹⁴² Secondly, it moved to eliminate the independent "wholesale" function by consolidating it into its own organisation. In this regard it opened numerous sales offices in Canada and the U.S., and acquired wholesale houses in Montreal, Toronto, and Ottawa. For example, in September 1948 a new corporation called LaPoint Fish Ltd. was incorporated in Ottawa. It purchased the firm of LaPoint Fish and Ottawa Wholesale Fish Ltd. and commenced

operations in November of that year as a wholly owned subsidiary of National Sea Products.¹⁴³ Thirdly, it persisted in its relentless drive to expand production, acquiring another plant in North Sydney, and, as mentioned above, by 1950, building a large new three and one-half million dollar plant in Louisburg, jointly with American capital.¹⁴⁴ And lastly, backed by a sympathetic provincial government, the company continued - in the tradition of its predecessors - Maritime-National, Lunenburg Sea Products, and the Lockeport Company - the anti-union and aggressively anti-labour tactics and policies which were calculated to keep labour costs at a minimum. The substance and consequences of this latter strategy comprise a goodly portion of Chapter IV below.

Conclusion

The social and economic conditions in the fishing industry up to 1950 witnessed the further extension of two processes noted above in Chapter I. Underdevelopment continued - at times more, at times less - again mainly a result of mechanisms internal to indigenous Canadian capitalist development, although for a time more dramatic due to the penetration of American capital. And, within this context, a continuation of capitalist expansion in the fresh fish industry, culminating, after a time, in the growth of monopoly capitalist organisation.

However, the impoverished and wretched condition of the people also became worse in this period. The masses of fishermen and shore labour, deprived of what little self-sufficiency and independence they had once had, became nothing more than a cheap reserve labour pool for the industry: a condition which, at the same time, arose from regional economic underdevelopment and perpetuated it, but one which would also become the main force behind the transformation of the industry as a whole. Completely immiserated by the depression, the further decline of salt fish, and the concentration and centralisation of what little capital remained, fishermen attempted, for the first time through working class action, to wrest control of their own lives. This militancy, coupled with the better employment opportunities offered by war production, knocked the feet out from under a complacent and docile industry. Two major consequences came of this - the fishing industry was forced into a modern age of monopoly capital, and the provincial government became an active tool of business in the economy and society at large.

Notes - Chapter III

1. Stewart Bates, op. cit., p. 76.
2. J. W. Watt, op. cit., p. 22; Harold Innis, op. cit., p. 424.
3. cf. Harold A. Innis, op. cit., p. 425.
4. J. W. Watt, op. cit., p. 27; Harold A. Innis, op. cit., p. 424.
5. J. W. Watt, op. cit., p. 27; Winthrop Bell, "Why Fuss About the Trawler", in MacLean's Magazine, April 15, 1930, p. 76.
6. Ruth Grant, The Canadian Atlantic Fishery, (Toronto: Ryerson Press, 1934), p. 27, 136, quoted in J. W. Watt, op. cit., p. 27.
7. Harold A. Innis, op. cit., p. 425.
8. Winthrop Bell, op. cit., p. 75; cf. Bengé Atlee, "Hands Off the Trawler!", in MacLean's Magazine, April 15, 1930, p. 9, 76.
9. J. W. Watt, op. cit., p. 23; Winthrop Bell, op. cit., p. 8, 76.
10. Bengé Atlee, op. cit., p. 76.
11. W. Bell, op. cit., p. 76; cf. B. Atlee, op. cit., p. 76.
12. B. Atlee, op. cit., p. 76.
13. Proceedings, Royal Commission on Price Spreads, op. cit., p. 328, 383, 384, 392.
14. Ibid., p. 339, 384.
15. Ibid., p. 328, 338.
16. Ibid., p. 338, 391.
17. cf. Stewart Bates, op. cit., p. 70.
18. Proceedings, Royal Commission on Price Spreads, op. cit., p. 386, 388, 389.
19. W. Bell, op. cit., p. 76; B. Atlee, op. cit., p. 76.
20. W. Bell, op. cit., p. 76.
21. Compiled from Harold A. Innis, op. cit., p. 425.
22. S. Bates, op. cit., p. 70.
23. "A Product of General Seafoods" in Commercial News, April 1953, Vol. 33, No. 4, p. 8; Charles Murray.
24. Evidence, Royal Commission on Provincial Development and Rehabilitation, (Halifax: King's Printer: 1944), p. 1683.
25. J. W. Watt, op. cit., p. 131.
26. Proceedings, Royal Commission on Price Spread, op. cit., p. 454.
27. Charles Murray.
28. Fisheries Council of Canada, op. cit., p. 83.
29. Charles Murray.
30. D. Forgeron.
31. Charles Murray.
32. Ibid.
33. Ibid.
34. "Personalities in the East - Ralph Pickard Bell" in The Maritime Merchant, Dec. 1952, p. 4; Harold A. Innis, op. cit., p. 433, 434.

35. "Personalities in the East...", op. cit., p. 42;
cf. Report, Royal Commission on Price Spreads,
op. cit., p. 193.
36. H. A. Innis, op. cit., p. 433.
37. PANS, op. cit., "A History of the Company", p. 21.
38. Ibid., 1931, correspondence.
39. H. A. Innis, op. cit., p. 434.
40. PANS, op. cit., "A History of the Company", p. 21.
41. "Personalities in the East...", op. cit., p. 42.
42. H. A. Innis, op. cit., p. 434.
43. Proceedings, Royal Commission on Price Spreads,
op. cit., p. 328, 384.
44. Ibid., p. 383; cf. H. A. Innis, op. cit., p. 434.
45. H. A. Innis, op. cit., p. 434.
46. Ibid.
47. Charles Murray.
48. Ibid.
49. "A Product of General Seafoods", op. cit., p. 8.
50. Charles Murray.
51. Evidence, Royal Commission on Provincial Development...,
op. cit., p. 1685.
52. Charles Murray.
53. See, auditor's statement, Proceedings, Royal Commission
on Price Spreads, op. cit., pp. 327-382.
54. Ibid., pp. 392-400; Proceedings, N.S. Fisheries
Conference, op. cit., p. 113.
55. Fisheries Council of Canada, op. cit., p. 79.
56. PANS, op. cit., "History of the Company", p. 21.
57. Ibid.
58. Report, Royal Commission on Price Spreads, op. cit.,
p. 187, 188.
59. S. Bates, op. cit., p. 57, 58.
60. Report, Royal Commission on Price Spreads, op. cit.,
p. 189.
61. Ibid.
62. Canada, Dominion Bureau of Statistics, Ottawa,
Intercompany Ownership, 1967, (Ottawa: Queen's
Printer, Dec. 1969), pp. 455-457.
63. J. W. Watt, op. cit., p. 17.
64. Ibid., p. 15.
65. S. Bates, op. cit., p. 83.
66. Ibid.
67. J. W. Watt, op. cit., p. 17.
68. S. Bates, op. cit., p. 79.
69. Ibid.
70. Ibid., p. 48.
71. Ibid., p. 28.
72. Ibid., p. 38.
73. Ibid., p. 28.
74. Ibid., p. 35, 36.
75. Ibid., p. 49.
76. Ibid., p. 30.

77. Ibid., p. 64.
78. Halifax Chronicle, March 13, 1947.
79. Report, Royal Commission on Price Spreads, op. cit., p. 184, 185.
80. Ibid., p. 184.
81. Proceedings, Royal Commission on Price Spreads, op. cit., p. 32, 33, 34, 37.
82. Report, Royal Commission on Price Spreads, op. cit., p. 184.
83. Proceedings, N.S. Fisheries Conference, op. cit., p. 111.
84. PANS, op. cit., 1947, Inshore Fishermen's Record Slips, Lockport Division.
85. Report, Royal Commission on Price Spreads, op. cit., p. 184, 185.
86. Proceedings, Royal Commission on Price Spreads, op. cit., p. 7.
87. Ibid., p. 6.
88. Ibid., p. 29.
89. Ibid., p. 7, 14.
90. S. Bates, op. cit., p. 43.
91. Ibid.; cf. H. A. Innis, op. cit., p. 425; Proceedings, N.S. Fisheries Conference, op. cit., p. 112.
92. S. Bates, op. cit., p. 43.
93. Ibid., p. 44.
94. Proceedings, Royal Commission on Price Spreads, op. cit., p. 437.
95. Report of the Royal Commission on Provincial Development and Rehabilitation, Nova Scotia, Vol. II, XIV, Report on Labour Relations, by H. A. Logan, (Halifax: King's Printer, 1944), p. 95.
96. Proceedings, Royal Commission on Price Spreads, op. cit., p. 355.
97. K. Dane Parker.
98. Harriet Roberts Forsey, "Distribution of Income in the Maritimes", in The Canadian Forum, Feb. 1942, Vol. 21, No. 253, p. 332.
99. Ibid., p. 332, 333.
100. Ibid., p. 333.
101. Ibid.
102. J. W. Watt, op. cit., p. 34; S. Bates, op. cit., p. 99.
103. S. Bates, op. cit., p. 100.
104. Ibid., p. 101.
105. Ibid.
106. Ibid., p. 111.
107. Peter C. Newman, The Canadian Establishment Volume One, (Toronto: McClelland and Stewart Ltd., 1975), p. 331.
108. Ibid., p. 333, 334.
109. Ibid., p. 334, 335.
110. J. W. Watt, op. cit., p. 34.
111. Ibid., p. 36.
112. PANS, op. cit., "History of the Company", p. 21; Fisheries Council of Canada, op. cit., p. 85.
113. J. W. Watt, op. cit., p. 38.

114. Ibid., p. 40.
115. Ibid.
116. Ibid., p. 37.
117. Confidential Official Government Source.
118. J. W. Watt, op. cit., p. 45, 46.
119. Ibid., p. 47.
120. "Personalities in the East...", op. cit., p. 42.
121. Peter Newman, op. cit., pp. 415-424.
122. Ibid., p. 315, 316.
123. Ibid., p. 319.
124. "Personalities in the East...", op. cit., p. 42.
125. Peter Newman, op. cit., p. 417, 407.
126. Ibid., p. 203.
127. Ibid., p. 422; Confidential Source.
128. Confidential Source; Peter Newman, op. cit., p. 422.
129. Confidential Source; P. Newman, op. cit., p. 430.
130. PANS, op. cit., "A History of the Company", p. 22, 23.
131. Confidential Source.
132. Ibid.
133. PANS, op. cit., "A History of the Company", p. 23.
134. Confidential Official Government Source.
135. PANS, op. cit., "A History of the Company", p. 23.
136. Confidential Official Government Source.
137. W. Bell, op. cit., p. 8.
138. Confidential Official Government Source.
139. Ibid.
140. "Personalities in the East...", op. cit., p. 43.
141. Confidential Official Government Source; "Personalities ...", op. cit., p. 43.
142. PANS, op. cit., "A History of the Company", p. 22.
143. Confidential Official Government Source.
144. PANS, op. cit., "A History of the Company", p. 22;
J. W. Watt, op. cit., p. 45; "Personalities in the East...", op. cit., p. 43.

CHAPTER IV

Labour Response to Economic and Social Conditions
in the Fishing Industry, 1930-1950.Introduction:

The polarisation between inshore and offshore fishermen, between salt and fresh fishing, and between the eastern and south shores of the province, discussed above in Chapter II, became accentuated in the 1930's and 1940's. However, with the further decline of salt fish and the marked centralisation of capital in the south shore region, the major contradictions between inshore and offshore fishermen in terms of organisation, so noticeable in the first two decades, became somewhat blurred by geographical divisions in this period.

With the exception of inshore fishermen in North Sydney, who were in constant touch with a large militant industrialised work force - and its working class perspectives, the inshore fishermen of the eastern part of the province persisted in responding to industrialism by attempting to identify with the interests of capital. Inshore fishermen of the southern region of the province however, never having adopted the co-operativism of the Antigonish Movement, and under the leadership and initiative of the offshore fishermen, identified with the interests of labour through militant industrial unionism.

The history of this dual response to changing structural conditions in the society and economy of Nova Scotia in the 1930's and 1940's, is examined below.

The Decline of United Maritime Fishermen (U.M.F.)

By the 1930's U.M.F. had become an integral part of the extension activities of St. Francis Xavier University. This took the form of a dual strategy in the economic sphere to compliment the co-operative theory propagated through the adult education program.

Initially the Movement busied itself setting up co-operative credit unions. "Following an act passed in Nova Scotia in 1932, the first credit union was formed in December of that year...".¹ By 1936 there were credit unions in ten counties in Eastern Nova Scotia, with 10,185 members and assets of \$190,243.² Hitherto fishermen's credit had come from local merchants or exporters who could provide only the least expensive gear and could do very little towards financing major capital expenditures.

Whether this merchant credit system worked fairly depended upon the character of the particular merchant or exporter. In some instances he was known to carry fishermen through the bad times, but in others this source of credit produced a "feudal" or "truck" system where fishermen received all supplies of food, clothing, and gear from merchants and handed over the catch in return, often at valuations which kept them constantly in debt.

The credit unions developed, on the one hand, to combat the worst effects of the barter system and small merchant exploitation;⁴ and, on the other, to act as a source of capital for the burgeoning co-operative activities of the small fisherman.

There is no doubt that, in conjunction with the education program and the consumer co-operatives, the credit unions did provide an alternative to the fishermen, whereby they could break with the patronage ties which kept them in perpetual bondage to local merchants. However, in terms of their second function, credit unions ".... served only as substitutes for the merchant in providing small loans, and as such, were not capable of meeting the main question, which (was) the chronic individual shortage of capital that (prevented) a reasonable efficiency in catching operations among so many shore fishermen".⁵

A second strategy promoted by U.M.F. was producer and marketing co-operatives. By the 1930's demand in the "luxury" lobster export trade to the U.S. had increased considerably, despite the depression. This was looked upon as the most likely "cash crop" which would allow quick and relatively inexpensive specialization, and which would net the impoverished fishermen relatively high returns. In 1929 and 1930, Mitchell and MacNeil (General Seafoods Ltd.) had made a disastrous foray into the lobster canning business and lost a huge sum of money. Selling their canneries to various co-operatives, they made an agreement with U.M.F.

to supply cans if the co-operatives would sell the processed product to them for marketing in the U.S.⁶

In addition, U.M.F. set up a number of salt fish stations, and, in all, 17 co-operatives were established centered around a lobster cannery at Larry's River⁷ by the 1930's. Also of note at this time, was the trawler licensing program instituted by the federal government in 1933. To compensate for the ultra vires tax law, the government stipulated that it would only license the three remaining trawlers all owned by Maritime-National Fish if the company promised to purchase the catch of the inshore fishermen of southeastern Nova Scotia between October and April of each year, through U.M.F. By government fiat then, the inshore fishermen of the eastern shore were marginally brought back into the cash nexus of the capitalist fishing industry, not as dependent competitors, but as dependent suppliers. The U.M.F. apparently was not above using whatever means it could to make co-operatives work, even if it meant sacrificing the principles of independence it preached. In retrospect this may have contributed to the ambivalent attitude of the fish companies to the co-operatives.⁸ Not only did the co-operatives stifle radicalism among fishermen, but they also acted to eliminate inefficient individual production and marketing and insured at least one fish firm of a more secure and steady source of supply from the inshore fishermen.

However, as they had established themselves with a meager operating capital of \$76,500,⁹ which, between seventeen, averaged only \$4,500 each, the co-operatives were

simply unable to compete on a large scale with the big corporations in the industry. And their concession from the government should be seen, not as just another tactic in their drive for self-sufficiency, but as a symptom of their failure in living up to their own aims.

Their stated purpose in co-operative marketing was to eliminate unhealthy competition in the industry, "by controlling the sale of a large volume of (fish)... which ordinarily would be acquired by a number of dealers or buyers at costs varying according to the method of purchase".¹⁰ However, this volume of fish was by no means "large" and their low capitalisation affected their ability to compete with large firms even in marketing. As Bates (1944) remarked, the co-operatives only tended to exacerbate the already bitter warfare among smaller and older firms over the supplies, markets, and capital which remained, and "which in total were declining rapidly anyway under the uneconomic prices obtaining".¹¹

While the overwhelming majority of locals and communities in the Movement seem to have accepted the quiescent social philosophy that went along with the Movement, at least one local - North Sydney - adopted rather "unorthodox" tactics. Because of its close proximity to a large working class populus, barriers to using working class, trade union tactics such as the strike, were at a minimum. In addition, the inshore fishermen of this area were more objectively typecast as "employees", as they were almost entirely dependent

for their livelihood on large fish processing concerns in North Sydney. In this sense they were more closely akin to inshore fishermen of the south shore of Nova Scotia than those of the eastern region.

In 1930 and 1931, the inshore fishermen in North Sydney struck three times for higher prices for their fish.¹² The most militant of these lasted from November to December of 1930 and involved 500 fishermen. The strikers demanded the same price for fish as that paid in Halifax. The fish companies refused to accede, citing the difference in freight rates to Montreal between Halifax and North Sydney as the reason for their lower prices. The secretary of U.M.F. requested a federal conciliation board under the Industrial Disputes Investigation Act, but was told that this could only be done if a joint application was made from both the fishermen and the companies. In the course of the dispute fishermen at other points on the island joined in sympathy, bringing the total to 1,000, and indirectly affecting 125 fishhandlers in North Sydney as well. By early December a settlement was finally reached whereby the fish buyers agreed to increase the price of market cod by one-quarter of a cent per pound and to reduce the price of bait.¹³

The other two strikes were carried out for similar reasons and were resolved in a similar manner.

While this militancy was relatively isolated within the Movement as a whole, it did indicate the degree to which inshore fishermen, affected more by industrial capitalism than

their counterparts of the outports, could embrace working class responses. This capacity became even more evident in later years when the North Sydney local, disenchanted with the Movement, left it and initially joined the revitalized Fishermen's Federation,¹⁴ and later, a new industrial union in the fishing industry, the Canadian Fishermen's Union.¹⁵ This was a move that was not atypical among in-shore fishermen, as those of the south shore literally flocked to swell the ranks of these unions and became some of their most die-hard and militant members.

By 1939, 1940 the Antigonish Movement had failed.* Despite its pretensions to produce a mass based, egalitarian society based on "educated consumerism" and the "principles of economic co-operation", the Movement, in the guise of radicalism, actually only supported the "maintenance of a way of life already superseded by larger structural changes in the surrounding society".¹⁶ The U.M.F. still survives today on a small scale, only a shadow of its former self, and without the wider Movement of which it was a part. In effect it died however, as a result of internal contradictions, stemming from the fact that it served a reactionary function in a time of drastic social change and upheaval in the fishing industry. In spite of its proclamations

* See, Debra Murphy, "The Failure of the Antigonish Movement in Larry's River, N.S.", M.A. Thesis, Dalhousie University, 1975; and James Sacuman, Ph.D. dissertation, University of Toronto, Dept. of Sociology, 1976, for a more extended treatment of this failure.

that the depression was over and had been beaten by 1940, the fishermen, whom it supposedly helped and represented, still had a median income of under \$100.¹⁷ It was indeed quite clear to the fishermen what (or whom) had been "beaten", and what function the ideological trappings of the Movement served. Commenting on the Movement, an inshore fisherman and former member of the U.M.F. local in Main-a-dieu, N.S., said,

"They (Coady and the Extension Department) knew that when people are poor it is the biggest playground for Communism. If people could be self-sufficient in co-ops and stave off poverty in Canada, the U.S. and foreign countries, it was a safeguard for themselves (i.e. the rich). The rich were being protected by his philosophy so he got big donations."¹⁸

The co-operative movement, saturated as it was with the religious and utopian ideology - which was not so importantly petite bourgeois, as anti-working class - failed to provide an effective response for fishermen to industrialism. Had co-operative tactics and strategy been coupled, or at least sympathetic to working class tactics - as was the case in B.C.,¹⁹ and indeed later in Nova Scotia - then the situation might have been different.

The Fishermen's Federation of Nova Scotia

The depression brought a drastic drop in the price of fish and the income of fishermen. At the same time, the price of equipment and bait was rising so that Lunenburg fishermen and captains alike faced a worsening economic situation. The co-operative movement, excluding as it did

the "hired hands" of the offshore fishery, and never having taken hold amongst the inshore fishermen of the south shore anyway, provided no realistic solution to these problems. Similarly, the Fishermen's Federation of N.S. had not existed in this region and, the few locals that had developed elsewhere, had become extinct by 1930 with the rise of the U.M.F. Under daily more impossible conditions, the Lunenburg fishermen responded spontaneously in 1933 with the only weapon they had left at their disposal, the strike. Captain Knickle of the Lunenburg fleet described the situation leading up to the strike as follows:

...the price is made in the fall before we start, and there is no advance in the price unless the masters get together and say, "We cannot afford to fish for that price...". We had an instance of that last winter (1933). They did not go on strike because they are not organized in our part, but around Christmas they all came home, and last fall from September until Christmas the highest boat made \$90 and the lowest boat averaged \$60. That was from September through October and November up until the 20th of December. They got disgusted. The men could not get money to pay their bills and they went on a sort of strike. Then it was agreed to give them half a cent more, but the men forgot about the bait, and when they went to pay for the bait next time they found it was raised half a cent a pound.

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The captains of schooners were in a very ambiguous position in the 1930's. Faced with the same declining standard of living as everyone else they were equally as agitated as the impoverished fishermen. However, compared

with the fishermen, this deprivation was quite relative as noted above. With incomes three and four times higher than their crew, captains could well afford to ride out the storm without worrying about starvation. But relative deprivation has proven to be a formidable force in social change of various sorts, and, without relapsing into psychologism, seems to have been a decisive factor in the militancy among captains in the late 1930's. On the other hand, a trend can be gleaned from this strike which contradicted this militancy and which overruled it in later years. The captains were for the most part seldom leaders, and more often reluctant fellow travellers under the more decisive and dedicated leadership of crewmen. * As skippers no longer really owned their vessels, they faced the loss of their jobs if a strike failed and the company retaliated against the militants. On the other hand, since the captains would sign on the crew, they could comply with the company's orders to call out a crew to sail, but be secure in the knowledge that the latter would refuse. They had the best of both worlds - not being held responsible by the company for a strike, and not doing the union harm by strike-breaking.²¹ While outraged by relative losses in income, the captains were in a sufficiently secure and independent position not to understand the meaning of solidarity, or indeed anything

* Crewmen here refers to both the crew - cook and engineer - and the "offshore" fishermen aboard schooners.

that did not stand to give them an immediate personal gain. For this reason, when there was joint action by captains and crew it was on the basis of a temporary alliance only.

The mid to late 1930's was a very militant period for workers in the New England fishing industry. As mentioned in Chapter III above, the influx of U.S. capital into Nova Scotia during the 1930's, and the tariff changes which lowered the duty on Canadian fish entering the U.S. market, were calculated attempts by U.S. capital to "improve" their situation at home. The position that these two circumstances put Canadian fishermen in, in the 1930's, is clear from the following account of two strikes in New England:

They had a strike there at one time and there was a Canadian boat come in there and the union spattered them with a couple of cases of rotten eggs; they won't allow us in. In other words, the union would not consider the duty at all; they would not allow us into the dock...

....They have a strike on in Boston now (October, 1934), we had some firms ship fish to Boston recently about a week ago and they would not allow them to land them on the docks; that is, the Eastern Steamship Co. The strikers made them take them off the dock and return the fish to Canada again... The labourers would not allow any men to go to work and handle these fish, and the police had no power at all; they were afraid to interfere and the fish were returned to N.S. and in that case the merchants had to lose that freight. 22 *

* Evidently the U.S. fishermen and allied workers continued in the tradition of militancy of 1917, 1918 and 1919. A strike in 1921 against wage cuts in the industry met with intense industry opposition and had crippled the old I.S.U. union. Between 1924 and 1929 the executive of the Fisher-

By the latter half of the 1930's, it had become increasingly clear to the fishermen of Nova Scotia that the U.S. companies operating here were exploiting the cheaper raw materials and labour of Nova Scotia to gain a competitive advantage in the U.S. and, "in order to kick the feet out from under the American fishermen".²⁹ The strike-breaking position that the companies put Nova Scotia fishermen in in the cases described above, made this latter intention particularly plain for all to see.

men's Union of the Atlantic tried to bolster it by establishing a producer co-operative. However, ...dealer opposition and the refusal of fishing captains to discontinue selling their own fish short-circuited the scheme...

Dormant for the next several years, the dying fishermen's organisation led desperate strikes to improve wages and working conditions at Boston in 1933 and 1934. When both failed, the union ceased to exist.

After unsuccessful attempts to reorganize in 1935 and 1936, the Boston fishermen invited the National Maritime Union (see p.174 below) to sign them up in the spring of 1937...

The new Atlantic Fishermen's Union began bargaining with Boston's dealer vessel owners immediately...(and its)...membership jumped from 800 in July 1937 to 1800 in January 1938, and reached 2800 in August 1940. The latest count in the spring of 1947 totaled about 4000: about 1700 in Gloucester; about 1000 in Boston; about 800 in New Bedford; and a few hundred in Portland and Rockland, Maine, and New York City. 23

Following the early strikes in the 1930's, successive strikes in 1938,²⁴ 1940, 1942, and 1945 marked the new union, under president Patrick McHugh, as the "fighting" union.²⁵ The 1945 strike in particular became a hallmark of the union's strength and militancy. Taking on the National War Labour Board and the fish companies, a six-month strike culminated "in a complete victory for the union". 26

...again it was sheer collective strength on the part of the union which determined the issue and that the companies were coerced into capitulation with the evident threat of losing their major product markets to competitors who were then making an unprecedented bid for

In early 1937 a Captain James Whynacht of the Lunenburg area returned from working in the New England fishery out of Gloucester.³⁰ Having been a member of the union there, having seen what a trade union could do for fishermen, and having witnessed the ingratiating position that unorganised Nova Scotia fishermen were in relative to striking New England fishermen, he suggested that a similar union be started here.³¹ Acting with another local fisherman, himself just returned home after 14 years' fishing out of Gloucester - a Ben MacKenzie of Lockeport,³² and a sympathetic Halifax lawyer - W. Pitt Potter, K.C.³³ - the long extinct Fishermen's Federation of Nova Scotia was rejuvenated. Initially thirty-six schooner fishermen and captains³⁴ were organised into three stations - at LaHave, Riverport, and Lunenburg - in January of 1937.³⁵ Subsequently Lockeport was organised under MacKenzie as station No. 105,³⁶ and by the end of 1937, nine stations existed in fishing communities

American patronage.it is estimated that the new (lay) ratio (of 60:40) gave the fishermen a raise of about 25 percent at the owner's expense. 27

In December of 1937, the union dropped its affiliation with the N.M.U. as they felt it was communist dominated, becoming instead a federal labour union of the A.F.L.... In 1941 they accepted a charter from the S.I.U. (A.F.L.) and became an autonomous body within it. 28

and towns around the south shore.³⁷ *

In keeping with the loose provisions of the Act of 1927, each community station was an autonomous organisation unto itself, incorporated under the Registrar of Companies as a local co-operative organisation, without any provision for either collective bargaining rights or trade union security.⁴¹ While the federation was loosely structured such that shore workers, inshore and offshore fishermen, cooks, or captains could become members, it quickly became dominated by the captains who, "attempted to make their dominant position at sea - in the tradition of the British Navy - stick, even on shore".⁴² From the beginning, the Fishermen's Federation represented a temporary alliance between the interests of captains and the schooner fishermen - "their" crew. And, controlled as it was by the interests of the captains, it very quickly cracked under the stresses and strains of internal contradictions.

* At some point by January 1938, the three original stations amalgamated into one at Lunenburg under the illustrious Captain Angus Walters, famed skipper of the schooner "Blue-nose".³⁸

Also of noteworthy interest was the founding, in 1937, of two locals of the International Longshoremen's Association in Pugwash, N.S., one of which was specifically for lobster fishermen.³⁹ The I.L.A. was the main union among shore-workers in New England. In 1938 they formed separate Seafood Workers' locals in Boston, Gloucester and New Bedford.⁴⁰ The Pugwash local among lobster fishermen survived only three years, however.

The Halifax Fish Handlers and Fish Cutters Union

In April of 1937 the provincial Liberal government of Angus L. Macdonald passed "An Act Respecting the Right of Employees to Organize".⁴³ While it explicitly excluded coal miners who were "covered" under Section 97 of the Coal Mines Regulation Act, this was Nova Scotia's first Trade Union Act which, for the first time, legalized the right of workers to bargain collectively under a certified trade union. The culmination of many decades of hard militant struggle by the working class of Nova Scotia, the Act was a small but important concession from capital. And labour in the province watched with keen but sceptical interest as the government attempted in the next few years to put teeth into the Act to give it some semblance of legitimacy.⁴⁴

In August 1937, the Communist Party Branch of Nova Scotia, in keeping with its policy of attempting to ameliorate the worst effects of the depression on impoverished workers by organising the unorganised, decided to organise fish plant workers in Halifax. A party organiser, K. Dane Parker, was given a job at General Seafoods by Charles Murray,⁴⁵ who was personnel manager for the Company at the time and provincial organiser for the C.P.⁴⁶ Organising and meeting with Halifax fish handlers after hours, Parker organised upwards of 200 fish handlers at National Fish, General Seafoods, and, to a lesser extent, A. M. Smith, into Local No. 1 of the Fish Handlers and Fish Cutters Union.⁴⁷ Receiving a charter

directly from the A.F. of L.,⁴⁸ it became the first union of fish handlers and cutters in the Federation.⁴⁹

The Trade Union Act of 1937 had very nebulous certification procedures which became the source of antagonism over its validity and worth. The procedure read as follows: "Every employer shall recognize and bargain collectively with the members of a trade union representing the majority choice of the employees eligible for membership in said trade union, when requested so to bargain by the duly chosen officers of said trade union, any employer refusing so to bargain shall be liable to a fine not exceeding One Hundred Dollars for each such offence, and in default of payment to thirty days' imprisonment."⁵⁰ The Act not only did not impose very severe penalties on an employer if he refused to recognize a union, but de facto left it up to the employer to ultimately decide for himself whether or not a union represented the majority of his employees, and, consequently, whether or not any bargaining took place per se. Since bargaining tacitly depended on a voluntary agreement between the employer and the union, the employer could not be compelled to bargain.

On August 25th, 1937, the fish handlers union representing 1,958 employees at National Fish, presented the Company with a draft agreement which covered future procedures, working conditions, wages, and a list of employees for which the union requested seniority rights.⁵¹ Claiming to have 360

employees on its roster, but refusing to show the union (i.e. not an independent arbiter) the list, the Company claimed the union did not have 50 percent of the employees and stated, "...we regret to say that we cannot consider any contract at all with the union".⁵² Subjecting workers, union members, and officials to constant verbal abuse and intimidation, and repeatedly refusing out of hand, either to recognise the union or negotiate with it, the Company persisted in flagrantly flouting the Trade Union Act in the face of the workers throughout the fall and early winter of 1937.⁵³

The Strikes of January 1938.
The Fishermen's Federation - Support and Working Class
Solidarity.

In late December 1937, Captain Angus Walters called for a united front of Nova Scotia fishermen from Cape Sable to Cape Breton to demand an increase of one-quarter cent per pound in the price of haddock.⁵⁴ When the Fish Buyers refused to recognize or negotiate with the Fishermen's Federation, and with the news of a sharp increase of outfitting charges for the impending voyages, a "tie-up" ensued affecting nine companies in Lunenburg and Halifax, and involving 800 fishermen.⁵⁵

Behind slogans such as "We might as well starve ashore as starve out on the sea",⁵⁶ inshore and offshore fishermen alike flocked to join and support the Federation. On the

very first day of the strike, 130 new members were signed up to bring the total membership of the station to 250, from just 36 a year previous. By the fourth day of the strike (January 3rd, 1938), membership had swollen to close to 600 as a result of a mass influx of enthusiastic shore fishermen.⁵⁸ This brought the membership of the Federation to over two-thirds of the total number of fishermen in the area.⁵⁹ The same day Walters left for Liverpool, North Sydney, and other points to help establish stations of the Federation in response to local requests from fishermen.⁶⁰ As well, the union reported that work on organising trawler crews was proceeding and it was expected that the three trawlers out of Halifax would tie up shortly. The fervor of these early days can be judged from the following account in the Halifax Chronicle: "Some idea of the general confusion resulting from the tie-up may be gleaned from the fact that while the "Muriel Isabel" was trying to slip away to sea this afternoon, Captain James Whynacht, original organiser of the union a year ago, was in her forecandle signing on the crew as union members, and might have been carried off to sea if the attempt had been successful."⁶¹ And later the Chronicle enthusiastically speculated, "There are about 35,000 fishermen in the Atlantic Region of Canada, of whom it is estimated there are enough in Nova Scotia alone to recruit a union numerically half as strong again as the U.M.W. which has accomplished so much for the workers in the mining field."⁶²

Most importantly, however, this vigour was both a clear expression of the spontaneous and militant potential existent among fishermen to identify with working class interests and tactics, and a clear representation of the degree of frustration and indignation among fishermen at their impoverished and exploited condition. On January 8th, when the "prize" schooner of W. C. Smith and Co., the "Jean and Shirley", landed her fish,* W. H. ("Billy") Smith appeared and requested the crew not to join the union

"...for it wouldn't feed them when they were out of work.

Several of the crew standing on the decks replied:

"You won't feed us either, Mr. Smith. So we may just as well loaf and starve as work and starve." 63

Ben MacKenzie received a 100 percent vote of agreement from his Lockeport station to tie up in support of the Lunenburg strike on January 4th, despite the fact that one of their companies, Swim Brothers, had decided to pay the union prices.⁶⁴

Support was also forthcoming from all manner of trade unions around the province, and notably from the Fish Handlers in Halifax who sent the following telegram to Walters:

Fraternal congratulations on firm stand. Hope trawlers our union fortnight. Unity between fishermen and fish handlers guarantees success. Can you come to Halifax to address union? Executive will meet to consider special meeting.

(Signed) Dane Parker 65

* The union permitted all schooners that had sailed prior to the strike to sell their catch to the companies.

Letters of congratulations and offers of financial assistance and moral support were also received from President D. W. Morrison of the United Mine Workers Union; from Charles Ballong, president of the Lobster Fishermen's Local No. 1540 of the International Longshoremen's Union in Pugwash; and from Allan Foley, head of Local No. 4529, U.M.W. in Glace Bay.⁶⁶ On Monday, January 10th, at a public meeting of steelworkers in Sydney, a resolution was passed asking all labour bodies and the buying public to aid the Lunenburg Fishermen's Federation in its fight for better conditions. And the Reserve Mines Local of the U.M.W. went on record with a similar call.⁶⁷

The Fishermen's Federation - Strains of the Alliance.

From the earliest moments of the strike the Fishermen's Federation showed the stresses and strains of its dualistic and impermanent composition. In the first days of the strike the Chronicle reported that:

President Walters...protested the words, strike, strikers, and boycott.

He (maintained) the tie-up (was) not a strike, although he (could not) explain wherein (lay) the practical difference.

68

This was an attitude reminiscent of the aloof notions of the uniqueness of fishermen and their previous individual freedom on the high seas, held so dear by the defunct Fishermen's Union of Nova Scotia. While the captains did not play up this outlook much during the strike, it was not because they

ceased believing and identified with the working class. I suggest it was merely a tactical manoeuver by the captains to avoid alienating the only base of support they had - the working class of the province.

The overwhelming majority of the membership in the Lunenburg station was rank and file fishermen, while the majority of captains, apart from a few militant leaders, only either tacitly or involuntarily complied with the strike. And in a number of cases even attempted to break it. As the Chronicle reported:

The staunchness of the dorymen of the fleet is one of the most conspicuous features of the tie-up on all occasions. When one or two skipper members have issued the call for the sea they have unanimously refused to stir. 69

As the strike progressed and the contradictions both internal and external to the union deepened, more and more captains, who had initially attempted to walk the fence, sided with the companies and tried to sail with scab crews. The fishermen picketed the company wharves, preventing the vessels from baiting. On one occasion a Captain Watson Greek was prevented from baiting by 200 to 300 heated pickets who claimed they would "Tear the boat to pieces" if he tried anything.⁷⁰ On another occasion a captain threatened 200 pickets with a gun if they interfered with his vessel. Perhaps the most curious incident was when a Captain Calvin Tanner slipped away from Lunenburg

to Wood's Harbour and then hired a bus to return to Lunenburg for a scab crew. The bus was intercepted outside Lunenburg by an infuriated group of over 50 union members who took the driver's keys and drove the bus back to union HQ. Here the bus owner was called long distance and instructed to get his bus out of town within 20 minutes or the union would not be responsible for what might happen to it. The owner and driver complied forthwith.⁷¹

The Coalition

Eight days into the fishermen's strike, Walters met with the Fish Handlers' Union at a general meeting in the Halifax Labour Temple. This resulted in an "ironclad offensive and defensive alliance" between the two unions for the promotion of their mutual interests by direct action. The Fish Handlers promised to refuse to handle scab fish while the Lunenburg fleet was on strike, and endeavour to unionize the local trawler fleet in support of the general interests of the fishing industry workers. The fishermen, for their part, promised to "back up to the hilt" the Fish Handlers' Union in their longstanding dispute over recognition with the Halifax companies. The union members present exclaimed that this alliance heralded the dawn of a new day for Nova Scotian fish workers; and the Halifax Chronicle called the treaty "one of the most significant developments in the fishing industry in the last century and one half."⁷²

The Fish Handlers' Strike.

As a result of this show of solidarity, the very next day National Fish took decisive retaliatory action. Eighty employees, sixty of whom were the most active union men, were fired, ostensibly because of the shortage of fish caused by the Lunenburg strike. These members included all the union executive who worked for the company, all plant committeemen, and the most active rank and file.⁷³ Despite its feeble attempts to justify this outrageous intimidation, the company's action went against its own policy of keeping the whole staff on the payroll during the irregular times and dividing available work among the whole number of workers. At 5.30 a.m. on January 7th, the entire union went out on strike for the reinstatement of the 60 union members, and for union recognition.⁷⁴ In addition it was hoped their picketing would prevent the landing of a fresh fish cargo from the trawler "Venosta", and facilitate unionizing the crew. And, in this regard, Potter, the counsel for the Federation, forwarded forms under the N.S. Act of 1927 to be used to organise a Halifax station.⁷⁵

On the following Monday, the Fish Handlers' Union filed suit against H. G. Connor, president; W. H. Boutilier, vice-president; and H.V.D. Laing, secretary-treasurer, of Maritime-National Fish for violations of the Trade Union Act in refusing to recognize the union, for discrimination in the discharge of employees, and intimidation of employees and union members.⁷⁶

This marked the first major legal test of the new Trade Union Act,⁷⁷ and the importance of it can be deemed from the fact that the executive of the Halifax district T.L.C. decided to act with the executive of the Fish Handlers in the test case.⁷⁸ The T.L.C. viewed it as follows:

This Act has been regarded since its inauguration last year as something of a Labour Magna Carta for the workers of N.S. and some concern is felt for fear that much of its prestige may be lost should it prove "incapable of meeting the present strike situation in Halifax".... 79

The first day of the strike in Halifax witnessed, "the most intense picketing... in the city ... since the street car strike of twenty-five years (previous)"⁸⁰. This was enough to throw the fish company's deliveries hopelessly off schedule and sufficient to win the company's consent to reinstate the men and promise to revert to the former system of dividing the available work among the whole staff.⁸¹ At this point, Parker and the executive of the union made the crucial decision* not to go back, but to continue the strike. They interpreted the company's offer as a tactic intended to weaken and break the union since there was

* Parker claims that in retrospect this may have been an incorrect tactical decision and one which contributed to the union's later demise. It gave National Fish sufficient extra time to recruit and train scabs, sufficient in number to outvote union members when a government conciliator sponsored a certification vote later in the year.

Hfx
Chronicle
Jan 10²⁸

no guarantee that the men would not be fired again, or any formal recognition of the union's right to bargain collectively.⁸²

Preparing for a long siege, the company employed trucks and taxis to rush large amounts of food and bedding into their Water St. plant, as supplies for a large group of strike breakers whom they had recruited from among the ranks of the unemployed.⁸³ From this move, on the very day following their "offer" to the union, it is clear that the company was well aware of what it was doing and merely operationalising pre-formulated contingency plans in a well-calculated attempt to smash the union. In fact, the initial firings should be seen as a deliberate action intended to split the nascent coalition by making novice trade unionists, impoverished by the low wages and conditions of the depression, pay with their livelihood for a mere expression of sympathy and support for other workers.

Two days later, Dr. W. D. Forrest, M.L.A. and Chairman of the Board of Health, attacked the Company for its system of allowing 20 to 30 men to sleep in the main office and lunch room, and 50 more in other places in its plant at night.⁸⁴ On Wednesday the 12th, the Board of Health issued a cease and desist order to the company, but, to keep the strike breakers out of range of the seductive efforts of strikepickets, the resourceful officials of National Fish conducted a strategic retreat of their little army, from the

condemned barracks to the freighter "Maid of Stirling", which had been chartered and moored at the end of their wharf.⁸⁵

The Trawlermen

Not requiring too much persuasion, the 15-man crew of the trawler "Viernoe" struck their vessel demanding recognition of their own separate union, with a list of grievances peculiar to their own situation. The grievances went as follows: A. the recognition of the union; B. twenty-four hour shore leave after every trip - (the company had been continually whittling this down with each trip); C. proper sanitary conveniences for the crew - (at that time there was a toilet on the vessel for officers only!); D. no unnecessary, overtime night work - (the crew were at the beck and call of officers at all hours), and E. better safety equipment - (at that point, one fire extinguisher on the vessel was empty and the other half full).⁸⁶ *

* Harold Logan (1944) commented somewhat later on the need and role of trade unionism amongst offshore and trawler fishermen stating:

Conditions on ships, including food, sleeping quarters, toilets, sanitation, safety, as well as conditions of hiring, discharge, grievances, workers representations on board and financial allowance for various matters, are natural subjects for collective bargaining. They exist far removed from the protection of public scrutiny and are not likely to be developed and maintained in the social interest when left to the arbitrary definition of one interested party. 87
(emphasis added)

The Coalition - The Contradictions Deepen.

In a further attempt to break up the coalition, on Tuesday the 11th, the Fish Buyers acceded to the Fishermen's demand for an increase in price averaging one-quarter of a cent per pound. However, they unanimously refused to recognize the Federation as a bargaining agent for the fishermen. Despite the fact that the main issue over which the captains had entered the strike - and indeed, allied with their crews in the Federation - had been resolved, the Federation, under pressure from its rank and file, decided to stay out. They stated that they would do so until a three-cornered agreement was reached with the companies involving: A. the recognition of the Fishermen's Federation of Nova Scotia; B. the recognition of the Halifax Fish Handlers' and Fish Cutters' Union, and C. some arrangement to provide work for the three Lunenburg vessels left idle because General Seafood was still holding out on the price agreement.

88

On Wednesday, the 12th, the crack in the Fishermen's organisation widened. Counsel Potter advised the Federation that an actual written contract did not mean much to them as they were not a trade union, but a co-operative affair. This was in flagrant contradiction to statements he had made just seven days previous, in which he stated his intentions to pursue the transfer of registry of the Federation to the new Trade Union Act, thus giving the fishermen formal collective bargaining rights. According to Potter (and the

captains), the Federation could now look upon the mere reference to them in the letterhead of correspondence from a company, as sufficient recognition for their purposes. This was in spite of the fact that the dealers continued to deny any formal or even tacit recognition, and in spite of the fact that in trade union practice messages thus exchanged did not constitute recognition.⁸⁹

Ostensibly the Federation anticipated difficulties in becoming a trade union because it admitted shore fishermen, and allied workers to its ranks, of whom there were 35,000 on the Atlantic Coast. And, while claiming to have 100 percent of the fleet fishermen signed up, the "50 percent" requirement for trade union status would prove difficult considering the others.⁹⁰ However, the possibility of trade union status for even offshore fishermen was not pursued. Neither were alternative arrangements, such as forming separate locals for each employer, or a separate union for shore fishermen and allied workers. The captains were in the Federation mainly to negotiate prices, and were quite willing to jettison demands for formal recognition when their main demands were met. It is conceivable other selfish motives were behind this move as well. Since, "officers, officials, or persons employed in any confidential capacity"⁹¹ were not considered "employees" under the Trade Union Act of 1937, the captains would have lost whatever advantages in association they had by having their lawyer pursue trade union status for the Federation.

Consequently, they sabotaged what chances the fishermen had of gaining collective bargaining rights in what was a formative period in provincial trade union legislation history.

The Fish Buyers were not giving an inch, despite the willingness of the Federation leadership to compromise. Perhaps anticipating a complete victory, the Lunenburg dealers refused point blank all union proposals - even the price increases - and forced the Federation to dig in even deeper.⁹² Infuriated at this brazen attempt to flout and ridicule their traditional authority, the captains ordered vessels loyal to the Federation to moor end to end, forming a solid floating boom across Lunenburg Harbour.⁹³ Arming their crew with axes, they ordered the men to chop to pieces anyone that attempted to break for the banks.⁹⁴ Organising dory patrols of every dock and stationing fifty pickets along the railway on the land side of the W. C. Smith plant - who in particular incurred their wrath by leading the buyers - the Federation reinforced its stand.⁹⁵

Friday the 14th also marked a distinct escalation of the situation in Halifax. The workers, none of whom had savings, were hard hit by a strike lasting even a week, and, disqualified from receiving relief aid from the city, were living on a day-to-day basis on the charitable donations from other trade unionists and citizens of the city and the province.⁹⁶ Their desperation with the company's repressive measures vented itself in property damage and

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Chronicle
Jan 14
(30)

spontaneous outbursts of violence on the picket lines. Strikebreakers inside the plant armed themselves with clubs, pipes, and, in one case, a sword, fearing an invasion.⁹⁷ That night, the picket line, swelling to 300 people, launched an offensive against the National Fish Laboratories across the street from the plant. However, upon hearing that the upstairs of the building was rented out as tenements to working class people, they returned to orderly picketting.⁹⁸

H. Curville

Jan 11 '38

Jan 15 '38

In Lunenburg the intervention of the Town Council and the local members of Parliament and the Legislature, produced a verbal agreement from Lunenburg Sea Products not to ship fish to National Fish in Halifax while the Fish Handlers were still on strike. This concession provided some captains with enough incentive to renew efforts to break the coalition. However, at a general meeting of the Federation on Saturday, the 15th, the rank and file voted 99 percent in favour of remaining tied up.⁹⁹

When it became clear that the fishermen would stay out, the executive of the T.L.C. in Halifax was authorized to seek the intervention of Premier Angus L. Macdonald. D. W. Morrison, representing 12,000 miners, was asked to become part of the delegation to see the Premier, in view of its importance to labour as a whole in the province.¹⁰⁰ On Monday the 17th, an urgent meeting of T.L.C. representatives, the Fish Handlers, the Department of Labour, and the Premier took place at Province House.¹⁰¹

Acting as liaison between the fishermen in Lunenburg, the Fish Handlers in Halifax, and the government, Charles Murray kept them in constant touch during the negotiations.¹⁰² In the midst of the meeting, a radio report announced that the Lunenburg strike had been settled, and that the schooners had been ordered to break the blockade and head for the banks. This was in spite of the agreement that no group would go back until both strikes were settled. Calling Walters, Murray suggested that the vessels should make for Halifax instead, and take the National Fish plant from the water. Walters was hesitant, but the intimation of this threat was enough to settle the strike even though Walters would have never carried it out.¹⁰³

The Settlement

The agreement reached called for: A. all men employed before the strike to be taken back without discrimination; B. a vote of employees of National Fish to be undertaken by the N.S. Department of Labour to determine whether the employees wished to form a union; C. the company to confer with duly elected officers of a union as to wages and working conditions if a majority did want a union; D. if, after negotiations, both agreed on a settlement, for them to enter into a written contract, and E. failing an agreement, the selection of a binding board of conciliation. In addition, trawler fishermen who operated on the three company trawlers were included in the agreement, but it was decided

that upon a favourable vote, these men could decide to organise and form a "special union of their own".¹⁰⁴ *

The agreement was signed by James Wood, president of the Halifax District T.L.C., Dane Parker of the Fish Handlers' Union, and H. G. Connor and H.V.D. Laing of Maritime-National Fish. As a sign of good faith the union withdrew its charges against the company.¹⁰⁵

Subsequently a certification vote was taken; however, National Fish had imported sufficient numbers of "new" employees to sway the vote in its favour, and the union was defeated and its charter revoked.

Epilogue

The four simultaneous strikes of January 1938 in Halifax, Lunenburg and Lockeport, proved very important in terms of labour's changing response to industrialism in the fishing industry. Firstly, it drove the final nail into the coffin of co-operation between schooner fishermen and captains, and in particular the enthusiasm of the fishermen for co-operative organisations such as the Fishermen's Federation of Nova Scotia. For all practical purposes,

* While it was not specified, this latter clause, worked out by the Dept. of Labour and the T.L.C. probably provided trawlermen with the possibility of trade union status, as opposed to Federation status. As organising and receiving a charter under the Fishermen's Federation Act of 1927, would not involve either the company, or the Dept. of Labour, or the T.L.C. in any way.

following the strike in Lunenburg, the Federation disintegrated and by the fall of 1938 the only remaining active station was in Lockeport under Ben MacKenzie.¹⁰⁶ Charles Murray summed up the experience of the fishermen in the Fishermen's Federation as follows:

Now I know that the fishermen who joined it, who worked in it, who helped organise it, who fought for it, and all that sort of thing were convinced that it prevented them from achieving anything...

It wasn't a healthy sort of thing anyway; it was dominated by the captains; and by and large the interests of the captains and the interests of the companies were much closer than the interests of the captains and the crews... The crews weren't happy about it. 107

Secondly, this period marked a substantial development of organisation in the industry. It was the first solid attempt by both fish plant workers and fishermen at trade union organisation and, despite the setbacks, divisions, and mistakes, tempered them in working class struggle. The growth of unions in turn stimulated cohesion among employers. The Fish Buyers Association, and in particular its fresh-fish interests - the Connors, Smiths and Boutiliers, became a crucial instrument for organisation in fighting trade unions.

Thirdly, the strikes, and the alliance between the fishermen and plant workers, was part of a wider, qualitatively new, phenomena of solidarity between the workers in the fishing industry and the working class in the province. Perhaps most symbolic of this newly forged bond was the fact

that the fish plant workers became the first in the province to test the strength of the new Trade Union Act, and to uncover its weaknesses for the movement as a whole.

Lockeport Fishermen's Federation - Denouement.

The Fishermen's Federation, which continued actively in Lockeport, faced unbelievably ruthless and vindictive company officials. For example, the Lockeport Cold Storage Company* would buy herring by the barrel, but only the company would say what constituted "a barrel". One of the few things that the fishermen were able to accomplish through the Federation was to get a ruling from the Federal Department of Weights and Measures as to what constituted the proper size and weight of a barrel. However, not to be undone, the company would tell fishermen to catch herring, promising payment when they returned. And when the fishermen returned the managers would say to tie up and they would "take them if they could", proceeding to take only from the fishermen they were rewarding, and forcing the rest to dump their fish. The Federation, without bargaining power for the fishermen, was not able to force the company to take fish either on a proportional basis or a first-come first-served basis, and the company persisted in discriminating and punishing fishermen if they suspected them of being militant.¹⁰⁹

Unable to get the desired amendments to the Fishermen's Federation Act which would give them some power, the fisher-

* Whose officials were well trained in various "labour relations" strategies by Ralph Bell prior to 1936. 108

men and fish handlers of Lockeport turned elsewhere. And when the newly organised Canadian Seamen's Union offered to directly charter a new fishermen's and fish handlers' union, they enthusiastically joined.¹¹⁰

The Canadian Seamen's Union

The depression years witnessed incredibly wretched working conditions for seamen on the Great Lakes. Wages were as low as \$1.00 per day;¹¹¹ hours often averaged twelve hours per day; and there was no job security,¹¹² safety inspections, "or any means of holding the captain of a ship to any accountability for his treatment of the sailors".¹¹³ A spontaneous strike of seamen in Toronto in 1935 led to the active support of the seamen's plight by the C.P.C.¹¹⁴ This culminated a year later in the formation of a new national maritime union - the National Seamen's Union - from the amalgamation of two newly formed unions - the National Seamen's Union of Montreal, with 320 members, and the Marine Workers Union of Toronto, which had 50 members.¹¹⁵ Under president "Pat" Sullivan, the Montreal organisation had been affiliated with the All-Canadian Congress of Labour. However, in response to the new policy of the C.P.C., which saw the primary task of Communists in the labour movement as building up the existing international bodies in Canada,¹¹⁶ the new union dropped this affiliation and, on the advice of the C.P., sought affiliation with a new rank and file seamen's union in the U.S. - the National Maritime Union, C.I.O.¹¹⁷

The U.S. Communist Party, working through the National Maritime Union, was attempting to wean seamen away from the old International Seamen's Union, which had been operating for years as an affiliate of the A.F.L.¹¹⁸ Meeting with N.M.U. executives in September of 1936 in New York,¹¹⁹ Sullivan and the Americans came to the decision that it would be a tactical error to openly affiliate with the new N.M.U., at that point. Consequently it was decided that they would get moral and financial support covertly from the N.M.U. but seek open affiliation instead with the I.S.U. - playing on its desperation for money and members and lulling it into a false sense of security. However, in doing so, the Canadian group would argue that it needed to operate under a national name, and keep its own funds for organising - a tactic which would facilitate easy switchover to the N.M.U. when the time was ripe.¹²⁰ Shortly thereafter, Sullivan and the Canadian seamen received a charter from the I.S.U. completely on their terms. The I.S.U. gave them

....full jurisdiction over all
 unlicensed personnel aboard
 Canadian vessels. It also gave...
 jurisdiction over Canadian fishermen
 and was addressed to...(Pat Sullivan)
 President of the Canadian Seamen's
 Union. (emphasis added) 121

With the failure of the unions involved in the January strikes in Nova Scotia in the spring of 1938, the Communist

Party of Nova Scotia requested the Central Committee of the Party in Toronto to sanction a full-scale organising campaign among fishermen and fish handlers in the Maritimes.¹²² Subsequently a Party member was sent to Nova Scotia from Toronto to survey the situation. And, it was decided by both him and Charles Murray, that the C.S.U. and Pat Sullivan should spearhead the campaign.¹²³

Following the T.L.C. convention in September of that year, the C.S.U. delegates met with Party officials to discuss this strategy. Some members of the C.S.U. were of the opinion that they should concentrate on the seamen of the Maritimes before organising fishermen and allied workers.¹²⁴ However, the executive of the C.P. was of the opinion that, considering that the shipping companies on the Great Lakes were in the midst of a campaign to hire unorganised former fishermen from Nova Scotia as seamen in an attempt to break the C.S.U.,¹²⁵ then the C.S.U. should concentrate on the fishermen first. The central committee also felt,

....that the international situation was very tense and it was important that the C.P. should put on this drive immediately and establish locals of the union throughout the Maritime Provinces and to affiliate these locals to the various Trades and Labour District Councils. In this way the C.P. would have a voice in the trade union field in a part of Canada where the party forces had been weak up to now.¹²⁶

The Lockeport Strike of 1939
The Canadian Fishermen's Union

Charles Murray was placed on the payroll of the C.S.U.¹²⁷ and given the assignment of organising fishermen and fish handlers in Nova Scotia.¹²⁸ Assisted by Sullivan, in late 1938, they visited various fishing villages on the South Shore and established two locals in Lockeport¹²⁹ * - Local No. 1 of the Canadian Fishermen's Union (fishermen) and Local No. 2 of the Canadian Fishermen's Union (fish handlers).¹³¹ Placing Ben MacKenzie on the C.S.U. payroll as a full-time organiser also, the fall of 1939 was set as a date for beginning negotiations on behalf of the Lockeport workers.¹³² At an initial meeting with the companies on October 13, however, both Swim Brothers and the Lockeport Company rejected the union outright.¹³³ On October 21st both companies posted notices that their plants would shut down indefinitely due to "natural causes".¹³⁴ This was in spite of the fact that the Smith interests had only recently spent \$20,000 in capital improvements on their Lockeport plant.¹³⁵ As the union clearly pointed out, since it represented fully 100 percent of the employees in both cases, the companies intended to "starve the union men into submission" in another brazen violation of workers' rights under the Trade Union Act.¹³⁶

* During this initial campaign, Lunenburg was one of the places they could not get in. They had a meeting in the Town Hall with a small group of captains, but the fishermen and fish plant workers were so intimidated that they did not attend.

Lockeport
CAN. Fish Union

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Affecting 270 fish handlers and 347 fishermen, the lockout was the first industrial dispute of the war¹³⁷ and was destined to be one of its most militant. From the beginning the union was forced to rely on its members' own initiative and resourcefulness, as the leadership of the C.P. was busy setting up an apparatus in preparation for going underground and arranging hideouts for its top men.¹³⁸ Sullivan commented that, "Our efforts were successful, but only after we had managed to involve the whole Maritime trade union movement in the struggle."¹³⁹

Lockout
Oct 21
1959

In the first days of the lockout Sullivan, Murray, MacKenzie, and Bob Williams - President of the fish handlers' Local, met with Premier Angus L. Macdonald, and Lauchie Currie, Minister of Labour. This memorable encounter was to set the tone for the ensuing strike. Sullivan began by saying that as he knew that other companies besides the ones in Lockeport were "interesting themselves" in the dispute and urging the Lockeport companies not to recognize the union, he had in mind the possibility of placing all Canadian fish on an "unfair list". He would ask all organised labour in the U.S. and Canada to refuse to buy Canadian fish unless the union at Lockeport was recognized.¹⁴⁰ The Premier bantered, retorting that these were "Communitistic tactics" and accused both Sullivan and Murray of being Communists. Murray, he said, had been engaged in Communist activity in Halifax for some time,

being secretary of the C.P.C. Halifax Branch, and in charge of the Halifax News Bureau of the Clarion. Both he and Currie expressed doubt that "...the interest of Messrs. Sullivan and Murray in the fishermen of Lockeport was^{Not} prompted by a desire to improve the condition of the men but to advance the interests of the C.P., and declared that he did not think there was any room for Communists in Nova Scotia".¹⁴¹ They went on to assure the Lockeport men present, however, that they were not also suspected of being Communists, "nor did they believe that any of the people of Lockeport had Communistic tendencies".¹⁴²

The government policy throughout the strike was one which emerged from a precedent established in the fishermen and fish handlers' strikes of 1938. They would not consider mediating a dispute, as a natural course of action, without first putting the industry "back in the position in which it was before the dispute began".¹⁴³ In this case it meant that they recognized no unions in Lockeport. The fishermen were not employees in the strict sense of the term and hence were to be denied a union by definition. The fish handlers had not properly applied for certification while they were employees, and had only applied properly when they were no longer employees (i.e. once they had become unemployed), and hence they did not legally have a union either.

Fishermen's Union were organized with the help of George
McEachern of the Steelworkers' Union.

Consequently only the fish handlers had the right to apply for certification, but only after they "returned to work"¹⁴⁴ - that is, once the industry was "back in the position in which it was before the dispute began". It became increasingly clear to the trade union movement in Nova Scotia as the course of the strike unfolded, that the Trade Union Act of 1937 was never meant to be anything other than a political football.¹⁴⁵

Fishermen's Support and Working Class Solidarity.

The increasing unity of interests between fishermen and the other workers, noted above during the 1938 strikes, blossomed and flourished in 1939. Again, the strike had hardly begun, when fishermen and allied workers around the province clamoured to be organised themselves. Within three days of the start of the strike three new locals of fishermen and fish handlers emerged in Shelburne, Liverpool, and Yarmouth.¹⁴⁶ And by the end of the month, claiming 100 percent membership, the Shelburne and Liverpool locals were themselves considering strike action for recognition.¹⁴⁷ In addition, new locals were begun at Sandy Point, Port LaTour, and Gunning Cove, and by late November, they too were proclaiming huge increases in membership.¹⁴⁸ But perhaps the most interesting developments occurred in North Sydney and Glace Bay where locals of the Canadian Fishermen's Union were organised with the help of George McEachern of the Steelworkers' Union.¹⁴⁹

With an average yearly income of less than \$100, the workers of Lockeport were in no better position to endure a strike than the fishermen and fish handlers had been in 1938. However the reason that the union could hold out for almost two months was due to the initiative of the locals involved and the supportive response and sympathy of the local people and trade unionists around the province. For example, a partial list of the trade unions which gave generous financial support read as follows: the seamen of Montreal sent \$100 early in November;¹⁵⁰ the Paper-makers' Union of Liverpool, in addition to backing the new C.F.U. Local in Liverpool, gave the Lockeport Local \$82 from among its 32 members and promised to send \$32 every two weeks for the duration of the strike;¹⁵¹ the Steelworkers donated \$100; two Locals of the U.M.W. in Phalen and Victory donated \$100 each;¹⁵² by November 20th, the Pulp and Sulphite Workers Union and the Electrical Workers Union of Liverpool had contributed \$400 to the strike fund and were frequent visiting speakers at C.F.U. meetings in Lockeport;¹⁵³ and financial support was also forthcoming from the Brotherhood of Railway Trainmen in St. Catharines, the Ontario Fire Fighters in Chatham, and the United Association of Journeymen, Plumbers, and Steamfitters in Moncton.¹⁵⁴

Perhaps the most spectacular offensive strategy which the union launched was a co-operative processing plant. Taking option on an old unused fish plant in the town, and

registering it under the N.S. Co-operative Producers' Act, the two Locals began processing fish on a co-operative basis to offset their economic hardships. The plant had a capacity to produce four million pounds of processed fresh and salt fish per year and was equipped to handle canned and live lobster as well. It was hoped this operation could give employment to 300 striking fishermen and plant workers at a time, on a rotational basis, as 647 were in the union. On Saturday the 11th of November, 300 union members set off into the woods to cut piling with which to fix up the plant's wharf.¹⁵⁵

Making a trip to Cape Breton, Murray and Sullivan had no problem finding a market for the fish.¹⁵⁶ The Executive officers of the U.M.W. District 26 and the Steelworkers Union pledged to buy fish from their fellow Lockeport unionists through co-operative stores - or any others willing to sell it - in Cape Breton. Coupons were issued to the miners, steelworkers, and general public worth 50 cents each and redeemable for the Lockeport fish.¹⁵⁷

The co-operative venture was enthusiastically received among all the Lockeport townfolk as well¹⁵⁸ - the members were given free use of a sawmill to help in its reconstruction, and shares in the plant were quickly bought up.¹⁵⁹ As well, a mass support committee called the "Lockeport Lockout Committee" was organised in the town by citizens and quickly sent out pressing appeals to all clergymen in

the province for food, clothing, and whatever other assistance could be given.¹⁶⁰ The Halifax Consumers Co-operative Society expressed interest in the proposal and the union reserved one-quarter the combined space formerly used by the two local companies in the Halifax Cold Storage Company.¹⁶¹ But, despite their own destitute condition, the members of the two Locals in Lockeport voted to send a truckload of fish to Springhill to aid 1400 striking miners if they had not returned to work by the time production began.¹⁶²

The union also received an offer from a Boston dealer to buy their fish by rail and ship, and other new markets were also secured in Upper Canada and the Annapolis Valley.¹⁶³

By mid-November a regular trucking service to Cape Breton was operating and Sullivan claimed that it was

...a common sight to see trucks start out from Lockeport with colourful cotton banners on both sides of the trucks carrying the strikers' message to the public. They met workers in Cape Breton coming off their shifts and sold their produce right there. 164

The attitude of the Antigonish Movement in general, and United Maritime Fishermen in particular, to this venture was conspicuously cool, to say the least. At its first convention in Lockeport, the Canadian Fishermen's Union had passed a resolution that there could be no antagonism between it and U.M.F. In particular a provision was endorsed which made for

co-operation if one of their fishermen should enter a port where U.M.F. was in existence. However, despite these friendly overtures, the Co-operative Movement leaders were not prepared to see "their" tactics - economic co-operation - being utilized by fishermen who clearly sided with working class interests. And, in particular, Rev. J.D.N. MacDonald, one of the more self-styled "progressives" in the Movement, refused outright to give the fishermen advice in setting up their co-operative.¹⁶⁵ In retrospect, it is probable that the Antigonish Movement was hostile to this move precisely because it illuminated the problems in their co-operatives and threatened their interests. Here was a viable co-operative venture, free from the ideological limitations of the Antigonish Movement, which was successful precisely because it represented just one limited, (but nevertheless important), aspect of a working class strategy which postulated as its basic assumption the unity of the interests between the workers in the fishing industry and the working class in general.

Working Class Tactics.

While the co-operative production effort represented an important offensive strategy, the picket line became by far the most crucial line of defense for the union in pressing its demands for recognition. The Lockeport Company maintained a continuous effort to ship fish, in spite of its claim to have gone out of business. On three or four occasions, be-

tween 400 and 500 pickets had to prevent frozen fish from leaving the plant either by train or truck. On November 3rd, for example, 500 pickets successfully prevented a refrigerator car loaded with fish from being coupled to a train from Yarmouth. An account of the confrontation went as follows:

Before the engine moved down the siding the local chief of police ordered the track cleared "in the name of the King", but the men refused to budge. Two C.N.R. police officers then ordered the train to move forward toward the men. When the engine came within five feet of the pickets and they still refused to move, the railroad police ordered the train to stop. 166

On November 17th, peaceful picketting was disrupted when a car driven by the Assistant Manager of the Lockeport Co., Thomas McLean, ignored signals to stop and rammed through the picket line, badly injuring two unionists. The indignation of the pickets was further aroused when they saw that the town chief of police, Roy Meister, was just standing by watching. When they asked him to arrest McLean, he fled up the street, taking refuge in his home, still refusing to take action.¹⁶⁷ By November 25th, at the request of the mayor, and under pressure from the companies, Attorney-General J. H. MacQuarrie issued an injunction against picketting to prevent the shipment of fish,¹⁶⁸ and, on December 11th dispatched 60 RCMP to Lockeport to "maintain law and order and see that the tracks and public roads were cleared and given free access to".¹⁶⁹

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Chronicle
Nov 17
1939

Precipitating violence, the Company pursued its aggressive policy of attempting to break the strike utilizing strike breakers and police. On December 2nd, prior to the arrival of the RCMP, a truck loaded with frozen herring and headed for Yarmouth was successful in breaking the picket line but not before 60 pickets tore out three spark plug wires, broke both headlights, damaged the radiator grill, and tried to drag the driver from his seat.¹⁷⁰ At a special meeting that night of 200 wives and daughters of the unionists, Sullivan and MacKenzie explained the meaning of trade union membership and the recent history of the shut-down. All those present went on record as volunteering for picket duty and in general giving more active support to their husbands.¹⁷¹ With the arrival of the RCMP, 400 more pickets were quickly rounded up from unions all over Shelburne and Queens Counties, bringing the total number on the picket line to over 1,000.¹⁷² A petition signed by the overwhelming majority of ratepayers, and calling on the mayor to convene a special town meeting to recall the RCMP, was ignored.¹⁷³ And on Tuesday, December 12th the company, police, town officials and government decided to attempt a showdown with the union.

The Halifax Chronicle carried a graphic account of the day's events as follows:

This morning the pickets gathered along the railway line and shortly before train time they took up positions in separate groups along the railway tracks, in the vicinity of one of the fish plants. Many women and a few children were scattered throughout the ranks of the pickets. It was estimated that some 700 persons formed the picket line.

Approximately 50 Mounted Police paraded down the track two abreast headed by Inspector MacIntosh of Yarmouth, before the oncoming train in an attempt to clear the line.

Inspector MacIntosh ordered pickets to disperse in the name of the King (and the company!) and while the crowd surged back for some 6 feet they refused to move further.

It was then the "battle" got underway in earnest. The Mounties swarmed against the pickets and attempted to push the men and women from the tracks. Several persons were slightly injured. At one time, it was reported, stones flew in the direction of the police and after the melee was over one or two of the police constables emerged from the crowd with blood flowing from facial wounds.

Also included among the casualties were several women and an elderly man. They were Mrs. Clayton Burke, Mrs. MacKenzie, wife of Captain Ben MacKenzie, Fishermen's Union president, and a Mrs. Ward. Tupper Stevens, 74-year old picket was said to have been cut considerably at the outbreak.

Members of the pickets' ranks charged last night that no attempt was made to molest the police until the latter...attempted to drag women from the railway tracks, and two or three women were injured.

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Hfx Chron
Dec 12
1939

However, again the company and police had been unsuccessful in breaking the picket line.

The following day the union called in reinforcements from Gunning Cove, Shelburne, the Jordans, Green Harbour (East and West), Little Harbour, Louis Head, Port l'Hebert, Port Mouton, and Liverpool. In addition, 450 fishermen, members of the Atlantic Fishermen's Union from Boston, who

were stranded in Shelburne on 20 vessels because of bad weather, volunteered for picket duty. While the mayor was in private conference with company officials, a group of town property owners marched on the town office demanding that the mayor either call a meeting to remove the RCMP or resign office.¹⁷⁵

The following day, Wednesday the 13th, saw a major escalation of the tension. The 60 RCMP were bolstered by an additional 100 men from all around the province, ten even coming from as far away as Charlottetown and Ottawa. Summonses were served on eleven pickets for obstructing police. The union responded by sending out a general appeal for aid to unions all over Shelburne and Queens Counties and an estimated 1,200 pickets were ready for duty.¹⁷⁶

However, under extreme pressure from labour and sympathetic groups and individuals around the province, the Premier was forced to intervene and called a round table conference which served to defuse the explosive situation.¹⁷⁷

During the course of the strike another important tactic of the union had been persistent legal action and manoeuvring to pressure the provincial government to put some authority in the Trade Union Act. They were backed in these efforts by the T.L.C. Initially, out of a meeting between Sullivan and Tom Moore, the president of the N.S. District T.L.C., came the decision to prosecute the Lockeport companies under the Criminal Code for taking away the livelihood of 647 fishermen

and fish handlers.¹⁷⁸ The Union also maintained constant pressure on the government to register the C.F.U. under the Trade Union Act.¹⁷⁹ And on Friday the 18th, Sullivan presented a letter to the Premier asking for reasons why at least Local No. 2 of the Union had not been registered. He threatened that, "If it is not registered by Tuesday, the Union will take out a mandamus on the Premier in his capacity as provincial secretary to appear before the superior court to give reasons why."¹⁸⁰ The unions were even willing to settle the dispute by submitting it to arbitration under the Industrial Disputes Investigation Act. However, under the Act both parties would have to apply for a conciliation board and this procedure was rejected out of hand by the companies¹⁸¹ who, knowing that if the issue were left to an arbitrator they would be forced to recognize and negotiate, were intent only on smashing the union.

The Settlement

Finally, public outrage and pressure having forced the Premier to mediate, a settlement was arrived at out of the round table conference. The companies agreed to reopen their plants on December 18th, and the employees agreed, "to resume work under conditions prior to the dispute". While the fishermen were not given the right to unionize, the fish handlers were conceded the right to organise and bargain collectively after much hard struggle.¹⁸² And later that

month they signed contracts with the two plants in Lockeport and two in Liverpool.¹⁸³

The unions went on record calling it only a partial victory, accepting the proposals only to prevent further violence and injury to its members.¹⁸⁴ "The workers..... emerged from this strike dissatisfied with the treatment received under the N.S. Trade Union Act."¹⁸⁵

Epilogue

The historical significance of this strike is basically two-fold. On the one hand, there was a clear continuation of processes noted to have been present during the 1938 strikes. Again fishermen from all parts flocked to join the union; again there was a tremendous working class sympathy and support towards the workers in the fishing industry; again the companies - and in particular the Smith interests - made a concerted and unified attempt to break the union; and lastly, again the government imposed its unimaginative and spineless "industrial relations" policy.

On the other hand, new processes emerged from this strike, a result of the deepening subjective contradictions in the industry: labour - consciously no longer accepting a conciliatory ideology, and capital - becoming more consciously repressive in response. New processes manifested in this strike were for example, the heightened consciousness of the workers, as evidenced in their self-reliant and militant strategies, and

their working class solidarity; and, on the other side, the blatant collusion of the government (and its police) with the companies and their interests. Most significantly, this strike saw the beginnings of a legal manoeuvre by the two, designed to divide and smash the nascent, militant industrial unionism in the industry by classifying fishermen as "independent entrepreneurs" and therefore ineligible for trade union status.

The War Years

As set down in the terms of the initial contracts, the following summer Charles Murray requested the companies by letter to set a time to begin negotiations for renewal. Instead, Murray got a reply directly from the Minister of Labour, Lauchie Currie, who told him in no uncertain terms to "stay off the shore or else".¹⁸⁶ * Ignoring the threat, Murray went down the shore anyway, where the companies had "banded together for a big fight".¹⁸⁷ However, on September 29th, 1940, Murray was arrested by the RCMP under Section 23 of the Defense of Canada Regulations (The War Measures Act), for being a Communist and shipped off to an interment camp at Petawawa, Ontario.¹⁸⁸ Pat Sullivan had been the first trade unionist arrested under the Act the previous June, and together with two others - Jack Chapman and Dave Sinclair - the four were all members of the Canadian Seamen's Union who had been imprisoned.¹⁸⁹

* A copy of the letter was sent through Murray's lawyer, Jack Cohen, to the New York Sun, who published it.

While there were eight locals of the Canadian Fishermen's Union in Nova Scotia,¹⁹⁰ by the end of 1940, the four contractual agreements won in 1939 expired and none were renewed for a number of years.¹⁹¹

The United Front of the C.P.C.

In June 1941, Russia was invaded by Hitler and the C.P.C. adopted a new United Front strategy concerning the war. Instead of viewing it as an interimperialist war, the C.P. actively began campaigning for a broad coalition of forces to defeat Fascism. The practical strategies which they put forward became clear in the following year. In March 1942, Sullivan was released from internment and the following September was elected to the executive of the T.L.C. at its Winnipeg convention.* He was elected on the basis of the "Victory Programme of the C.S.U.", which called upon labour to go all out behind the war effort through production, enlistment, support, and, most importantly, a "no strike" pledge.¹⁹³ The policy was fully endorsed by the T.L.C. and ushered in a three-year period of relative quiescence between labour and capital in Canada. With the end of the war, however, strikes and industrial conflict were rekindled with renewed vigour.

* Interestingly enough, fully eight percent of the delegates at that convention were either C.P. or fellow travellers. 192

In September 1943 a convention of the Canadian Fishermen's Union was held in Lunenburg, and, at the behest of the trawlermen of Lockeport, the union split into two - ¹⁹⁴ the Canadian Fishermen's Union and the Canadian Fish Handlers' Union. ¹⁹⁵ By 1944 the two unions claimed a combined total of ten locals - six among the fishermen, and four among the fish handlers - representing over 1,000 men. ¹⁹⁶ With the war and the improved employment and wages that prevailed in Nova Scotia, fish handlers and fishermen were in short supply and consequently in a much better bargaining position than before. Stewart Bates (1944) summarized this situation as follows:

Trade unionism is in the process of organisation on the east coast. The war has taught many associated with the industry that, as it was previously organized, capitalized, and operated, it could be prosperous only during periods of war; a willingness to consider new methods and techniques to overcome this weakness is now more evident... 197

Certainly the unions were never again going to accept earnings in the fishing industry at the inhuman levels that had prevailed prior to the war. ¹⁹⁸

In particular, regular employment and higher earnings were a primary concern for the fish handlers' union, as the companies had always thrown the burden of irregular supplies of fish, and poor, inefficient organisation on them through constant layoffs and arbitrary hours. Logan (1944) noted

that by 1944, the fish handlers were very conscious of the relation of markets and prices to regularity and sufficiency in their employment. And, working together, the unions addressed themselves to wages and working conditions, as well as the development and maintenance of foreign and domestic markets. As well, research and co-operative development involving the government, companies and workers to attain the best methods and equipment in fishing, storing, processing, and transport were pursued. A conciliatory and co-operative strategy by the unions quite in line with the directives of their parent union - the C.S.U. - and the T.L.C.

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The unions soft pedaled the issue of trawlers and stressed the importance of processing, transportation, and markets. In the interest of unity they advocated a free government truck service to gather "down-shore" and "up-shore" fish into Halifax where they may have equal access to distant markets.

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However, the greatest problem for the unions in Nova Scotia during the war - United Front or not - remained that of recognition. In 1944 the Canadian Fishermen's Union made application to the Nova Scotia Regional War Labour Board for certification as a trade union under Order-in-Council 1003.²⁰¹ By July of 1946, the Board ruled that a union could not be certified as a bargaining agent for deep-sea fishermen who worked on the basis of shares. It held that they were partners and co-adventurers in an enterprise, rather than

employees of the vessel owners.²⁰² Shortly thereafter, this decision was appealed by the union to the National War Labour Relations Board in Ottawa.²⁰³ And, in an unprecedented move, the National Board overruled the Nova Scotia Board. In an exhaustive decision they ruled that the fishermen were to be regarded as employees and the C.F.U. was granted certification on eight of twenty-nine vessels owned by the newly formed National Sea Products Ltd.

Deep-Sea Fishermen's Strike, 1947

The Issues

At a convention in Halifax in October 1946, the Fishermen and Fish Handlers' Unions decided to reunite to form the Canadian Fishermen's and Fish Handlers' Union (C.F.F.U.). Becoming an industrial union again, it was divided into three divisions, one for the inshore fishermen, one for deep-sea fishermen, and one for fish handlers.²⁰⁵ By December 1946 the new union had negotiated and concluded new collective agreements with National Sea Products covering two plant locals and was in the process of negotiating a third.²⁰⁶ However "not one company or vessel owner had recognized the Union" as the legitimate bargaining agent for the deep-sea fishermen, pending the outcome of an appeal of the N.W.L.R.B. decision launched by Fenwick Zwicker of Lunenburg and National Sea Products to the Supreme Court of Nova Scotia.^{207*}

Bert Meade, former secretary of the Fish Handlers' Union, and

* Although, apparently C. J. Morrow had been conducting informal negotiations with the union, but only at the latter's insistence. 208

new secretary of the C.F.F.U., charged the company "... that the sole reason for delaying settlement was the desire to avoid being committed to a settlement prior to the ruling of the courts on the case which...(it)...is prosecuting".²⁰⁹

In December 1946 the 350 members of the deep-sea fishermen's section of the union, who represented 95 percent of the deep-sea fishermen in Nova Scotia, voted unanimously to go on strike. While the immediate decision had come as a result of a longstanding dispute over a new "lay" system which N.S.P. wished to impose on its vessels,²¹⁰ the union signified as early as January 11th that it was willing to submit this question to arbitration if National Sea Products would recognize and negotiate with it.²¹¹ However, on January 14th, Justice John Doull of the Nova Scotia Supreme Court overruled the N.W.L.R.B. decision and stated that deep-sea fishermen working on shares were not employees under federal Order-in-Council P.C. 1003 on collective bargaining. The decision claimed that the W.L.R.B. was acting in a judicial, and not merely administrative capacity, and since fishermen were not employees under P.C. 1003, which the N.W.L.R.B. was only meant to administer, it acted without jurisdiction.²¹²

This came as a real blow to the union as two-thirds of its recent certifications, involving the crews of 26 vessels, had come from the W.L.R.B.²¹³ Immediately the key issue of recognition was vaulted into the fore and the ensuing three months became a life or death struggle for the fishermen's union.

Strategy - the Union

To their great disadvantage, the C.F.F.U. adopted a minimal offensive strategy during the strike, as the campaign was largely conducted by lobbying for legal reforms. Unlike Lockeport in 1939, the rank and file of the union were not mobilized and given the initiative, but rather the decision-making and negotiations rested solely with the executive.

Following the Supreme Court ruling, the union adopted two basic tactics: to mobilize working class, trade union support for their right to unionize, and to wage a legal battle for this right. Initially, Ben MacKenzie went on a long speaking tour around New England and Upper Canada drumming up support for their cause. The support that was forthcoming, as a result, mainly took the form of substantial financial contributions, although numbers of protests were also sent on their behalf to the government.²¹⁴

The union had three legal choices open to it following its decertification. It could become certified again only if it: A. appealed the decision to the Supreme Court of Canada; B. persuaded either the Federal Government to amend P.C. 1003 to specifically include fishermen, or the Provincial Government to amend the Trade Union Act to include fishermen; or C. to obtain voluntary recognition from the companies. The first alternative was not pursued by the union, despite its initial intentions to do so,²¹⁵ for whatever reasons.*

* It is likely that this was due to lack of funds as the union had been hard pressed to even pursue the initial appeal to the N.W.L.R.B. 216

Rather, knowing it had no hope of getting the company to grant voluntary recognition,²¹⁷ it concentrated its efforts on mobilizing public support to get the laws changed to include fishermen by name.

Out of a meeting between the union and Lauchie Currie on February 10th, came a half-hearted recommendation from the provincial government that the federal government amend P.C. 1003 to include fishermen among the employees covered under the Dominion Government's Order-in-Council.²¹⁸ However, as the Federal Government was about to restore to the provinces full jurisdiction over industrial disputes in industries ordinarily under their jurisdiction,²¹⁹ no action was taken. The union, apparently unaware of this impending restoration, continued with this campaign by sending a resolution around to all municipal and city councils in the province for ratification, which called for an amendment to P.C. 1003. On February 20th, the City of Sydney Council endorsed the resolution, with the hope of making "...possible a settlement of the dispute of the C.F.U. with National Sea Products on the basis of their demand for recognition."²²⁰ However, the resolution did not meet with the same success before the Halifax County Municipality or the Town of Lunenburg Councils. The Halifax County Council shelved it after a major dispute arose following the introduction, by Ralph Bell, of a counter-resolution which stated, "the issue was between 'Communist dictatorship or freedom' ".²²¹ The Lunenburg Council rejected the union's

resolution "...on the grounds that the joint venture system (had) been in successful operation for many years, (was) modern and co-operative, and (was) generally recognized as the only practical method of successfully carrying on the deep-sea fishing industry".

By March, the union changed its tactic and concentrated on the provincial government. On the 10th a joint Council of the T.L.C. and the C.C.L. in Halifax proposed resolutions which would ask the provincial government to enact legislation, among other things, which would include fishermen among workers covered by provincial labour laws.²²³ Toward the end of the strike in late March, sensing the strike was lost and the government and companies would have their way, the union presented a brief to Labour Minister Currie. They called on the government to bring in legislation that would guarantee deep-sea fishermen the right, not just to belong to any particular organisation such as the Fishermen's Federation, but to choose the organisation they wanted and to have it recognised by the owners as the fishermen's representative in collective bargaining.²²⁴

Strategy - the Company

National Sea Products, and in particular its president, Ralph P. Bell, for their part expended vast time and money in a propaganda campaign calculated to break the union, following the Supreme Court decision. This was conducted on two fronts: through vicious attacks on the leadership of the union as

"outsiders" and "Communists" in an attempt to divide the rank and file, and to confuse the issues in the mind of the public; and secondly, by mobilizing the captains and exploiting their long-standing disdain for an organisation among crewmen that would threaten their dominant position.

Running advertisements in newspapers around the province, the Company carried on a very expensive campaign designed to discredit the union leadership. Portraying itself as a benevolent and enlightened company which had been innocently carrying on negotiations in good faith,²²⁵ it presented facts and figures showing the high income of its fishermen, and blaming the strike on an opportunistic leadership who had deluded and incited the fishermen like spoiled "children knocking down blocks".²²⁶ Throughout February and March, Bell ran huge one-page advertisements which clouded and ignored the issues and were meant solely to incite anti-Communist hysteria among the public toward the union.²²⁷

Reprinting a story from the January 13th, 1947 issue of Time, Bell launched a vicious personal attack on Bert Meade, the secretary of the union. The story, itself a slanderous account, went as follows:

The boss of the Fishermen's Union, big, flabby, 265-pound Harry C. Meade is a Communist. A Canadian, "Bert" Meade ran away to sea at 16, turned up in the U.S. in 1937 as an organiser for the Red-hued National Maritime Union. He went back to Canada in 1944, and soon became Atlantic vice-president of the C.S.U. He also became executive board member in Nova Scotia of the Labour Progressive Party, of which his wife is provincial secretary. In due time, Bert Meade turned to organising the fishermen, did a bang-up job.

Taking his campaign to C.B.C. radio, again Bell persisted in his deliberate deception and red-baiting. Aspects of his statement went as follows:

Recognition for what - why, recognition for Communism. Recognition for that, and that alone! Recognition for a system that would destroy the freedom and independence of every fisherman, every fish handler, and every other citizen of this province...every....fisherman who wants to fish a vessel on this coast has got to pay tribute to those union leaders before he can get a chance on a vessel, and he's got to continue paying if he wants to hold that berth...

When you say, will we recognize that organisation, what you really mean is will we sign a contract with it, that will enable the union to dictate to us how we're going to run our vessels and trawlers. The answer to that question is, no. 229

At the end of January, after lying dormant for 25 years, the Lunenburg Master Mariners' Association was revived to oppose the C.F.F.U. Its founding resolutions were as follows: A. the skippers refused to negotiate with any person not a resident of Lunenburg Co., engaged in deep-sea fishing; with any person who had not shown the ability to operate a deep-sea vessel efficiently; or any person who did not have the confidence of the owners and crew; B. they refused to agree to any lay system that did not give them their commission of two and one-half percent gross. (The new one proposed would have given them only one-half of one percent.) C. they refused to negotiate or sail with any representative of an association who wished to discuss or comment on "the

lawful commands of the master while at sea"; D. they refused to sail unless agreement on distribution was based on a principle of partners and co-adventurers; E. before hiring, they wanted a record of the past good conduct discharge of each fisherman.²³⁰ At last the true interests and motivations of the captains were laid out for all to see. The contradictions between the captains and the fishermen, which had been felt during the 1938 strike, and which ultimately led to the fishermen abandoning the Federation and joining an industrial union, had deepened to the point of outright conflict between the two groups. The fishermen could now see they had made the right decision. While the captains placatively stated they had no objection to the fishermen forming a union, it was clear from their demands that they would not consider opening any of the "sacred" protocol of their dominant position for negotiation - be it with an "outsider" or a local fisherman. Clearly the Company exploited the challenge to the traditional authority of the skipper (either real or perceived), which the C.F.F.U. represented, to create a basis for alliance.

The skippers actively co-operated with the company in trying to force a settlement. For instance they met with company and government officials in a private conference in early February, to discuss ways of ending the strike.²³² Later that month they published a letter passed on to them by the Smith interests, which was supposedly from a group of fishermen disenchanted with the leadership of the union who

wanted to return to work.²³³ And, on the basis of this letter, launched a campaign to sow dissension among the rank and file of the union. As their interests dominated the Town Council in Lunenburg, it was easy to have the union's resolution rejected and a substitute resolution passed which said that the "fishermen who struck on the recommendation of their leaders have an opportunity to hear the case of the captains and owners".²³⁴ The union responded in no uncertain terms:

When the Lunenburg fishermen decided to build an independent organisation of their own - to start taking care of their own affairs - they were not making a hasty or unconsidered decision. They came to that decision only after long years of bitter and illuminating experience with the leadership of the captains. That decision stands. And neither company advertisements nor 'supervised' meetings is going to change it. 235

In fact, the response of the rank and file was clear when, on March 6th, at a mass meeting, a member who suggested that the fishermen meet with the captains was shouted down by the rest.²³⁶

Collapse of the Strike

Throughout the strike the active participation of the rank and file was not solicited by the union leadership. In fact, outside of a few isolated incidents to prevent boats from landing scab fish or breaking for the banks,²³⁷ active picketting only occurred once in Lunenburg, one month after the strike had begun.²³⁸ Even the full strength of the union

Deep Sea Fishermen

Strike 1947

HFX Chron

WMC

*12-73
1947*

FEB 5

*HFX Chronicle
1947*

was not utilized. While the strike among offshore fishermen tied up the rest of the industry, such that fish plant workers and inshore fishermen were also idle, their divisions of the union were never officially on strike, nor were they even called upon to launch any support work. While the membership never ceased to give their leadership unanimous support, they were very susceptible victims to the type of strike-breaking strategy which National Sea Products utilized. Instead of forcing the company to make the picket line the main focus of contention in the strike - and hence the union's main line of defense - the union decided to try to win the strike by persuasion and public support, through propaganda and utilizing the media. This was perfect for the company. With substantially greater resources, they were able to exploit, create, and twist issues, utilizing a fundamentally sympathetic media to their own advantage. And most importantly, with the union's own rank and file relatively inactive and probably following the strike in the newspapers and on the radio, they were perfect targets for a verbal bombardment from the company which was designed to confuse and divide them.

However, the "straw that broke the camel's back" came on March 15th when word arrived in Nova Scotia of Pat Sullivan's "revelations". Captivating an eager press with stories about threats to democracy in Canada, Sullivan revealed the role of the C.P.C. in the trade union movement in Canada in terms of a grand and sinister plan being orchestrated by Moscow.²³⁹

Seemingly verifying all Ralph Bell's predictions and exhortations, the Halifax Press jumped on the bandwagon, claiming that Sullivan's story confirmed all their worst suspicions as well. This was especially true in terms of the C.P. in Nova Scotia and its role in the strike of the C.F.F.U.²⁴¹

Within three days boats were breaking for the banks unhindered and the rank and file voted unanimously to end the strike.²⁴² While it was not specifically Sullivan's "testimony" which broke the strike, its significance, as far as the parent union, the C.S.U., was concerned, was very great. It marked the beginning of a barrage of attacks from government, companies, and rival U.S. unions, in 1947-48, which culminated in its complete destruction by 1953.²⁴³ And no doubt Meade leaving Halifax for Montreal on March 20th was related to this crisis for the C.S.U.²⁴⁴ In retrospect however, the strike was lost mainly because of the isolation of the rank and file from the leadership of the union, and the success with which Bell was able to control the dimensions of the dispute and was able to exploit to his full advantage issues such as the "Sullivan" debacle.

The company, government, and captains, not satisfied with this defeat, and sensing all-out victory, wanted their "pound of flesh" however. In a statement to the press six days after the strike ended, the Master Mariners' Association stated they would have nothing to do with the C.F.F.U., even

if it changed its leadership.²⁴⁵ Rumours were rampant that the skippers and National Sea Products were going to engage in a lockout to force fishermen to leave the union altogether and join the Fishermen's Federation.²⁴⁶ Two days later the company imported 70 non-union fishermen from Newfoundland to board Lunenburg vessels.²⁴⁷ And the Premier lambasted Communist infiltration and designs on unions and strikes and began deliberations for a new Trade Union Act which would cover employers, who, under the 1937 Act, were not "protected" (indeed!)²⁴⁸

Faced with an increasingly hopeless situation, the union - demoralized and beaten - pronounced profound dismay at what was happening, and condemned the intentions and actions of the government in their treatment of the fishermen. This statement was to become the dying epitaph of the union and would remain true for the next twenty-three years.

The Premier's evident intention is to segregate the fishermen under a special Act and thereby, to all intents and purposes, isolate the fishermen from the general trade union movement. The fishermen recognize and are alarmed at proposals of this sort which could only serve to leave them once again isolated and alone against the fish companies.

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Epilogue

In May of 1947, Angus L. Macdonald and his cabinet, ignoring the wishes of the fishermen, went ahead and passed two new Acts - a new Trade Union Act for workers, and a new Fishermen's Federation Act for deep-sea fishermen.* The

* Contrary to what C. Keith Reyes (1971) claims, the Trade Union Act was not first enacted in 1947, and the Fishermen's Federation Act was not repealed in 1947. 250

Trade Union Act did provide some semblance of progress for trade union rights as it improved procedures for certification, mediation, conciliation, and arbitration.²⁵¹ However, the Fishermen's Federation Act of 1947 saddled fishermen with a restrictive, ineffectual, and frustrating piece of legislation for some time to come.

The revised Act restricted collective organisation among fishermen to one organisation, the Fishermen's Federation of Nova Scotia, and excluded all groups in the industry except the offshore fishermen, from membership. The Act further limited organisation to each county, frustrating either industry-wide, or even company-wide, bargaining, negotiations, or settlements. This clause effectively weakened the bargaining position of fishermen - as each county had to bargain separately, and effectively encouraged further disparities in conditions of employment and wages in the industry between counties, as those with the least bargaining power would get less, and the stronger, larger counties, more. The Act also restricted membership in a station to only "active fishermen of the county", thus precluding either full-time organisers in the union or the type of experienced "industrial union" leadership which the C.S.U. had introduced to the industry. And lastly, the Act restricted bargaining to only two items: the terms or conditions of sharing, and working conditions.²⁵² It still treated fishermen as co-adventurers without recourse to collective bargaining over wage or supplementary benefits, hours of work, job classification or

security, or grievance procedures, to mention just a few of the normal legal rights of workers.

The following February, the provincial executive of the T.L.C. sent a protest to the Premier stating that the provincial Fishermen's Federation Act was unfair to fishermen and to the labour movement in general, inasmuch as it deprived fishermen of the free choice of a bargaining agency. And it urged the government to provide fishermen with full collective bargaining rights through the Trade Union Act.²⁵³ Despite this and many other protests the government was content with the new state of "labour relations" in the fishing industry. Few, if any, strikes were to mar the advance of the industry for the next two decades.

No collective agreements were signed in the fishing industry in either 1948 or 1949,²⁵⁴ and there are no records of any unions - even stations of the Federation - having existed even by as late as 1951. Indeed, the Macdonald government, not content with helping capital just through direct promotion and subsidization, facilitated the annihilation of trade unionism in the fishing industry. A legacy which succeeding governments would continue.

Conclusion

The period between 1930 and 1950 was a formative one for industrial unionism among workers in the fishing industry of Nova Scotia.

Rejected by, and disenchanted with, the co-operative movement, and immiserated by the combined effects of the

Great Depression and an underdeveloped industry, deep-sea fishermen and fish handlers responded to protect themselves by spontaneously embracing trade unionism and strike action in 1938 and 1939. Despite the existence of so-called trade union rights, their unions quickly learned that like all working class action which threatened even the smallest stronghold of capital, they would have to fight for every meager legal concession.

The fish companies and government, unhappy enough that the "traditionally independent and free" worker in the industry had allied with the working class, fought hard. Initially to prevent all unionism, and later, when that failed, to divide and rule - to prevent the fishermen from unionizing. No doubt, with even inshore fishermen enthusiastically joining the union, the companies had nightmares of an industrial union of 35,000 strong.

With the failure of a co-operative labour response that was voluntary, capital moved to force fishermen to remain in an essentially co-operative organisation - the Fishermen's Federation. And with the additional resources of a large new monopoly organisation, it was able to succeed.

Round one went to capital!

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Chapter V

Summary ConclusionCapitalism and Underdevelopment in the Fishing Industry:
a Summary

The main thrust of this study has been to show the dialectical development of organisation in a primary industry - the fishing industry - within the context of overall regional underdevelopment.

On the one hand, a clear pattern was evident in the development of capitalist organisation in the industry from its early beginnings up to World War I as mercantile capitalist, to its transition to industrial capitalist during and after the Depression, and monopoly capitalist following World War II. On the other hand, regional underdevelopment was a process and fact of life in N.S. which constantly underscored this independent development. Early on this was evident with the retardation of fresh fish and the restrictions on trawlers, the persistence of antiquated modes of business organisation relying for profit on cheap labour rather than vertical integration and price control, and the servicing role of government in suppressing labour militancy and subsidizing capitalist development in the late 1930's and 1940's.

In the period between 1900 and 1930 the main process which affected the industry was the development of industrial capitalism and its disintegrating effects on traditional forms of organisation and the self-sufficiency of small

fishing communities and inshore fishermen. Family labour, inshore fishing methods, and middlemen merchants were systematically undermined by the necessities of profit maximization and capital accumulation - initially in the salt fish business, then, with the displacement of salt fish by fresh fish, in the fresh and frozen fish business. While productivity and profits increased, no consonant increase in the incomes of fishermen followed this development, however. Rather, the fresh fish industry suffered from insufficient expansion, retardation and underdevelopment, remaining internationally competitive only by the exploitation of cheap labour.

Inshore fishermen polarized around a desire for the restoration of their traditional status. In terms of their organised response this took the form of a co-operative movement which emphasized craft distinctions between them and offshore fishermen in an attempt to offset the real proletarianizing effects that capitalist development was having. The small but growing offshore fishing work force gradually became wholly locked into "employee" relationships with fish companies but they remained unorganised in this period.

Apart from a brief but important foray into the industry by U.S. capital in the early 1930's, the period between 1930 and 1950 was marked by a continuation of processes that developed in the first period, and, in particular, a deepening of the contradictions between labour and capital on the one hand,

and capital expansion and underdevelopment on the other. Industrial capitalism in the fresh and frozen fish industry continued to be handicapped by antiquated structures and a reliance on a large reserve pool of cheap labour. However, the Depression and the extreme hardships that prevailed led to spontaneous militancy and strikes amongst labour in the 1930's. Things escalated from that point on. The spontaneity in all sectors of the work force was organised and channelled in aggressively protective directions by militant industrial unionism; the companies actively organised to protect their interests; and the government intervened to collude with capital to protect this "last" outpost of traditional domination.

World War II and the necessities of war production focused attention on the contradiction between capital accumulation and the backwardness of business organisation. No longer was labour in cheap and abundant supply for capital and, with the further maturation of militant unionism, two developments occurred which shaped the structure of the industry for the next twenty-five years to come. First it came to grips with its inefficient organisation by consolidation and vertical integration and successfully entered the era of monopoly capital in 1945. And, second, the government guaranteed it a continuation of cheap (and subservient) labour by legislating an end to trade unionism among fishermen in 1947.

Capitalism and Underdevelopment: some theoretical issues.

While this thesis sheds some light on a little-known segment of our labour and corporate history, at the same time, some important theoretical issues require brief explanation to avoid confusion. For example, a common view of underdevelopment fails to understand it as a natural result of structural conditions and unequal relationships. Instead, this approach ascribes unique historical, geographic, or individual (entrepreneurial) causes to it.¹ In terms of this thesis this view would downplay or ignore the structural determinants of underdevelopment which have been emphasized, and rather play up the role of the indigenous capitalist class. Either emphasizing the "regional disparity" aspect (in terms of economic indices), regarding it as a function of a lack of entrepreneurial talent, and seeing the indigenous capitalist class in the fishing industry as anomalous. Or downplaying regional disparity and over-emphasizing capitalist development to show that while we have had our setbacks, a "home-grown", "native son" class did eventually emerge, proving that we are not as "backward" as they say.

Either way the erroneous assumptions behind this approach leads it to draw the most impossible conclusions in terms of the causes and solutions to underdevelopment. This critique has been dealt with in some detail elsewhere and hence will not concern us to any great length here.²

A second misinterpretation, and one more common to radical analyses, correctly identifies the structural nature

of underdevelopment but erroneously dichotomizes underdevelopment (Imperialist penetration) and indigenous capitalist development in the same region. If not by definition, then by vulgarity and over-simplification, the importance of capitalist development in an underdeveloped region - in terms of its links with metropolitan capital and its integration into the process of underdevelopment - is neglected.³

Hamza Alavi (1975) in his article "India and the Colonial Mode of Production" provides a useful framework within which dependence is given a wider and more sophisticated meaning. Imperialism is seen as advancing in some respects, as well as retarding, indigenous capitalist development. And, in particular, expanding reproduction and generalized commodity production in an underdeveloped area are seen as real enough, but deformed, as they are at the same time created by, and in the service of metropolitan capital.⁴ Alavi's framework does not oppose a bourgeois state apparatus and its legal and institutional structure in an underdeveloped area to metropolitan interests. On the contrary, these structures are shown to play an integral complimentary role in the smooth operation of economic domination.⁵ And in concluding, Alavi states explicitly that the colonial mode of production is a capitalist mode of production, and that an indigenous capitalist class can and does develop in the service of imperialism.⁶

Samir Amin (1974) in his article "Accumulation and Development: a theoretical model" offers some further insights that are useful for our purposes. He shows that the type of devel-

that has been outlined here in the fishing industry in N.S., while indeed capitalist, was neither part of a general trend towards capitalist development in the region - a distinction which Alavi does not deal with in sufficient detail - nor somehow anomalous. He shows that in peripheral regions the process of capitalist development began when, under an impulse from the metropolitan centre, an export sector was created. 7

The reason for creating an export sector...lies in obtaining from the periphery products which are the basic elements of constant capital (raw material) or of variable capital (food products) at production costs lower than those at the centre for similar products...

The products exported by the periphery are important to the extent that the return of labour will be less than what it is at the centre. And it can be less to the extent that society will, by every means - economic and non-economic, be made subject to this new function, i.e. providing cheap labour to the export sector.

The wage rate in the export sector will in this case be as low as the economic, social and political conditions allow it to be. As regards the level of development of the productive forces, it will in this case be heterogeneous..., advanced (and sometimes very advanced) in the export sector and backward in 'the rest of the economy'. This backwardness, which is maintained by the system, is the condition which allows the export sector to benefit from cheap labour. 8

While these analyses are not directed specifically at the analysis of an underdeveloped region, Alavi and Amin offer some insights from which conclusions can be drawn in terms of this thesis. First, that underdevelopment and

capitalist development need not necessarily be mutually contradictory processes in terms of an underdeveloped region. Second, that it is quite in keeping with the dynamics of the process that local capitalists can and do participate in specific types of industrialization that are still within a dependent framework - namely, in primary export sectors. And thirdly, that development in these sectors rests on the availability of cheap labour and for that reason necessarily mean that other sectors of the economy will remain 'backward'.

Therefore, in our case the fishing industry in Nova Scotia - a primary, export industry - was mainly developed throughout the period under review by indigenous capital and thrived, and continues to thrive, on the basis of an abundant cheap labour supply.

Indeed not an anomaly of history or geography, but a predictable symptom of the underdeveloped state of our economy.

Notes - Conclusion

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2. See Archibald, Bruce, op. cit., 1971, pp. 1-13.
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4. Alavi, Hamza, op. cit., p.183.
5. Ibid., p. 184, 185.
6. Ibid., p. 191.
7. Amin, Samir, op. cit., Review of African Political Economy, p. 12.
8. Ibid., p. 13, 14.

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Appendix "A"

<u>Name</u>	<u>Property</u>	<u>Price</u> \$	<u>Years i</u> <u>Business</u>
W.C.Smith & Co.Ltd. Lunenburg N.S.	Land, Bldgs., Wharves, Equip., autos, trucks and shares of vessels.	465,385.	25
Leonard Bros. Ltd., Sydney, North Sydney, N.S.	Lands, Bldgs., Wharves, mach'y, equip., autos, trucks, and entire issued capital of Leonard Bros.(Nfld.)Ltd.	175,450. 15,000.	9 Incorp.19
Leonard Fisheries Ltd., Montreal, P.Q.	Lands, bldgs., mach'y, equip., autos, trucks.	76,165.	28
The Lockeport Co. Ltd., Lockeport, N.S.	Lands, bldgs., wharves, mach'y., equip., autos and trucks, and shares of vessels.	577,811.14	18
O'Leary and Lee Ltd., Halifax, N.S.	Lands, bldgs., mach'y, equip. and entire issued capital of Banks, Ltd.	23,371. 3,899.60	20
White's Fish Co. Ltd., Toronto, Ont.	Equip., autos and trucks, and entire issued capital of Nipigon Fisheries Ltd.	10,021. 12,000.	20 13
Maritime-National Fish Ltd., Hali- fax, N.S.	Equipment	7,500.	8
National Fish Co. Ltd., Halifax, N.S.	Lands, bldgs., wharves, mach'y., equip., auto and trucks.	407,000.	26
Maritime Fish Corp., Digby N.S.	Lands, bldgs., wharves, mach'y., equip.	157,000.	35
Faster Fat Ltd., Halifax, N.S.	Lands, bldgs., wharves, mach'y., equip.	150,000.	19
O'Connor's Fish Co., Montreal, P.Q.	Equip., autos, trucks.	3,000.	13
National Labora- tories Ltd., Halifax, N.S.	Equipment	1,320.	13

Appendix "A" - continued

<u>Name</u>	<u>Property</u>	<u>Price</u> \$	<u>Years</u> <u>Busine</u>
Golden Bay Fishing Co., Halifax, N.S.	64 shares of trawlers	150,000.	28
Venosta Ltd., Halifax, N.S.	64 shares of trawlers	150,000.	26
Prospect Trawlers Ltd., Halifax, N.S.	64 shares of trawlers	150,000.	16
Cape Aqulhox Co. Ltd., Halifax, N.S.	64 shares of trawlers	150,000.	5
Lilla B. Ltd., Halifax, N.S.	64 shares of vessel and equipment	57,500.	7
Nellie O. Ltd., Halifax, N.S.	64 shares of vessel and equipment	57,300.	7
Smith Fisheries Ltd., Lunenburg N.S.	Entire issued capital of Lunenburg Sea Pro- ducts Ltd.; 90% of issued capital of Nickerson Bros. Ltd.; 79.5% total par value of issued capital (\$19,500.) of D.Hatton Co. (Montreal, Que.).	239,688.31 90,126.20 62,102.19	19 12 70
		<u>TOTAL</u> <u>\$3,194,639.44</u>	

Source: Confidential