COOPERATIVE INDUSTRIAL RELATIONS
IN THE B.C. SOLID WOOD PRODUCTS SECTOR

by

DAVID GERALD MURPHY

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Department of **Political Science**

The University of British Columbia
Vancouver, Canada

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ABSTRACT

The initiation of more cooperative relations between the companies and the union (IWA-Canada) in the B.C. solid wood products sector, on the one hand, and between these two and the federal government, on the other hand, appears to signal an end to the "exceptionalism" which precluded the establishment of "corporatism" in Canadian industry. As the sector has been under tremendous pressure from various structural and technological changes, as well as interest groups both inside the forest industry and outside of it, does this change in industrial relations provide a model for the future forest industry or is it an impediment to change, as many critics contend.

This thesis will explore the formation of "Fordist" industrial relations in the sector and the present "crisis" in Fordism as it relates to the sector, in order to understand the factors impelling cooperative industrial relations, and how these factors will affect these relations in the future. As these factors are undermining Fordism, they might also undermine the tentative, defensive cooperation between the three parties. In place of this exclusive policy-making regime a new, broad-based, decentralized, and more democratically controlled forest sector might emerge which will encourage cooperative industrial relations, but without the dominance of the old Fordist structures. The ensuing changes will widely affect economic, political and social relations throughout the province.
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I. INTRODUCTION.

Recently, more cooperative relations between organized labour in the British Columbia solid wood products sector and their employers and responsible state agencies have been developed. This unprecedented and unforeseen attenuation of the traditional adversarial relationship is bound to have long-term consequences for the woodworkers' collective organizational behaviour. Due to the centrality of this sector to the economy and politics of the province, it should have a reciprocal effect on the factors which have influenced the change as new equilibrating mechanisms become established to stabilize the new relations.

This essay will seek to determine the forces behind the changes in relations in the B. C. solid wood products sector and connect them to events in the encompassing economic, political and social environment. As all the factors affecting the sector have an independent impact on the structure of the sector and on the ideology of those in it and, in turn, are altered by the responses of those in the sector, we need to evaluate each factor from both perspectives. We will then examine the character of the new industrial relations resulting from this process involving the unionized employees and their employers, on the one hand, and between these two and the "policy-making community," on the other hand. We will then be better able to evaluate the process which brought about the newly cooperative industrial relations in the sector and the future prospects for this new relationship.
The most notable feature of human history and economic development is the increasing global interdependence of human beings. Economic and political changes in one part of the world have an ever-increasing impact on the rest of the world. The impact is objective, in the material effect resulting directly from the change, and subjective, in the individual's knowledge and evaluation of the change, resulting from advances in global communications. As the changes in the solid wood product sector are happening in the context of an international crisis in the once hegemonic Fordist model of production and labour relations, this two-fold effect is especially important to this study. As this crisis involves both a revolution in technology and in humans' expectations concerning their role in the economy and its governance, the parameters of the possibilities for change are broader than they have been since the introduction of the Fordist model.

In the wake of the decline of the Fordist model in the Western liberal-democracies since the late 1960s\(^2\), and with no new model yet broadly accepted as a new paradigm, the role of human agency in choosing among the possible options available during this interregnum becomes central\(^3\). Out of a similar crisis during the 1930s and WW II, emerged the new Fordist system and the "regulatory" mechanisms which supported it\(^4\), which came to dominate the post-war advanced industrial economies. As stable industrial relations were crucial to the profitability of the mass production corporations, industrial unions and national productivity-based
bargaining became incorporated into the system. National macroeconomic, counter-cyclical fiscal and monetary policies, reinforced by international American-led trade liberalization and "stability," facilitated the ensuing economic growth. The erosion of this system has served to undermine the legally and normatively formalized partnership between industrial unions and corporations. Labour relations, mediated by a more interventionist state, itself engaged in collective bargaining with their public-sector employees, have become a see-saw battle over fundamental issues of workers rights and economic power, as the foundations of the Fordist accord collapse.

As the Canadian model of economic production and of labour relations was based upon that of the United States and this influence continues through the increasing integration of our economies, we will briefly examine the development and the subsequent decline of the Fordist model in the United States. We will see that the factors effecting change in our case study are partially derived from structural changes and the reactive policy responses of leading authorities, in the U. S. economy.

In Canada, the continuing social, political and economic repercussions have been particularly serious. Arguably, the growing crisis in our nationhood has become primary, to no small degree, as a consequence of the larger economic crisis. Industrial relations have been profoundly affected, as we have witnessed national and provincial general strikes, the routine governmental suspension of free collective bargaining, and the restructuring of
organized labour. The "permeability" of our trade and resource dependent economy and the overwhelming influence of the United States on our affairs, has been reflected in the extreme sensitivity of our economy to outside events. The increasing assault by both government and business on labour has similar roots. However, the surprising strength and adaptability of Canadian organized labour's resistance to this attack has played a role in the initiatives undertaken during the 1970s and 1980s by both government and business to attempt new, more cooperative relations with labour.

The initiatives undertaken by government and business in Canada in response to the economic crisis have become increasingly diverse between sectors and political jurisdictions owing to the federalist nature of economic structures and the increasing liberalization of trade. The failure, during the 1970s, to establish peak-level tripartite bargaining has given way to meso-level state-facilitated industrial policy-making and tripartite industrial relations by the federal government. At the provincial-level, as the federal government retreats from "nation-building" and the provinces become increasingly capable, governments have undergone a similar process of adjusting policies to protect their economic bases and maintain social peace.

In British Columbia, the solid wood products sector is of central importance in the provincial economy, in the character of industrial labour relations, and in the politics of the province. The sector continues to dominate smaller, derivative economic
activities based on the forest resource. Provincially centralized organizational structures, industrial relations, and government policy-making mechanisms in the sector permit inclusive and comprehensive industrial relations between the major players while excluding and peripheralizing other forest related interests. This dominance of the policy-making process and of the economy insures that the changes impelled by the crisis in Fordism will make the responses of the sector to the challenges of primary importance in the politics of the province. Playing an analogous role to that of the automobile industry in the United States, the B. C. solid wood products sector led the way in the province in the adoption of Fordism, and its performance and development continues to influence the economic, social and political agenda of the province.

During the decline of the dominant post-war model defining relations in the sector, the various factors effecting change in the sector are, in turn, affected by the adaptive choices made by actors in the sector. The major factors which provoked the crisis in the sector, and which reached a climactic stage during the late 1980s, impelled the new cooperative regime seen to be emerging in the 1990s. This cooperation mitigated the legally-sanctioned and limited confrontational style of labour relations characteristic of post-war collective bargaining. A change in the relational "morality" of the major parties in the sector is required which will, in turn, change the internal politics of each party as well as the external relations of these parties with the encompassing and regulatory institutions of the society. This period of
structural and ideological change, as it undermines the previously stabilizing organizational norms of the sector, carries both a danger to the continued organizational viability of the main players and the opportunity to construct new systems ordering the activities of those involved in the sector. Owing to the importance of the sector the construction of a new model of industrial relations in the sector will affect the interests and behaviour of the surrounding society.

In order to determine the changes occurring in the sector, we will identify and evaluate the disaggregated "independent" variables impinging on the sector. Five categories of factors, listed in a serial order determined by their degree of autonomous and independent origin from the sector, will be listed. First, technological change has affected the sector through the market-driven imperative forcing its adoption by individual firms. Since the adoption of new technology, and the work-methods it fosters, are a matter of human choice, the process of its adoption is revelatory of the politics of industrial relations. Second, Canada's economy, and in particular the solid wood products sector, are increasingly subject to foreign-based bodies. Liberalized trade, and the accompanying diminution of Canadian economic policymaking autonomy, has made the sector subject to the actions of foreign governmental and quasi-governmental agencies. The changing structure and industrial relations of the sector are a defensive response to this factor. Third, the post-war crisis in Fordism has witnessed a growing challenge by new ideologically-motivated
interest groups to the legally enshrined normative assumptions of the Fordist "accord," as well as the fundamental values underpinning Western societies. These groups, either excluded from or subordinated to the interests of the primary producer-groups who order the Fordist economy, are not easily reconciled to the prevailing logic of the political-economy. In British Columbia, the representatives of these new groups, as they impact on the case in question, are environmentalists and native Indians, as well as feminists who critique the paternalism exemplified by the male-dominated structures of the sector. The former groups, in particular, have had an increasing impact on the operations of the sector, as well as the politics of the forest union and the companies. As organized labour, more so than business, needs the support of other progressive movements, particularly during times of crisis, their choice of alliance with these groups or with their employers will have substantive consequences for the politics of the province. Fourth, other forest industry groups on the fringes of the policy-making network which has dominated the sector up to the present have become increasingly vocal and influential as a result of changes in the market-place as well as in public consciousness. These groups include small independent logging contractors, sawmill owners and "value-added" manufacturers; pulp and paper mills; professional foresters, forestry economists and independent consultants; and others dependent to varying degrees on the forest resource including the tourism industry, farmers and ranchers, fishers, and hunters and trappers. These groups, unlike
those in the third category, are not fundamentally opposed to the norms and values of the sector but rather are demanding inclusion in the policy-making and controlling structures of the sector. The sector's centralized industrial relations system could incorporate these groups and their interests into their deliberations or continue to attempt to marginalize them, with contradictory affects on the future of the sector's present and future workforce. Fifth are those state agencies which, directly and indirectly, affect the economic viability of the firms in the sector, the structural character of the sector, and the labour relations and, from this, the work-processes and productivity of the sector, as well as the public's input into the activities of the sector. In particular, we will look at the role the state plays, at both the federal and provincial level, in the emerging more cooperative relations in the sector as well as in the adjusting of the sector to the pressures impinging on it.

In examining the responses of the sector to the above factors, we will focus on the major producer group associations representing, on the one hand, the firms in the sector, and, on the other, the unionized employees in the sector. The latter group were in the forefront of the establishment of industrial unions in the early 20th century, and are at present exclusively represented by the very high-profile International Woodworkers of America-Canada (IWA-Canada). The former have engaged in sectoral-wide collective bargaining through predecessors to the present Forest Industrial Relations (FIR) and in setting industry standards as
well as public relations and governmental lobbying through the B.C. Council of Forest Industries (COFI). Major attention will be focused on the present role as well as future prospects of these sector-level associations as they adapt to the broadening of the policy-making community administering the sector.

The primary source of union strength is the ability of the union leaders to transfer the loyalty of the workers from the employer to the bargaining agent. The establishment of more cooperative labour relations at both the peak sectoral level as well as at the firm level carries the potential to weaken the solidarity and the collective strength of the workers. Unless new forms of collective strength and security result from the structural and technological changes occurring in the wake of the erosion of Fordist relations, then the new economic model will not serve the interests of either the workers in the sector, or, as we have seen during the crises of the 1930s and the early 1980s, the larger society. The union and its members have to find a balance between the exigencies promoting cooperation in the changing forest sector and the need to organize to counter their continuing inherent inferiority under capitalism.
II. ECONOMIC PRODUCTION AND INDUSTRIAL RELATIONS: THE CRISIS IN FORDISM.

A. Industrial Production, Structural Relations and Human Agency.

The initiation of cooperative relations in the B. C. solid wood products sector is occurring in the midst of fundamental change in the post-war global economy and in political and social relations. This brings to the fore the central questions of this essay. What is the relationship between these two phenomena? To what degree is the former determined by the latter? How much of the change in the sector is a product of its own autonomous development?

First, we need to situate events in the sector in global context. The solid wood products sector has been the focus of media and public attention unprecedented in its history. People both inside and outside the sector sense that all aspects of the sector's operations are in the midst of fundamental change. Public review of tree farm licences was once not of wide interest, "nobody paid any attention; these days the rooms are full and there is a demand for more rooms in more towns to view all of the plans that are available (Roger Stanyer, Interview, June, 1991)." The unionized workers and the employers are reacting by attempting to change their relations with each other, while forming an alliance against formerly excluded public interests and increasingly
unstable market forces impelling change. This "crisis" takes place in the context of similar events in the economies of Canada and its intrusive neighbour, the United States. The economies of the United States and, consequently, Canada are widely acknowledged to be in the midst of dramatic change, economically, politically and socially (Bendix et al, 1984; Piore and Sabel, 1984; Gonick, 1987; Jane Jenson, 1989, '90). The roots of this crisis are seen as resulting from the exhaustion of the dominant 20th century model of industrial production, Fordism, and its structural regulatory regimes. While American Fordism served as a paradigmatic model for other states' industrialization, individual states adapted the model to their own peculiar economic traditions and conditions and each regulatory regime was a reflection of the political and social structural arrangements which each had developed up to, and as a consequence of, each state's adoption and adaption of the model.

The variation among states in the particular characteristics of their methods of economic production and the regulation of the structural relations governing the society explains to a large extent the differential effect of the present crisis in Fordism between states. While the U.S. and Canadian economies and their encompassing institutional structures appear to be declining in both functional ability and public esteem, their counterparts in other states, with economies rooted in the logic of Fordism, appear to be flourishing. While leading officials in the U.S. and Canada are unable to come up with credible solutions to the structural impasse, other states' leaders are able to plan and win social
consensus for structural reform. This would lead us to conclude, with the above noted students of the crisis, that the post-war Fordist model in North America has created contradictions in society which have undermined the social accord underpinning national stability and development. In turn, for our purposes, this breakdown has had repercussions throughout our societies, including the primary industrial sector in British Columbia, the solid wood products sector.

Before continuing, we should clarify the meaning of Fordism and its "regulatory" regime. The term Fordism is derived from the mass production, assembly-line technique notably introduced by Henry Ford. However, Fordism more precisely refers to the highly structured, centralized collective bargaining structures which were developed in the 1930s and legally and normatively sanctioned following WW II in all the major industries of the United States and Canada. We will see a more detailed description of the system as we examine its development and decline in subsequent sections. "Regulation" refers to the major institutions - economic, political and social - and their systemic features which, through their legal and normative rules as well as the economic "laws," regulate and reinforce the dominant economic characteristics of the nation. These regulatory mechanisms, in the case of Fordism, arose as a consequence of the imperative need for of the mass production industries to stabilize of factor input costs and of the growing mass market for its output. When technological and social changes bring about changes in the economy but the "superstructure" of
Institutions, laws and normative values lag behind, then there eventually results an economic and, hence, political crisis requiring reestablishment of an equilibrium between the two. An empirical study of this process will be undertaken in subsequent sections.

What is the nature of this contemporary crisis? Is it a crisis in social values, structural relations or methods of economic production, or a combination of the three? Can we find any comparable situation in history and how do the contemporary features of our societies distinguish this crisis from others? I feel that the depth and nature of this crisis has a direct consequence on the role of human agency in resolving the crisis and in constructing a new system to stabilize and advance our societies. The most recent great crisis in our societies was the Depression of the 1930s and the ensuing World War. This was a crisis of under-consumption where the great productive capacity of the mass production industries inspired by Frederick Taylor and Henry Ford were exceeded the consumptive capacity of society. The strict control of input and output engineered by the private mass production corporation was not complemented by a similar "corporatization" of social relations. That is, the conditions of social production in the factory were not being complemented by social consumption in society. While the material method of production was sound the regulation of society needed reform. This is not the case today.

The exhaustion of the North American model of production has
been exacerbated by the simultaneous dismantling of the regulatory regime. The differential national repercussions of the oil-price shocks of 1974 and 1979 are reflective of the underlying problems in North America. In some states, notably Japan and western Germany, the shocks turned out to be temporary disruptions which spurred these economies to refine their methods and relations so as to resume with renewed vigour their pre-shock courses. In North America the shocks worsened stagflation, in the first instance, and led to the biggest recession in post-war history, in the second. While the Fordist mass production economy may have still had the potential to underpin structural reform, the responses of regulatory authorities to the symptoms of crisis exacerbated the crisis and essentially precluded any reform of Fordism. The regulatory regime established under the New Deal and post-war welfare reforms, which provided the framework for post-war North American economic supremacy, were now criticized as obstacles to recovery by these authorities. Because of the measures taken by these authorities to dismantle the means to reproduce the Fordist model, we now have a crisis in both regulation and in the mass production model of production.

Now that Fordism itself has been weakened by the "reforms" of the New Right, those groups peripheralized by post-war Fordism (working women, single mothers, minorities, youth etc.) have been joined by those blue-collar workers displaced by the crisis in their criticism of the underlying assumptions of Western capitalism. These groups and the New Right have now become a major
determining cleavage in society, superseding that between the producer groups at the centre of Fordism. Beside the class divisions based on industrial production, we have ethnic divisions, feminist challenges to patriarchy, environmentalist criticism of economic growth, etc., which strike at the fundamentals of Eurocentric "white", male, hierarchical, nationalist, Judeo-Christian values underpinning Western civilization. Because of this expansion of the parameters of the crisis, these extra-class factors must be included in an analysis of the factors acting upon any particular economic sector in the West and its industrial relations system. Therefore, we will be studying the effect on the structure and ideology of the major actors in the case in question in response to the "independent" factors effecting change in the sector.

B. The Rise and Fall of Fordism.

1. Mass production and its regulation:

While mass production was developed in the United States, its regulatory regime is a distinctive variety among many different national systems. As the various regimes of regulation developed since the advent of mass production came and went, the underlying logic of mass production, up until recently, maintained its hegemony. However, with its apparent exhaustion, the nation which originated and grew to global supremacy with it has suffered particularly acutely with its decline. The thoroughness with which
the exigencies of mass production has shaped not just all the central institutions but also the ideals and norms of the U.S. has made the crisis particularly intractable. However, although the problem may appear less serious and the solutions less problematic elsewhere, the decline in Fordism has affected every corner of the globe.

The development of mass production according to the principles of Frederick Taylor's scientific management and Henry Ford's assembly line allowed and, more crucially, necessitated an ever increasing output of goods. As production volume increased, the marginal cost decreased. Through complementary developments in transportation and social development in the vast U.S. market, a mass demand for uniform consumer products was emerging. In the mass production factories, the expansion of output allowed tasks to be broken down into their simplest components so that unskilled and, hence cheap, labour could operate the precision machinery and be placed along the assembly-line. The corporation which managed mass production was able to bring under a hierarchical, professional authority structure all the planning and implementation of the production process. It quickly outstripped the productive capacity of the old craft production model, especially in providing standard consumer goods. However, it required a stabilization of input and output in order to maintain a steady turnover of capital and a competitive return to its investor-owners. As the economy became dominated by the mass producers it became more sensitive to fluctuations in the market.
The crash in 1929, the first economic downturn during the mass production era, created a steamroller effect which overtook the whole economy. As Keynes argued, the way out, short of abolishing capitalism, was to duplicate the corporate system of input and output regulation on a macro-economic level.

A variety of means were attempted to establish this national regulation. The New Deal in the U.S., and variations of it in Canada and Britain, did as well at restoring economic growth in the 1930s as did the other systems of regulation in the other nations which had adopted mass production. Bureaucratic centralism in Stalinist Russia, state corporatism in Fascist Italy and in National Socialist Germany, and other variations of these in militarized Japan, social-democratic Scandinavia, etc., managed to establish the internal stability needed by mass production. The productive potential of mass production and the need to feed its increasing need for human and material input and market consumption undoubtedly contributed to World War II. The military triumph of the originator of mass production, the U.S., and of its great competitor, the Soviet Union, which in many ways imitated the corporate and bureaucratic U.S. model, insured the dominance of the paradigmatic model.

2. The U.S. regulatory regime:

In order to complement the corporate level control of material inputs and outputs, the reforms of the New Deal era were introduced to control the human factor in the production cycle.
The Wagner Act of 1935, which accompanied and legalized the growth of industrial unions, served to stabilize the corporate cost of labour. In return for acknowledgement of the decision-making prerogatives of corporate managers, labour was insured a share in the rewards of rising productivity. By extending this system to the national level, a growing market for the consumer goods of the corporations was assured. The crippling of the economies of Europe and military primacy provided an outlet for the surplus production and accumulating capital of the U.S.-based corporations.

Keynesian counter-cyclical regulation at home and dollar-based international trade abroad tied the growing international market to the success of the U.S. economy. The Bretton-Woods agreement, the World Bank, the IMF and the OECD acted to promote the liberalized trade so important to the most competitive economy, the U.S. When the U.S. advantage evaporated during the Vietnam War, this edifice quickly collapsed under the pressure of the protectionist response of the Nixon and subsequent Presidencies. While other nations suffered similar shocks to their systems (i.e. the two oil crises of 1974 and 1979), the U.S. response seemed to exacerbate their problems while other nations' economies were invigorated by theirs. The reason for the crisis and the problems with the responses from U.S. leaders has received considerable attention (Bowles et al, 1984; Piore and Sabel, 1984; Crozier et al, 1975).

The lack of consensus as to how to resolve the problems continues as the crisis in the nation deepens. Whereas during the 1960s and the 1970s the social groups formerly excluded from the Fordist
central negotiating structures of U.S. society and from the ensuing benefits were seeking inclusion in the system, their continuing exclusion has incited resignation, withdrawal or fundamental questioning of the whole system underlying the society. The self-destructive ghetto culture of U.S. inner-cities and the greed and dishonesty of Wall Street reflect a cynicism toward the values once held dear in the U.S. The defeat of the Equal Rights Amendment, the attack on unions and the reversal of desegregation reflects the desperate efforts by U.S. elites to maintain their privileges while the basis of the system decays.

The institutions which regulated the macro-economy are similarly decaying as union roll-backs are justified as a means to increase competitiveness, and predatory corporate raiding undermines the long-term planning ability of managers. The easy credit which corporations could rely upon to finance expansion as well as consumer purchasing has been undermined by the use of high interest rates to ease inflation. Inflation itself is merely increased when corporate instability hurts their ability to increase productivity.

Further weakening the viability of the model is the increasingly influential questioning of the underlying logic of mass production and economic growth coming from environmentalist ranks. The end to the post-war annual increases in income and living standards has reinforced the legitimacy of the criticism of the industrial economy's depletion of resources, destruction of the natural environment, and "dehumanization" of life. While during
the 1930s there was widespread criticism of the unequal distribution of the income of the nation, few questioned the benefits of industrial growth. Now not only is this done but some adherents of "deep ecology" question man's right to occupy earth at all in light of his penchant for destructive behaviour.

What all this signifies is that there is no consensus on what model of production will serve U.S. society and how that model should be regulated so as to include the pluralist interests of U.S. society. While the leading and privileged place of U.S. industry and its employees in U.S. society was accepted when economic growth benefitted most people to some extent, the crisis in the economy and in the supporting social accord has left a vacuum with no new model in sight.

3. The Canadian regulatory regime:
a. Canadian unions and the crisis in Fordism.

The primary influence on the character of Canadian industrialisation and the institutional relations which govern it has been the United States. It has been especially influential during the period from the 1930s up to the present, during which the Fordist model of mass production was established in Canada. Since both the ownership of the firms which introduced the mass production corporation and the headquarters of the industrial unions which were formed in its wake were primarily American based, the character of industrial relations, on the one hand, and the larger macro-economic regulatory policies which developed in
response, on the other hand, made the Canadian economy especially close to the U.S. model. However, the defensive nature of Canadian confederation, symbolized by the first National Policy, the continuing need for a more economically interventionist state, both to construct and maintain a national infrastructure, and the relatively greater adoption of Keynesian welfarist measures following the Depression of the 1930s, by Canada, has been undertaken in order to mitigate the influence of American economic penetration of our regulatory regime.

The influence of the American model and of American branch plants plus our increasing dependence on the U.S. market has hindered the attempt at constructing an independent economy and at establishing an autonomous industrial strategy. The power of American corporate interests is shown by the timidity with which the two old-line national parties introduced "nationalist" economic policies and the electoral fate they suffered when they drew too much negative attention from American interests. The acceptance of U.S. dominance has even tempered criticism by the CCF-NDP, owing to the dominance of the labour movement by "International" unions.

The influence of American capital on Canadian Fordism has been most striking in its effect on the left and labour in Canada. In contrast to most other Western labour movements, Canada's has not complemented its power in industry with power in politics. Labour unions in Canada, perhaps even to a greater extent than business, have been dominated by American structures and ideals. The early craft-unions in Canada were branches of American unions and adhered
to the policy of political neutrality of Gomperism. The new industrial unions, established during the 1930s, were initiated by the American-based Committee on Industrial Organization and, like their head office, limited their political activity to lobbying the governing parties and urging political support to the CCF-NDP at election time. The low-level of political consciousness of labour and the effect on labour's electoral ally, the CCF-NDP, revealed itself when labour and the NDP failed to push for the entrenchment of labour rights in the Charter of Rights and Freedoms and the fact that opposition to the Canada-U.S. Free Trade Agreement (FTA), which would clearly hurt Canadian unions and social programs, was led not by the NDP and labour but by the Liberal Party and citizens coalitions.

When the effects of the crisis in the American economy began to be felt in the Canadian economy, the legacy of labour political quiescence hindered both its participation in and resistance to the policy-making response of business and government. However, perhaps due to the growth of Canadian-based unions in the labour movement with the organization of the public sector during the 1960s and the 1970s and their example and growing clout in the Canadian labour movement, unions, at least in the 1980s, were able to avoid the emasculation of many of their American counterparts. The subsequent move to Canadianize and consolidate the fractured, decentralized industrial unions provides a basis for resistance to the dismantling of the welfare state in the wake of Fordism's eclipse. Furthermore, the continued vitality of Canadian unions
strike and as the public-sector employs proportionally more workers, they are more influential in the movement. This is important in that they brought with them more women, white-collar and educated workers who have different concerns which more closely reflected the concerns of workers in the new non-blue collar sectors. Canada has had no equivalent of the U.S. air traffic controllers dispute and the closest political version we have of Reaganism nationally (we will see that British Columbia has had its version), Mulroney and the Conservatives, did not gain office until the post-recession recovery when the crisis atmosphere had passed.

We have also not seen any equivalent nationally (again B. C. is an exception) of the U.S. states' right-to-work laws. Concession bargaining and de-unionization was not introduced in Canada to anywhere near the degree in the U.S. owing to the economic conditions mentioned above and the more balanced labour legislation across Canada. Instead, the late 1980s saw the beginning of the Canadianization of our industrial unions and a concerted effort to both consolidate Canada's branch plant union structure, resist government and business attacks on unions, and to organize in other sectors. The former was seen as a way to distance themselves from American union concession-bargaining. Consolidation gave individual unions more organizational strength and deeper pockets to organize, bargain and strike. Many of the U.S. plants which southern Ontario had gained at the expense of the industrialised U.S. mid-west were organized and forays were made into non-traditional sectors.
Consequently due to the structural response and the different composition of our unions as well as to unique traditions, Canada's unions have a more progressive image and public support than U.S. unions (ibid., p 60). This factor, perhaps more than the others, has protected Canadian unions. Governments and business do not enjoy similar public acquiescence or outright support for a concerted attack on unions. Public support for and bargaining efforts in winning paid maternity leave, on-site day care, equal pay for work of equal value and other progressive benefits has given unions a positive public image not shared by U.S. unions.

Thus Canadian unions have retained the strength and resiliency to respond to the exigencies of new working arrangements, the changing workforce and the evolving needs of Canadian business. Whether they have altered their structure, composition and ideology sufficiently to survive the apparent decline of blue-collar industry which is occurring during the present recession (ten years after a similar decline in the U.S.) we cannot say definitively. A review of the changing industrial relations scene during the 1980s provides a mixed answer. Although they have shown a willingness to adjust to the new flexible "team-work" techniques, introduced most prominently in the auto-industry, the failure to gain a secure foothold in new sectors and the "level-playing-field" effect of the FTA and now the proposed North American trade accord counters this advantage.

b. The tripartite option:
In response to the stagflation of the 1970s, consequent to the international crisis in Fordism, the federal government attempted in 1984 to win the support of business and organized labour for a program of voluntary wage and price restraint. The oil price increases of 1979 and 1984 had brought higher prices and, soon, union demands for similar rises in wages. In order to stop the ensuing spiral in prices, wages and interest rates and more importantly to break the emerging inflationary psychology, the federal government sought to introduce a centralized, national-level producer group bargaining forum similar to that in many Western European nations. As in the U.S. and Western Europe, Canada was experiencing the symptoms of a collapse of the social accords which complemented Fordism. The organization of the public sector and of professional workers, who sought to share the benefits enjoyed exclusively by the blue-collar worker, also brought qualitatively different concerns to the bargaining table. The "youth rebellion" and the connected emergence of a non-reformist "New Left," which was feared to be replacing the moribund Communist Party, the growth of the sovereigntist movement in Québec, and the rise of feminist, native Indian and environmentalist demands, all signalled a crisis in post-war Canadian Fordism.

Whether a new centralized accord with organized labour could have stemmed the collapse of the Fordist paradigm is highly questionable. It may have merely served to split blue-collar organized labour from the newly organized white-collar as well as
from the new progressive movements which continued to critique the assumptions of Fordism. Regardless, the attempt failed. The failure to win labour's support was followed by legislated wage controls in 1975-6 and again, in only the public sector, in 1982-3. Failure at macro-level tripartite bargaining led authorities to shift attention to the meso-level.

The failure in 1974 can be traced to structural obstacles to authoritative peak-level bargaining as well as ideological obstacles, both a legacy of the history described in the preceding section (Panitch, 1986a; Gonick, 1987, pp.184-8). The federal government had attempted to obtain voluntary constraint because it lacked the ability both to establish an independent monetary-policy and to control legislatively all wages and prices, in hope of lowering inflation. The linking of the Canadian dollar and interest rates to their U.S. counterparts precluded an independent monetary effort to regulate economic growth. The nature of the Canadian economy limited the effectiveness of legislated controls on prices. Canada imported inflation both due to its trade dependency, especially with the U.S., and to the high degree of inner-firm trans-border trade, which further tied its prices to U.S. prices. Canadian federalism left those areas under provincial control, their public employees, purchases and services, outside Ottawa's jurisdiction. Except during war-time, Ottawa had not interfered with private-sector bargaining nor with corporate activity. Consequently, there was weak political support within the Liberal Party and no support among the opposition parties for
tripartism. Germany's attempt at tripartite restraint bargaining, 'Koncertation,' had required coalition government, but, despite this advantage, it was short-lived, succumbing to decentralized bargaining (Berghahn and Karsten, 1987; Swensen, 1989).

Business in Canada retains what Atkinson and Coleman call a "firm-centred culture" (1989, p. 33). Association among firms has been limited to issues which do not intrude into individual firm autonomy. Governments in Canada have resorted to direct ownership of key firms when seeking to implement industrial policies, as they have been unable to obtain cooperation from business. Much of this, obviously, is due to the foreign ownership of most manufacturing and energy firms. When business has associated it has been along sectoral lines, while inter-sectoral associations have been weak and divided among several functionally distinct organizations. (The peak-level Business Council on National Issues-BCNI was not founded until 1976, after the failure of Trudeau's tripartite restraint project.) Business supported tripartism, knowing that price-control was beyond federal competence. Furthermore, the Liberal government could have been relied upon not to do anything which would alienate their traditional base in business.

Organized labour was neither structured nor organizationally united to engage in peak-level tripartism. The Canadian Labour Congress (CLC) was little more than a lobby group for its affiliates, who, especially the "Internationals," looked to headquarters for policy direction. The affiliates were unwilling
to give CLC leaders authority to negotiate and they often opposed tripartism for ideological reasons. Many unionists, on the left, associated tripartism with inter-war European fascism and, on the right, with Soviet-style trade unionism. Social-democrats were reluctant to negotiate with a government run by the NDP's rivals, as it might weaken rank and file electoral support for the NDP if negotiations were successful. Labour leaders also, justifiably, feared that tripartism meant wage restraint only, and once the membership became aware of this, their positions would be threatened, and more seriously, union strength and credibility might be undermined (Panitch, 1986b).

In the wake of the failure of the 1974 experiment, the federal government shifted attention to tripartism at the sectoral-level. The Major Projects Task Force discussions sponsored by the federal Department of Industry, Trade and Commerce brought together over seventy business and labour leaders to engage in long-range economic forecasting and planning. While the previous tripartite experiment had focused on national macro-policy-making, the subsequent initiatives were less grandiose. Training, restructuring, labour displacement, and introducing new work methods were their main concerns. (In 1976 the federal government established a "Quality of Work Life" centre in Toronto to encourage adoption by industry of Japanese-style work-team production methods.) Labour and business representatives were provided with a joint method for both gathering information on market labour changes and recommending appropriate government policies, with the
establishment, in 1984, of the Canadian Labour Market and Productivity Centre (CLMPC), funded by Labour Canada and run by the BCNI and the CLC. Labour Canada, subsequently, organized joint forums in various sectors to facilitate the addressing of problems of mutual concern. For example, when the U.S Congress threatened to impose a duty on all imported steel, the joint United Steelworkers/Steel Employers-run Canadian Steel Trade and Employment Centre (CSTEC) was able to lobby the U.S. Congress for exclusion of Canadian imports from the duty. Subsequently, CSTEC proposed and received federal funding for jointly administered labour training and retraining programs.

These sectoral initiatives by the federal government to promote union/employer cooperative policy-making and administration have resulted in the formation of joint structures in several industrial sectors (see Appendix I). The short duration, modest focus, and diverse nature of these sectoral experiments precludes definitive prognostications regarding their future. However, a case study focusing on one sector, the B.C. solid wood products sector, should permit more insight. Furthermore, rather than seeking to compare the variable character of cooperative relations within diverse sectors, we will explore the particular effect on one sector of the changes occurring in international, national and local economic structures and industrial relations.
III. THE BRITISH COLUMBIA SOLID WOOD PRODUCTS SECTOR: FROM CONFRONTATION TO COOPERATION.

A. Early Forest Industrial Relations.

Since the 1890s, when the Panama Canal opened the markets of the Eastern Seaboard and Europe to B.C. wood products, the forest industry has been of primary importance to the B.C. economy. The characteristics of the organization and evolution of its labour relations has played a major role in shaping the tone of labour relations in other sectors of the provincial economy. The provincial government, through its control of the forest resource base and its jurisdiction over forest labour relations, has helped structure the industry and its labour relations.

Working conditions during the sector's formative years shaped labour relations up to the present. (The forest industry has been and continues to be dominated by the solid wood products sector. Pulp and paper, "value-added" etc. are derivative in both resource and labour relations.) The structure of the industry was similar to that of Eastern Canada where the industry was first begun and slowly moved west. Mills were primarily small, family-owned operations and work was seasonal and cyclical, sensitive to the extreme fluctuations in demand in the construction industry. These small firms were financially precarious and their frequent bankruptcy lent the sector its "cut and run" reputation. Working conditions were bad: living conditions in the logging camps were
minimal, the work dangerous and training non-existent. Unlike woodworkers in the East, those in the West often did not have either the economic cushion provided by the family farm or the training experience derived from family farm logging operations.

Owing to these conditions, union organization was begun early and frequently, usually by the members of the more radical labour and political movements of the time, who were inspired to undertake the difficult task and who found common cause with the woodworkers. Beginning around 1900, there were a series of industrial unions established in the forest by socialists from the Vancouver and District Labour Council, Wobblies from the U.S. North West, and Communists from the Canadian Communist movement. Due to the itinerant nature of the work and the isolation of the camps and mills, organizing was difficult and unions unstable. Furthermore, the provincial government aided the employers, who also organized early into the Lumber Manufacturers Association in 1919, in breaking unions and strikes. Despite the difficulties, the workers were strong supporters of unions; the short-lived Lumber Workers Industrial Union had 23,000 members in B.C., in 1920.

The forerunner to the present International Woodworkers of America-Canada (IWA-Canada), was established by Canadians before other Canadian industrial unions were organized by the U.S.-based Committee on Industrial Organization during the 1930s. It was also in the vanguard in the winning of many of the contractual norms underpinning today's unions. It has, to a great extent, mirrored the history of unions across Canada.
In 1931, the Workers Unity League of the Communist Party of Canada started a new Lumber Workers Industrial Union which affiliated with the International Brotherhood of Carpenters in 1935. After splitting with the craft-oriented Carpenters, it affiliated with the American-based Committee on Industrial Organization in 1937 as District 1 of the IWA. Both District 1 and the International were led by Communists until 1940 when International President, Harold Prichett, was barred from the U.S. for this affiliation. This event was a forerunner to the expulsion of communists from both the Canadian and American branches during the McCarthy era.

In 1943, the first master contract covering the majority of the Coastal Forestry Region was signed with R.V. Research Limited, which was the predecessor of the present Forest Industrial Relations (FIR), on behalf of 143 member-firms of the B.C. Lumber and Shingle Employers Association. In 1946, District 1 was chosen by the Canadian Congress of Labour to spearhead a national campaign to win the 40 hour work-week, the automatic dues check-off, and the first post-war wage raise. After a lengthy strike, a settlement recommended by Chief Justice Sloan gave the union a 40 hour work-week (during the summer working period), the voluntary irrevocable dues check-off, and a fifteen cent an hour wage increase. By 1948, the District was the official bargaining agent, without exception, for the entire wood-working industry in B.C., with 27,000 members and 10,000 non-members covered by its contracts.

In 1944, the same Justice Sloan had been appointed to
recommend changes in provincial forest policy so as to precipitate the restructuring of the industry in order to "modernize" the sector and, not incidentally, to preclude strikes like in 1946. He recommended larger and longer forest tenure agreements with, preferably, large forest corporations. This would provide a more secure source of raw material which could be used by the tenure-holder as collateral to secure bank loans or stock issues. District 1 favoured this, as it would help to eliminate the "cut-and-run" outfits and ease its policing and negotiation of collective agreements. A second Sloan Commission in 1956 recommended a continuation of this process by further increasing the size and duration of tenure, with the right of automatic renewal for the present tenure-holder. Owing to this deliberate provincial government policy, by the late 1950s, the industry was becoming dominated by large, integrated forest corporations which could control the industry from cutting to milling and, later, to pulping.

The province collected rent on the use of its timber through stumpage rates on cut timber set at a percentage of the value of the logs when sold on the Vancouver log-market. As the logs at this market were bought by the same firm which had cut them, log prices were kept artificially low by the firms. Furthermore, wage costs were factored in when stumpage was determined. The conditions for stable Fordist production and industrial relations were now established, with the blessing of the union, by the initiative of the provincial government. The integrated forest
corporations controlled their input costs through long-term control of the resource-base and low stumpage fees. Labour relations were centralized and wage costs were factored into material costs, thus removing them as a competitive factor in production.

Industrial relations were regulated, producing wage and working conditions unparalleled by other unionized sectors in the province. However, the high wages were a disincentive to invest in downstream secondary manufacturing as well as in upstream input manufacturing. Patricia Marchak argues that this disincentive and provincial government complicity in industrial concentration in the primary sector perpetuated the underdevelopment and peripheralization of the B.C. economy (Marchak, 1983, 1988). Whether the lack of diversification of the economy was primarily the result of this or not, the recession of 1981-3 knocked the sector off its pedestal. We will therefore turn now to the catharsis that occurred in the sector during the 1980s.


The last decade has been a climactic period in the economic fortunes and in the industrial relations of the sector. The bracketing of the decade by severe recessions in the sector serves to distinguish the decade from the preceding periods, highlighting the ensuing changes in the sector and dramatizing the connected changes in public perception of the sector's role in the province. As production methods and industrial relations in the sector are
derivative of the dominant post-war North American model, we will juxtapose the crisis and response in the sector against those of the encompassing areas discussed earlier. Doing so we will distinguish the peculiar variations of factors affecting change in the sector, as well as the features of the sector which determined its response. Thus equipped we can go on to draw tentative conclusions as to the prospect for relations within the sector as well as between the sector and the larger forest policy-making community. We will focus on the role of industrial production methods, structural relations connected with them, and the role of human agency.

The decade began with the deepest and longest downturn in the sector's market in its post-war history. At one point during the recession between 1981-3, one half of the unionized work-force represented by the IWA was laid-off. Following the recovery in its markets, less than one-half of those who had been laid-off found work again in the sector even though production set post-war records (Table 1 and Figure 1). Employees in the sector were shocked by the severity of the downturn. During previous downturns, the lay-offs had been shorter and employment levels quickly recovered during the subsequent upturn. As housing starts and the determining interest rates had been of central importance in the Keynesian counter-cyclical instruments used by government to maintain the post-war growth model, the sector had benefitted from this system. When high interest rates were used by governments to cool inflation in 1981, the sector was hit particularly hard. Like
### Table 1
NUMBER OF EMPLOYEES — ANNUAL AVERAGES
TOTAL ACTIVITY — FOREST INDUSTRY — 1980-1987

<table>
<thead>
<tr>
<th>Year</th>
<th>Logging</th>
<th>Wood Ind.</th>
<th>Pulp &amp; Paper</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1980</td>
<td>24,270</td>
<td>49,708</td>
<td>21,540</td>
<td>95,518</td>
</tr>
<tr>
<td>1981</td>
<td>19,561</td>
<td>46,627</td>
<td>20,660</td>
<td>86,848</td>
</tr>
<tr>
<td>1982</td>
<td>16,371</td>
<td>40,309</td>
<td>18,458</td>
<td>75,138</td>
</tr>
<tr>
<td>1983</td>
<td>19,906</td>
<td>40,392</td>
<td>17,390</td>
<td>77,688</td>
</tr>
<tr>
<td>1984</td>
<td>20,586</td>
<td>38,901</td>
<td>17,433</td>
<td>76,920</td>
</tr>
<tr>
<td>1985</td>
<td>19,468</td>
<td>39,603</td>
<td>16,850</td>
<td>75,921</td>
</tr>
<tr>
<td>1986</td>
<td>19,848</td>
<td>37,204</td>
<td>17,254</td>
<td>74,306</td>
</tr>
<tr>
<td>1987</td>
<td>18,941</td>
<td>42,425</td>
<td>17,662</td>
<td>79,028</td>
</tr>
</tbody>
</table>

Source: Statistics Canada

### Figure 1
B.C. SOFTWOOD LUMBER PRODUCTION
(billion board feet)

Source: Statistics Canada
other employers in the mass production industries of North America, they, with the encouragement of the provincial government attempted to renegotiate the labour relations accord which was now seen as being a source of the crisis.

Following the encouraging policies of the provincial government, by the 1970s the sector was totally dominated by large, integrated forest corporations (Table 2). The Pearse Commission on Forest Policy, in 1975, had endorsed this process, calling for a strengthening of the "partnership" between the union and the companies. Even though the union leaders supported this partnership, because it resulted in high wages and easier contract negotiation and enforcement, the consequences for the individual worker were not so sanguine. As Marchak notes (Marchak, 1983, p. 212), the union leaders based their analysis on comparisons between contemporary conditions in the big corporations with conditions prior to union recognition in the small "cut-and-run" operations. Marchak, however, comparing contemporary conditions between large corporations and smaller firms, found more job variety and worker satisfaction as well as greater job security in the small firms than in the larger corporations. Even after the mass lay-offs of the early 1980s, the union leaders still did not question the assumed superiority of the Fordist corporations. To emphasize the point, when the recession struck, many of these so-called stable, committed corporations bailed out of the sector. The change in ownership merely shifted control from B.C.-based corporations to national and international multi-national corporations (Wagner,
Table: 2
Trends in the Concentration of Committed Harvesting Rights

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Single largest</td>
<td>13%</td>
<td>11%</td>
<td>14%</td>
<td>17%</td>
</tr>
<tr>
<td>Four largest</td>
<td>35%</td>
<td>32%</td>
<td>41%</td>
<td>44%</td>
</tr>
<tr>
<td>Eight largest</td>
<td>53%</td>
<td>51%</td>
<td>57%</td>
<td>62%</td>
</tr>
<tr>
<td>Twenty largest</td>
<td>74%</td>
<td>77%</td>
<td>79%</td>
<td>86%</td>
</tr>
</tbody>
</table>

SOURCE: 1975 - Royal Commission, 1976, Tables B9 & 23
- Includes private land inside TFL's
1980/81 - TSA reports of the MoF
- Does not include any private land
1989 - AAC Apportionment, MoF
1990 - AAC Apportionment, MoF

Notes for Table
This table indicates the concentration of harvesting rights in the last 10 to 15 years. Unfortunately, the 1975 data are slightly different in that it includes the small amount of private land inside tree farm licences. It is included to show that the eight largest holders of harvesting rights did not really concentrate further from 1975 to 1980/81. Comparisons from 1980 to 1990 are based on similar data and are valid in indicating the percentage increases in concentration shown.

In the last 10 years significant concentration has occurred. Note that in general the rate of concentration increased toward the end of the period and that there is a significant difference between 1989 and 1990.
Source: Peel Commission Report
The provincial government, through example and changes in the provincial agencies administering the forest sector, encouraged employers in the sector to renegotiate relations with its workforce. As part of then-Premier Bill Bennett's restraint program, over 25% of Forest Service staff were released, weakening the administrative capacity of the province over the forest. Due to the resulting necessity and encouraged by the governing Social Credit predilection for "privatization" of services, the then-Forest Minister Tom Waterland established a program of "sympathetic administration" in the sector. Stumpage collection and supervision were turned over to the forest companies in the former case and to the forest companies association, the COFI, in the latter. Practices such as under-measurement of stumpage and deliberately damaging timber and not counting it for stumpage but using it nonetheless became common. High-grading (taking the best logs and leaving the rest to rot), poor logging-road maintenance by the logging companies, stream-bed destruction, and inadequate replanting followed (Mahood and Drushka, 1990, pp. 211-5).

The result of the Socred government restraint program was to prolong the recession in the province until the middle of the decade and more importantly provoked massive union and public opposition which was to lead to a change in the relations between these groups and the IWA (Allen and Rosenbluth, 1986, p. 120). The forest industry used this slow period and the windfall profits resulting from "sympathetic administration" to pay-down debts and
to automate its mills. They were then able to ride the subsequent recovery to unprecedented profit levels and record setting production volumes with a substantially reduced work-force. The policy of self-supervision by the industry was, in hindsight, lamented by the employers. Ross Stryvoke, Senior Industrial Relations Advisor with FIR, admitted that "sympathetic administration" had "reduced the credibility of the Forest Service among the B.C. public to zero (Interview, July, 1991)." This policy, as mentioned above, was part of a broad-based attempt to reduce social services and union strength by the provincial government. The attempt precipitated the creation of an alliance between organized labour and public interest groups - the Solidarity Coalition - leading to a planned general strike. The prominent role of IWA leader Jack Munro in signing the "Kelowna Accord" which aborted the strike made the IWA a pariah among both the province's labour unions and the public interest groups which had opposed the Socred policies. This episode undoubtedly increased the antagonism between the IWA and the new groups critical of the sector's practices.

The forest companies, taking the lead from the Socreds, similarly used this period to attempt to break the Fordist labour relations accord. Ironically, the outcome of this attempt laid the groundwork for a new, more cooperative labour relations system. The IWA, having long since bought into the logic of Fordism had resignedly accepted the lay-offs and the automation of their mills as necessary to the maintenance of their employers' competitive
viability. After all, the remaining workers had maintained their high wages as a result of the subsidization of the sector by the taxpayer under "sympathetic administration." The union turned to the government again, this time the federal level, for assistance with labour adjustment resulting from the displacement of their members. The companies assisted the union in establishing a federally funded "labour tracking" program. The two producer groups had long accepted government subsidy of "labour reproduction" through its provision of unemployment insurance payments during seasonal and cyclical downturns.

The companies, however, had bigger "labour adjustment" policies on their collective minds. In the contract negotiations of 1986, they demanded concessions from the IWA and the right to subcontract to non-union firms. The companies, having weakened the union during the downturn, were surprised when the union balked at the demands and struck.

The settlement of the four and a half month strike resulted in a stalemate but, more importantly, won for the union the respect of the employers due to the tenacity of the strikers. The contentious contracting-out issue was referred to an arbitrator and the resulting McKenzie Report established new provisions to protect the employee rather than the position. Employees displaced by job deletion due to technological change were allowed to transfer between mills. Sub-contracting requests by employers were referred to joint union-management committees comprised of people not directly affected by the proposal. These committees soon had their
mandates expanded to include other issues which arose during mid-contract which might be in danger of escalating before they could be dealt with during contract negotiations or which were not conducive to contract negotiations.

Shortly after the strike was settled, the second issue which facilitated more cooperative relations in the sector arose in the form of the 1986 softwood lumber dispute with the U.S. The failure of Ottawa or the national forest industry lobby group, the Canadian Forest Industry Council (CFIC), to mount an effective defence against the U.S. threat to impose a counter-vailing duty on imports of Canadian lumber prompted the B.C.-based COFI and the IWA to send representatives to Washington to lobby Congressional officials. Their joint efforts served to highlight to the sectoral "partners" the importance of cooperative efforts in addressing external problems of mutual concern.

The third event which followed gave the union more freedom to create a new relationship with the employers. While District 1 had been fighting against demands for concessions and attempting to counter the effects of lay-offs, their American brothers had not. The American IWA members had accepted demands for concessions and subcontracting, resulting in the de-unionization of many of their mills and the gutting of the contracts of those they retained. The Canadian District, rejecting this suicidal policy and the inevitable destruction of the union, sought and obtained a peaceful disaffiliation in January, 1977. With this new found autonomy, the IWA-CANADA now turned toward the establishment of a more permanent
forum for joint policy-making with the employers.

In April, 1988, the Western Wood Products Forum (WWPC), under the co-chairmanship of IWA-Canada President, Jack Munro, and MacMillan Bloedel President and CEO, Ray Smith, was founded (Appendix II). The federally-funded Forum was modelled on the steel sector joint forum, CSTEC, which had also been formed to manage labour displacement and industrial restructuring as well as to lobby the U.S. Congress against imposing import duties on Canadian steel. With a Board of Directors consisting of five CEOs from some of the biggest corporations in the sector and five local IWA-Canada Presidents, the WWPF was structured to favour the present character of the sector against the pressures of the market, technological change and government policies, domestic and foreign, as well as the approaching challenges of new interest groups.

C. The Major External Factors Affecting Change in the Sector.

The gradual introduction of a system of "regulation" to complement the potential of the now dominant mass-production economy served to stabilize both labour relations and the market. The post-war equilibrium between the producers and the market was accomplished by political decisions to guarantee a constant, if differentiated, rise in citizens living standards.

Now that we have reviewed the general process of change in the dominant post-war model of industrial relations as applied to the
particular conditions of the B.C. solid wood products sector. We will now examine the major factors in this process as they affected the sector, with a view both to the response of the sector to these pressures and the affect on relations within the sector and with groups outside the sector. These factors are derived from the general pressures undermining North American Fordism and its regulatory regime, refined to reflect the conditions of the sector in question. Therefore, while we will be focusing on the sector, we will also see that the dynamics of the sector reflect, in microcosm, the processes occurring across the Canadian and the American economies. First we will isolate and examine the factors as they apply to this particular manifestation of Fordism.

1. Technological change:

Although technological change in a market-based economy is seemingly driven by a deterministic positivism, the process of its adoption by industry and the determination as to who or what groups benefit from its adoption is subject to human choice (Piore and Sabel, 1984). Ultimately, the impact of technological development varies depending on the influence of the various groups in industry and their particular relationship and ideology. This was seen during the revolution in technology in the 19th century which ushered in mass production. Frederick Taylor's ideas regarding "scientific" management of labour and Henry Ford's assembly line perfected the particular means by which mass production was to triumph over craft production. Labour input was placed under
tighter management control, simplified and disaggregated, reducing worker discretion over his input and weakening his bargaining potential. The resulting inability to increase working class purchasing power in tempo with the increase in production, resulted in the crisis of the 1930s.

Similarly, the more recent process of automated production, thereby increasing productivity and the profits of the innovators, has resulted in job-loss, further deskillin of labour, and increased supervisory control of the workers, for example among telephone operators. Yet, automation could also increase the control and discretionary power of newly semi-autonomous work-teams as has occurred in some of the "workshop factories" in western Germany and elsewhere in the West (ibid., pp. 267-8). If the former use of automation were to become the norm during the decline of Fordism, we could be creating the conditions for another 1930s-type crisis. However, the latter model of production, with a more balanced relationship between management and labour, could help to reestablish a new social equilibrium.

In the forest sector, along with the government induced shift in the structure of ownership following the Sloan Reports in 1945 and 1956 came the mechanization of both logging and milling. As we saw above, the IWA supported this process as they shared in the productivity benefits through higher wages and safer working conditions. Similarly, the IWA, at first, saw the automation of the sawmills in the 1980s as leading to a sharing of the benefits. However, this was not management's plan, resulting in the strike
and the new, but unstable, labour accord. It is unstable because the new technology of automation also gives smaller producers the ability to offset the economies of scale enjoyed by the large corporations through increased flexibility to not just capture new niche markets but to invade the dimension lumber market long dominated by the majors\textsuperscript{12}. Many of the new, independent mills resist unionization by the IWA, as its mass production-style contractual provisions are seen as being too rigid and thus an obstacle to the flexibility necessary for economic viability. However, faced with the mushrooming of these new operations and mounting evidence that the majors are planning on either following this example or, like Fletcher-Challenge, leaving the sector entirely, the IWA has begun experimenting with contracts allowing flexible work methods. Supplementary to the master agreements with their rigid job descriptions, authority structures and work schedules, the IWA has signed plant-level agreements which refer to "team-work, flexibility and cooperation (Appendix III)."

Encouraging cooperative work methods at the micro-level, however, carries with it the potential to create divisions between the union centre and the local union. The new working arrangements are similar to those already established in the pulp and paper mills where loyalty to the local employer and job satisfaction has been found to be higher than at the sawmills (Marchak, 1984, pp. 258-66).

Another aspect of new technology and working relations which may change the relationship between employer and employee and which
will require consequential adjustments by both parties central associations is the effect on workers' skills and training requirements. All employers representatives interviewed for this thesis noted the higher education and skill-levels required of employees as numeric controlled machinery is introduced in the mills. The knowledge and ongoing training requirements needed to work in the team-work situations will fall on the employers. If the individual employer pays for this multi-skilling, his investment in the employee will make the employee more of a "fixed" asset akin to his investment in machinery and, thus, in order to protect his investment from "pirating" by other firms, the employee will need to be made more of a stake-holder in the firm. However, to avoid this, the employers association together with the union, if there is one, and with the financial assistance of the state, could establish sectoral training schools. In this case, the union and the employers' association would grow closer through their mutual concern for training and the resulting corporatization of their interests. The resurrection of the skilled craftsman and the specialized production firm will hasten the eclipse of the Fordist model. Which version of the new model, meso-level corporatism or micro-level cooperation, will dominate will depend on the other factors to be investigated.

2. Foreign-regulatory agencies:

The Canadian economy has become increasingly subject to foreign and international regulatory authority pressure as trade
was liberalized during the post-war era and, more recently, as Canada entered into bilateral trade agreements with the U.S. Highly export-dependent sectors such as the B.C. solid wood products sector are extremely vulnerable to rulings by off-shore governmental and quasi-governmental bodies over which they have little influence. In order both to counter possibly adverse rulings by these bodies and to adjust quickly if this fails, producers groups, with the assistance of domestic state agencies, have been encouraged to form bipartite, union/employer associations. This scenario was behind the formation of several sectoral bodies, including the sector in question, as we have seen. This type of cooperation shows signs of spreading from the peak-level down to the plant-level as centralized national Fordist macro-regulatory capacity diminishes.

We are aware, due to the recent attention garnered by the recently signed FTA with the U.S., of the growing volume of trade issues being addressed by both foreign national and international agencies which affect the Canadian economy. This loss of economic sovereignty has been ongoing since the end of World War II. The post-war liberalization of trade between developed capitalist nations and the consequent increasing interdependence of national economies has added to the regulatory authority of agencies such as GATT, the diplomatic bargaining of national macro-economic policy-making by the Group of Seven, and the indirect vetting of national industrial planning by the IMF and the World Bank. In Canada's case, this process has been compounded by Canada's dependence on
trade with the U.S. Thus, the loss of economic sovereignty has been overwhelmingly to the U.S. This process is relevant to industrial policy-making and tripartite relations in small, open economies such as Canada's. In the case of the softwood sector, this has been especially influential in the shaping of labour relations.

Cooperation in the sector in response to foreign pressures and aided by domestic state agencies has taken several forms and is being initiated at various levels of the sector. A brief review of some major cases will help reveal concomitant changes in the structure and industrial relations of the sector. Furthermore, we will see the changing role of the state in the economy, in general, and in the sector, in particular, as conditions of trade change.

During the 1980s, due to the effect of the economic crises on various forest related sectors in the U.S., the B.C. solid wood products sector was often faced with threats to its U.S. markets from protectionist state regulatory authorities at various levels of government. Charges by U.S. timber interests and their Congressional allies that Canada was subsidizing the export of dimensional lumber through artificially low provincial stumpage rates had been dismissed by federal authorities in the early 1980s, only to resurface again in 1986. As a result Canada had to impose a 15% export tax on lumber destined for the U.S. The IWA, having recently suffered as a result of the imposition of a 35% import duty by U.S. authorities on B.C. shakes and shingles, had urged negotiation and a voluntary cutback on exports of lumber to the
U.S. Many COFI member companies and the provincial Forest Ministry had backed this tactic, while the CFIC and the federal government had opposed any negotiation. The adverse outcome, which the IWA had predicted, prompted the federal labour department to urge the IWA and B.C. sectoral employers to cooperate in monitoring and responding to future threats to their markets\textsuperscript{13}. The opportunity to implement this type of joint effort came soon after, in 1988, when the plywood sector came under market pressure.

Loss of market both domestically and offshore in the plywood sector due to uncompetitiveness and alternative products, as well as U.S. challenges to Canadian standards for plywood use in residential construction, which resulted in the favouring of the better quality Canadian product over U.S. plywood, threatened the B.C. manufacturers. The IWA and the plywood producers agreed to hire an outside consultant, who recommended rationalization of the sector in order to bring about a more specialized division of production among the firms. Under recent amendments to federal competition rules, this cartelization of the plywood sector was to be permitted as it was deemed directed primarily at the export market and would lower production costs to the Canadian construction industry. The project was aborted when a major producer, Fletcher-Challenge, chose to shut down its plywood mills instead. Losing a key player, no rationalization occurred and shutdowns of other plywood mills continue to this day. This failure brings to our attention structural impediments to cooperation which will be addressed further on, after we look at
other attempts at sectoral cooperation.

Since this failure the two producer groups have continued their efforts at a less ambitious level. This has mainly been in the form of joint marketing missions and efforts to adjust workplace organization and norms so as to meet changing market conditions. At the sectoral level, the COFI and the IWA have formed the Cooperative Overseas Market Development Commission to attempt to overcome foreign regulatory obstacles to B.C. exports: for example, the non-tariff barriers in the Japanese residential construction industry. At the plant-level, Mayo Forest Products has formed a joint (unionized) employee and management committee to tour Japanese markets and to, successfully, persuade the grading authorities at the Japanese Agricultural Standards office (JAS) to allow the mill to pre-grade lumber destined for Japan. Joint committees have also been established at Mayo to facilitate more flexible working conditions and employee input so to promote a more rapid response to emerging market opportunities. The COFI has followed Mayo's success by negotiating the right to set JAS grading standards for other B.C. mills.

Threats to the sector's market from foreign regulatory authorities under the pretence of environmental concerns have also precipitated joint IWA-employer actions. We have seen reports recently of joint sector delegations visiting European capitals to counter threats from European Green Party legislators to block B.C. forest products exports, as well as the sponsoring of tours by European Parliamentarians of B.C. forests. Although encouraged by
Canadian federal and provincial governments, the fact that these industrial delegations are performing what was formerly a responsibility of national government, that is protecting national trade, reflects the gradual diminishing willingness and capacity of national government to act in the interests of export-dependent sectors. This trend, likely to grow under the constraints of national Canadian fiscal crisis, interest-group "overload," and a preoccupation with constitutional questions, as well as the loss of national sovereignty over economic matters to both national and sub-national authorities (this item to be discussed later under factor #5.), leaves producer groups to take the lead in protecting markets.

Fundamental obstacles to bipartite cooperation arise in consequence of both the ideological traditions militating against industrial cooperation and the structural characteristics impeding cooperation. We saw how Fletcher-Challenge sabotaged cooperative efforts to save the plywood sector. Foreign-based holding companies like this have less of a long-term commitment to any particular sector or location. Furthermore, capital-based corporations, as opposed to credit-based corporations, have pressures which impede long-term strategic planning in favour of a focus on quarterly performance (Zysman, 1983). Beyond this, there is little tradition in Canada of inter-firm (legal) cooperation as competition laws and our "firm-centred industrial culture" discourage it. Up until recent amendments to the Competition Act, "cartelization" in a sector for rationalization or foreign market
penetration was illegal. Business has traditionally been suspect when any interference in business prerogatives has been proposed. (The BCNI, in 1976, recommended bipartite union-employer cooperation over tripartite cooperation.) Canada's trade unions, historically more syndicalist in their ideologies, have traditionally viewed cooperation with management as company unionism. The debate, subsequent failure and continuing criticism of tripartism in Canada by the left has reinforced these misgivings (Panitch, 1986a, 1986b, 1988.). However, countering this ideological legacy and structural features which complement it, is the likelihood that export dependence and the concomitant transfer of regulatory jurisdiction from the nation-state will continue to grow, as will the need to increase producer group cooperation to protect mutual interests. The ongoing transformation in the structure, product composition, market focus, and employee and community input into the activity of the sector will impel cooperation throughout the sector.

3. New ideologically-motivated interest groups:

The decline of the Fordist model and its accompanying regulatory regime has coincided with the growth of new movements which not only challenge the relations and logic of Fordism but the central ideological tenets of Western society and with it the hegemonic hierarchy which stabilized economic, social and political relations. The ideals of these movements cannot easily be incorporated into conventional political discourse or the pluralist
interest group bargaining of liberal democracy nor can they be accommodated to the dominant political, social and economic accords. These groups, which include environmentalists, feminists, and native Indians in British Columbia, have posited and begun to create new societal cleavages which compete with the old class-based ideological models and have, thus, disrupted the assumptions of the Fordist partners. They view the whole logic and basis of the relationship between union and employer in the B.C. solid wood products sector as an increasingly antagonistic and anachronistic collaboration in the continuing domination and exclusion of these groups by these over-privileged partners.

The dynamism of these new ideologically motivated groups has, in the case in question, thrown the leaders of the two producer groups into a defensive alliance. Yet because these new groups arose out of contradictions inherent in the dominant post-war model of economic production, Fordism, the resolution of these contradictions will entail a substantial change in the relationship of the union and employers in the B.C solid wood products sector. The structures and relations which emerge in consequence must then incorporate the concerns as well as the membership of the new groups. Since the ideals of these groups are so radically opposed to those of the system they critique - decentralization, consensus-based decision-making versus bureaucratic centralism, enhancement of values which are non-market based, non-paternalistic, and non-white empowerment - this process of change is likely to be long and difficult, and unpredictable.
These developments have brought proportionally greater pressure on the solid wood sector, as it is central to these groups' concerns; in the case of environmentalists and natives, the activities of the sector are of primary concern and in the case of feminists, its male-dominated structure and normative operational values are antipathetic to feminists' ideals. The concerns of these groups have already begun to gain credibility within the forest policy-making community. Leading figures in the sector, as well as the recently released Report of the Forest Resources Commission (the Peel Report), acknowledge that control and management of the forest, and of the industry which uses the resource, must undergo substantive restructuring.

Within the sector, the major actors have already begun the process of restructuring, although their obstructionist public statements appear to belie this. Fletcher-Challenge, the New Zealand-based number two corporation in the sector, has put most of its lumber mills up for sale. MacMillan Bloedel, controlled by Eastern Canada-based Noranda, number one in the sector, is shutting mills along the coast and selling off some of its long-held private tree-farms. The IWA held a conference with B.C. natives groups in Parksville in 1988 to discuss the possible impact of native land-claims on the IWA membership. As well there have been established numerous local community-based groups comprised of natives, environmentalists, the forest companies, local forestry workers, and concerned citizens, under provincial government initiative, to review forest resource planning. The former stonewalling of the
province on the recognition of native-land claims has been modified with the creation of a Native Affairs land-claims review process. Also, the province has been forced to set aside some old-growth forests as reserves and parks and has an on-going provincial forest-use review process. Thus, in spite of the apparent governmental antipathy to these new groups and the extensive public relations campaign by the forest companies to counter the efforts of these groups, the increasing public support for their demands has forced change. Attempting to mitigate the consequences for the provincial economy and for individual forest companies of the negative publicity resulting from confrontation, the province and the large forest tenure holders have turned de-facto control over some forest lands to Indian bands and local community boards (Cassidy and Cole, 1988, and Drushka, 1985).

The Peel Report, released in the spring of this year, has made recommendations which would encourage the restructuring of the forest industry so as to encourage smaller, community-based firms controlled by Indian tribes, cooperatives, or community boards (Executive Summary, 1991, Part 5). As these new firms will be controlled by those people most immediately dependent on the success of the firm and the preservation of not only a viable forestry but a "wholistic" forest environment, they will likely show more concern for long-term firm viability, industrial relations stability, and resource-base sustainability than the multi-nationals that presently dominate the sector.
4. Other forest-resource user groups:

There are several forest-resource user groups which have long been peripheralized by the dominant partners in the sector's Fordist relationship but whose interests have been gaining increasing attention with the emerging crisis of legitimacy in the operations of the sector. Unlike the ideologically motivated groups, the other user groups are not opposed to fundamental societal norms nor to the present means of exploiting the forest resource but rather are seeking inclusion into the Fordist policy-making process. They are dissatisfied with a system which places their interests in a subordinate position to those of the dominant partners in the sector. Their varying interests place them somewhere in the middle between the two opposing poles of the ideological groups and the Fordist partners. From this middle ground, they form a series of shifting strategic alliances among themselves and with some members from the two major opponent groups, depending on the issue and the balance of forces and public opinion. Although the precise nature of the structural model and regulatory regime which will emerge from the struggle between the two polarized protagonists is unclear, the alternative user groups are likely to gain from the expected restructuring of the sector and the expansion of the policy-making network. This conclusion follows not from drawing a Hegelian synthesis from the fundamental contradiction but rather from the characteristics of the emerging ideological consensus among the Fordist partners, government regulators, and various forest commissions and community planning
forums. As for the fate of the recently established cooperative mechanisms between the IWA and the large forest firms, the cooperative ideal is likely to be adopted as a normative value among the more pluralistic forest community. The centrality of the ideal in the debate among both those focusing on the forest sector and those engaging in the larger enveloping economic, social and political debates militates for its incorporation in the new industrial relations system.

The multiplicity of group interests in this fourth category precludes the positing of a single, inclusive identification of interests and thus a precise estimation of either the contours of the struggle in the sector or the outcome. We will therefore break them into four sub-categories, examining their interests, influence and future prospects vis-a-vis the forest industry. First, there are the so-called "independents:" logging contractors, sawmill owners, and value-added or "remanufacturing" firms. Second, are the pulp and paper mills, at present often owned by the integrated corporations but, as the solid wood operations become more problematic, increasingly autonomous. Third, are the professional groups in the sector: foresters, economists and independent consultants. Fourth, are those indirectly dependent on the forest resource base: the tourism industry, ranchers and farmers, fishers, and hunters and trappers.

The first group represents the much heralded new paradigm of economic production said to be emerging in the twilight of the mass-production model (Piore and Sabel, 1984; Bowles et al, 1984).
They are small, specialized and flexible forest firms with a more multi-skilled work-force in a less hierarchical and more team-like production process. They also, interestingly, represent both pre- and post-Fordist methods of production and organization. Independent logging contractors and sawmills dominated the sector prior to the advent of the integrated forest firms in the 1950s. Most are unionized, taking a junior role in the centralized bargaining process, yet maintaining their own associations as well. The remanufacturers are a newer phenomenon, having grown as a result of technological developments and market demands, as well as from new, encouraging regulations from the provincial Forest Ministry which, following some of the recommendations of the 1976 Pearse Commission Report, insure greater access to the resource base and provide assistance in training and marketing. Already, according to Ross Stryvoke of FIR, most of the large mills formerly found along the lower Fraser River have been replaced by hundreds of these small operations (Interview, July, 1991).

The second group, pulp and paper mills, were originally started as a cheap and, eventually, profitable means to eliminate the wood-chip and sawdust "waste" from the solid wood sector operations. They were started by the integrateds but are increasingly autonomous from the sawmills both in ownership and in access to their raw resource base. Their use of solid wood waste, "weed" species, and, more recently, recyclable paper as inputs has given the sector a more benign public image. Although this image has been damaged lately by publicity concerning the harmful
environmental effects of their mill emissions, the on-going installation of "closed" effluent recovery systems and less harmful pulp bleaching processes should diminish the criticism.

The third group, the forest professionals, lend their expertise and relative professional objectivity to the rising chorus of criticism against the way the forests are being managed and exploited. Although most members of this group rely on the integrateds for their incomes, the voices that are heard have exposed the myth of sustained yield forestry supposedly guiding the management of the forests since its espousal in the 1945 Sloan Report (Mahood and Drushka, 1989), the waste and misuse of the resource by the integrateds (Drushka, 1985), and the poor return to the provincial treasury in rent (the Peel Report, Part 6.). The professionals' recommendations tend to align them with the interests of the independents as well as with the new policy proposals for forest reform of the Social Credit and New Democratic parties.

The third group is made up of forest resource user groups who are indirectly dependent on a healthy forest base and share a similar mixed image in the public mind. Although their exploitation of the resource base does provoke some negative reactions, tourism, ranching and farming, fishing, and hunting and trapping do not, even cumulatively, pose a similar threat to the viability of the forest ecology nor do they arouse as great a public outcry. Their increasing importance to the provincial economy, either directly through income or indirectly through, for
example, the positive image they portray to potential immigrant-investors, will increase their access to the decision-making forums in the province.

The common feature among all these groups is that they provide multi-use models for organization and management of the resource base as an alternative to the hegemonic control of the integrated forest firms. Their growing visibility among the public, increasing importance to the provincial economy, and increasingly influential role in forest-policy review processes is symbolized by the use of the name "Share the Forests" by the "citizens" groups fronting for the Fordist partners. Their prominent representation on the Board of the Forest Resources Commission has been reflected in its recommendations.

The increasing access these groups have to state policy-making mechanisms, which is likely to translate into their increased importance in the forest industry as a whole and the solid wood sector, in particular, as a result, impels investigation into the role of the state in the sector. Federal and provincial influence in the industrial relations in the sector has been dealt with indirectly so far. We will now turn to the direct role of the state in the process.

5. Canadian governmental influence on relations in the sector:

Although direct jurisdiction over the operations in the B.C. solid wood products sector rests with the province, it was the federal government which has orchestrated peak-level cooperation in
the sector. The provincial government has, except during brief periods when it legislated structure affecting change in the sector, i.e. following the periodic forest commission reports, been eager to allow the sector actors to police their own relations. Furthermore, reinforcing this distinctive difference in approach from that of the federal level, apart from federal grants to provincial silviculture projects, there has been no joint federal/provincial policy-making in the sector. Thus, examination of the role of the two governments in the sector will be separated.

In spite of having no sectoral-specific responsibility, the federal government has a determining influence on the economic performance of the sector. As both capital investment and the crucial construction sector are dependent on credit, Ottawa's responsibility for setting interest rates makes its monetary policies of primary importance to the sector. Furthermore, through its manipulation of exchange rates and its responsibility for treaty-making and foreign trade, it has a direct influence on the export market of the sector, as we saw during the softwood lumber dispute with the U.S. The federal treasury also subsidizes labour maintenance costs in the sector through its provision of unemployment insurance during the frequent seasonal and cyclical periods of employee lay-offs, as well as through its training and retraining grants. It underwrites input costs by funding forest replanting programs run by the province which might otherwise have to be funded by the companies either directly, through higher stumpage charges, or through higher provincial corporate tax rates.
The federal government, therefore, has considerable leverage over the sector, which only recently, it has begun to use to manage change in union/employer relations.

Together with this monetary and fiscal leverage, federal authorities who deal directly with forest sector actors also enjoy considerable autonomy from sectoral influence. As its policies and the responsible departments have multi-sectoral, trans-national influence and clienteles, they are less vulnerable to "capture" by the B.C. wood-products sector, the way the primary provincial department has been. Using this leverage and its relative autonomy from the sector, it has the capacity to orchestrate changes in the relations of the producer groups which complement its national industrial planning priorities. In exchange for performance enhancing policies and federal largesse, the sector is more predisposed to federal efforts to initiate cooperative labour relations. Even though corporate spokesmen object in principle to government interference in their sector, at least publicly, they know that their acceptance of Ottawa's hand-outs usually carries a small price.

Since the demise of macro-level tripartism in the 1970s and the switch to sectoral-level industrial planning, and the retreat from the more interventionist policies of the Trudeau era, the federal government has confined its "corporatist" activity to the areas of labour productivity, labour market planning, and sectoral union/employer cooperation. The tripartite Major Products Task Force programs of the late 1970s and the Canadian Labour Market and
Productivity Centre, of the mid-1980s have been followed more recently by the encouragement of joint union/employer cooperation in planning and administering training and retraining, and labour displacement programs funded by Labour Canada. This was the impetus for the establishment of the Western Wood Products Forum (WWPF) in 1988. The main focus of the WWPF has been market planning, industrial plant restructuring, and labour training and adjustment. Initial funding for the Forum and for a sectoral conference bringing together IWA and employer representatives from the local and plant level, held in Vancouver in March, 1991, has been provided by Labour Canada. At present, through the Forum, IWA and MacMillan Bloedel officials are planning programs to manage the shutdown of two mills in Port Alberni.

It is doubtful whether the federal level involvement in tripartism in the sector will move from this reactive, crisis-induced activity to a more pro-active anticipatory policy-making activity for several reasons. The major levers for structure altering initiatives remain with the provincial government level and, if anything, jurisdictional authority is likely to be increasingly concentrated there in consequence of constitutional reform. Lacking this transformative power, the federal level must try to orchestrate cooperative producer group management of change in the sector which, since it is dominated by a few large, multi-national corporations, is resistant to government interference and less impelled to inter-firm cooperation. The failure of the plywood cartel demonstrates this structural impediment. Only the
province has the ability to change the structure of the sector.

The provincial government has used its authority to periodically change the structure of the sector yet in between these bursts of activity it has been content to let the sector govern itself with the assistance of a "captive" forest bureaucracy. The primary agency responsible for the sector, the Ministry of Forests, has long been run by industry executives on sabbatical. The recent Minister, Dave Parker, was Woodlands Manager for Westar Timber. Long-time Deputy Minister, Mike Apsey, is now head of COFI. These direct connections are not necessary to insure Ministry compliance with the wishes of the employers. During the 1950s, the then Forest Minister Robert Sommers was convicted and jailed for accepting a bribe in return for awarding a tree farm license to an American-based forest company. The restraint program of the early 1980s under the then Socred Premier Bill Bennett, by cutting Forest Ministry staff and funding, reduced the independent data collecting and the stumpage monitoring capacity of the Ministry, damaging both the interests of the public in its capacity as landlord, and the industry, which saw its public image plummet as its unregulated activity despoiled the resource base.

Doubtless, this history of government negligence of Crown land and the industry's irresponsible use of what has become a fiduciary proprietorship of the resource has impelled the recommendations of the Peel Commission. In order to lessen politicians' interference, it proposes creation of a self-financing Forest Resources
Corporation to manage the timber resource under the supervision of a new super-Ministry of Renewable Natural Resources. The super-Ministry would, hopefully, eliminate the competition, duplication and counter-productive activities between separate ministries. The Corporation, with a Board of Directors comprised of representatives from "all regions and sectors" of the forest industry, would widen the policy-making network and be mandated to run the forests in a "business-like" manner in the interests of the public landlord. If the recommendations of the Commission are reflected in new legislation, then a change as substantive as that which followed in the wake of the two Sloan Reports will occur. A broad-based corporatization of the forest base will have been effected.

As mentioned, the provincial government has used its jurisdictional authority to restructure the sector in the past in reaction to larger trends in economic organization and to accompanying trends in thinking as to the regulation of that activity. Control of the resource enabled the province to restructure the sector from one dominated by hundreds of small family-owned logging and milling firms to the mass-production corporate model then in vogue in less than one generation between 1945 and 1960. Similarly, in reaction to the downturn in the sector during the mid-1970s, the province reformed forest tenure to recognize the needs of small milling operations and the emerging remanufacturers for secure timber supply. Now we have the demands for broad-based, decentralized, pluralistic input into forest management and for encouragement to the newer value-added producers
from the public, as reflected in the Peel Commission Report. Just as enabling legislation to transform the sector into the mass-production model followed the Sloan Commission Reports and the reform of tenuring in the mid-1970s followed the Pearse Commission Report, the Peel Commission should precipitate government activity.

As for influencing labour relations in the sector, the provincial government may have fostered cooperation in spite of its intention. Although the Social Credit government, in office except during the brief reign of the NDP from 1972 to 1975 continuously from the mid-1950s, has never been sympathetic to unions, its labour policies have been most overtly anti-labour only since the recession of 1981-3. As mentioned, the forest companies were encouraged during the period up to the strike of 1986 to actively attempt to de-unionize the sector by Social Credit restraint policies. The outcome of the strike resulted in joint sub-contracting committees. Since the passage of the most recent labour legislation, Bill 19, under the Vander Zalm government, the B.C. union movement has officially boycotted the Industrial Relations Council. This has, in the opinion of both management and union, forced the two to resolve their differences without provincial government conciliation or arbitration. In the solid wood products sector, the IWA has relied on the forest companies to rein in the more extreme anti-union instincts of the populist Socred government for fear of a repeat of the Operation Solidarity episode in 1982. The companies are aware of the IWA ability to disrupt the sector and they need the good will of the IWA to mount
their defence of the sector's unpopular forestry practices. Furthermore, the large corporations are wary of relying on their Socred allies who around election time are prone to revive their anti-big business, in tandem with their anti-big union, rhetoric for populist consumption. The two partners in Fordism can at least rely on the predictability of each other's behaviour and during this period of crisis they need each others support to defend their precarious sectoral hegemony.

D. The Interdependency of the Factors and their Reciprocal Relationship with the Sector.

Now that we have examined the individual impacts of each of the five factors affecting change in the B.C. solid wood products sector, we will explore how the factors have acted on each other to both transform and reinforce their impact on the sector. By exploring this dynamic process, we will be more able to make predictions as to the cumulative impact on the major actors in the sector and the fate of their recent efforts at establishing more cooperative labour relations. From here we will place this process in the context of the larger decline of Fordism in North America in order to discover whether the actors' response to pressures will suffer the fate of the Fordist model or whether it is integral to the new model which is emerging. The answer is obviously of importance to the leaders and membership of the two dominant partners organizations as well as to those formerly peripheralized by the Fordist partners. Furthermore, due to the sector's
centrality to the province's economic, political and social relations, the answer is of importance to the larger polity.

We saw that technological developments have steadily diminished the inherent advantages of Fordism which with other social and political factors allowed it to act as paradigmatic model for most of the 20th century. Yet technological change, that is, advances in both the technology and the technique of production, is contingent on social relations and social need. Fordism is in decline not just because of advances in micro-processing and numeric control but because of market changes, shifts in the hierarchy of national economies, and developments in the social structure and normative demands of peoples. Thus are brought into the technological equation demographic and socio-economic changes, new ideals, the liberalization of trade and shifts in regulatory authority, and the simultaneous internationalization and localization of political activity.

Technological change is increasingly impelled by advances among competitors outside the once protected national markets and regulatory regimes of the nation-state. As U.S. hegemony declined and with it market security, American and, by extension, Canadian industrial sectors lost their homogeneous character. International competition has reintroduced pressures to innovate in technology and in labour relations. As we have seen, these new employees' characteristics will bring about a changed relationship with the firm and with their collective bargaining association. Qualitatively advanced collective demands will force the firm to
recognize the employee as a "stakeholder," in the former case, and their union must adapt its structure to reflect resulting employee shifts in consciousness to the firm level and the more "professional" concerns of the post-Fordist workers. Like their public-sector counterparts during the 1960s and 1970s and the Fordist unions during their formative years, the new unionists are more likely to voice the progressive concerns of the contemporary public. Enjoying the "low-cost" political pressure-group advantages of unions but not yet possessing the structural security of the Fordist unions during their heyday, the new union vanguard will, like their predecessors, use the political forum to secure their status and, in consequence, transform the political debate. Unless unions such as the IWA can move with the workers both organizationally and ideologically, they will go the way of the Fordist model from which they originated.

We have seen how international trade liberalization, whether among blocs or globally, and the concurrent loss of national economic and, hence, political sovereignty, has affected the solid wood products sector's structure and labour relations. This has increased the pace of industrial innovation as competition and imitation follow in the wake of trade liberalization. Internationalization has also increased trans-national linkages between like-minded new ideologically-motivated groups. "Think globally, act locally" reflects this tendency in forming international alliances in support of local activities. Local representatives of the new ideological groups and the other forest
user groups have found common cause in the demand for increasing local community control over forest policy. Diminished national control over macro-economic policy-making has shifted the initiative to the sectoral and sub-national level. A coincidental desire for decentralization of control over the forest sector by the above interest groups and an increasingly able provincial administration should result in increased attention to the forest sector in provincial politics in consequence of internationalization.

The new ideologically-motivated movements are perhaps the most influential and dynamic force affecting our societies at this time and their long-term impact is the most problematic. Their concerns transcend those of the Fordist actors and their ideals conflict with those underpinning the development of Western economies.

While similar previous utopian proposals of such visionaries as Rousseau, Proudhon and Thoreau were swept aside by the hegemonic appeal of industrialization, today industrial and political leaders, despite their obvious opportunism, pay lip-service to the ideals of those who seek to ultimately, topple the whole system. They lack a confidence inspiring belief in the fundamental ideals of patriarchy, individualism, materialism and hierarchy which have driven Western civilization and they have no alternative able to capture the public imagination. The millennial character of the new idealism, transcending the formerly "primary" class contradiction of Western developed societies, is attested to by the simultaneous eclipse of both the Soviet Union and the United States
as the two alternative models of this century. As we have seen, the new group concerns, reflected in demands for wholistic management of the forest, is precipitating alliances challenging the exclusionary practices of the provincial policy-makers and seeking to transfer authoritative decision-making power from the state to society.

The crisis in the Fordist model in the solid wood sector has served to broaden the policy-making network to include the other forest user groups in the policy-making community. These pluralism inducing actors will introduce qualities such as flexibility and competitiveness which will mitigate the traditional boom-bust vulnerability of the sector, the concession extracting power of the Fordist partners over the province, and the threat of sector-wide foreign-based export penalizing enactments. Resistance by the Fordist partners to this adaptive process will only serve to dissipate any lingering sympathy for their plight as their structure declines.

Many of those woodworkers displaced during the 1980s undoubtedly found employment among the new user groups. While they lost the security and high wages of the Fordist structure, the need to be multi-skilled and flexible in the marketplace has enhanced their organizational and bargaining leverage as the new firms for which they work grow in importance in the sector while the integrateds continue their decline. Market diversity and non-reliance on input subsidizing stumpage setting leaves the sector less open to the erection of offshore protective trade barriers.
Contrary to the over-privileged image of the Fordist partners, the new user groups possess characteristics more conducive to public and, hence, political party promotion. The small business and community enhancing recommendations of the Peel Report have found favour in the public statements of both major provincial political parties. The fortuitous release of the Report just prior to the expected provincial election, due to its bi-partisan support, should further the chances that forest policy changes after the election will reflect the goals of the Report.

The crisis in the Fordist structure of the solid wood sector has undermined the long-held assumptions of the class-based electoral politics of B.C. The NDP has attempted to balance the demands of their long-time allies in the IWA leadership with the concerns of the critics of the Fordist partnership. NDP waffling, seen by the former as treachery, has been met with public questioning by IWA leaders of their electoral endorsement of the NDP. However, the party no doubt recognizes the growing ideological and electoral clout of the new groups and the continuing isolation of the IWA following Jack Munro's role in the Kelowna Accord, his loss of the B.C. Federation of Labour Vice-Presidency position following this event, and the subsequent role of many activists from the Solidarity Coalition in the new groups criticizing the Fordist structures.

Munro's public statements, although often later dismissed as being off-the-cuff, should not be seen as being unreflective of his shifting union policy. Questioning their electoral alliance with
the NDP surely signals to IWA members that they would be justified in voting against their old allies. Subsequent public feuding with NDP members of the Legislature and of Parliament has reinforced this split (New Directions magazine, July, 1991, pp. 12-7). The NDP have probably weighed the consequences of winning the environmental, native and other user-groups’ electoral support against losing the public endorsement of the IWA leadership. Nationally, the NDP has been more supportive, traditionally, of environmental concerns and of native land claims negotiations. As the party's vote is fairly strong in forest-based communities, they probably see negative long-term consequences for this constituency of a failure to increase employment opportunities in these communities through forest economic diversification. The climax of this process will surely come if Jack Munro resigns, as expected, from the IWA Presidency to head the industry-funded lobby group, the B.C. Forest Alliance, established by the notorious public relations firm Burton-Marstellar Limited17.
IV. CONCLUSION: THE PROSPECTS FOR COOPERATIVE INDUSTRIAL RELATIONS IN THE B.C. SOLID WOOD PRODUCTS SECTOR.

We have seen that the major factors affecting change in the structure and industrial relations of the sector in question have created a crisis atmosphere impelling cooperation between the IWA and the large corporations, on the one hand, and between these two and the federal state, on the other hand. The factors have acted on each other and in a reciprocal way with the leading agents in the sector to shape alliances and ideologies determining the future course of the sector. These factors are, in turn, derived from and representative of broader changes occurring in the economies of the developed world, yet possessing peculiar characteristics reflective of the conditions of the sector. As the sector changes in response to these factors and establishes new working patterns and industrial relations, its central importance to the province will result in it influencing the economy and politics of the province.

Industrial relations in capitalist democracies have revolved around the attempt to peacefully resolve the conflicts arising from divisions between owners and workers and shaped by the structure of industry. The institutions, mechanisms and norms of behaviour which have expanded the meaning and scope of democracy from the political realm to the social and, at least in theory, the economic realm have resulted from this channelling of the dynamics of class conflicts into the political sphere. Thus, states have evolved, out of the immediate economic struggle, governing institutions
which recognize and include the demands of the organized working class in their regulation of social consensus underpinning the economy.

The means of incorporating the organized representation of the working class into the policy-making mechanisms of the capitalist economies has varied between states, depending on their peculiar economic, political and social legacies. Students of this process have unravelled the connections between the features of states and the regulatory regimes which they have adopted. National-level government, peak business and union associations first met to bargain over macro-economic policies in response to a perceived crisis in the nation. This tripartism coincided with the rise of large corporations and industrial unions and was first attempted in Europe during war emergencies or on the eve of insurrection (Gerald Feldman, 1981, and Phillippe Schmitter, 1974). As the institutionalization of peak level bargaining, corporatism, was first associated with either counter-revolutionary social-democracy and cooptation or with Fascism during the interwar years, it was denigrated by both Marxists and liberal democrats. However, despite this it became the preferred means of regulating capitalism in most social democracies in the post WW II era, especially in Western Europe. In non-social democratic states, tripartite bargaining was not institutionalized, notably in the Anglo-American states. Nevertheless, Keynesian macro-regulation of demand and of economic growth, Fordist linking of wages and productivity growth, and the promotion of (structurally) full employment were adopted to
varying degrees by all developed capitalist democracies in order to incorporate the demands of organized labour. The crisis of the 1930s and the War which followed had clarified among democratic governments the relationship between Fordist mass production and macro-regulation of the distribution of its growing, seemingly unlimited, potential.

Canada, like the other Anglo-American developed economies, chose to regulate its economy through inclusive income maintenance programs and legally regulated private collective bargaining regimes. This division of responsibility in the Anglo-American tradition, between the state as fiscal and monetary regulator and industry as micro-input and -output regulator worked to maintain relative increases in income, based on what John Rawls termed "the difference principle," until the stagflation of the 1970s. In desperation, the federal government, as did other non-corporatist states, attempted to obtain voluntary restraint from business and unions to restore the quickly disintegrating Fordist accord. Their failure to establish tripartism has been attributed to a number of conditional obstacles including the external basis of much inflation, the absence of authoritative peak producer group association and state structures, and the lack of trust among the three parties, especially labour. However, the model which impelled its attempt, national tripartism, as it was meant to restabilize Fordism, is a model whose time has likely passed.

The same forces which undermined Fordism, in Canada, would similarly have undermined tripartism if it had been established in
the mid-1970s. Since then, technological change and market forces have been most advantageous to new industries outside the old Fordist structures. As Peter Swensen's comparative study demonstrated in the case of Sweden and Denmark, national economies less dependent on Fordist industries and bargaining structures and instead retaining more craft-type structures, like Denmark, are better able to weather the international crisis of Fordism unlike the Fordist states like Sweden or, in this case, Canada. Canada's lack of economic sovereignty, termed "permeable Fordism" (Jenson, 1990), would undermine the ability of the tripartite peak bargainers to manage macro-economic stability. The groups outside the Fordist structures would have rebelled against any attempt by government to perpetuate their exclusion under tripartism. Lastly, never having had a national social democratic government either to promote union densification or to legitimize organized labour partnership in national governance and with little likelihood of this occurring in a country divided more by territorial than class cleavages and lacking the structures and traditions of consensual politics, tripartism is even less viable now than it was during the heyday of Fordism.

The continuing crisis in Fordism has been accompanied by the decline of Keynesian-inspired national counter-cyclical fiscal and monetary adjustment (Piore and Sabel, 1984; and Alain Lipietz, 1984, 1985). National tripartite bargaining was premised on the willingness and ability of the central government to use macro-controls to reward union/employer cooperation on wage and price
restraint. The failure during the 1970s of federal governments to obtain union acceptance of wage restraint in return for full employment is often explained as resulting from inflationary pressures (Berghahn and Karsten, 1987, on German Koncertation; and Panitch, 1986, on Canadian tripartism). However, the fracturing of peak-level bargaining in Sweden during a period of comparatively low inflation in the early 1980s (Esping-Andersen, 1985; and Swensen, 1989) indicates that the preconditions for macro-corporatism are evaporating with Fordism's decline. The recent decisions of Sweden and Austria, the paragons of macro-corporatism, to apply for membership in the European Community, as it entails a partial surrender of the tools of national macro-economic planning, reinforces this pessimism.

In place of macro-corporatism, many states have switched their attention to the sectoral level as a more promising area of state economic intervention (Cawson, 1985). This industrial policy-making strategy appears to be especially suited to federalist states like Canada (Atkinson and Coleman, 1985, 1989; Coleman, 1985; Coleman and Jacek, 1989). As was the case with macro-corporatism, there is disagreement as to the meaning and the structures of meso-corporatism. It has been used to refer to sectoral bargaining (Cawson, 1985; Atkinson and Coleman, 1989) and to regional bargaining (Grant, 1985; Coleman and Jacek, 1989). Some observers require the inclusion of two or more contending parties bargaining with the state (Atkinson and Coleman, 1989), others only one industry representative (Cawson, 1986; Grant,
1985). The term is also used to describe state/industry bargaining whether labour union representation is included or not. The variation between sectors within single states, explains this diversity of usage of the term unlike the case with macro-corporatism.

As mentioned, Canada appears to be particularly suited to meso-corporatism. Business and labour are organized in federalist structures paralleling government constitutional divisions of jurisdiction. More importantly, sectoral associations are more active, inclusive and authoritative than cross-sectoral associations among both business and labour. Up until recently, with one exception, all meso-corporatist structures in Canada excluded unions. Only in the Quebec construction industry where the fractious craft unions were compelled by the provincial government to join inclusive, authoritative collective bargaining structures were unions included. The best examples of meso-corporatism in Canada are found in the numerous agricultural marketing boards where unions are not prominent actors. Other sectoral business/government associational networks which fall short of the corporatist definition exclude unions from bargaining as well, even where the work-force is organized (Atkinson and Coleman, 1989). Recent developments have challenged this pattern. Labour Canada's efforts to establish union/management sectoral forums are the first sign of the voluntary inclusion of organized labour in meso-corporatist policy-making networks. Owing to the tentative, modest mature of this assemblage of diverse sectors, no
attempt can be made to draw general conclusions to be applied to the sector in question. However, since our focus is on union involvement in cooperative relations this development is notable.

From our look at the conditions effecting relations in the B.C. solid wood products sector and drawing from the information we have just reviewed and the experience of the sector in question with Fordist cooperation, we can draw some conclusions as to the future of this cooperation. As peak-level cooperation between the federal government, the IWA and the integrated forest corporations has been in response to a perceived crisis in the structure and management of the sector and the sector is in the midst of dramatic transformation, this present structure of cooperation will be of limited duration. However, the prospects for a different form of cooperation appear more positive. From a review of the literature on the subject it can be stated that the following conditions favour the long-term success of meso-corporatist bargaining, however between a much more encompassing group of actors: long-term economic viability of the sector; inclusive business and labour associations; regional concentration of primarily small and medium-sized firms; domestic control of firms in the sector; the need for marketing associations either to protect the domestic market from foreign penetration or to aid small producers to penetrate foreign markets; and the political capacity and commitment to negotiate with producer groups.

Tripartite cooperation is tenuous and limited if belief in sectoral viability is missing. This precondition is undermined by
the crisis-management nature of federal government initiatives and
the apparent strategic retreat from the sector being undertaken by
Fletcher-Challenge and MacMillan Bloedel. The unionized work-
force, lacking comparable mobility, has persuaded the integrateds
to engage in a defensive pact against the groups they perceive to
be undermining sectoral viability. However, a restructured,
diversified and broader-based forest industry could restore
dynamism to the sector. The Peel Commission proposal for a
publicly controlled Forest Resources Corporation contains features
of corporatist policy-making by an expanded network of forest
users.

The long tradition of inclusive, monopolistic representation
of workers and of employers has made possible the exceptional
centrality of collective bargaining and, more recently, the
operation of the Western Wood Products Forum. However, owing to
various reasons explored, the Forum has not developed a permanent
membership nor permanent institutionalized relations with the
federal or provincial authorities. However, the structural
features of the future sector, once stabilized, should enhance
associational inclusiveness. Firm usage of the association to
communicate with the state, other firms and their employees or
employee representatives, will grow in consequence of related
changes in the sector, the economy and the market.

Concentration of the firms in the sector in one region is
conducive to inter-firm communication and identification.
Furthermore, an association limited to B.C. firms, as are the
present sectoral associations, avoids political divisions among multi-jurisdictional associations. The new value-added firms which are becoming increasingly prominent in the sector will need to form relations with each other, the larger multi-national firms or state agencies to facilitate research or market development. Furthermore training requirements and the fear of pirating will increase the need for associational cooperation and bargaining with state agencies.

Local ownership or control of firms increases the commitment of all parties to the economic success of the sector whereas non-local controlled firms are less rooted in any particular sector or region and therefore less inclined to form lasting sectoral alliances sensitive to community or government interests.

Firms successfully competing in foreign markets are less likely to recognize the benefits of association with other firms or to seek state or union assistance in penetrating foreign markets. As we saw earlier, only the threat of U.S. Congressional blockage of Canadian imports in 1986, prompted tripartite correspondence in the sector to counter the threat. However on going market-enhancing cooperation by multi-national firms is unlikely once the crisis passes. Increasing competition from foreign producers, a shift to value-added products, and a down-sizing of average firm size should counter this go-it-alone style.

A critical ingredient missing from the recent attempt at cooperation has been provincial government capacity and commitment to negotiate with producer groups in the sector. Capacity would be
enhanced if total jurisdiction over forest resources were concentrated in a single super-Ministry and control over the timber resource were transferred to a semi-autonomous crown corporation, as recommended in the Peel Report. The present Forest Ministry lacks the authority and the autonomy to develop long-term policy. Political interference and a high staff turnover rate at the top level of the Forest Ministry prompted the remedial recommendations of the Commissioners.

In conclusion, the present meso-level corporatism appears to be an intermediary stage between the old stable Fordist model and the restructured model in the process of formation. The two producers groups dominating the sector are increasingly using their cooperation to cope with crisis. The integrateds will likely transfer attention to pulp and paper or their parent firms will move capital out of the industry entirely. The IWA will continue to organize workers in the new mills and the remanufacturing plants as well as workers outside of the sector altogether, in order to maintain its numbers. The big firms and the IWA will seek the aid of the state in managing the closures of outdated or resource depleted mills. They will cooperate to block attempts to stop their desperate efforts to log the last of the old growth forests before a change in government. The bitterness this will leave among both the critics and the general public will hasten the increase in the demands to end the hegemony of the perpetrators.

In the new pluralist network which will emerge in the restructured forest, the IWA and the remaining large firms will
have to share the policy-making table with those groups formerly marginalized by them. They will either have learned to adjust or they will go under. It is a sad irony that the formerly unorganized and exploited industrial woodworkers who prompted the reforms of the 1930s and the 1940s and who subsequently would replace the old craft unions as the new labour vanguard will, in turn, be replaced by a new, skilled work-force reflecting many of the ideals of the old craft workers. The new rising star in the industrial labour movement will, like their public sector counterparts, demand not only more control over their work-places but a say in the control of the firm itself. As the leading figures in the old Fordist structures acknowledge, many of the new firms will be employee or community owned and controlled. In this case associations of cooperative owners may become a new synthesis of both the labour movement and the industrial association.

It is disconcerting to watch the IWA leadership and their confused membership fighting this process of change by climbing into the pocket of their employers who have their eye on the exit. However, the craft unions in the 1920s and 1930s resorted to similar reactionary tactics to prevent the independent organization of the new industrial unions. Like them, the present "dinosaurs" of organized labour may have to be pushed aside for the sake of the new model of the next century.
Notes:

1 Patricia Marchak, 1983, noted a trend toward an increasing divergence of interest and more conflict between labour and their employers and governments, during the 1970s.

2 The period of decline varies from country to country. In Canada, the period of stagflation, during the 1970s, is generally acknowledged as the beginning of the period (see Gonick, 1987.)

3 See Piore and Sabel, 1984, pp. 44-50, regarding the "industrial divides" and the "branching points" and the characteristics of these periods for human choice.

4 See Aglietta, 1976, and Lipietz, 1979, for a Marxian economic explanation of "regulation" or Piore and Sabel, ibid., for a non-Marxian explanation.

5 See Atkinson and Coleman, 1989, p. 184, regarding the absence of a pattern in the industrial policy-making activity of the federal government.

6 Patricia Marchak, 1983 and 1986, argues that the centrality of the sector to the province has played a determining role in the continuing economic peripheralization and underdevelopment of the B.C. economy. As this centrality continues, it must be factored into our analyses of the impact of the changes in the sector on the province.

7 See A. Pizzorno, 1981, regarding the role of these type of peripheralized groups in the strikes and upheaval during the late 1960s in Western Europe.

8 Piore and Sabel, 1984, discuss "regulation" specifically on pp. 4-16 and Fordism on p. 20, and both throughout the book. A Marxian economics explanation of the terms can be found in Aglietta, 1979, and Lipietz, 1984, 1985.

9 Samuel Bowles et. al., 1984, trace the unravelling of the national and international accords which underpinned the success of the post-war U. S. economy.

10 I refer to the relative advantage gained by such competitors as Japan and western Germany due to their pursuit of industrial policies which were less reliant on imported oil. See Richard J. Samuels. The Business of the Japanese State: Energy Markets in Comparative and Historical Perspective. Ithaca: Cornell University Press, 1987; and Berghahn and Karsten, 1987.

11 The term "policy-making community" is taken from Atkinson and Coleman, 1989, who used it to refer to all groups and individuals who are concerned and affected by policies changes in
an industrial sector but are not necessarily included in the policy-making process, which describes the "policy-making network."

12 Mayo Forest Products, in Nanaimo, owned jointly by Canadian Pacific Forest Products Limited and Mitsubishi Corporation of Japan, is an example of this; see the Financial Times, June 10, 1991, p 17.

13 This is the opinion of both Philip Legg of the IWA and Ross Stryvoke of FIR who organized the WWPF; interviews in 1990 and 1991.

14 See The Future of Our Forests: Volume 11, Biographies of the Commissioners, for this conclusion.

15 Ross Stryvoke of FIR claims that during the 1980s, the dimensional lumber manufacturers have switched from dependence on the U.S. market to dependence on the Japanese market; Interview, July, 1991; see Appendix IV.

16 See Munro and McCarthy, 1989, p.p. 140-3 for Munro's evaluation of this incident.

17 This was the public relations firm for the Argentinean junta responsible for the mass "disappearances" during the 1970s and for Union Carbide following the Bhopal, India disaster.
Sources Consulted

Books and Articles:


Chandler, William M. and Zollner, Christian, eds. Challenges to


Piore, Michael J. and Sabel, Charles F. *The Second Industrial


Private Interviews:

Hadju, Csaba: Director of Research, FIR. Vancouver, November, 1990.
APPENDIX I
Roundtable on Labour-Management Cooperation
Participants
(Ottawa - July 10, 1990)

CHAIRPERSON:
JUDGE ALAN B. GOLD

LABOUR CANADA
HONOURABLE JEAN CORBEIL - MINISTER
JENNIFER R. MCQUEEN - DEPUTY MINISTER
MICHAEL MCDERMOTT - SENIOR ASSISTANT DEPUTY MINISTER - FEDERAL MEDIATION AND CONCILIATION
JIM LAHEY - ASSISTANT DEPUTY MINISTER - POLICY
HERMAN HANSEN - ASSISTANT DEPUTY MINISTER - OPERATIONS
YVES DESJARDINS-SICIALIANO - CHIEF OF STAFF
KEN JAMES - PARLIAMENTARY SECRETARY

CANADIAN STEEL TRADE AND EMPLOYMENT CONGRESS
ROGER PHILLIPS - CO-CHAIRMAN (BUSINESS)
GLEN PATTINSON - CO-CHAIRMAN (LABOUR)
DERWYN SANGSTER - EXECUTIVE DIRECTOR

WESTERN WOOD PRODUCTS FORUM
GORDON CAMERON - EXECUTIVE DIRECTOR
PHILLIP LEGG - IWA-CANADA
CENTRE D'ADAPTATION DE LA MAIN-D'OEUVRE AEROSPATIALE AU QUEBEC
SERGE TREMBLAY - PRESIDENT
BRIAN DUFFY - 1ST VICE-PRESIDENT (BUSINESS)
MARIO CLERMONT - 2ND VICE-PRESIDENT (LABOUR)

COUNCIL OF MARITIME AFFAIRS
GEORGE MILLER - CO-CHAIRMAN (BUSINESS)
ANDREW BOYLE - SECRETARY-TREASURER, SEAFARERS' INTERNATIONAL UNION (LABOUR)
JOHN FUCHS - EXECUTIVE DIRECTOR

Source: Western Wood Products Forum
APPENDIX II

Western Wood Products Forum Board of Directors

CO-CHAIRMEN

Jack Munro, President, IWA-Canada
Ray Smith, President and C.E.O., MacMillan Bloedel

DIRECTORS

Harvey Arcand, President, Local 1-425, IWA-Canada
Peter Bentley, Chairman and C.E.O., Canadian Forest Products Ltd.
Tom Buell, President, Weldwood of Canada
Tim Kerr, Vice-President, Lignum
Dick Nelson, President, Atco Lumber
Terry Smith, Secretary-Treasurer, IWA-Canada
Roger Stanyer, President, Local 1-80, IWA-Canada
Warren Ulley, President, Local 1-71, IWA-Canada
Wayne Nowlin, President, Local 1-4&5 IWA-Canada
Doug Whitehead, Sr. Vice-President and C.E.O., Fletcher-Challenge Canada

Source: IWA-Canada
APPENDIX III

AGREEMENT

THIS AGREEMENT entered into this 1st day of July, 1990.

BETWEEN: WOODLAND WINDOWS LTD. and

SCANA INDUSTRIES LTD. (hereinafter known as the 'Company)

OF THE FIRST PART

AND: IWA-CANADA, LOCAL 1-424, C.L.C. (hereinafter known as the union)

OF THE SECOND PART

1. WHEREAS the British Columbia Secondary Industry is faced with intense competition from substitute products manufactured close to our traditional markets.... The parties agree that flexibility and co-operation are vital in manufacturing quality products....

2. WHEREAS the Company accepts responsibility to observe each and all provisions and conditions of this Agreement, and to promote orderly and peaceful relations with the Employees, AND

3. WHEREAS the Union accepts responsibility to observe each and all...promote orderly and peaceful relations with the Company.

Section 3: Alternate Shift Scheduling

a) Management, Plant or Camp Committees and Local Unions shall have the right under the terms of the Collective Agreement to
agree upon and implement other schedules...

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ARTICLE XXII - NEW CONCEPTS COMMITTEE
A committee will be established to consider new ways of organizing the work within the plant, with a view to the Company implementing a more co-operative and consultative approach based on the team work model.

LETTER OF UNDERSTANDING
Re: Job Postings and Posting Procedure
1.) The parties will engage in an evaluation of existing jobs for the purpose of determining job groupings.

Source: IWA-Canada
# Appendix IV

## Table: 3

**DOLLAR VALUE OF EXPORTS OF ALL FOREST PRODUCTS FROM BRITISH COLUMBIA — 1989**

(millions of Canadian dollars)

<table>
<thead>
<tr>
<th>Commodity</th>
<th>U.S.A.</th>
<th>Japan</th>
<th>Other</th>
<th>U.K.</th>
<th>Other</th>
<th>All</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CRUDE MATERIALS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Logs, Poles, Other Roundwood &amp; Misc.</td>
<td>48.1</td>
<td>124.0</td>
<td>13.0</td>
<td>0.0</td>
<td>0.2</td>
<td>0.4</td>
<td>195.7</td>
</tr>
<tr>
<td>Wood Chips and Sawdust</td>
<td>32.4</td>
<td>126.8</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>159.2</td>
</tr>
<tr>
<td><strong>TOTAL CRUDE MATERIALS</strong></td>
<td>80.5</td>
<td>260.8</td>
<td>13.0</td>
<td>0.0</td>
<td>0.2</td>
<td>0.4</td>
<td>354.9</td>
</tr>
<tr>
<td><strong>FABRICATED MATERIALS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Lumber, Hardwood</td>
<td>0.4</td>
<td>1.6</td>
<td>0.3</td>
<td>0.3</td>
<td>0.1</td>
<td>0.1</td>
<td>2.8</td>
</tr>
<tr>
<td>Softwood</td>
<td>2,387.2</td>
<td>1,049.6</td>
<td>139.5</td>
<td>330.7</td>
<td>198.4</td>
<td>112.1</td>
<td>4,217.5</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>2,387.6</td>
<td>1,051.2</td>
<td>139.8</td>
<td>331.0</td>
<td>198.5</td>
<td>112.2</td>
<td>4,220.3</td>
</tr>
<tr>
<td>Plywood, Hardwood</td>
<td>4.2</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
<td>4.3</td>
</tr>
<tr>
<td>Softwood</td>
<td>5.6</td>
<td>12.9</td>
<td>0.5</td>
<td>53.6</td>
<td>23.6</td>
<td>1.9</td>
<td>98.1</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>9.8</td>
<td>12.9</td>
<td>0.5</td>
<td>53.7</td>
<td>23.6</td>
<td>1.9</td>
<td>102.4</td>
</tr>
<tr>
<td>Waterboard</td>
<td>44.9</td>
<td>1.2</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>46.1</td>
</tr>
<tr>
<td>Particleboard</td>
<td>2.9</td>
<td>0.1</td>
<td>0.1</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>3.1</td>
</tr>
<tr>
<td>Fibreboard</td>
<td>4.3</td>
<td>0.0</td>
<td>5.5</td>
<td>1.0</td>
<td>0.3</td>
<td>0.3</td>
<td>11.4</td>
</tr>
<tr>
<td>Shingles/Shakes</td>
<td>187.7</td>
<td>0.4</td>
<td>1.7</td>
<td>0.9</td>
<td>2.4</td>
<td>0.5</td>
<td>193.6</td>
</tr>
<tr>
<td>Veneers, Hardwood</td>
<td>0.8</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.0</td>
<td>0.1</td>
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<td>148.1</td>
<td>387.7</td>
<td>225.5</td>
<td>115.2</td>
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<td><strong>PULP AND PAPER</strong></td>
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<td></td>
<td></td>
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<td>Pulp, All Grades</td>
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<td>828.7</td>
<td>534.1</td>
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<td>1,226.8</td>
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<td>15.9</td>
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<td>43.2</td>
<td>2.3</td>
<td>23.2</td>
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<td>All Other</td>
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<td>75.5</td>
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<td>941.8</td>
<td>584.7</td>
<td>324.5</td>
<td>9,791.2</td>
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<td><strong>Grand Total: 1989</strong></td>
<td>4,559.5</td>
<td>2,212.5</td>
<td>954.6</td>
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* Does not include softwood lumber shipped through Canadian reload centres.

* *Includes East Asia & Oceania.*

Source: Statistics Canada