

THE DEINDUSTRIALIZATION OF PICTOU COUNTY, NOVA SCOTIA -
Capital, Labour and the Process of Regional
Decline, 1881-1921.

L. Anders Sandberg,
/Department of Geography,
McGill University, Montreal,
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ABSTRACT

Much of the past literature on the causes of Maritime deindustrialization has focussed on environmental, regional or structurally-induced processes. This study, in contrast, explores how social class factors, the actions and interactions of capital and labour, affected the deindustrialization process. The thesis is set in Pictou County, Nova Scotia, from 1881 to 1921.

The Pictou County economy boomed during the early part of the period but failed to make the transition from a producer and exporter of coal and semi-manufactured steel to a diversified and locally-integrated economy. The failure was partly induced by social factors which inhibited the growth of industrial spin-offs from agriculture and the development of a labour market. In addition, capital promoted deindustrialization by (1) de-emphasizing diversification, (2) neglecting to upgrade and maintain machinery, and (3) transferring the costs of industrial inefficiency to the workers. The whole process elicited working class and community protests which reinforced the industrial decline.

RÉSUMÉ

La plus grande part de la littérature consacrée aux causes de la désindustrialisation des provinces maritimes était jusqu'ici axée sur les processus environnementaux, régionaux ou structurellement induits. La présente étude examine pour sa part la façon dont les facteurs de classe sociale, les actions et les interactions du capital et du travail ont affecté le processus de désindustrialisation. L'étude porte sur le comté de Pictou en Nouvelle-Écosse de 1881 à 1921.

L'économie du comté de Pictou connut un fort essor durant la première partie de la période en question, mais ne parvint pas à effectuer la transition entre un marché producteur et exportateur de charbon et d'acier semi-manufacturé à une économie diversifiée et localement intégrée. Cet échec s'explique en partie par des facteurs sociaux qui ont entravé la croissance des retombées industrielles de l'agriculture et le développement d'un marché du travail. En outre, les capitaux ont aidé à la désindustrialisation en 1) niant l'importance de la diversification, 2) négligeant de moderniser et d'entretenir les machines et 3) en faisant payer aux travailleurs les coûts de l'inefficacité industrielle. Tout ce processus a provoqué de vives protestations de la part de la classe ouvrière et de la communauté, ce qui n'a fait que renforcer le déclin industriel.

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PREFACE

When I first came to British Columbia from my native Sweden in 1974 I was struck by the regional divisions and differences in Canada. Canada appeared to be highly divided where regional interests were often diametrically opposed to central authorities. This observation intrigued and spurred me

to explore various aspects of regional conflicts in Canada. As an undergraduate and masters student I explored the subordinate role of the Canadian North in the Canadian economy and the international and national contexts of the British Columbia salmon canning industry. These studies were inspired by the "new" Canadian political economy school of the 1970's which took a critical stance in explaining the place of Canada in the international division of labour and the position of the provinces/regions in the national economy. Canada was considered an underdeveloped country or a branch plant economy as a result of the domination exerted by foreign capital. On the national scale, Toronto exploited the Ontario hinterland while Ontario fed off the resources of the other provinces.

Despite finding these arguments attractive, I found them wanting in many respects. My most important objection was that they lacked a social dimension. In my honours and masters

theses I attempted to add such a dimension to what was

essentially a regional model. At McGill I continued my academic work along the same lines, choosing to study the process of industrial growth and decline in some part of the Maritimes.

When I discovered a place which seemed vaguely similar to my own home town, I had found a suitable case study. New Glasgow in Pictou County, Nova Scotia, was at one time referred to as "the Sheffield of Canada", a centre with major metals industries. I was born in "the Sheffield of Sweden", Eskilstuna, a centre for the manufacture of iron and steel products, such as cutlery, hardware, precision tools and electrical equipment. What a coincidence! It was clear, however, that Eskilstuna still held the status of a Sheffield while New Glasgow did not. I wanted to find out why such a process of regional growth and decline had occurred in Pictou County. The question was essentially spatial and geographic but the answers were found not only in geography. Social explanations are highlighted in this thesis and the precise reasons for this emphasis are given in the introduction.

In the course of performing the research and the writing of the study, I have had help from several friends and scholars. First and foremost, I would like to thank Dr. John Bradbury, my supervisor, who has speedily read several drafts of the dissertation and provided useful criticisms. Dr. Warwick Armstrong has been of great assistance, especially in the formulation of the theoretical thrust of the study. I thank Dr. Allen Fenichel for his comments pertaining to some of the empirical aspects of the thesis. I should also like to give credit to the faculty, staff and graduate students of the

geography department at McGill who provided material support and friendship. For financial support during my second, third and fourth years at McGill, I am indebted and grateful to the Max Bell Foundation.

In Nova Scotia, I profited from interaction with Rodney Young, Ian McKay, Dr. Larry McCann and Kris Inwood. I should also like to extend my gratitude to the personnel of the Hector Centre, the various municipal and town halls in Pictou County, the Provincial Archives of Nova Scotia and the Dalhousie University Archives. Mike LeBlanc receives a special elege for putting me up cheaply during several of my stays in Halifax.

Finally, I should like to thank my wife, Maria, and our children, Johanna and Tor, who have endured the strains and enjoyed the pleasures of having a Ph.D. student as a husband and father.

L.A.S.

Montreal, June 10, 1985.

CHAPTER ONE: INTRODUCTION

Problems of industrial decline and job loss induced by the economic crises of the late 1970's and 1980's have stimulated research into the processes of industrial and spatial restructuring. Much of this research focusses on general trends and theoretical constructs. And, while there is much of value in this work, there is also a need for historical and empirical investigations of specific industrial sectors and regions to enable more precise analyses of the process of industrial decline. This study seeks to fill this gap by examining the politico-economic context and the process of industrial restructuring and deindustrialization in a peripheral region, Pictou County, Nova Scotia, from 1881 to 1921. During this phase Pictou County seemed to pass through a "take-off" stage of industrialization but by the end of the First World War the industrial economy of the county collapsed. Much of the literature to date has focussed on either internal environmental factors or external political and economic factors as causes of the industrial decline of Pictou County and the Maritime region. This thesis, while recognizing the influence of these factors, argues that social class actions and decisions, such as the investment behaviour of the capitalist class and the response by the working class, also need to be considered in the process of industrial decline. This is done through an assessment of how

the formation and structure of the labour market and the actions of the industrial capitalists and workers affected the industrial fate of the county.

The growth and decline of Pictou County was part of a larger process of industrial development in Nova Scotia at the end of the nineteenth and beginning of the twentieth century. In recent studies, the traditional point of view - which is still held by many Nova Scotians - that the province was "done in" by Confederation has given way to more refined analyses. The authors of these studies are impressed by the rather high level of industrialization that the province achieved after Confederation.(1) Acheson, for example, has pointed out that the industrial growth rate of Nova Scotia in the decade from 1880 to 1890 was higher than that of Ontario and Quebec.(2)

A cursory examination of the statistics on coal production and industrial development after 1890 indicates clearly that growth continued. After the turn of the century the coal output reached unprecedented levels and iron and steel producers boosted and diversified production. In 1900, Nova Scotia produced over fifty per cent of all steel and sixty-eight per cent of all pig iron in Canada.(3) Although these percentages declined as the century progressed, production continued to increase in absolute terms up to and including the First World War. The coal, iron and steel complex constituted the backbone of the industrialization process in Nova Scotia and many backward and forward linkages were established with the rest of the economy. Geographically, however, the industrial growth was not even. Most industries, including the giant steel companies, were concentrated around, or in the proximity, of the

coal fields of north-eastern Nova Scotia. The provincial capital Halifax and its sister town Dartmouth also contained a substantial industrial sector. If looked at on a county basis, the industrial complex was concentrated in the six counties of Halifax, Hants, Colchester, Cumberland, Pictou and Cape Breton (see Figure 1:1).

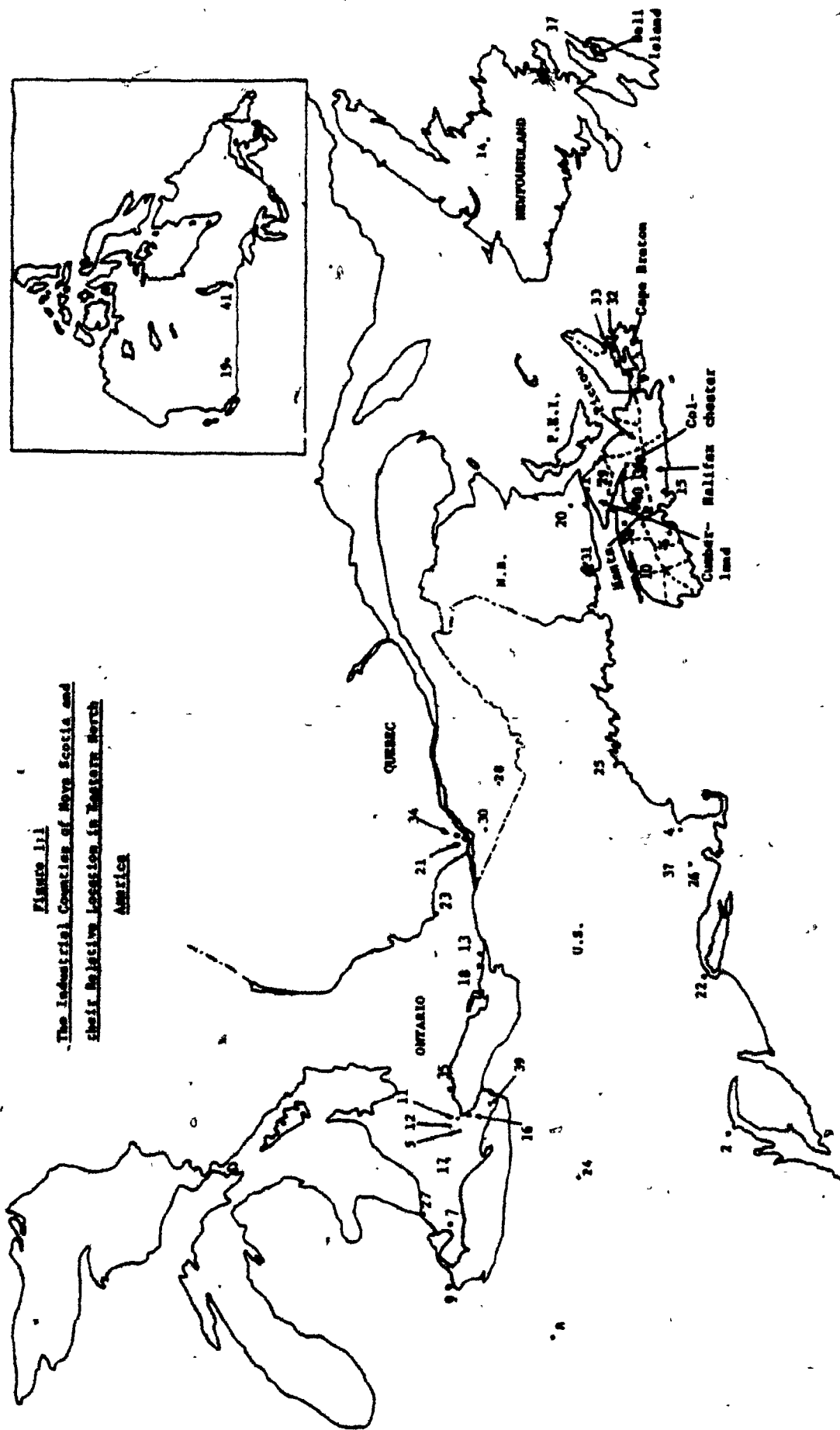
The industrial development that came to full bloom in these counties at the end of the last and beginning of the present century had a long history. Its economic importance and political support was present already before Confederation. This has been shown admirably by Muise.(4) He points out that along with the growth of the traditional economy of 'wood, wind and sail' "there was emerging, at least in economic importance, a very substantial competing sector."(5) This sector - referred to by Muise as the economy of 'coal, iron and rails' - was spearheaded by the production of coal. Coal mining on a relatively large commercial basis began in 1827 but it was not until the 1850's that coal obtained one of the leading roles in provincial development. Prior to 1850 the coal output was never more, and many times less than, 200,000 tons. In the 1850's the situation changed. From 1854 to 1865, for example, the production of coal increased from 200,000 to more than 600,000 tons.(6) The exploitation of coal had an important economic multiplier effect on the rest of the economy. Perhaps most important, it was coupled with the development of the provincial railway network.

It was in the 1860's that a Conservative Government set about expanding the railroads. At that time the Maritimes were isolated from the rest of Canada, the local network was

Figure 1.1

The Industrial Counties of Nova Scotia and
their Relative Location in Eastern North
America

AMERICA



Legend to Figure 1:1(*)

- | | |
|-----------------|------------------|
| 1. Amherst | 22. New York |
| 2. Baltimore | 23. Ottawa |
| 3. Berwick | 24. Pittsburgh |
| 4. Boston | 25. Portland |
| 5. Brantford | 26. Providence |
| 6. Bridgewater | 27. Sarnia |
| 7. Chatham | 28. Sherbrooke |
| 8. Columbus | 29. Springhill |
| 9. Detroit | 30. St. Jean |
| 10. Digby | 31. St. John |
| 11. Dundas | 32. Sydney |
| 12. Galt | 33. Sydney Mines |
| 13. Ganouque | 34. Terrebonne |
| 14. Grand Falls | 35. Toronto |
| 15. Halifax | 36. Truro |
| 16. Hamilton | 37. Wabana |
| 17. Ingersoll | 38. Waterville |
| 18. Kingston | 39. Welland |
| 19. Lethbridge | 40. Windsor |
| 20. Moncton | 41. Winnipeg |
| 21. Montreal | |

(*) All place names mentioned in the text, except those in Pictou County, are included in Figure 1:1.

developed poorly and construction had come to a standstill. In the early 1860's, railway connections were limited to the city of Halifax and the towns of Truro and Windsor. The local government pushed ahead with further construction and in 1867 a railway was constructed which connected the Pictou coalfields with existing lines. An extension was also made into the Annapolis Valley, from Windsor to Digby, in the northwestern part of the province.

Even after Confederation the new 'competing sector' continued to grow. As indicated, the statistics show this trend clearly, but what is less well-known is that the new economy received extensive and continuous political support. This was particularly true in the six counties of the northeast which were solidly behind the policies of tariff protection and national integration propounded by the Federal Conservatives. But, political support for the Federal Conservatives was not confined to the provincial capital and the northeastern industrial belt. Support was widespread and in nearly all the elections from 1867 to 1896 the Federal Conservative Party sent more members to the House of Commons than any other party in Nova Scotia. When the Liberals began to make inroads into the six counties around the turn of the century they had more or less accepted the ideas of protection and national unity and were "much more accommodating towards the national aspirations of the Dominion." (7)

Despite the political encouragement and the impressive growth rates of industrial development, the industrial prosperity of Nova Scotia was not long-lived. Some of the large consumer goods industries which had emerged behind the National Policy

Tariff failed at an early stage but the end of the First World War signalled a period of overall and continuous decline. The rapid increase in coal production stopped at this stage and the production of pig iron and primary and secondary steel actually declined. The prosperous era of the economy of 'coal, iron and rails' had come to an end. Factories closed or curtailed their operations and employment dropped. Why did the new industrial economy of Nova Scotia decline?

Social Aspects of Industrial Decline: The Central Question

Many students have attempted to answer this question by means of empirical inquiries and theoretical constructs. (8) The present study represents a new contribution to the study of Maritime industrial growth and decline by means of a case study, focussing on one of the six industrial counties, Pictou County, from 1881 to 1921. The focus of investigation is on the way that the social class structure and the processes of social interaction impinged upon the course of economic development. It is argued that adverse social conditions in Nova Scotia, such as the sheer poverty and indebtedness of the immigrant farmers, their often forced participation in the lumber trade, had a negative impact on agricultural progress. A poor agricultural sector, in turn, failed to give support to an indigenous manufacturing industry. It is also argued that the social conditions of work pushed potential and real workers to absent themselves frequently and/or emigrate. These conditions had a negative impact on the industrialization process in Pictou County.

An investigation is also made of the actions of the

capitalists and workers. The industrialists not only pursued a policy of producing staples and semi-manufactured steel at the expense of industrial diversification, they also neglected the means of production in some of the more essential lines of steel production. In time, the costs of these policies were transferred to the workers in the form of lower wages and longer working hours. The workers, however, protested and, through these protest actions, reinforced and speeded the process of deindustrialization.

By focussing on these social questions, this study represents a response to a call made by the two British historical geographers, Gregory and Baker. Gregory writes:

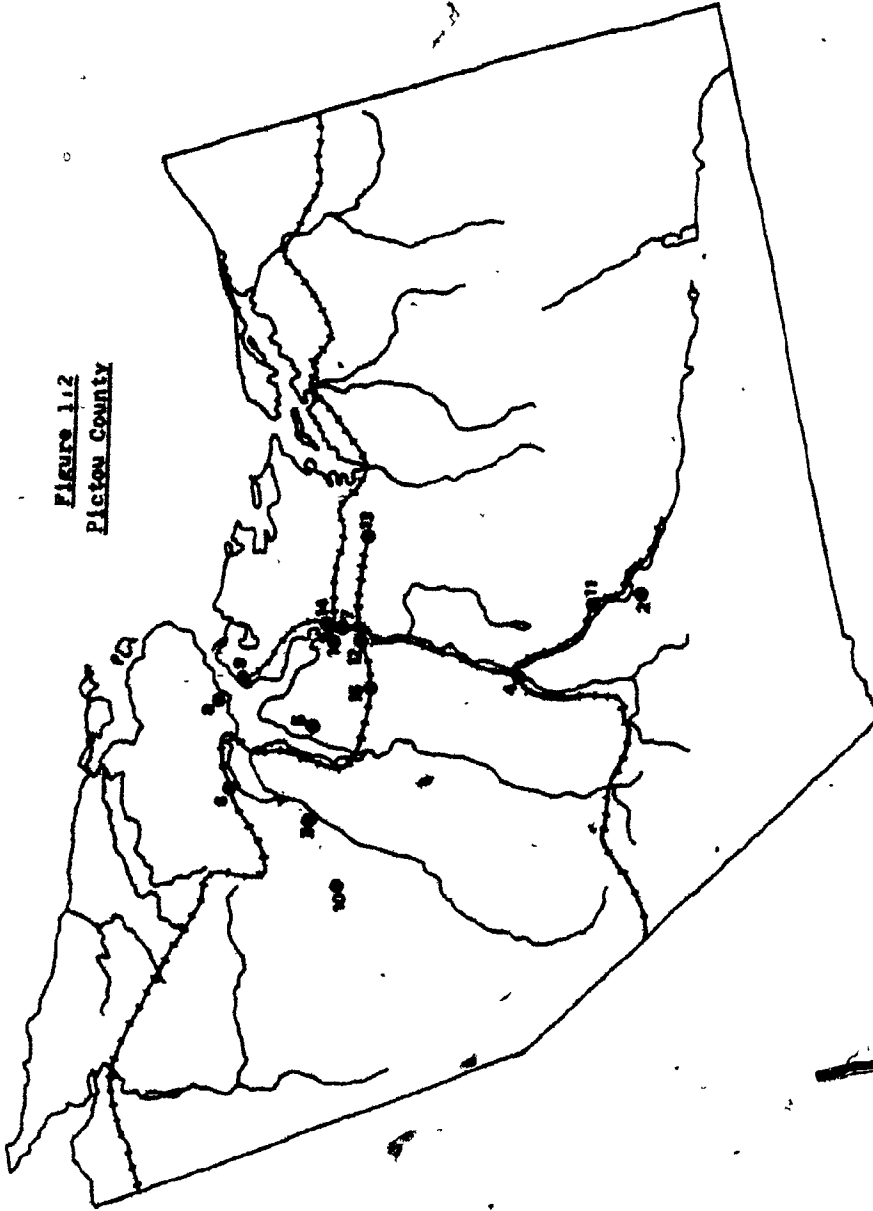
..geography should reclaim its traditional attachment to particular places and the people that live in them and we need to know more about the constitution of regional social formations, of regional articulations and regional transformations.(9)

Baker, moreover, calls for an historical geography of class struggle.(10) The present study attempts to probe more deeply into the nature and dialectic between Pictou County's industrial history (a regional transformation from industrial growth to decline) and the local class struggle.(11)

The Setting

Pictou County is located in the northern part of mainland Nova Scotia and within its boundaries lie the once very important industrial and commercial towns of New Glasgow, Pictou, Stellarton, Thorburn, Trenton and Westville (See Figure 1:2). These towns experienced an impressive and continuous rate of growth up to and including the First World War. Coal production in the towns of Stellarton, Thorburn and Westville

Figure 1.2
Pictou County



Legend for Figure 1:2(*)

1. Abercrombie
2. Bridgeville
3. Durham
4. Ferrona
5. Granton
6. Lyons Brook
7. New Glasgow
8. Pictou
9. Pictou Landing
10. Six Mile Brook
11. Springville
12. Stellarton
13. Thorburn
14. Trenton
15. Westville

(*) All the place names in Pictou County mentioned in the text are included in Figure 1:2.

increased steadily and the growth of the steel and metals industries in New Glasgow and Trenton was equally impressive. The steel industry was dominated by the giant Nova Scotia Steel and Coal Company, or Scotia for short, which at one stage operated and controlled the secondary steel operations in Trenton, including a railway car manufacturing plant, a primary steel plant and coal mines in Cape Breton and an iron mine on Bell Island, Newfoundland. The industrial complex in the region was impressive. In 1912 the Canadian Manufacturers' Association paid a visit to New Glasgow, "the Sheffield of Canada", and hopes for the future were high.(12) The expectations for continued industrial success for Pictou County proved illusory. The county economy, as with the rest of the Maritime economy, underwent a process of industrial decline from which it has yet to recover.

Explanations of Industrial Decline: Models and Theories

What were the factors behind the industrial decline of Pictou County? There are at least two studies which have addressed this question directly. The first interpretation is contained in Cameron's The Industrial History of the New Glasgow District and represents the traditional view of the reasons behind Maritime industrial decline.(13) Cameron argues that Confederation to Nova Scotia was a mere "Boston Tea Party in reverse".(14) He continues to write of the "economic thralldom imposed by Confederation" through which Nova Scotia's industrial interests were subordinated to the "needs, likes, and dislikes of the Provinces of Ontario and Quebec."(15) Cameron's lament echoes the emotional response of many Pictonians at the time of

Confederation. At the time, for example, the Eastern Chronicle wrote of the day of Confederation as a "Dark Day for Nova Scotia," (16) and John Barry, a grist- and sawmill operator at Six Mile Brook, wrote in his diary:

It is ugly times indeed and no mistake. We are shoved under Canadian rule against our wills and the British authorities will not listen to our remonstrances and grievances..(17)

But as Muise has found, not only did the protest against Confederation subside, but political support for Confederation grew and out of the remains of the old economy sprang a new economy based on 'coal, iron and rails'.

The second interpretation is provided by McCann in an article on the metals complex of the towns of New Glasgow and Trenton.(18) McCann recognizes the incredible growth and prosperity that the steel, coal and metals complex in Pictou County experienced in the late nineteenth and early twentieth century. McCann also identifies what he considers are the most important conditions which propelled and created growth in the county economy. The gradual disappearance of these conditions, in turn, were the fundamental reason for the decline of the county economy. In summary, McCann writes:

.. the most plausible reasons for the urban-industrial collapse are likely associated with the removal of the very incentives that initially propelled the metals industry to prominence: entrepreneurial initiative and the social milieu of community; government assistance in the guise of freight rate preferences, bounties, tariff protection, and grants-in-aid for infrastructural development; the internal economies of scale of Scotia, a vertically integrated organization; and the external economics of an integrated industrial complex such as New Glasgow-Trenton.(19)

The industrial complex, in other words, came into being and was sustained by a progressive and innovative business

community which was based locally and knit closely together through social, kinship and financial bonds. At the same time, political support was enjoyed from the federal and provincial governments. These factors combined to create the largest and most important company in the county, Scotia, which was integrated vertically by exploiting coal, iron and limestone, processing these raw materials into pig iron and primary steel, and then further shaping the steel into rolled commodities and forgings. The presence of Scotia, in turn, encouraged many metal works to establish locally and take advantage of the ready availability of primary and rolled steel. This created so-called "external economies"; a situation in which the expansion of the industrial complex resulted in a fall of costs for each individual firm. According to McCann the industrial decline of Pictou County was imminent when these conditions had disappeared.

It is not enough, however, to merely note these factors of decline. In the end, McCann argues that the specific factors promoting decline have to be seen in a much wider context. More particularly, it was in the late nineteenth and early twentieth centuries that "the basic contours of Canada's heartland-hinterland space economy were drawn.." (20) McCann continues: "As an industrial heartland emerged in southern Ontario and Quebec, the competitiveness of the periphery, comprised of highly localized regions such as Pictou County, was placed in jeopardy." (21) This observation is undoubtedly correct and applies not only to the Canadian space economy. An agglomeration of industrial activity was taking place in all countries which had obtained a significant level of industrial

strength. As geographers Walker and Storper note:

.. during the heyday of small manufacturing in the late 19th and 20th centuries, agglomeration was the single most important locational factor, with the result that most industrial activity ended up in core manufacturing belts.(22)

These processes of concentration of industrial activity - so easily verified empirically - give ample evidence to the theoretical perspective "that advantages of external economies will gradually accrue to a developing heartland economy, forcing competitors in the periphery out of production."(23)

The empirical and theoretical elements in McCann's article summarize not only the present understanding of industrial growth and decline in Pictou County but also much of the Maritime industrial economy as a whole. The empirical and theoretical parts are both situated in a regionalist perspective. McCann, in a different context, defines regionalism as follows:

The term regionalism applies to a society's identification with a territorial unit. Regionalism is therefore shaped and given expression by the interplay of land, economy, and society; by the emergence of a group consciousness that voices regional grievances and demands; and by the behaviour of society as expressed most commonly through political action.(24)

Cameron's early work represents the most crude regionalist interpretation. McCann's study is much more refined and sophisticated but at the empirical level it retains the notion that the policies and economic decisions taken in Central Canada were major causes of the decline of the county economy. This argument resembles closely the theme of a book on the popular reaction to the process of Maritime industrial decline in the 1920's, the so-called Maritimes Rights Movement, by

Forbes.(25) Forbes is perhaps the best spokesman of the regionalist position and argues that the Maritimes and its industrial complex was victimized by "a regional struggle within the country." (26) More particularly, it was the decline in federal representation, the refusal of the federal government to increase subsidies to the Maritimes and the abandonment of preferential freight rate policies, that triggered the industrial decline of the industrial complex in the Maritimes. The political power of the heartland, its control of, or influence over, the state paved the way for the demise of the hinterland and concomitant rise of the heartland. This has been expressed elsewhere with respect to transport policies, tariffs, national banking legislation and intergovernmental income transfers.(27) The local class struggle - according to Forbes - had very little to do with the state policies which led to Maritime industrial decline:

(The Maritime Rights Agitation) was not ..
an outgrowth of class struggle. There was
class conflict in the Maritimes coincident
with the regional agitation, but the two
were not directly related.(28)

McCann seems to view the local class struggle in the same light as the only information provided about the Pictou working class is its numerical strength at various dates.

Anderson has criticized the regional position in a different context, claiming that the "fetish of space" (and the "group consciousness" of that space), is the geographer's particular conceit. He goes on to state: "Relations between social groups or classes are presented as relations between areas, obscuring the social divisions within areas." (29) My particular aim is to explore these social divisions not only as

a subject unto itself, but also as a subject which impinged upon the fate of the industrial economy of Pictou County.

There are several Marxist interpretations of Maritime industrial development in which one would expect the concept of social class to play a prominent role. But these studies often overlook the particulars of social class friction and the empirical expression of the evolution of regional industrial growth and decline. Perhaps the most forceful example is provided by Brym and Sacouman. They write:

..fundamentally, underdevelopment in Atlantic Canada is a result neither of the natural or human deficiencies of the region, nor of the unfair treatment accorded the easternmost provinces by the more powerful central and western ones, but of capitalist development itself.(30)

Basic to the development of capitalism itself is a centralization and concentration of capital. Concentration is growth through the reinvestment of profits and centralization growth through the merging of various individual capitals. It is the latter process which has a spatial dimension. When various capitals merge from different regions it means invariably that they establish in one location. This was a very common occurrence in the Maritimes. Local industries were merged with Central Canadian industries and after some time the former were either closed or removed to a Central Canadian location. In a theoretical sense the production of a commodity in one location is prompted by many considerations. The per unit price of a commodity may be reduced considerably by economies of scale. If an industry locates in a large urban centre the access to a large market facilitates sales. The large urban centre also harbours a large pool of labour which

can be employed readily and rapidly in times of expansion.(31)

The Marxist interpretation serves as an appropriate unifying framework for viewing the various individual factors which caused the industrial decline in the Maritimes at the more immediate level. The various factors identified by McCann and Forbes appear as expressions or effects of a much larger and wider process of capital concentration, centralization and the concomitant tendency of a spatial agglomeration. But, as indicated, there are also shortcomings with this approach. This is because it appears as if the highly impersonal and theoretical structure, capitalism, appears to cause the underdevelopment of the so-called hinterland. One student, in another study of Maritime underdevelopment, states it very clearly:

The work .. is essentially deductive but supported by 'facts' of 'surface elements'. The model of capitalism is itself ahistoric in the sense that it corresponds with no 'concrete case'. We must always 'move' to the level of 'surface appearances'. The Marxian method allows us to comprehend the industrialization of Atlantic Canada - the foundation of its current pattern of underdevelopment - as a pattern of determination.(32)

The approach is clearly deductive. The same tendency is visible in Brym and Sacouman's work. Capitalism creates underdevelopment and the concern is to describe the 'surface elements' of that underdevelopment. Indeed, Veltmeyer argues that the "workings of capitalism have created in Atlantic Canada the conditions of a reserve army of labour for Central Canada."(33)

The deductive method of these particular studies, while useful and innovative in itself, contains certain weaknesses.

Capitalism is seen as an abstract, formal concept which creates certain unfavourable conditions in the hinterland. The deductive method becomes almost reductionist. Capitalism determines the underdevelopment of Atlantic Canada and the purpose of social scientific inquiry becomes a mere exercise in documenting the expression of that underdevelopment. History, or the actions and struggles of people, becomes deja constituee.

A structural Marxist approach, like many other structural approaches, puts emphasis on capitalism and its various laws as ahistoric concepts rather than on the social forces which lie at the base of the formation and continued existence of capitalism. Thompson puts it well when he criticizes this method: "The category (capitalism) has attained to a primacy over its material referent, the conceptual structure hangs above and dominates social being." (34) And the geographer, Harvey, writing on the limits to capital, points out the dangers of seeing spatial organization as a mere "reflection of the processes of accumulation and class reproduction." (35)

In this study, an attempt is made to blow some material life into the conceptual structures by looking at the dialectic between regional decline and class struggle in Pictou County. The approach taken, while recognizing that the actions of the social classes in Pictou County were influenced by a process of structurally-induced underdevelopment, also takes into account that the latter process itself was modified and shaped by the nature of local class structures and struggles. This basic assumption bears much resemblance to the Marxism and "Philosophy of Praxis" propounded by Gramsci:

In Gramsci's dialectical conception of history
.. we find a theory of human activity as

shaped or 'determined' by social structures and which is also the subject, creator of new forms that challenge and overturn those same structures .. Or, as Gramsci puts it: 'Structure ceases to be an external force which crushes man, assimilates him to itself and makes him passive, and is transformed into a means of freedom, an instrument to create a new ethical political form and a source of new initiatives.(36)

Gramsci's methodology helps us reach an understanding of regional growth and decline in an inductive manner by focussing on the process of class formation and class actions and investigating their impact upon "industrial prosperity". Bluestone and Harrison provide one guideline for such an enterprise by arguing that a process of deindustrialization cannot only be seen as a result of structural and regional forces but also active policies pursued by the various capitalists in their respective industries:

Deindustrialization does not just happen. Conscious decisions have to be made by corporate managers to move a factory from one location to another, to buy up a going concern or to dispose of one, or to shut down a facility all together. These things never happen automatically nor are they simply a passive response to mysterious market forces. The planning behind such decisions is usually intricate, often costly, and extensive.(37)

Alexander supports Bluestone and Harrison's contentions in the Maritime context. Alexander argues that the basic causes of deindustrialization were internal, namely, the reluctance of Maritime capitalists to pursue policies leading to a local and diversified industrial economy. This led to industrial vulnerability and the eventual collapse of the Maritime economy.(38) The evidence for Pictou County confirm Alexander's contentions; local capitalists in the county pursued policies which were clearly undermining the industrial hegemony that the

county economy held at one point. One prominent feature of these policies was an overemphasis put on the exploitation and production of staples and semi-finished goods for extra-regional markets. This served to weaken and make vulnerable the regional economy (which was so forcefully expressed in the 1920's) and inhibit the growth of a locally integrated economy. Another prominent business practice in Pictou County was the conscious and deliberate neglect of the means of production of the major steel processing plant. As a result the competitive position of the county's steel commodities declined.

Workers also influence the fate of industrial economies. At the theoretical level, Harvey claims that strikes, militancy, demands and the mobility of workers, are processes which capital has to accomodate to, "and to the extent that this is so labourers fashion both the history and geography of capitalism." (39) At the empirical level, Bluestone and Harrison argue that in the deindustrialization of North America in the 1970's and early 1980's, labour played a significant role. In the post-war period (1945-1971) labour scored several victories which "constrained the flexibility of management by regulating the workplace and forcing the corporate sector to underwrite part of the 'social safety net'.." (40) Still, 'healthy' profits were maintained because the so-called social contract between capital and labour "proved advantageous to the corporate sector, for it assured some semblance of labor peace needed for continued economic expansion." (41) In the 1970's and 1980's, however, capital was not content with this equation. A profit squeeze put increased pressure on labour to bear the costs of declining profits. Labour resisted. The solution to capital

was to move, or to threaten to move, to regions where the labour climate was more favourable. As a result, Bluestone and Harrison argue:

The capital mobility option .. has shifted the fulcrum of bargaining power in favour of capital to an unprecedented degree. It gives the employers the ability to effectively insist upon small wage improvements or .. actual rollbacks. In essence, the capital mobility option provides industry with the power to make 'take it or leave it' propositions stick.(42)

The movement of industries by capital to undermine the gains made by labour is most obvious today. In the United States and Canada, many industries are moving from high-wage and unionized areas to low-wage and non-unionized areas either in North America (the Sunbelt in the United States and isolated rural towns in the Canadian Shield or the Maritime provinces in Canada) or in the Third World.(43) But the capital mobility option in response to the pressure of labour was also open to capital in the past.

Gordon argues that the concentration of industries in large cities in late nineteenth century United States was a result of the favourable labour climate in these cities. In contrast to the smaller and medium-sized cities, where newspapers, politicians and the middle class often supported the working class, the larger cities harboured a working class which was alienated from the rest of the urban community.(44) As a result, Gordon concludes, by quoting Gutman: "Because 'there was almost no sympathy for the city workers from the middle and upper classes,' workers were weakened and 'employers in large cities had more freedom of choice than their counterparts in small towns'." (45)

Gordon also argues that the suburbanization of industries at the end of the nineteenth century was the result of a 'labour crisis' in the industrial cores of the larger cities:

Throughout the late 1880s and 1890s ..
labour conflict had begun to intensify
in the down-town central-city districts.
Employers quickly perceived one obvious
solution. Move! (46)

In the industries of the suburbs - Gordon argues - workers were more isolated, contact between workers was less frequent and "the unions were much less successful than they had been in the central-city districts." (47)

These studies point to the central importance of labour in the geography of industrial location at different times in the United States and Canada. In Pictou County, the actions and policies pursued by the workers were responses to the costs that they were asked to bear to support the declining industrial economy. The workers formed unions, struck frequently and attempted to defend their position. In their struggle the 'regional question', although used frequently by the industrial class as a class weapon (Comply or we will close!), was not of much concern to the workers. It was held, as will be shown clearly at a later stage, that a 'square deal' should be made regardless of the industry being located in Pictou County, Halifax or Montreal. The reasonableness of this claim was clear and 'seemed' just. These concepts, however, did not sit well with the principle of 'high profitability'. When seen in the context of the technological backwardness of the local means of production, the centralizing forces of economic activity and the adverse effects of federal policies, the rumblings of the workers, who were asked to bear the costs of the ailing

industries, did not help the local economy. In this situation the industrial capitalists had two options. First, they could, but they did not, embark upon an aggressive investment programme to up-date and diversify local production lines. Second, they could, and indeed, did, continue the neglect of the existing production lines. In the winding-down of the local economy, then, labour was an active part, an important factor of production, which was taken into account. Indeed, through the winding-down process, the labour problem was either done away with completely (in terms of closures) or the workers were coerced into compliance through frequent interruptions in production or the threat of imminent closures.

These events suggest that the industrial decline of Pictou County was not a mere function of a process of structural underdevelopment or something that can be deduced or reduced from a structural understanding of capitalism. While capitalism shaped and molded the Maritime economy, the social classes within the region played their own role in this larger whole. Massey and Meagan capture the essence of the point:

The different kinds of production change leading to job loss are therefore linked; all are integral to the wider system of competitive production for profit. But to say that is not to say that they are inexorably determined by some abstract 'logic of capitalist development', or by the demands of the macro-economy. The production process is a social process involving relations between different companies, between different groups of workers, and, above all, between management and workforce.(48)

The neglect of a study on the dialectic between regional growth/decline and social class structures/processes should not obscure the fact that an increasing number of very fine labour studies have emerged in the Maritimes. In some of these

studies, the actions of the working class are considered as reactions against the process of underdevelopment. This is the case in the works of Frank on the Cape Breton coal miners in the 1920's.(49) Frank elicits and describes the struggle of working people against the coal companies and the coercive functions of the state and argues that these events were to a large extent responses to capitalist underdevelopment. The immediate struggles of the working people against the captains of industry and coercive functions of the state could probably also be seen, however, as reactions to capitalism itself. The same practices of monopoly pricing, stockwatering, breaking of unions and strikes, were as common in the Maritimes as anywhere else (perhaps even more in some instances).(50) And the response by the working class in the Maritimes to these measures was as militant as elsewhere. The consequences of their actions, however, were different from the actions taken by their counterparts in the industrial heartland of Canada. The Maritime economy was a weak and fragile one whose existence and prosperity was precarious. Labour problems and labour militancy provided one factor (among others) which affected the general prosperity of the industrial economy.

The Lay-out of the Thesis

The concern of this study, then, is primarily to trace the dialectic between regional development and class struggle in Pictou County from 1881 to 1921. But in order to situate this process in its proper context, it is first necessary to describe the position of Pictou County on the national scene. Chapter Two, "Setting the Stage: Pictou County's Position in the

Canadian Economy", is a brief note on the environmental and social forces behind the industrial hegemony of southern Ontario and its impact on the rest of Canada, particularly the Western Interior and Pictou County. Chapter Three, "The Face of Underdevelopment", is an account of the underdevelopment which emerged in Pictou County as a result of the investment policies of the local capitalists. The county economy, even during its peak of prosperity, contained two major weaknesses. The first weakness was that the county economy was developed unevenly. The county was highly dependent on one company and one single industry, Scotia and the coal industry. Most other industries were small and/or dependent on Scotia's operations in Trenton or the demands of the coal companies. The second weakness was that the economy was disarticulated, that is, there was a lack of communication between the economic sectors of the local economy. This pattern bears much resemblance to the pattern of disarticulation in the Third World referred to by Amin.⁽⁵¹⁾ The large industries in Pictou County received many of their inputs from outside the local market and sold their commodities to external markets. Scotia produced semi-processed steel material which fuelled the agricultural implements industries in Ontario and Quebec and railway development throughout Canada. The coal industry, on the other hand, seemed on the surface to be well integrated and dependent on a local market. But a closer look reveals that the coal industry was also part of a disarticulated economy. Much coal was exported to markets in Quebec rather than used locally. And of the coal used locally about ten to fifteen per cent was used by Scotia, a company which itself was reliant upon a disarticulated trade pattern. More importantly,

however, in time, the very agent which sustained and encouraged a disarticulated trade pattern, the Intercolonial Railway, consumed over half of the coal supplied to the local market. It was a paradoxical situation in which growth promoted and sustained a basic weakness; a weakness which was later exposed by the cumulative effects of various structural and historical factors.

Ultimately, as we have argued, the Pictou capitalists pursued investment policies which encouraged unevenness and disarticulation. Their choice of policy was conditioned by many local social circumstances which preceded and paralleled the period under investigation. Chapter Four, "Economic and Social Aspects of Underdevelopment", focusses on how social class forces in the context of 'deficiencies' in two separate but inter-related fields, agriculture and the local labour market affected industrial development. Agriculture did not progress at the same rate in Pictou County as in other Canadian regions. This was partly because the soils in Pictou County were not as productive as in other regions of Canada² and the United States. Consequently, agricultural commodities could be imported more cheaply than they could be produced locally. But social factors also played an important part. The immigrants to the county were extremely poor, squatting frequently, and many did not have the financial means or incentive to improve "their" lands. Acute poverty often meant that immigrants became indebted to merchants. The merchants then diverted the activities of agricultural workers and farmers to the lumber and rum trade to the detriment of the agricultural development of the county. The lack of a proper land survey in Nova Scotia also discouraged

prospective settlers from coming to the province. These social factors inhibited the emergence of a rich agricultural sector in Pictou County which could provide a market for industrial goods. In most countries, including Canada, the industrial heartland emerged in an important, vigorous and healthy agricultural economy.

Conditions were different in other regions of Canada. McCallum has described how the wheat staple in nineteenth century Ontario created the backward, forward and final demand linkages which catapulted the province into a hegemonic status industrially.(52) Social factors were also involved. The monopolization of land by a landed gentry (the so-called Family Compact) and the implementation of Wakefieldian land policies created a local labour force which was employed on the farms and in the emerging urban industries. Such a labour force may also emerge in declining agricultural regions. In Canada, nineteenth century Quebec stands out in this respect, for here, a declining agricultural economy released a massive rural proletariat which swelled the labour forces of the major cities. It was this cheap and docile labour force which was the prime attraction for many industries.

In the Maritimes, these conditions failed to emerge. A prosperous agricultural economy, such as Ontario's wheat economy, did not exist to encourage and support local industries. And the labour force which was released from the agricultural sector did not, as in Quebec, form a large labour pool for prospective industries.

The relationship between agricultural change and the formation of a labour force suggests that the Maritime labour

market - a social phenomenon - was deficient for industrial development. For although McKay has observed how monopoly capitalism in the early twentieth century created a national labour market and thereby changed the terms under which labour was bought and sold in the Maritimes (53), there were still 'deficiencies'. The labour market in Pictou County, and perhaps in the Maritimes as a whole, was not as attractive to investors as the labour market in Central Canada. Outmigration was one prominent factor which had a negative effect on the labour supply. This outmigration may in part be seen as a function of the real or more often imagined pull of the West and the New England states. More important, however, as a cause of outmigration, were the factors which pushed workers to leave. Indeed, it is argued that the industrialists pursued policies which pushed workers to leave. The drudgery of work, low wages and long working hours, meant that the practice of workers absenting themselves, either temporarily or permanently, from work in Nova Scotia was widespread. Moreover, in times of industrial conflicts workers not only chose but were forced from the region. For the development of capitalism in North America generally the mobility of Maritime workers served as a favourable condition. Harvey, drawing on Marx, states:

The versatility and geographical mobility of labour power as well as the 'indifference' of workers to the content of their work are essential to the 'fluidity of capital'. Nowhere, Marx opines, do such conditions appear more vividly than in the United States. Under these conditions the freedom of the labourer is in practice reduced to the 'freedom of capital'. The more mobile the labourer, the more easily capital can adopt new labour processes and take advantage of superior locations. (54)

Translated into individual actions of regional capitalists, this

meant that those capitalists who offered relatively high wages and other attractions (real or fabricated) were most likely to obtain workers. For a capitalist in a large centre in the vicinity of the western frontier, this was relatively easy. But for a capitalist in a peripheral region, such as the Maritimes, the possibility of attracting labour was seriously circumscribed. In Pictou County, the "versatility and geographical mobility of labour power" was translated into outmigration and the consequences for industrial development were drastically negative. As will be shown at a later stage, apprentices and cheap labour were difficult to procure. Farm labour was almost impossible to find. Strikebreakers were difficult to find locally and their employment was less than successful. Temporary labour was scarce since most such labour was transient.

Another problem with the labour market was tied to the marginal character of agriculture and other forms of small commodity production, such as lumbering and fishing. The marginal nature of these economic activities made it not only necessary for the small producers to complement their meagre earnings with wage work, but also possible for them to retain their farming cum lumbering lots and fishing-boats when performing wage work. When seen in this light, the employment of small commodity and/or subsistence producers during a period of unprecedented growth, constituted a serious drawback. These workers, although used to advantage in some very important respects, were often unreliable and would often go back to their farms and fishing-boats when needed the most in the mills and mines.

The social class question was an important aspect of industrial decline in Pictou County on a more immediate level as well. Chapter Five, "Capital, Labour and the Process of Industrial Decline", elaborates on this theme. During the period under investigation the social class struggle in Pictou County underwent a drastic change. Apart from the continuous strife in the coal industry, the industrial scene of Pictou County prior to the First World War appeared, at least on the surface, amazingly free from social class confrontation. During and immediately after the war the picture changed dramatically. It was during this stage that the repercussions of the policies of deindustrialization were felt critically among Pictou County workers. The emphasis on staple production at the expense of secondary manufacturing and the technological and marketing neglect of Scotia meant a serious deterioration in working conditions. Massey and Meegan have identified three processes of change in the work process in the contemporary industrial world: (1) intensification, defined as changes designed to increase the productivity of labour without major new investment or substantial reorganization of production techniques; (2) investment and technical change where job losses occur as a result of changes between techniques of production; and (3) rationalization, defined as a simple reduction in the total capacity of a plant or a sector. These processes, Massey and Meegan claim, occur in a process of industrial restructuring.⁽⁵⁵⁾ In the negative form of restructuring in Pictou County a particular pattern can be observed. Prolonged, rather than temporary, intensification was a distinct feature. Workers were forced to work harder and/or longer for the same or

even less remuneration. Continuous, rather than transitory or brief, rationalizations occurred. And, a complete lack of technical change was a distinct feature affecting the labour process. When confronted with these changes, the working class became increasingly militant and strikes became common occurrences. The 'regional question' was an integral part of the social class struggle. Closures and rumours of closures figured prominently whenever industrial conflicts erupted. The workers, during these conflicts, were asked to bear the costs of the adversity felt by the local industries. At least initially, however, the workers refused to compromise and bear these costs. They claimed, with what seemed proper justification, that standard wages should be paid regardless of the location of the mill or mine. It was the conflict of these interests which was one important ingredient in promoting the concentration and centralization of capital within the Maritimes as well as Canada which took place in the post-war period. By centralizing production in those locations where the outlay of wages would hurt profits the least (for despite the technological neglect, the Trenton rolling mills continued to turn out a profit until they were closed in 1943) the interests of capital took a mammoth step in increasing their power and profits.

Unfortunately, it took place at the expense of the workers in Pictou County. The closure of the Trenton rolling mills and nut and bolt plant in 1943 resulted in a major investigation conducted by the provincial government.(56) In the final report the responsibility of the closure was put squarely on the backs of the corporate interests in control of the Trenton facilities. The lack of improvements, the absence of production

diversification and the non-aggressive nature of marketing indicated clearly that the Trenton facilities were more the victims of conscious corporate policies than external structural or regional policies. Yet, only a year after the closures in Trenton (1944), through a remarkable volte-face, a provincial royal commission identified the labour situation in Nova Scotia as a past and present hindrance to successful industrial development.(57) And, since the Second World War, the idea that concessions from labour is one of the major answers to an industrial recovery in Nova Scotia has been confirmed by the supermobility of capital and repressive labour legislation passed by the provincial government. As Kealey puts it: "The threat of shut-downs and the removal of capital from the region are the constant refrains under which all negotiation and even organization itself occur."(58)

Footnotes

1. See Acheson, T.W. "The National Policy and the Industrialization of the Maritimes, 1880-1910." Acadiensis, 1 (Spring 1972).
2. Ibid.
3. "Report on Sydney Steel." Canadian Dimension, 14:4-5 (February-March 1980), pp. 37-40
4. See Muise, D.A. "The Federal Election of 1867 in Nova Scotia: An Economic Interpretation." Collections of the Nova Scotia Historical Society, 36 (1968), pp. 327-351 and "Parties and Constituencies: Federal Elections in Nova Scotia, 1867-1896." Canadian Historical Association Historical Papers, (1971), pp. 183-202.
5. Muise, D.A. "The Federal Election..", p. 328.
6. Muise, D.A. "Parties and Constituencies..", p. 185
7. Ibid., p. 196.
8. For an excellent review, see J. Cannon, "Explaining Development in Atlantic Canada: A Review Essay." Journal of Canadian Studies, 19:3 (Fall 1984), pp. 65-86.
9. Quoted in Baker, A.R.H. "Historical Geography: A New Beginning." Progress in Human Geography, 3 (1979), p. 562.
10. Ibid.
11. For a theoretical analysis, advocating the same point, see Urry, J. "Localities, Regions and Social Class." International Journal of Urban and Regional Research, 5:4 (Dec. 1981), pp. 455-474.
12. Cameron, J.M. The Industrial History of the New Glasgow District. New Glasgow: Hector Publishing Co., 1960, preface.
13. Ibid.
14. Ibid., preface.
15. Ibid.
16. Eastern Chronicle, July 3, 1867, p. 1.
17. James Barry, Six Mile Brook, Diary, Microfilm, Provincial Archives of Nova Scotia (PANS), June 29, 1868.
18. McCann, L.D., "The Mercantile-Industrial

Transition in the Metals Towns of Pictou County, 1857-1931." Acadiensis, 10 (1981), pp. 29-64.

19. Ibid., p. 58.

20. Ibid.,

21. Ibid.

22. Walker, D. and M. Storper "Capital and Industrial Location. Progress in Human Geography, 5:4 (Dec. 1981), p. 496.

23. McCann, L.D., "The Mercantile-Industrial Transition...", p. 58.

24. Heartland and Hinterland. (Scarborough: Prentice-Hall, 1982, p. vii. For some critical comments of the regional perspective, see my review of Heartland and Hinterland in The Canadian Geographer, XXVIII, 2 (Summer 1984), pp. 203-204.

25. Forbes, E. The Maritime Rights Movement, 1919-1927: A Study in Canadian Regionalism. Montreal: McGill-Queen's University Press, 1979.

26. Ibid., p. 29

27. See J. Cannon, "Explaining Regional...", pp. 72-74 for a convenient summary.

28. Forbes, E. The Maritime Rights Movement..., p. viii.

29. Anderson, J. "Ideology in Geography: An Introduction." Antipode, 5:3 (1973), p. 3.

30. Brym, R.J. and Sacouman, R.J., eds., Underdevelopment and Social Movements in Atlantic Canada. Toronto: New Hogtown Press, 1979. For a critique of Brym and Sacouman, in some respects similar to the one offered here, see Bickerton, J. "Underdevelopment and Social Movements in Atlantic Canada: A Critique." Studies in Political Economy, 9 (Fall 1982), pp. 191-202.

31. See, for example, the theoretical discussion in G. Wynn, "The Maritimes: The Geography of Fragmentation and Underdevelopment," in L.D. McCann, ed., Heartland and Hinterland, Scarborough, Ont.: Prentice-Hall, 1982, pp. 181-182.

32. Baker, J.F. "The Underdevelopment of Atlantic Canada, 1867-1920: A Study of the Development of Capitalism." M.A. thesis, McMaster University, 1977, pp. 4-5.

33. Veltmeyer, H. "The underdevelopment in Atlantic Canada." Review of Radical Political Economics, 10 (Fall 1978), p. 95. Reprinted in Brym and Sacouman's Social Movements...

34. Thompson, E.P. The Poverty of Theory and Other

Essays. London: Merlin Press, 1978, p. 13.

35. Harvey, D. The Limits to Capital. Oxford: Basil Blackwell, 1982, p. 374.

36.. Boggs, C. Gramsci's Marxism. London: Pluto Press, 1976, p. 331.

37. Bluestone, B. and Harrison, B. The Deindustrialization of America. New York: Basic Books, 1982, p. 15. In the context of human geography, D. Gregory advocates a similar approach in "Human Agency and Human Geography," Transactions of the Institute of British Geographers, 6 (1981), pp. 1-18.

38. See the discussion in J. Cannon, "Explaining Regional Development...", pp. 74-75.

39. Harvey, D. The Limits..., p. 380.

40. Bluestone, B. and B. Harrison, The Deindustrialization..., p. 16.

41. Ibid., p. 17.

42. Ibid., p. 18.

43. For a comprehensive review of this literature, see Bradbury, J. "Regional and Industrial Restructuring Processes in the New International Division of Labour." Progress in Human Geography, 9:1 (1985), pp. 38-63. For some specific communities affected by the movement of industries from high-wage to low-wage areas, see the films reviewed in my "Geography and the 'New Temples'." The Operational Geographer, 4 (1984), pp. 27-28.

44. Gordon, D.M. "Capitalist Development and the History of American Cities," p. 41. In W.K. Tabb and L. Sawers, eds., Marxism and the Metropolis. New York: Oxford University Press, 1978.

45. Ibid., p. 41.

46. Ibid., p. 49.

47. Ibid., p. 50.

48. Massey, D. and Meegan, R. The Anatomy of Job Loss: The How, Why and Where of Employment Decline. London: Methuen, 1982, p. 183.

49. Frank, D.A. "Coal Masters and Coal Miners: The 1922 Strike and the Roots of Class Conflict in the Cape Breton Coal Industry." M.A. thesis, Dalhousie University, 1974 and "The Cape Breton Coal Miners, 1917- 1926." Ph.D. dissertation, Dalhousie University, 1979.

50. See Ibid.. See also McKay, I. "Strikes in the

Maritimes, 1901-1914." Acadiensis, XIII (Autumn 1983), pp. 3-46.

51. Amin, S. Accumulation on a World Scale, Vol. I. New York: Monthly Review Press, 1974, p. 17.

52. McCallum, J. Unequal Beginnings. Toronto: University of Toronto Press, 1980.

53. McKay, I. "Strikes in the Maritimes..."

54. Harvey, D. The Limits of Capital, p. 381.

55. Massey D. and R. Meegan, The Anatomy of Job Loss...

56. Nova Scotia. Report of the Commissioner on Trenton Steel Works. Judge W.F. Carroll, Commissioner, Halifax: King's Printer, 1944.

57. Nova Scotia. Report of the Royal Commission on Provincial Development and Rehabilitation. 2 vols., Halifax: King's Printer, 1944.

58. Kealey, G. "Critiques, Labour and Working Class History in Canada: Prospects in the 1980's." Labour/Le Travailleur, 7 (Spring 1981), pp. 75-76.

CHAPTER TWO: SETTING THE STAGE: PICTOU COUNTY'S POSITION IN THE CANADIAN ECONOMY.

During the period from 1881 to 1921 Pictou County cannot be seen in isolation geographically. The county was part of a larger national and international context. At the general level, the county was part of the Canadian economy, a national economy exhibiting traits of both a colony, with a stunted form of industrialization based on staples for export, and an independent industrial power, with a secondary manufacturing complex geared to a local market.(1) One condition which allowed for the latter, was Canada's special status as a colony. Canada was not a conquered colony, but a settler colony dominated by British settlers. These settlers inherited a tradition of liberal-democratic politics from their homeland, a tradition which they advocated and practiced in Canada. (2) The rebellions in the Canadas in the 1830's led to the introduction of responsible governments in the 1840's. As a result the British North American colonies followed a path which promoted local industrial development. The implementation of protective tariffs before Confederation, and Confederation itself, for example, were results of the local community speaking up and reacting against its colonial status.

The political strength and protests were primarily centred in what was later to become the industrial heartland of

Canada. It was particularly southern Ontario which exhibited the characteristics of an industrial heartland. This region constituted a fertile wedge with a suitable climate for agriculture, surrounded by the Great Lakes and close to the industrial core of the United States. These "site and situation" features provided a natural resource base, transportation links and access to the United States for industrial know-how, investment and sometimes labour.(3) It was wheat in particular which provided the engine for economic growth for the southern Ontario economy. Backward and forward linkage industries were formed, such as agricultural implement industries, plants producing fertilizers, railways, shipbuilding, flour milling and other food-processing. Final demand linkage industries were also established in support of the consumer needs of the farmers and workers involved in the wheat and industrial economy.(4)

But the geography of southern Ontario was not the only cause of its primary industrial status. The social climate also played an important role. The labour market on which the wheat and associated industrial complex depended did not emerge automatically. This was one of the more important issues of early nineteenth century British North America. E.G. Wakefield was one of the contemporaries who tackled the question and put forward a very controversial solution. Wakefield suggested that in order to prevent immigrants to the colonies from acquiring land, the price of the land should be set at a relatively high level. That way the less privileged would have to seek employment as wage labour on already existing farms. Johnson, in a study of Home District in south-central Ontario, describes

how the colonial government set an artificially high price on land, and thereby forced prospective settlers to enter the wage labour market.(5) On a more general level, Pentland chronicles the maturing of the labour market, workers learning or being forced to learn the discipline of the factory floor, and poor immigrants further stocking the pool of labour.(6) Once the labour market was established, it was similarly very important that the workers receive wages high enough to exert an effective consumer demand in support of the productive sector. These wages were the result of incessant and continuous struggle on the factory floor and political lobbying by the labour movement. As one student states: "The labour movement and the organized manufacturers grew up side by side and reinforced each other in pressuring the government to support their ends over those of other, traditionally more potent, groups in the economy.(7) In this respect the emergence of the industrial heartland was as much the result of its working class movement as its "progressive" businessmen.

The prosperity of the wheat economy was a function of the social climate in other ways. In Ontario, the farmers held the land in their own hands and whatever surplus was produced accrued to them as profits. This situation resulted in a conducive investment climate where investments in producer goods fostered prosperity and a consequent high demand for consumer goods. As Phillips writes: "Free and common socage in Upper Canada .. contributed to higher and more widely distributed incomes with consequent stimulation of secondary development in both goods and consumer goods and services sector."(8)

The growth of the southern Ontarian heartland was, then,

very much a function of its social transformation. It was this social transformation which enabled the dominant interests in the heartland to expand and consolidate a hinterland economy.

Bettelheim describes the general process:

..in those countries (regions) where modern industry was first established, production acquires an elasticity, a capacity for sudden leaps and bounds that contrasts with the conditions of production in other countries (regions), whose industry is thus overwhelmed. ..the appearance of large-scale industry first of all in some countries (regions) rather than others is itself to be explained by the transformation of the relations of production that had taken place in those countries (regions), which permitted and gave rise to the development of capitalist industry.(9)

The strength of the political and industrial interests in the heartland resulted in an expansionary policy to integrate the disparate parts of Canada into a cohesive economic unit. Shortly after Confederation, the so-called National Policy was introduced. It was composed of three ingredients. The first was the building of a transcontinental railway to integrate the national economy. A second element was the introduction of the National Policy Tariff, intended to protect indigenous Canadian industries, in 1879. A third feature, prominent as from the late 1890's, was an assisted immigration programme aimed at providing workers for Canadian industries and, more importantly, farmers for the Western Interior.

The National Policy was central in Canadian economic development from the late nineteenth century to the depression in the 1930's. Its geographic focus was the Western Interior where the wheat economy absorbed a substantial part of the investments made in Canada. As can be seen in Table 2:1, farm and transport investment on the Prairies constituted from

TABLE 2:1

Prairie Farm and Transport Investment, 1901-1930

	A Canadian gross capital formation (\$ million)	B Prairie farm investment (\$million)	B as % of A	C Transport Investment (\$ million)	C as % of A	B and C as % of A
1901-05	1,284	221	17.2	201	15.7	32.9
1906-10	2,241	319	14.2	539	24.1	38.3
1911-15	3,230	463	14.3	848	26.3	40.6
1916-20	4,138	370	8.9	661	16.0	24.9
1921-25	3,702	245	6.6	753	20.3	26.9
1926-30	5,898	454	7.7	1,225	20.8	28.5

Source: J.H. Richards, "The Prairie Region," p. 419. In J. Warkentin,
ed., Canada: A Geographical Interpretation, Toronto: Methuen, 1967.

twenty-five to forty per cent of Canadian gross capital formation in the period from 1881 to 1930. It was small wonder that the local capital market did not suffice but large sums of foreign capital were solicited. Indeed, "so heavy was the demand on the capital market for development funds - ..in Alberta .. Saskatchewan and Manitoba .. - that the money markets of the Netherlands and France had to support London in supplying funds - funds which farmers were borrowing at interest rates of six and eight percent." (10)

In the initial stages of the National Policy Nova Scotia did not become, in spite of the regional focus on the Western Interior, a backwater of Central Canada. Confederation and the decline of the old economy of 'wood, wind and sail' was followed by an economy of 'coal, iron and rails' which was encouraged by the establishment of the National Policy. Pictou County was an integral part of the new economy with its coal mines, steel mills and metal works. Yet the growth, structure and change of the new economy from 1881 to 1921 need to be qualified. First, while it is clear that the industrial complex in the county grew faster generally than the average for Canada and Nova Scotia between 1881 and 1901, the county's percentage share of national industrial development only measured up to its percentage share of the national population in one year, 1901 (see Table 2:2). Pictou County, in other words, was not involved in a process of 'pulling away' but of 'catching up' with the rest of Canada. Second, although one is impressed by the expansion of industries in the county after the turn of the century, Table 2:2 shows clearly that after 1901 Pictou County's relative position in the national and provincial economies declined. That the county

TABLE 2.2
Population Change and Industrial Development in Pictou County.
1881-1911.

	<u>Population</u>		<u>Capital Invested (\$)</u>		<u>Employees and Piece Workers</u>		<u>Value Added (\$)</u>			
	1	2	1	2	1	2	1	2	1	2
1881	35,535	.82 10.12	728,105	.44 6.16	1,606	.62 7.75	589,743	.45 6.82		
1891	34,541	.72 9.35	2,098,996	.59 10.57	2,916	.78 8.26	1,709,462	.77 11.35		
1901*	33,459	.62 8.49	3,212,900	.71 9.18	2,198	.63 9.31	1,443,762	.67 13.78		
1911**	35,858	.50 6.84	4,762,296	.38 5.95	3,162	.61 10.93	2,304,002	.40 8.47		

1 - Percentage of Canadian total

2 - Percentage of Nova Scotia total

* The slight increase in capital invested and decrease in employees and value added from 1891 to 1901 is misleading. In 1901 the census included only those industries with five or more employees.

**After 1911 there is no composite data available on a county basis for industrial development.

Source: Canada Census. 1881-1911.

declined in relation to national growth rates is not surprising. But that it declined compared with provincial growth is worth noting since it is a reminder that regional disparities have not only grown between Central Canada and the Maritimes, but also within these regional contexts. In Nova Scotia, Pictou County lost its industrial status to the steel and coal complex on Cape Breton Island since the early years of the twentieth century. After 1911, the relative position may have improved somewhat as Pictou County was a very important producer of munitions during the First World War, but after the war the relative decline continued. Indeed, as noticed already, the industrial decline was absolute after the First World War. An indication of the peripheral nature of the Trenton steel works can be gleaned from Table 2:3. Of the provincial steel capacity in 1921 Scotia possessed but twenty percent, while Disco possessed eighty percent. With the formation of Besco this discrepancy was allowed to widen even further.

It would be wrong to claim that this larger national and provincial picture did not play a role in the rise and decline of industrial development in Pictou County. Certainly the Pictou County economy prospered and declined with the rise and collapse of the National Policy. In the following chapter some of the structural weaknesses that resulted from Pictou County's integration in the national economy will be considered. But this does not mean that the collapse of the county economy can be deduced from the larger national economic context. Just as social internal factors contributed to the industrial growth and hegemony of southern Ontario, so, as we will see in Chapters Four and Five, social forces accounted for the decline of the

TABLE 2.3
Steel Production Capacity in Sydney, Sydney Mines and Trenton, 1921

	<u>Sydney</u>	<u>Sydney Mines</u>	<u>Trenton</u>
Primary Steel:	400,000 tons of ingots	130,000 tons of ingots	-
% of Primary Steel Capacity:	75	25	0
	<u>Sydney</u>	<u>Trenton</u>	<u>Sydney Mines</u>
Secondary Steel:	375,000 tons of blooms, billets and slabs	95,000 tons of blooms and billets	-
	300,000 tons of rails	30,000 tons of slabs	-
	120,000 tons of sheared plates	22,300 tons of tank and boilerplates	-
	90,000 tons of wire rods	47,000 tons of other rolled products	-
	75,000 tons of bars	7,500 tons of railway spikes	-
	950,000 tons	5,000 tons of machine & carriage bolts and nuts	-
		3,000 tons of rivets	-
		15,000 tons of railway, marine and engine forgings	-
		224,800 tons	-
% of Secondary Steel Capacity:	81	19	-
	<u>Sydney</u>	<u>Trenton</u>	<u>Sydney Mines</u>
Total Steel Capacity:	1,360,000 tons	224,800 tons	130,000 tons

Source: A.A.R. Jones, Journal of Commerce, reprinted in Workers Weekly, June 10, 1921, p. 4.

Pictou County economy.

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Footnotes

1. I elaborate on the position of Canada in the global division of labour in L.A. Sandberg and W. Armstrong, "Canada's Industrial Options: A Synthesis of Nineteenth Century Development." McGill University, 1984.
2. G. Williams, Not For Export. Toronto: McClelland and Stewart, 1983.
3. Kerr, D. "The Emergence of the Industrial Heartland c. 1750-1950." In L.D. McCann, ed., Heartland and Hinterland. Toronto: Prentice-Hall, 1982, pp. 65-99.
4. McCallum, J. Unequal Beginnings. Toronto: University of Toronto Press, 1980.
5. Johnson, L. "Land Policy, Population Growth, and Social Structure in Home District." Ontario History, (1971), pp. 41-60.
6. Pentland, H.C. Labour and Capital in Canada, 1650-1860. Toronto: James Lorimer, 1981.
7. Langdon, S. referred to in Craven, P. and T. Traves, "The Class Politics of the National Policy, 1872-1933." Journal of Canadian Studies, 14 (Fall 1979), p. 17.
8. Phillips, P. "Land Tenure and Economic Development: A Comparison of Upper and Lower Canada." Journal of Canadian Studies, IX (1974), p. 36.
9. Bettelheim, C. "Appendix I: Theoretical Comments," in A. Emmanuel, Unequal Exchange: A Study of Imperialism and Trade. New York: Monthly Review Press, 1972, pp. 289-290.
10. Easterbrook referred to by McGinnis, D., "Farm Labour in Transition: Occupational Structure and Economic Dependency in Alberta, 1921-1951," p. 176. In H. Palmer, ed., The Settlement of the West. Calgary: Comprint, 1977.

CHAPTER THREE: THE FACE OF UNDERDEVELOPMENT, 1881 to 1921.

The industrialization process in Nova Scotia and Pictou County from 1881 to 1921 played an important but later declining role in the Canadian economy. This upward and downward cycle is associated with two basic weaknesses in the industrial structure of Pictou County and Nova Scotia. First, it appears as if the Pictou county economy was very unevenly developed, that is, highly reliant upon one industry rather than a broad range of industries. Scotia was the giant industry which dominated the economy. Most other industries were tied to Scotia not only through backward and forward linkages but also through kinship and family ties. In an article in Industrial Canada, for example, Thomas Cantley, Scotia's general manager, wrote that all of the foundry and engineering shops established in Pictou County between 1883 and 1913 (the time of writing), with the exception of I. Matheson and Company, "grew up under the shadow of the pioneer producer of the basic iron and steel products, Scotia." (1) This opinion was shared by Archibald McColl, Scotia's long-time secretary, who wrote in 1914: "All the industries here (New Glasgow) are well known to us and I do not think any of them would have attained to their present proportions or in some cases have been established at all had it not been that the steel works were situated here." (2) Indeed, as will be noted later, with the decline of Scotia many of the

smaller industries were dragged down also.

Due to the close interconnection between Scotia and the smaller industrial establishments in the county most of the industrial history of Pictou County is the history of Scotia. This is reflected in Cameron's Industrial History of the New Glasgow District which gives over half its content to Scotia. Scotia's hegemony is also reflected in Pictou County of today. At present (in the mid-1980's), there remains only the railway car manufacturing plant and part of the forging facilities of Scotia's original holdings. These holdings are now owned and controlled by a British transnational corporation, Hawker Siddeley. Still a common local saying is: "As Hawker Siddeley goes, so goes Pictou County." (3) In Pictou County of the 1900's and 1910's this statement was equally, if not more, appropriate.

A second weakness of the industrial complex of the county economy was its disarticulated nature, that is, growth was predicated largely on catering for external markets, more precisely, the Central Canadian market for coal, steel and various secondary manufactured goods. Industrial growth, in other words, was not generated by a focus on the internal market, the industrial complex was inextricably bound up with a wider economy. In addition, one group of industries, without any backward and forward linkages to the steel and coal industry, emerged which relied on outside markets as well as imported raw material. These industries, dominated by a bakery, a flour mill, three glass manufacturers and a tannery, lived a precarious existence and were reliant on favourable treatment by municipal governments and the employment of cheap labour. In the end these industries stagnated or closed.

The uneven character and external market orientation of the secondary industrial complex of Pictou County can be extended to the primary activity of exploiting coal. Coal production dominated all other primary industrial activities and the number of coal miners and surface labourers usually exceeded the number of workers at Scotia. The towns of Westville, Stellarton and Thorburn were creations of coal companies in which the mine officials were often more important in decision-making than the town council. The markets for the coal, as noted already, were mainly in the United States before the 1880's.

In the 1880's and 1890's the ports of the Quebec section of the St. Lawrence replaced the United States in importance. The home market, in addition, expanded greatly from the 1880's up to 1921. This did not mean, however, that the county economy was changing from a reliance on outside markets to local ones. Why? There were two reasons. First, Scotia, a company highly dependent on external markets, was a major consumer of coal. Second, the very agent which served to integrate Pictou County with its outside markets, the Intercolonial Railway, was the largest consumer of local coal. The coal industry, in other words, was a back-up industry to the external market-oriented economy centred around Scotia.

The following sections give a brief description of the growth and decline of the economy of 'coal, iron (steel) and rails' from 1881 to 1921 and then provide an analysis of the uneven and disarticulated nature of economic development in Pictou County.

The Rise and Decline of the Steel and Coal Complex
in Pictou County.

Despite the growth of Scotia and some other metal works in the 1870's, it was not until the 1880's that Pictou County can be said to have obtained a somewhat sophisticated industrial structure. It was at this stage that the Nova Scotia Forge Company, a relatively small establishment relying on imported iron or scrap iron, was joined by the Nova Scotia Steel Company (1882). Both establishments were under the same ownership and control. The latter company was the first to produce steel in Canada. This steel was used in the forge works or on the rolling mills of the steel works. Throughout the 1880's, however, the steel works were still reliant on imported raw material in the form of scrap steel, scrap iron and pig iron from outside sources. This proved a problem and serious efforts were made to find and exploit local sources of iron. Graham Fraser, one of the founders of the forge works and general manager of the steel works in the 1880's, often expressed concern over the vagaries of relying on scrap iron from outside sources. Fraser was constantly pushing for the prospecting of local iron deposits as well as an amalgamation of the steel and forge works. (4)

The forge and steel works were amalgamated in 1889. At around the same time iron deposits were found in the interior of Pictou County, Iron mines were opened at Springville and Bridgeville, a railway was built to provide accessibility, and a blast furnace, coke ovens and a coal washing plant were constructed at Ferrona about 12 km from New Glasgow. The growth of Scotia continued. The local iron ore proved insufficient and

deficient which prompted a search for iron ore elsewhere. The search proved rewarding when the vast iron deposits of Bell Island, Newfoundland, were found and purchased in 1894. The supplies of iron ore for the blast furnace in Ferrona thereafter came from Bell Island.(5)

The acquisition of the iron deposits at Bell Island played an important role in Scotia's next expansionary step. In 1900, part of the iron deposits were sold to the Dominion Iron and Steel Company (Disco), Scotia's larger rival, and with the capital gained Scotia purchased the coal areas of the GMA in Cape Breton. The take-over of these coal areas solved a long-standing problem. In Pictou County most coal areas were already taken up and Scotia had suffered frequently from a shortage of coal. In addition, Cape Breton coal deposits were more extensive and better suited for the production of pig iron and steel. Graham Fraser even considered the area better suited for the production of pig iron than Pictou County. In the 1890's he wrote: "I have no doubt you and many of the others think me crazy but there is no doubt that the seat of the future great iron industry is at or near Sydney for I believe that there can be assembled all the necessary ingredients cheaper than at any other point in the world."(6)

It did not take long for Fraser and the leaders of Scotia to take part in the industrial development of Cape Breton Island. In 1900, the Nova Scotia Steel and Coal Corporation was formed and blast furnaces, open hearths, coke ovens, washery, power houses and machine shops were erected at Sydney Mines, Cape Breton. When the Sydney Mines complex became operative in 1904, the blast furnace and steel-making operations in Pictou

county were terminated, throwing at least 200 men out of work. Forging and steel rolling (with billets supplied from Sydney Mines), however, still continued in Pictou County. In fact, despite the removal of the blast furnace at Ferrona and the steel-making facilities in Trenton, Scotia continued to expand its remaining facilities (and employ more workers) in Pictou County. Between 1906 and 1912 several improvements and additions were made to the forging and steel rolling facilities. Many observers of the time thought very highly of these improvements but there is considerable evidence which suggests otherwise. This evidence and its implications for the long-term health of the Pictou County economy will be returned to at a later stage.

In 1913, The Eastern Car Company, specializing in the manufacturing of railway cars, was formed as a wholly-owned subsidiary of Scotia. Eastern Car was located in Trenton and employed approximately the same number of workers as Scotia's other facilities in Trenton.

The next expansionary move came during the First World War when Scotia became a major producer of munitions. Munitions production provided an enormous boost to local manufacturers. In the beginning of 1915 the steel and car works had just started the manufacture of shells and employed 2400 men.(7) In December of 1915 the work force had increased to 4200.(8) When the Eastern Chronicle reported that New Glasgow and Trenton were certainly "the busiest centre in Eastern Canada", it was not far from the truth.(9) In addition to the workers at Scotia and Eastern Car, there were an additional 1100 men working in smaller industries associated with the manufacture of

munitions.(10)

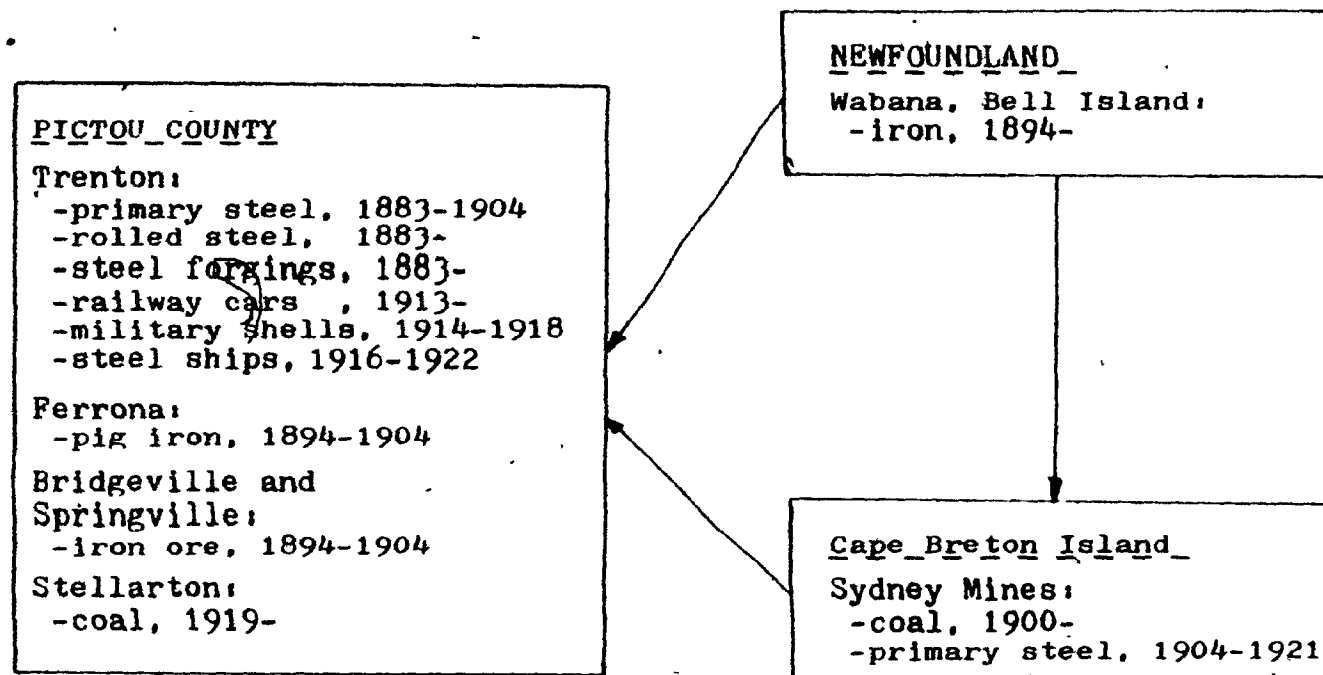
The expansion of Scotia and Eastern Car during the war necessitated the search for large amounts of foreign capital. The capital was forthcoming from the Stone and Webster holdings of New York which in 1917 took over the direct control of Scotia. The American capitalists were in control for only four years and during that time the last expansionary move was made. The Acadia Coal Company was purchased from its Belgian owners in 1919, thus relieving Scotia of its long-time problem of obtaining a regular supply of local coal.(11) The expansion of Scotia as described above is illustrated in Figures 3:1 and 3:2.

In 1921, Scotia ceased to exist as an independent company. In that year it became part of the ill-fated British Empire Steel Corporation (Besco). The Besco take-over cannot, however, be seen as the cause of Scotia's decline. The process of decline had set in already with the armistice in 1918 and the roots of the decline go back even further.

The second engine of growth in Pictou County was the coal mining industry. Along with Scotia the coal mining industry was the 'backbone' of the economy and a substantial part of the prosperity in industrial growth from 1881 to 1921 can be traced directly to the boom in the coal industry. As stated earlier, coal mining was dominated by two major companies, the Intercolonial Coal Company and the Acadia Coal Company.(see Figure 3:3) The former was controlled by Montreal capital and centred in the town of Westville. The latter was formed in 1886 and 1887 through the amalgamation of four smaller companies. The company operated coal mines primarily in Stellarton and Thorburn. The Acadia company was initially controlled by

FIGURE 3.1

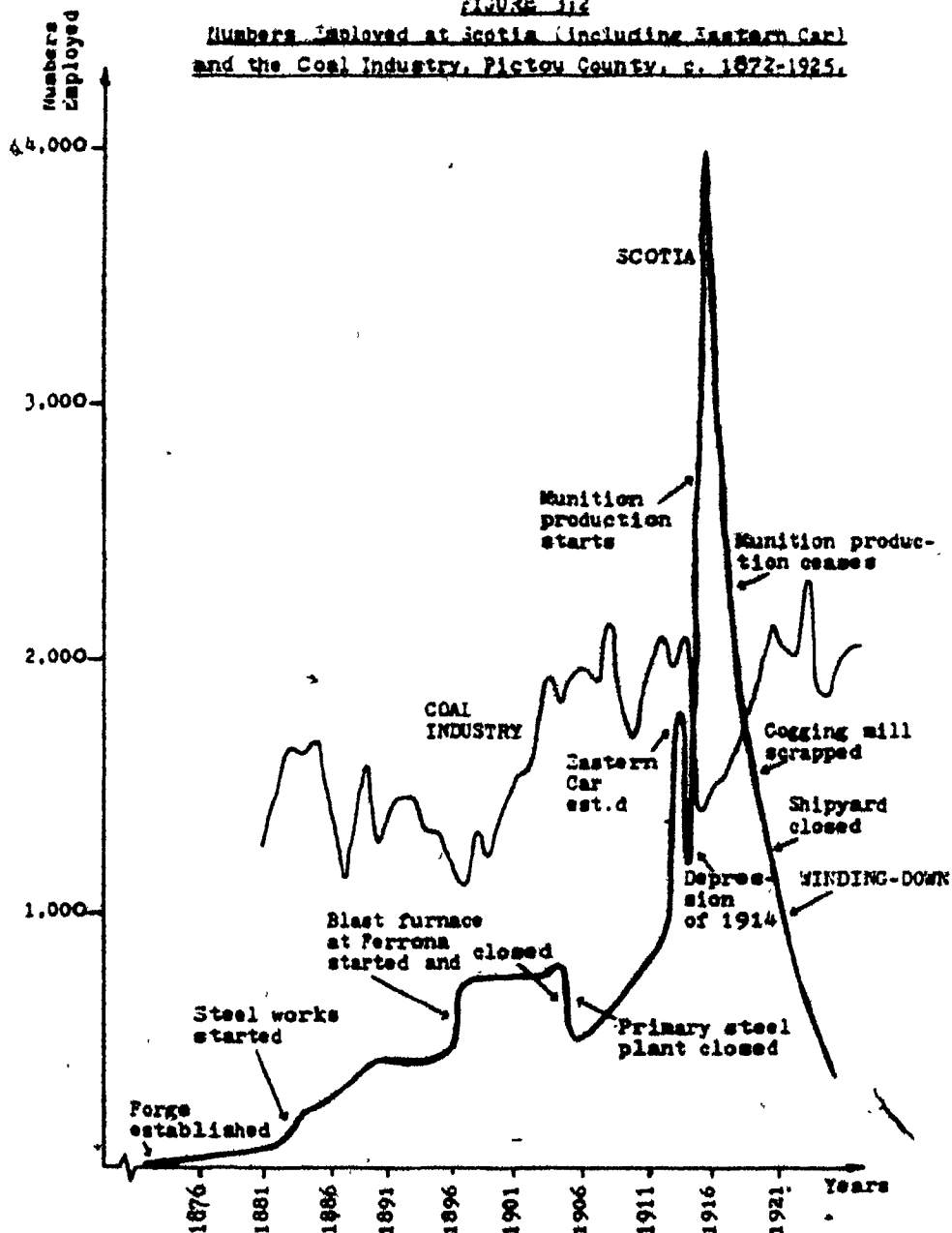
THE SPATIAL EVOLUTION OF PRODUCTION AT SCOTIA AND EASTERN CAR, 1883-1921



Flow of material →

FIGURE 3.2

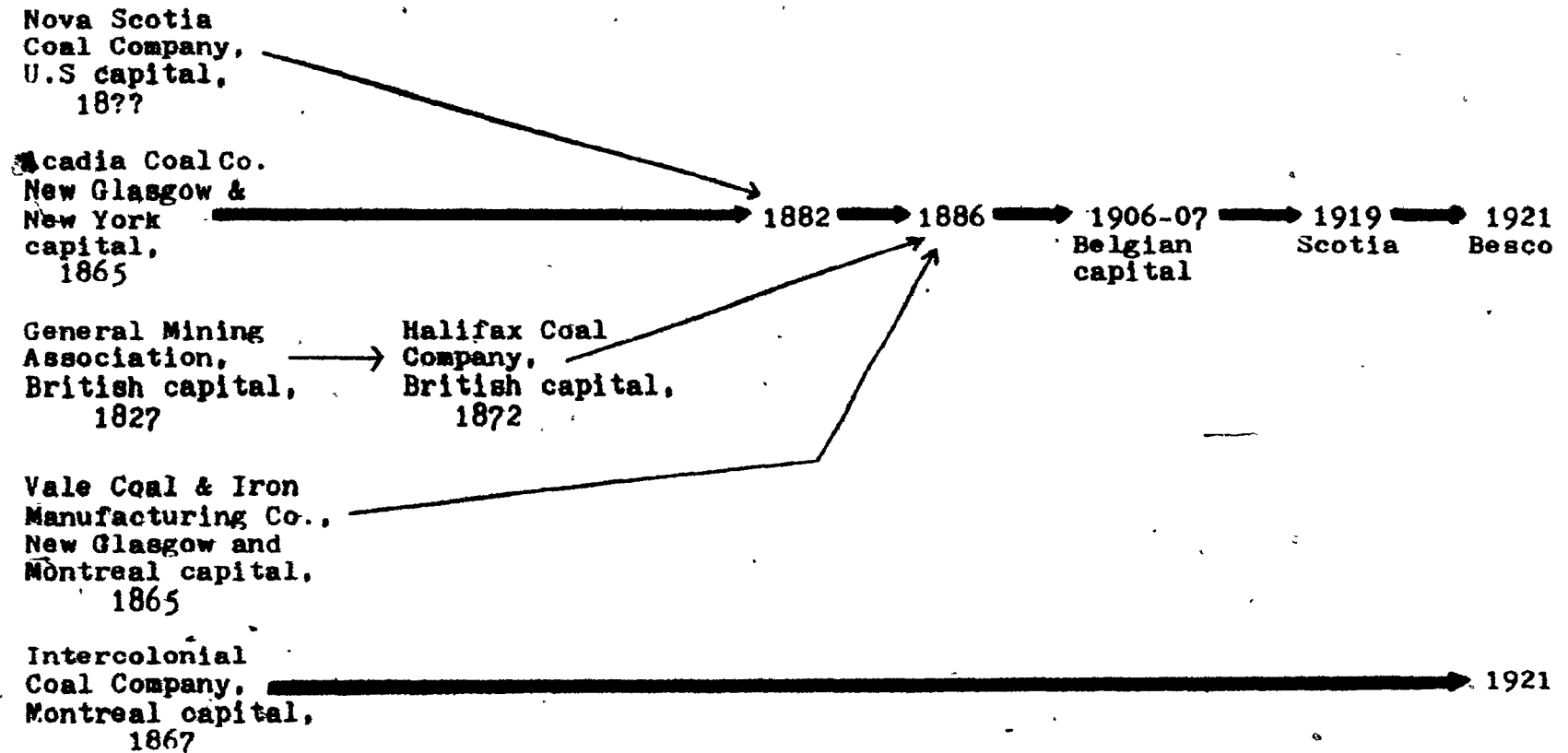
Numbers Employed at Scotia (Including Eastern Car)
and the Coal Industry, Pictou County, N.S. 1872-1925.



Sources: The employment figures for the coal mining industry were obtained from the Nova Scotia Mines Reports, 1881-1921. Data for Scotia were gathered from many sources, most notably the Pictou County newspapers from 1872 to 1925.

Figure 3:3

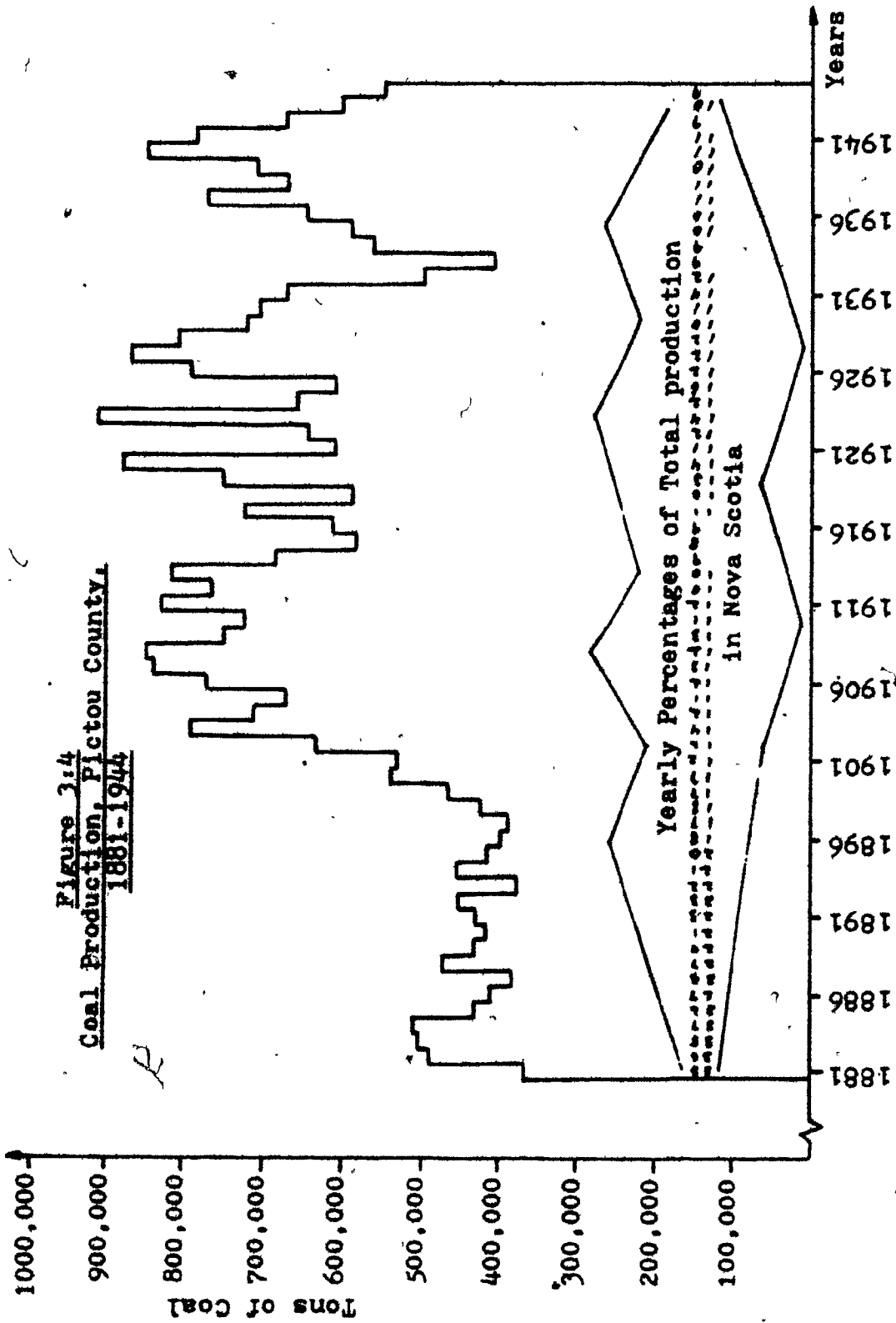
The Corporate Evolution of the Pictou County Coal Industry, 1827-1921.



Montreal capital but in 1910 it was taken over by Belgian interests. In 1919, the company was acquired by Scotia. Although there were other coal companies operating in Pictou County from 1881 to 1921, the story of the county's coal mining industry is largely that of the Intercolonial and Acadia Coal Companies.(12)

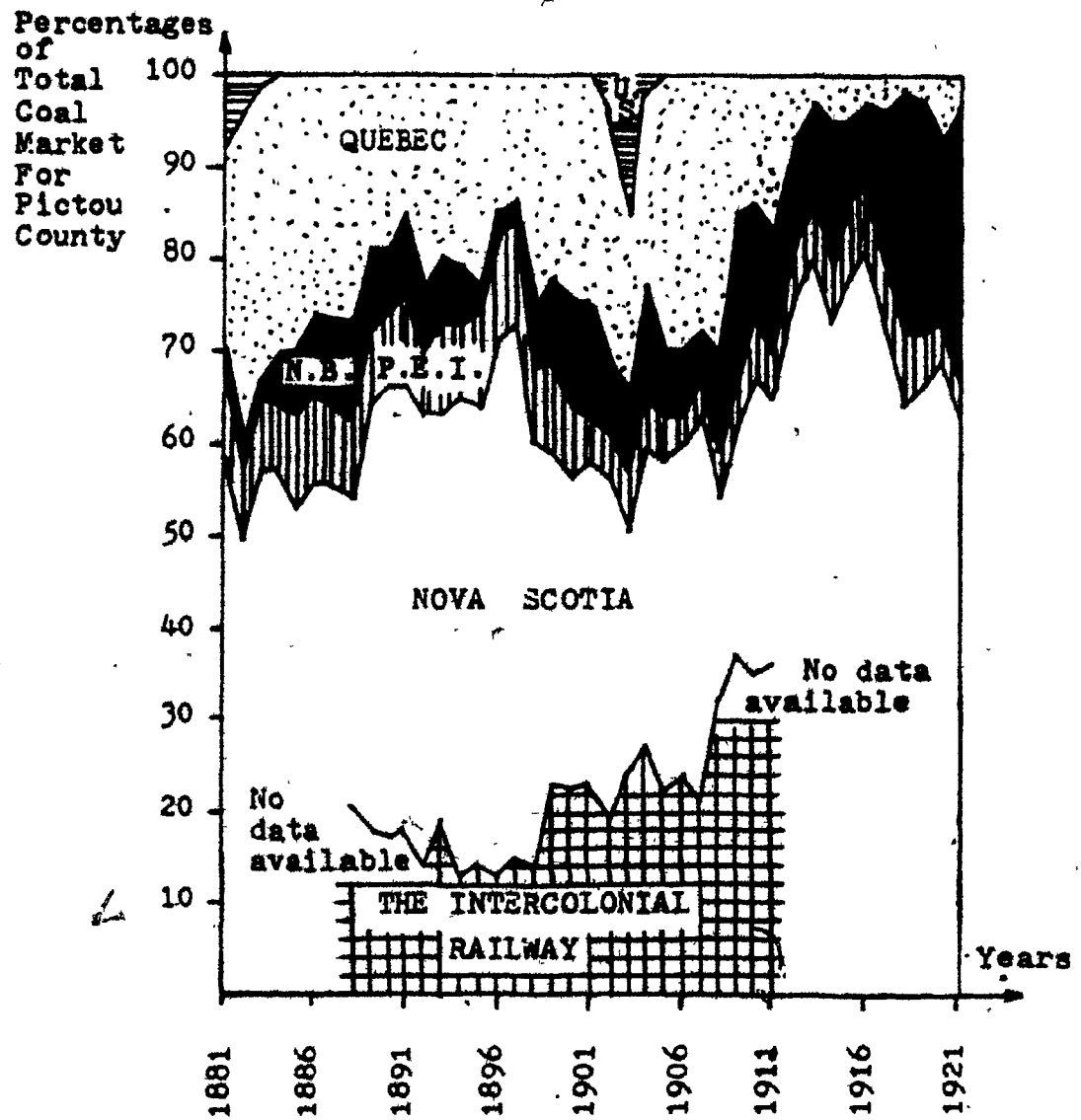
In comparison to the growth pattern of the provincial coal industry, it is noteworthy that the Pictou County industry experienced a relative decline (see Figure 3:4). In the 1880's coal production in Pictou County averaged about 30 per cent of the total production in Nova Scotia. In the 1890's, it had fallen to around the 20 per cent. From the turn of the century Pictou County production made up about 10 per cent, sometimes a little more, of the total production in Nova Scotia. Still, the relative decline of the Pictou County coal industry should not be allowed to conceal the absolute growth that occurred and the important role the coal industry played in the local county economy. In the 1880's and 1890's the total tonnage raised was more or less constant, fluctuating around the 400,000 mark, but after the turn of the century production figures skyrocketed. This was particularly true from 1902 to 1913 when the local output reached figures around 700,000 and 800,000 tons. During the war the output dropped considerably but in the 1920's it was once again up to pre-war levels.

In terms of employment the coal mines were initially more important than, and later equally important as, Scotia. From the 1880's to the 1910's, before the expansionary drive of Scotia and the establishment of Eastern Car, employment in the coal mines exceeded that of Scotia (see Figure 3:5). The work



Source: Nova Scotia. Mines Report. 1881-1945.

Figure 3.5
The Markets of the Pictou County
Coal Industry, 1881-1921
(Percentages of Total)



Source: Nova Scotia. Mines Report.
1881-1921.

force in the coal mines ranged from around 1100 to 1700 from 1881 to 1902, while from 1903 to the First World War the number ranged from 1700 to over 2100. When munitions production boomed and Scotia and Eastern Car employed 4000 workers, it cut into the employment at the coal mines. Employment at the coal mines decreased to about 1400 to 1700 during the war and workers were constantly in demand. After the war the work force in the coal mines increased to prewar levels while the work force at Scotia and Eastern Car plummeted to record low levels.

In the decade of the 1920's the coal mines produced more coal than ever before. Perhaps this can be taken as a sign of prosperity but if one looks at the conditions in the mining towns one gets a different picture. The 1920's were characterized by a labour unrest unprecedented in the coal fields. Besco was particularly ruthless in pursuing profits no matter what the social costs. Many mines were closed and only the most profitable mines remained open. The miners did not have room to work their places the most efficiently, there was less work for each individual miner and machines were beginning to replace the hand-picking miner. These conditions resulted in frequent and often long and bitter strikes. These strikes and social strife subsided slowly with the decline of the coal industry as from the 1930's up to the 1980s.

Unevenness of Development: King Scotia, Queen Coal
and Their Subjects.

Unevenness of productivity is one feature of Third World underdevelopment identified by Amin. It refers to the often great disparities in productivity between the sectors of Third

World economies. (13) These disparities did not exist to any marked extent within the industrial structure of Pictou County. Scotia, the coal companies and many of the local metal works operated, at least initially, with modern and productive machinery. The unevenness of development in Pictou County was of another kind. It was reflected in the way that Scotia and the coal companies, by their sheer size and productive capacity, dominated the rest of the local economy.

One way to measure Scotia's dominance is to look at the dominance of the town of Trenton vis-a-vis the other local towns. Although Trenton contained only 1,749 residents in comparison to a combined population of 17,889 of the other towns in 1911, it nearly equalled and, in some cases, even outmatched the combined industrial capacity of the other towns. If we consider the fact that there were only two other industries in Trenton besides Scotia - one was a glass factory employing from 90 to 100 hands and the other a declining agricultural implements industry employing 25 hands - it is evident that Scotia possessed an amount of industrial power almost equal to all the other town industries combined. The percentage share of industrial capacity between Trenton and the other towns is tabulated in Table 3:1.

A second way of measuring Scotia's dominance is to compare its status to other metal works in the county. McCann has compiled data, derived from the Mercantile Reference Books of Dun, Wiman and Company and R.G. Dun and Company, from which such an analysis can be performed. McCann's data shows that the total pecuniary strength of all industries involved in metals manufacturing in New Glasgow and Trenton for 1912

TABLE 3:1
Percentage Share of Industrial Development
Between Trenton and the Other Towns
of Pictou County for 1911.¹

	Popu- lation	Esta- blish- ments	Capital Invested	Number of Emple- yees	Value of Pro- duc- tion	Value Added
Trenton	9	7	47	52	55	47
The Other Towns	91	93	53	48	45	53

1. The other towns include New Glasgow, Pictou, Stellarton and Westville.

Source: Canada Census, 1911.

was \$1,281,000.(14) At the same time the total pecuniary strength of all metal works besides Scotia was most certainly less than \$390,000.(15) These figures show that Scotia possessed over seventy per cent of the total pecuniary strength in metals manufacturing in the towns of Trenton and New Glasgow.

The dominance of Scotia was also expressed in the everyday life of the community. One is impressed by the great dependency of the local merchants on the steel workers. This not only included the merchants in Trenton, but also in New Glasgow and to some extent the other towns. The steel workers visited the various town merchants to buy consumer goods, many of them lived in New Glasgow, the other towns, even the surrounding countryside, and commuted to Trenton. In one prosperous year, 1904, the Eastern Chronicle estimated that the weekly pay of the steelworkers amounted to \$20,000. The paper continued:

We venture to say that if this amount was spent elsewhere than in town, the consequence would be seriously felt by our businessmen .. at least 50% is spent on necessities of life, the balance in real estate and various other channels. Not many of our wage earners deposit their earnings in the bank .. in 75 out of 100 cases everything is immediately disbursed.(16)

In order to accommodate the steel workers and benefit themselves the local merchants even stayed open longer in the evenings which was referred to locally as 'steel works pay'. Indeed, even when the local Retail Clerks' Association made a demand for earlier closing during the First World War, they did not include the payday of the steelworkers. Their demand was stated as follows: "That all the retail stores in the four towns, New Glasgow, Trenton, Stellarton and Westville, close

their places of business at promptly 6 p.m., except on Saturday evenings, on the evenings of 'steel works' pay and evenings immediately preceding a public holiday."(17)

If the local businessmen and press expressed their great gratitude to the 'purchasing power' of the steel workers in good times, they were even more apt to pity themselves when the business cycle and the spending power of the steelworkers turned downward. When the depression of 1914 set in and the steel and car works were shut down temporarily, for example, the local merchants were eagerly awaiting a "wholesome order (which) would have a healthy effect on business in general in the community."(18) A more trivial but yet important incident was the effect of an annual excursion to Halifax organized by Scotia. The Pictou Advocate reported in one year:

The steel works' men had their annual excursion to Halifax last Saturday and it is said about 400 took it in. There must have been from \$1200-1500 taken out of the place. The New Glasgow merchants got the least money out of the previous payment of any for a year. One of their own men told me that they (the excursions) are becoming a curse.(19)

The complaint of the merchants was not confined to one year but was voiced annually. In 1902, for example, it gave the Pictou Advocate reason to ask: "Would it not be better to get up some recreation at Trenton and keep the money at home."(20)

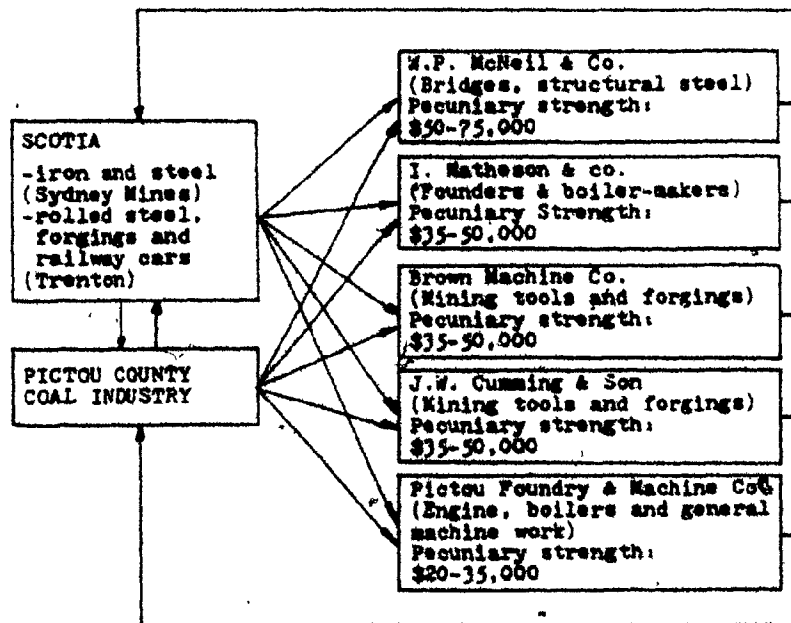
The dominance of the coal companies is clearly reflected in their position of the local economy. Their hegemony, in the communities they were located, was obvious. Together the coal companies and their employees provided the raison d'etre for the towns of Stellarton, Thorburn and Westville. In Stellarton, for example, the Acadia Coal Company owned much of the housing and even the land of the town. If the company did not own the land

it was leased on very liberal terms from the town. The company also supplied the town with coal, roads and even electric light.(21) Similar conditions prevailed in Thorburn and Westville. Coal made these towns.

The growth of the metal-working industries in the county owed much of their existence to Scotia and the coal industry. McCann has identified ten local industries which were dependent on Scotia's rolling mills in Trenton for material input.(22) Without a doubt these industries were also dependent on coal from the local coal mines. But the dependency ties did not end at this point. In many cases Scotia and the coal companies also constituted major consumers of these industries.(see Figure 3:6)

Let us consider, one by one, some of the more prominent industries in Pictou County during the period. The largest works besides Scotia was W.P. McNeil and Company, manufacturer of bridges and structural steel. McNeil started out on a small scale in the 1890's manufacturing agricultural implements but after the turn of the century concentrated on structural steel and bridges. The switch to these lines of production corresponded with the flowering of the economy of 'coal, iron (steel) and rails' and it was precisely on this economy that McNeil was dependent. McNeil supplied iron bridges for the infrastructure of the new economy to all parts of Nova Scotia, notably Cape Breton Island. The local coal companies were other major consumers. In 1905, the local Acadia Coal Company awarded McNeil a contract worth \$50,000 to erect the bankhead buildings of the Allan Shaft (a local coal mine).(23) One of the more spectacular orders, however, came from Scotia. In 1912, a substantial part of the buildings of the Eastern Car Company was

Figure 3.6
Material Linkages Between Scotia and
Some of the Major Local Industries
in Pictou County, c. 1912



Material flows ———→

Source: Revised from L.D. McCann, "The Mercantile-Industrial Transition in the Metals Towns of Pictou County, 1857-1931." *Acadiensis*, 10 (1981).

awarded to McNeil. At this stage McNeil had changed the name of the company to the Maritime Bridge Company (1909) and had sought considerable financial backing from the Dominion Bridge Company of Montreal.

With the end of the work for Scotia in 1912 the McNeil company was more or less idle. In 1915, McNeil gave evidence before the Shell Committee, a federal body which handled the business of placing government orders for military shells with various private firms during the initial phases of the war; he pleaded for contracts to produce shells. He stated further: "I had been in business previously but had not been manufacturing for two years"(24); McNeil received the orders and remained in business. Once in munitions production, the dependence on Scotia strengthened considerably. The shells were forged at Scotia and then some of the shells were finished at the Maritime Bridge Company. McNeil developed a booming business. But after the war, with no more shells to finish, the Maritime Bridge Company closed and was never reopened. Cameron lays the blame on the Montreal interests who held a share in the company for the failure to rebuild but that does not appear to be entirely correct. The Montreal Company had an interest but did not control the local shareholders. In the annual report of the Dominion Bridge Company it was stated:

The buildings of the Maritime Bridge Co., in which your Company is interested, were seriously damaged by fire on 7th July. The shareholders of the Maritime Bridge Company at a meeting called for the purpose decided that it would be unwise to rebuild under existing conditions and to temporarily retire from business, selling the stock of material and the machinery that could be sold to advantage; retaining, however, the land and such buildings as remained in case it should seem desirable in the future to re-establish the business.(25)

It is more likely that the Maritime Bridge Company failed from a lack of orders. Munitions orders were cancelled at the close of the war. In 1919 the manager testified before the Royal Commission on Industrial Relations that normally employment stood at 100 to 150 but now only 80 to 85 men worked. In addition, there was considerable unrest at the works due to the "lack of orders." (26) Similarly, Scotia was in serious trouble. There were no contracts let by Scotia and, indeed, the expansionary phase of the economy of 'coal, iron (steel) and rails' had come to a standstill. The Maritime Bridge Company was a very small ingredient in this complex process and the explanation of its disastrous fate must await a more detailed look at Scotia and the larger Pictou County economy.

The metal-working establishments of I. Matheson and Company, Brown Machine Company and J.W. Cumming and Son can be placed in a common category. All these companies had as an important consumer the mining industry. Matheson employed 30 workers in the late 1870's. In 1887, the workforce had increased to 47 and in 1895 it was 70 men. (27) In the latter year, Matheson was not only manufacturing and servicing boilers for the local mines and industries but also making all kinds of mining machinery. In an advertisement in the nationally distributed Mining, Iron and Steel Manual, Matheson claimed to be "the best place in Canada for gold mining machinery" as well as making such items as pumping machinery and winding gear. (28) The company was also involved in making machinery for the emerging steamships built of steel as well as building steel scows, barges and even steel ships. In 1908, for example, Matheson built the "James William", a steel sailing vessel,

assembled to the specification and order of J.W. Carmichael and Company. With the turn of the century the reliance on the home market, composed of machinery and infrastructure for the new economy, intensified. During the First World War Matheson was involved in munitions production. Throughout these years the workforce climbed to 150 and at the close of the war Matheson prospered by reverting to his former lines of production.

Brown Machine Company and J.W. Cumming and Son were almost completely involved in making coal mining machinery when first established. Brown set up shop in the early twentieth century. With the general increase in coal production Brown prospered handsomely and in 1913 his company amalgamated with Bailey-Underwood, an agricultural implements maker to form the Eastern Steel Company. Eastern Steel faced immediate problems in the depression of 1914 and when the war erupted Brown was pleading for munitions contracts. According to Brown, his eagerness to indulge in munitions production stemmed from the poor state of his company and a wish to contribute to the war effort. He stated: "...from the manufacturing standpoint, our business was as flat as could be, there was nothing doing, and we viewed the matter (finishing shells) in that light as well as from a patriotic standpoint." (29) In 1916, Eastern Steel was involved in the shell business but was not fully successful. In 1918 the plant burnt down and it was soon thereafter liquidated. At a later stage the company was reorganized on a smaller scale as the Riverbank Manufacturing Company. This company, however, was involved in different lines of production and was riddled with problems until its final collapse in the 1930's.

The company of J.W. Cumming and Son was considerably more

successful than Eastern Steel and its predecessors. Cumming started out on a small scale in the early part of the 20th century. Thereafter, expansion was rapid. By 1913, Cumming had even established a branch office in Lethbridge, Alberta, where "a fine stock of mining tools (were) kept and distributed to the numerous collieries within a radius of twenty miles." (30) In 1920, the company established the first electric steel casting furnace in the Maritimes.

An establishment similar to Matheson, Cumming and Brown was the Pictou Foundry and Machine Company, located in the town of Pictou. The foundry operated intermittently before it was incorporated in 1889 with an authorized capital of \$30,000. At this stage 25 men were employed and the lines of production consisted of engines, boilers and general machine work. The major customers of the foundry were the coal mines and the shipping industry. Ships frequently came to Pictou for repairs. Mining machinery was manufactured and in 1902 the foundry became the agent for the Port Hood Coal Company. (31) Other industrial consumers included the lumber industry, the railways and Scotia. (32)

All the foregoing industries had something in common. As noted earlier, they were all riding the crest of prosperity of the economy of 'coal, iron (steel) and rails' which was dominated by Scotia and the coal companies. Most importantly, they received their raw material from Scotia and the coal companies. But, in addition, Scotia and the coal mines demanded all kinds of machinery, equipment and construction work as well, as an infrastructure over land and water which was supplied by the small local manufacturers. In 1914, this expansionary phase

seemed to have come to an end and many of the smaller industries were in serious financial problems. Many were, however, saved by the First World War. It was at this stage Scotia grew, in hothouse fashion, as a result of being awarded large munitions contracts. Furthermore, it was during this phase that the hegemony of Scotia increased and the dependence of the smaller metal works on their giant neighbour intensified.

There was great competition for the munitions contracts locally but Scotia and Eastern Car were particularly successful in securing the orders. As one paper put it: "Trenton (the home of Scotia) has benefitted from war orders to a greater extent than any other town in the county." (33) As a result of the uneven distribution of contracts a group of smaller Pictou County industrialists appeared before the Shell Commission to complain about their lack of success in securing shell orders. During the hearing the evidence revealed clearly the hegemonic and advanced technological status of Scotia vis-a-vis its smaller neighbours. First, Scotia's general manager, Thomas Cantley, was a member of the Shell Commission and had thereby an input in the decisions on who should be awarded war orders. Cantley was not the only industrialist on the Commission. The whole commission was composed of prominent industrialists and headed by General Bertram. The conflict of interest of the members of the commission led later to its disbandment and replacement by another body, the Imperial Munitions Board. Second, in defence of rewarding Scotia with the largest contracts, Bertram referred to the great productive capacity of Scotia. The smaller industries, Bertram argued, did not possess the productive capacity to be awarded large orders. Bertram

stated, for example, in the case of Cumming: "I was looking for people who had a plant. You had a blacksmith shop with two or three little lathes in it but you had to put in all your plant afterwards." (34) Cumming did not dispute Bertram's justification. Third, Cantley was of the opinion that Scotia should be in charge of the contracts and then be able to subcontract to the smaller industries as the need would arise. He stated: "...my idea was that we should work with Matheson and Company, along much the same lines as adopted by the CPR, whereby a portion of the work should be done by outside shops." (35)

The organization of munitions production in Pictou County, as conceived of by Cantley, was very nearly the one that came to prevail. Scotia became the only firm east of Montreal to engage in the most profitable aspect of shell-making, the forging aspect, while the less profitable lines of production, finishing, were left to the smaller industries. The orders for the finishing of shells, however, were usually not sub-contracts from Scotia but contracts awarded through the Shell Commission and later the Imperial Munitions Board.

It was not only in the production of the shells that Scotia exerted its hegemony but also in the manufacturing of wooden shell boxes. The shells were transported in these boxes and were frequently in short supply. In this situation, it was always Scotia which, through its size and power, managed to supply itself with shell boxes before any of the smaller industries. Scotia even secured contracts to produce shell boxes on its own and parts of these contracts were sub-let to smaller firms. These sub-contracts forced the producers to

supply Scotia first and only thereafter the smaller shell manufacturers. In the case of one local firm, John J. Grant, Scotia managed to profit from this type of sub-contracting. Grant received an order from Scotia to produce shell boxes at 87 cents a piece while Scotia sold the boxes for 95 cents. This was an illegal practice which was discontinued when "brought to the attention" of the general manager.(36)

There were, of course, other industries in Pictou County. Some of these were tied to Scotia and the coal companies directly through either forward or backward linkages and others tied indirectly by catering to the consumer demands of the steel and coal workers. These industries were, however, small (sometimes even smaller than the ones described up to this point) and do not take away from the description of the Pictou County economy given in the previous sections. At a later stage we will comment in more detail on some of the industries which existed relatively independent of Scotia and the coal companies.

At this point it should be clear that Scotia and the local coal companies were the leaders in the Pictou County economy. In 1911, the home of Scotia, Trenton, possessed an industrial strength which constituted approximately half of the total industrial strength of all town industries in the county. In addition, in 1912, Scotia's operations in Trenton possessed over 70 per cent of the total pecuniary strength of all metals industries in Trenton and New Glasgow. Finally, the merchant community and many small consumer goods industries were to a large extent dependent on the spending power of the steel workers. In the coal towns the reliance on the demand of the coal miners was equally heavy. Steel and coal, in other words,

were the royal couple on which everything else seemed to depend.

A Disarticulated Economy: A High Reliance on External Markets and Raw Material.

Another feature of Third World underdevelopment identified by Amin is disarticulation. This refers to the lack of communication between the various sectors of an economy. Amin describes a disarticulated economy as being composed of a few sectors producing staples and semi-finished goods. These sectors are often foreign-owned and export their material to foreign countries. This prevents the local development of a so-called multiplier effect. Instead, "any such effect is transferred abroad (and) the sectors of the underdeveloped economy appear as extensions of the dominating advanced economy." (37) The Pictou County economy was disarticulated. Most of the commodities produced were exported in an unprocessed or only semi-finished state and on occasion even the raw material for manufacturing was imported.

Scotia itself was very dependent upon the Central Canadian market. One major consumer was the whole complex of agricultural industries in Ontario. As much as fifty per cent of Scotia's sales went to these industries. (38) This was reflected clearly in the sales and promotional work performed by Scotia. In the 1880's, Thomas Cantley, who was at the time Scotia's sales agent, spent long parts of each year trying to obtain orders from the agricultural/implements industries in Ontario. In 1885, for example, Cantley spent from early July to late October in Central Canada and had major business meetings in places like Ingersoll, Chatham, Sarnia, Terrebonne, Brantford

and even Detroit.(39) In the correspondence between general manager Graham Fraser and Cantley, the importance and urgency of acquiring these orders was stressed time and time again. At one point Fraser advised Cantley on how to secure a large order from Mr. Massey. After having outlined the bidding procedure Fraser wrote: "I don't suppose it was nessry (sic) for me to mention the above but he (Massey) is a hard one - We want all his orders."(40) On another occasion Fraser discussed plow beams and wrote: "...we must not let the Englishmen or any person else cut under us on plow beams."(41) Cameron is quite explicit about the connection between Scotia and the Central Canadian agricultural implements industries:

The farm machinery industry in Canada - Massey-Harris and its competitors - procured all its steel from Scotia - rake rods, plow beams, and a huge assortment of flats, squares, rounds and angles. Some of it was shipped from Pictou Landing.(42)

Cameron's statement may be somewhat exaggerated. There were other suppliers of steel to the agricultural implements industries in Central Canada which offered stiff competition, notably British and American steel companies. Cantley may provide a somewhat more realistic picture in a statement made in 1930: "There was a time when we in New Glasgow supplied 40% of all steel used in the manufacture of agricultural implements in Ontario."(43)

At a later stage Scotia and Eastern Car were equally dependent on the boom in railway construction which took place in Canada in the first two decades of the twentieth century. Cameron goes as far as stating:

Scotia Steel could not have grown without the orders from the railway builders for rails, tie plates, fish plates, track bolts, nuts and

spikes; the axle forge plant was eliminating one by one all competitors with a better and cheaper product and was taking a preferred place on the company's profit and loss sheets, and now that the railways were built, there was a demand for more railway cars which the the Upper Canadian plants could not meet.(44)

The manufacturers of railway cars were also highly dependent on parts supplied by Scotia's rolling mills in Trenton. Cameron writes: "In the peak years, 1912 and on until the early twenties, every piece of finished rolled steel in every type of freight car made in Canada - in the shops of Eastern Car in Trenton, National Steel Car in Hamilton, Canada Car in Montreal - was rolled by Trenton mills."(45) During the 1910's the dependence on the railways increased and in 1919 Archibald McColl, Scotia's secretary, stated: "Our work for a number of years has been largely railway work. That is car building and material used in railroad construction work."(46) In the 1930's the railways not only constituted an important market outlet for the entire Nova Scotia steel industry, but also the industry's raison d'etre. By this time the Nova Scotia steel industry was "mainly engaged in supplying steel rails and other materials forming part of the equipment of the Canadian National Railways or needed for the construction of rolling stock for the same company."(47) The decline of this market outlet was - according to Graham - one of the major factors of decline of the iron and steel industry:

The iron and steel industry (in Nova Scotia) was originally built up to sizable proportions in response to a demand for steel rails and railway cars in the great railway-building period in the first part of this century...The industry was largely a product of the National Policy but, after the railway construction it had been developed to service was completed, it was unable to find another base for its activities.(48)

Diversification was a little heeded concept. Scotia's attempts to diversify were not extensive. In 1914, McColl wrote that "Nova Scotia's industrialization must take place from now on largely along secondary lines, or, in other words, .. we must further manufacture the raw material now being produced by iron and steel manufacturers if we wish to build up a strong and prosperous people." (49) This never occurred.

Not even during the war, when munitions production was dominating the local economy, did the pattern of disarticulation disappear. On the announcement of Scotia's first shell order, Cantley reported that the finishing was to be handled by ten different engineering firms: three in Montreal, two in Sherbrooke, one in Galt, one in Dundas, three in Toronto, and one in Kingston. (50) At a somewhat later stage, as noted already, some finishing was done locally. As Cameron states, however, it was not much:

In Pictou County only the steel works forged shells. The steel works forging facilities outdistanced the shell finishing facilities. Some were finished - a small percentage of the forging output - in the steel works and car works, and some in other Pictou County plants. The greater number forged were shipped in car load lots to other plants in Canada, some as far west as British Columbia, for finishing. (51)

This trade pattern conveys clearly the poor state of the metal works in Pictou County. If one looks at the distribution of munitions production throughout Canada the picture becomes even less impressive. For if we look at this line of production, which gave Trenton its maximum industrial activity up to the very present, only four percent of the national production was concentrated in the Maritimes. (52) And as noted, most of the four percent was concentrated in forging and the

productive capacity of finishing facilities was relatively small. The semi-finished steel and relatively simple steel components supplied to agricultural implements industries and railway companies prior to the war were replaced by unfinished shells supplied to Central Canadian industries with the capacity to finish shells during the war.

The coal industry favoured external at the expense of local consumers as well. This was the case of the Nova Scotia coal industry already from its inception. In Pictou County it was not until Scotia grew to major proportions that there emerged a substantial market for local coal. With the growth of Scotia, the former major consumer of coal, Quebec and the Intercolonial Railway, were joined by another major consumer.

With the growth in coal production and local coal consumption it may be expected that the over-reliance on external markets diminished. This was true to some extent but on the whole the disarticulation of the coal mining industry persisted. This was because of three inter-related factors. First, the reliance upon the Quebec market, although diminishing somewhat, continued to figure prominently (see Figure 3:5). Second, Scotia, which itself was reliant on a disarticulated trade pattern, consumed a large part of the local coal supply. By the late 1880's Scotia was using nearly ten percent of the total in Pictou County.(53) With the opening of the blast furnace in Ferrona Scotia's demand for local coal increased further.(54) By the close of the nineteenth century, the blast furnace and the steel works in Trenton consumed up to 15 percent of the county's total output of coal.(55) Without doubt, the importance of Scotia as a consumer of coal declined with the

closure of the blast furnace in Ferrona and the primary steel making facilities in Trenton, but in time, with the general expansion of the rolling mills and the establishment of Eastern Car, not to mention the frenzy of activity in munitions production during the war, Scotia remained an important consumer of coal. This was very apparent when Scotia and Eastern Car were working at less than full capacity. In 1921, for example, it was stated:

That the Steel Works control the whole business of the industrial centre in this county is a known fact. For instance, on account of the Steel Works being closed down for two or three months the coal mine companies say they can't make sales for their coal hence the miner is thrown out of work.(56)

A third condition which serves to convey the export orientation of the Pictou coal mines is the very marked reliance on the Intercolonial Railway as a consumer of coal. It was indeed a paradoxical situation. The Intercolonial Railway was the agent which initially brought prosperity to the economy of 'coal, iron (steel) and rails' in Nova Scotia. The railway demanded coal, equipment, rails, rolling stock and labour, and all these ingredients were supplied locally. The amount of coal consumed by the Intercolonial Railway was very large (see Figure 3:5).

The export of coal to Quebec and the spectacular sales of coal to Scotia and the Intercolonial Railway had very serious implications for industrial and domestic consumers of coal in Pictou County, for regardless of scarcity or abundance, these three industrial giants received priority over local industrial and domestic consumers of coal. As a consequence, Pictonians suffered regularly from a shortage and high price of coal. In

1901, the Pictou Advocate reported that the high rates on coal in Nova Scotia discriminated against potential industries. Prices on coal, the newspaper reported, were much lower in Quebec and the United States than locally. (57) An extreme expression of this situation was contained in an item in the Pictou Advocate:

Strange as it may seem, the company (the Copper Crown Mining Company in Pictou) have imported from Boston a cargo of coke for use in the furnaces. This coke was landed in Pictou for less money than the local product could be purchased for, - and it was made from coal carried to Boston from Sydney. (58)

The persistence of the problem is striking. In 1913, the Pictou Advocate reported again: "The coal situation in Pictou, which has been bad for years, is becoming intolerable. It is almost impossible to buy coal in Pictou today." (59) The 'coal question' was a major issue in the local press and was a concern of the 'consuming public' throughout the period investigated. Indeed, rather than just persist, the 'coal question' intensified as a problem to Pictou consumers of coal, be they domestic or industrial. In 1917, the sole remaining glass factory in the county relocated to Moncton where a cheaper source of fuel (natural gas) was available.

The reason for the high price and scarcity of coal was a controversial subject in the local press. According to the spokesmen of the consumers, the coal companies had combined and divided the market among themselves. By so doing, competition was not allowed and monopoly prices could be set. (60) The organ of the coal industry, the Mining Record, countered these allegations in several ways. A common justification for the high price of coal was that it was needed to maintain the high

wages of the miners.(61) The reason for the general scarcity, on the other hand, was due to the fact that the coal companies had entered into large contracts with companies outside the region. The companies were obliged to honour these contracts which made it impossible to supply Pictou County.(62)

These opposing viewpoints implied that the 'coal question' was a problem that could be solved if only one of the opposing sides would make some concession. The spokesmen for the consumers argued that the government should intervene to break up the monopoly. A state of competition would then prevail in which the price of coal would drop to a tolerable level. The coal operators, on the other hand, argued that wages were too high and workmen too lazy. The Mining Record referred consistently to the fact that higher wages did not induce miners to work harder. Consequently, the price of coal had to be kept high in order to meet higher costs of production.

The positions of the coal operators and the local consumers regarding the 'coal question' can be seen in a clearer light by reference to the disarticulated nature of the Pictou County economy. During this stage of development the Pictou County economy was integrated closely with more dominant industrial centres to which were exported staple products and semi-processed goods. The large steel and coal companies - which were controlled increasingly by Central Canadian and American capital - were an intricate part of this system. In the words of one local newspaper, these firms had become large in order to ensure their future existence. "In any given line of manufacturing in the county - even in the province - it looks as if all would need to combine from the motive of mere

self-preservation."(63) In order for smaller firms to survive they would have to do likewise:

The Nova Scotia manufacturers will, therefore, have to combine to find cheaper raw materials, generally. If not, the larger manufacturers will gobble up, or freeze out, the smaller ones, and towns cannot withstand the process of attrition by any amount of bonusing within their power.(64)

The Pictou Advocate referred clearly to the general evolution of capitalism from its competitive to its monopoly stage. Smaller Pictou County firms did not only have to combine in order to cope with monopoly prices set by the coal combine, they also had to combine in order to put in orders for coal large enough to match those of coal consumers in larger centres. This was a challenge which the many existent and potential Pictou County manufacturers could not meet. High priced and scarce coal was a condition that they had to cope with by cutting costs in other spheres of the production process. The exception in Pictou County was of course Scotia which initially was able to place large orders of coal with the local coal producers. At a later stage, Scotia even acquired coal mines of its own to battle the high price of local coal.(65)

Disarticulation was also a feature of the flow of supplies and machinery to the coal industry despite the number of local foundries involved in this line of work. This becomes evident in the pages of the organ for the Nova Scotia coal industry, the Mining Record. Evidence of the geographical origin of those manufacturers and agents which supplied the coal industry was obtained from advertisements in the journal. It was assumed that these advertisers also supplied the Nova Scotia coal mining industry with various equipment and machinery.(66)

Out of thirty advertisements four referred to manufacturers in Britain with agents in Halifax. Seven manufacturers were from the United States (with no local agents). Thirteen firms were from Central Canada (Montreal, Hamilton, and Toronto) (with no local agents). There were only five local manufacturers who advertised (two in Amherst, two in New Glasgow and one in Halifax). The remaining advertiser was a Halifax agent for a number of articles with unspecified origin. Undoubtedly, these figures probably exaggerate the coal industry's reliance on 'outside' supplies since many of the smaller local manufacturers of coal machinery did not advertise in the journal.

Nevertheless, the bulk of the most substantial and up-to-date machinery and other supplies seemed to have been imported into the province. This was the case for blasting material and equipment as well as for wire ropes. The sole advertisers for the latter were from Birmingham (England), Glasgow (Scotland), Hamilton and Montreal.

In the lumber industry, disarticulation was also present. R.M. McGregor, local M.P.P., estimated that in 1909 fifty-five per cent of the value of all lumber products was received from exports, primarily to Great Britain.(67) Almost thirty per cent of the value of locally consumed lumber products constituted pit timber, reflecting how strongly the local consumption of lumber was tied to the coal industry.(68)

Some diversification of industrial production occurred. But often, in these cases, the ventures were controlled by external capital and the industrial goods were exported to external markets. These were phenomena characteristic of the operation of the Standard Drain Pipe Company in New Glasgow.

This industry was a branch plant of a St. John (St. Jean) company in Quebec associated with the Molson interests. The plant in New Glasgow was established in 1902 and manufactured glazed sewer pipes, vitrified clay and somewhat later flue linings. The industry was only located in New Glasgow because of the availability of suitable clay and local coal. The market was in Central Canada, railway sidings reached the kilns at the plant and most of the pipe was shipped to Montreal.(69)

The lobster industry was also reliant on outside markets. The market for Pictou lobster was (and still is) the eastern United States, with Boston as the principal distributing centre.(70) In fact, Pictou lobster canning was for a long time dominated by American interests. When local owners and operators took over, the external market orientation was continued and nurtured very carefully.

These industries were all dependent heavily on outside markets and most of them would in time suffer from such a relationship. Still, they had the advantage of relying on a local resource base, be it iron ore, coal, lumber, clay or lobster, for their 'finished' commodities. Another group of industries, less numerous and smaller generally, were not only reliant on external markets, but also on imported raw material.

The glass industry in Pictou County, established in the early 1880's, was one such case. The impetus for the industry appears to have been a Mr. W.G. Beach, manager for the Burlington Glass Works, Hamilton, Ontario, who was travelling in the Maritimes in the search of a location for a glass industry in March of 1881. It was New Glasgow that was successful in securing the glass works. One newspaper account attributes the

success of New Glasgow to the availability of cheap fuel (coal), a supply of suitable sand, and good shipping facilities.(71) But that was not all. The industry received a free site from one local citizen and the capital stock of the company, amounting to \$100,000, was put up for sale and sold locally.(72) The provisional directors were prominent industrialists, politicians and merchants.

Mr. Beach was originally engaged as manager but does not appear to have stayed long. It is quite unlikely, however, that the links with the Central Canadian glass industry were severed after the exit of Mr. Beach. In 1887, for example, the company was listed as manufacturing "Diamond" glass - a brand name associated with the Diamond Glass Company in Montreal. In addition, in 1890 - when the Diamond Glass Company 'took over' the Nova Scotia Glass Company - Mr. Beach was re-engaged as manager.(73) The initial connection with Mr Beach, the connection with the "Diamond" brand name and Mr. Beach's re-engagement suggest that the Nova Scotia Glass Company, although owned locally, maintained ties with the Central Canadian glass industry. The Montreal interests operated the glass works for only two seasons and in 1892 the factory doors were closed permanently.

The glass industry suffered from disarticulation to an even greater extent than the steel and coal industry. Most of the raw material and machinery was imported. Cameron writes:

machinery was imported for the manufacture of moulds .. an \$8,000 furnace was brought from Pittsburgh. The sand used came from Berwick, Massachussets,.. Soda alkali was imported from England and manganese and arsenic from the U.S.A.. Only raw material not imported was coal, from the Acadia pits, and lime, the latter presumably from the limestone deposits in the

Upper East River area.(74)

Even as the glass works expanded, disarticulation continued. Machinery came exclusively from Pittsburgh.(75) A cargo of sand used in the manufacture of fireproof chimneys was imported from Germany and fire clay for the making of crucibles (melting pots) was imported from the United States.(76)

A further indication of disarticulation was in the sphere of marketing. The market of the glass company appears to have been based disproportionately in Central Canada. According to Cameron, an increase in freight rates to Central Canada was one of the reasons for the local owners to 'sell out' to the Diamond Glass Company. Other evidence suggests a wide market for the company. One advertisement in 1887 claimed that the company's trade "covers every section of the Dominion."(77) The market in Central Canada was particularly attractive and nurtured carefully. At a permanent exhibition building in Toronto, for example, Graham Fraser, general manager of Scotia and director of the Glass Company, arranged to have a spot set aside for the glass works.(78) The raison d'etre of the glass company, just like Scotia, lay in the Central Canadian market outlet. If the glass company could not compete in the Central Canadian market it would have confronted serious difficulties. This was in clear contrast to the two smaller glass companies which continued to operate several years after the closure of their larger neighbour. These companies, the Humphrey's Glass Works (1890-1915) and the Lamont Glass Company (1890-1902) were small companies, less diversified and catering primarily to a local market.

Logan's tannery, located at Lyons Brook, a settlement

near the town of Pictou, was another industry caught up in a disarticulated supply and market network. Pictou County was early a very important centre for the tanning industry in Nova Scotia. In 1861, the county harboured 12 of the province's 44 tanning establishments.(79) This early tradition in tanning owed much to the preference of the Scottish settlers to keep livestock instead of spending money and labour on grain cultivation. Logan's tannery was part of the early tradition of tanning in the county. John Logan, the founder, was born in Pictou County in 1818, went through the regular apprenticeship and commenced on his own in 1847. Thereafter expansion was gradual and filled with temporary setbacks. In 1879, the tannery was the best of its kind in the lower provinces. Thirty to forty workers were employed on a permanent basis and twenty thousand hides of sole leather was manufactured annually.(80) In 1888, however, the tannery was closed temporarily and many thought it would never reopen.(81) The tannery managed to rebound, however, and by the turn of the century it was once again "the largest business of its kind in Canada, east of Montreal."(82) In the 1920's the tannery closed permanently.

The disarticulated nature of its operations figured prominently in the closure. In the beginning the tannery seemed to have been integrated, at least partially, in a local economy. Hides and bark (raw material) were obtained from the local farming community. The finished leather was sold, at least partially, to local boot and shoe manufacturers. The tannery was also a major supplier of leather to the Amherst Boot and Shoe Company.(83) But in time these establishments closed in the face of competition from Central Canadian manufacturers. Some

became retail outlets for "foreign" products. Others closed altogether. In 1901, for example, there were two boot and shoe manufacturers in the county but by 1911 they were gone. The Amherst establishment was phased out in the 1920's which, undoubtedly, contributed to the decline of the tannery.(84) But beyond these local linkages there were external sources of supply and external markets which posed additional problems. In the case of a supply of hides the tannery soon went beyond Nova Scotia. In 1914, hides were imported from such diverse places as South America, China and South Africa.(85) In the following years most leather seemed to have come from South America.(86) The hazard of relying on these distant sources of supply was highlighted in 1919:

Logan's tannery has been shut down for a couple of weeks on account of want of hides. The hides were delayed in shipment from South America and after their arrival in New York a part of the shipment was delayed by the Longshoremen's strike while another part is somewhere on the road between New York and here and cannot be located. It is tough for the tannery.(87)

The raw material supply was not the only problem. A reliance on external markets was also a problem. At the height of prosperity, with employment ranging from seventy to one hundred workers, it was reported that "their products go mainly to the boot and shoe factories of Quebec."(88) The financial backing of the tannery by Montreal capital in the first decade of the twentieth century was a reflection of the close integration of the tannery with the boot and shoe manufacturers in Montreal.

In addition to this pattern of the existing industrial structure, many businessmen saw the future success of industrial

development in Pictou County and Nova Scotia as confined within a disarticulated trade pattern. Archibald McColl, who advocated diversification, nevertheless saw the success for future and existent industries in their ability to serve the United States market. Writing in 1914 he mentioned the examples of a successful hardwood floor producing establishment in Antigonish County and the potential for sulphite pulp mills on Cape Breton Island. These industries, McColl claimed, had or would have a ready market for their products in the United States. (89)

It should also be pointed out that even the managers of Scotia (except McColl) saw their future existence and prosperity as a supplier of primary steel to Central Canadian manufacturers. From what has been noted earlier, this is not surprising. Scotia's raison d'être, already from its inception, was to supply raw steel to Central Canadian agricultural implements industries and railway companies. In the nineteenth century this worked very well. At this stage Scotia was the only "steel industry of any consequence in the country" and its products received adequate protection from English and American goods. (90) In time, however, protection and other financial help (such as bounties) ceased to be 'adequate' and the markets of Central Canada became increasingly difficult to penetrate. In addition, more and more primary steel producers were established in Central Canada. The response of Scotia and other steel producers in Nova Scotia was a call for increased protection aimed at preserving or re-establishing their role as suppliers of raw steel to Central Canadian industries. Their pleas, however, were not successful. The beginnings of the assault on the protective status of the Nova Scotia steel industry began on

a very small scale in 1897. In that year the M.P. for Pictou County rendered the following comments in relation to the revisions of the tariff structure:

I must say, looking at the matter from the standpoint of a representative of Nova Scotia, and particularly from that part of Nova Scotia in which the great coal and iron interests are paramount, I view with regret the manner in which the government have thought fit to hamper those interests in order to benefit some industries in the province of Ontario. Instead of doing, as I hoped they would have done, instead of making safe these threatened industries in Ontario by increasing the duties and thus giving them sufficient protection against outside competition, the Government has gone in another direction, and to a great extent have assisted these industries by injuring ours. They have carried out, to a certain extent, the promise of the Hon. First Minister that he would regard iron and the products of iron as raw material and make them free, and have assisted the carriage makers of Ganouque, and the manufacturers of wire and other metal products in Ontario, by removing, to a great extent, the protection which the iron producing interests in Nova Scotia had hitherto enjoyed. I regret that the Government did not take care to assist these interests in Ontario in such a way as would not imperil interests of a more important character to the country as a whole, and this they could easily have done by an increase of the duties on the imports. (91)

The bounties were discontinued in 1910 and the subsequent tariff revisions of the twentieth century discriminated consistently against the primary producers of steel in Nova Scotia. In 1921, for example, the Eastern Chronicle levelled a familiar complaint: "Ontario and Quebec enjoy a protection from 30-40% on manufactured goods while the protection of coal and steel in Nova Scotia is from 6-10%." (92) And with respect to the revisions of the tariff in 1930, Thomas Cantley, now

Conservative M.P. for Pictou County, summed up three decades of frustration:

In general, the iron and steel tariff when examined and fully understood will not be considered satisfactory by the producers of the primary forms of steel, and I submit its operations will be viewed with disappointment, due primarily to the quite mistaken policy set out in the tariff proposals of the Hon. finance minister, which fails to give adequate protection to the primary forms and heavier tonnage of steel.... makers of secondary products are given undue protection at the cost of the primary producers. (93)

While disarticulation was by no means absolute, it can still be stated that it was a dominant feature of the Pictou County economy. The words of A.S. Harvey, describing the Pictou County economy of 1968, were true even in the late nineteenth and early twentieth century:

The salient feature of the ..economic activity in Pictou County is the relatively narrow range of products produced by each sector. Pictou County is an extremely open economy in the sense that it is forced to import many, if not most, commodities it consumes as well as a sizeable portion of the raw material inputs into the county's manufacturing establishments. In return, the county must export a major portion of its output in order to obtain the necessary funds to finance its imports. .. the county's economy is thus inextricably bound to some larger economy or economies beyond its boundaries. (94)

This generalization can probably be extended to include the whole steel and coal complex in Nova Scotia and perhaps even the Nova Scotia economy as a whole. In 1934, it was stated in a Royal Commission:

In the main they (mining, manufacture of steel products and constructional work) are not the product of an economy that is self-sufficing, and (apart from small-scale mining for domestic purposes) have depended from the first upon the existence of a market beyond the boundaries of the province. Regarding the province as a

unit, its economy is now built up upon exports, which exports may be either to other parts of Canada or to other countries. The newer industries that have been attracted to the Province similarly depend upon trade with markets outside the Province. (95)

Pictou County Underdevelopment: A Restatement

The uneven and disarticulated nature of Pictou County industrial development should constitute an important backdrop to an understanding of the region's industrial decline. The so-often posed question "why did the industrial complex in the Maritimes decline?" may be replaced by the question "why did industries succeed in the first place?". Pictou County industrialized in adversity by gearing its production so heavily towards external markets and sometimes even basing production on 'foreign' raw material.

Apart from the economic boom and success of the National Policy in Canada, of which the Maritimes played an integral part, there were several other, more specific, reasons why an industrial complex should emerge in Pictou County. Some of these have been mentioned in passing. At this point it is appropriate to elaborate on these factors. This will allow us to identify some of the specific ingredients which promoted growth of the industries mentioned previously as well as of some of the industries not yet acknowledged.

Resource availability in itself and alone can never produce industrial development. It is what the social climate does with the potential resources which count the most. Once the social climate is suitable, however, the resource base has an important role in inducing and shaping industrial development. One important ingredient in the growth of Pictou

County industries was the availability of the type of natural resources which were in great demand in the late nineteenth and early twentieth century. For steel-making, coal and limestone were existent locally and iron ore could be had easily from the iron ore deposits at Bell Island, Newfoundland. In the case of coal, Cantley wrote:

It is only within the last 30 years (1883-1913) that any considerable quantity of fuel (coal) produced in this neighbourhood (Pictou County) has been utilised by its local industries.. The fact that coal for manufacturing purposes existed in large quantities immediately under their feet, was a controlling feature in determining the course in which their future energies were to be directed.(96)

The importance of iron ore from Bell Island was especially important at a later stage. McColl wrote: "Had this deposit not been discovered, I think there is now (1914) no question but that the steel industry of New Glasgow which up to that time (1894) had been so successful, would have speedily gone down and out of existence."(97) Taken together these great natural resources, combined with the many natural port locations of peninsular Nova Scotia, were ideal for the establishment of a steel industry.

The existence of a complex of foundries and forges and an associated labour force which had been developed to serve the shipbuilding and coal industry supplied the know-how and labour for the early establishment of an iron and steel complex. It also provided the capital and entrepreneurial ability to make possible the growth of an industrial complex based on coal, iron (steel) and rails. In Pictou County, the capital and business knowledge that had been acquired by the men associated with the wooden sailingship industry was extremely useful in the

development of the coal mines and primary/secondary steel complex. As Ommer has shown these men "anticipated the decline" in wooden shipbuilding and responded by funneling capital into coal mines and secondary industrial development.(98)

In the context of the late industrializers in Europe in the late nineteenth century, Gerschenkron has noted how 'backwardness' could be used as an advantage to catch up and even surpass the industrial hegemony of the leading industrial complex in Britain.(99) One of the more important strategies in this regard was to borrow, rather than develop one's own, technology. This strategy was also employed by Pictou industrialists. It is perhaps a little odd but true to note, in this context, that the inferior position that Pictou County had held vis-a-vis the New England states served as a boost to local industrial development.(100) Many Pictonian workers and businessmen who had acquired capital and/or skill in the 'Boston States' returned to Pictou County and set up industries. Others went to Boston to purchase machinery and/or acquire technical know-how.

This was the case with the Sutherland Rifle Sight Company, renamed the Canada Tool and Specialty Company in 1911, which not only imported its machinery from Brown and Sharp in Providence, Rhode Island, but also employed expatriate Pictonians from the same establishment. The Rifle Sight Works was formed in 1904 but it was not until 1907 that production began. The industry received its raw steel from Scotia and in return it supplied Scotia with some equipment, especially during the war, but the establishment did not belong to the economy of 'coal, iron (steel) and rails' proper. The principal aim of the

works was, namely, to supply rifle sights for the Canadian Army. Indeed, the rifle sights constituted the raison d'être of the industry and when half way through the First World War the Canadian Army adopted a different rifle "it marked the beginning of the end of the 'rifle sight' plant." (101)

Another very different industry from the heavy steel manufacturers described earlier, yet tied to Scotia, was the Munro Wire Works Limited, opened in 1891. Munro manufactured railway and other fencing, window and door screens, and wire mattresses. (102) Throughout the 1890's Munro expanded considerably. In 1903, Munro was the first manufacturer of hollow steel rails for beds in Canada and was selling spring mattresses to a "leading Canadian house" in Toronto. (103) In 1904, Munro won a "medal over all competitors for his manufactures at the Winnipeg exhibition." (104) These promising beginnings amount to very little in the end. Shortly after the Winnipeg exhibition, Munro opened a branch in Winnipeg. Soon all efforts were concentrated in the West. Munro moved permanently to the Western branch and the New Glasgow plant stagnated. In 1913, the Winnipeg operations were taken over by "a large Western Syndicate." (105) Two years later Munro's operations in New Glasgow ceased "in face of ever-increasing competition from Upper Canada." (106) The reasons for the decline of Munro's wire works are not difficult to identify. What is more appropriate is to identify the causes of growth. The connection with Scotia figures prominently in this context. In addition, however, the Munro establishment obtained considerable help from the New England connection. It is quite certain that the technological edge that Munro held vis-a-vis Central

Canadian manufacturers was due to imported machinery from New England: "James Munro, managing director of Munro's Wire Works, Ltd., has returned home from the United States where he was purchasing machinery of different kinds for the more rapid construction of their leading lines of manufacture." (107) It was through the use of this machinery that Munro managed to secure the major orders from the "leading Canadian houses" referred to earlier.

It was not only the smaller industries, however, which relied on foreign technology and capital goods. This was also the case with the coal companies (as noted) and Scotia. The larger industries could even cast their nets more widely and acquired technology, skilled workers and capital goods from all over the world. The original material for Scotia's rolling mills were acquired in Britain. The new steel plant at Sydney Mines was built by a contracting firm from Columbus, Ohio. (108) The new forging equipment implemented in the early 1910's was bought and imported from Germany. The Eastern Car plant was built by Americans and managed by a wide range of foreign nationals. (109)

Political connections were a very important ingredient in industrial development. In one sense this is not strange or unexceptional since in the early 1900's "it was still legal and accepted practice for locally elected officials to carry out private business transactions with the benefit of knowledge gained from their public positions." (110) What was unique and exceptional in Pictou County seemed to have been the great extent to which industrial success was dependent on political favouritism and patronage. The success of the steel and coal

industries was highly dependent on the tariff and bonuses to maintain their competitive position in the Canadian market. Although the industry was advanced technologically initially, the operations were small, distant from markets and thus subject to external competitive pressures. The preferential freight rates on the Intercolonial Railway were equally important. On the more immediate level, the fate of local industries seemed to have been very dependent on one's friends in "high places". One may wonder, for example, why J.W. Cumming was so successful in continuing and even expanding his operation after the First World War while the majority of the local metal works closed. Cameron provides some of the answer:

..always James T. Cumming in the never ending worry of financing the company, was in contact with bankers, buyers, and politicians in Halifax, Montreal and Ottawa. In the age when political patronage and industry were inseparable, Cumming consorted with the Tories, and Cameron (a partner to Cumming) with the Grits.(111)

It was through these "means of administrative planning and execution" that Cumming secured major munitions contracts during the First World War and at a later stage large orders from the Nova Scotia Highway Department and the Canadian National Railways. In order to help secure orders from the latter, Cumming, for some time, served as a director of the CNR.(112) Industrial success, in other words, was linked intricately with politics. This probably explains the zealous involvement in politics by Cumming who in the election of 1917 was found in possession of liquor to secure votes for the Conservatives.(113)

The establishment of the rifle works could probably also be seen as a political rather than a purely economic event. As stated earlier, the rifle sight factory was to a very large

extent dependent on government contracts. In fact, operating accounts for 1912/13 for the company still preserved, show that at least 74 per cent of the orders came directly from the Militia Department.(114) It was thus important to maintain a high profile in Ottawa and one of the directors and later manager, R.H. McKay, paid frequent visits to the Militia Department. While there, he must have paid special heed to Colonel Rutherford, Master-General of Ordnance, who was the son of Mr. Rutherford, at one time general manager of the Albion coal mines in Stellarton.(115) During the First World War, the political aspects of industrial success became even more important. This has already been seen in the case of the Cumming metal work. For Scotia this was even more pertinent. As stated earlier, Scotia's general manager, Thomas Cantley, was a member of the Shell Committee, which in the initial stages of the war awarded munition contracts to applying manufacturers. Cantley, in other words, was in the position to award contracts to himself.

At a later stage, Cantley was even more instrumental in securing industrial activity for Pictou County. In 1920, he sat on the Board of Management of the Canadian National Railways while at the same time being director of Eastern Car, Scotia and a company named Brandram-Henderson Paints and Varnishes. This holding of public and private office prompted one M.P. to make the following comment:

As regards a request for cars, if the railway management want cars, they can, without going outside of the circle of directors, obtain cars from the Eastern Car Company of which their director, Colonel Thomas Cantley, is also a director. If they need paint to paint the cars, Brandram-Henderson Ltd. will no doubt be willing to supply them. If they need coal

the Nova Scotia Steel and Coal Company, of which Colonel Thomas Cantley is also a director, will no doubt be prepared to sell them.(116)

Undoubtedly, the business secured by Scotia was in no small measure a function of lobbying by Pictou County's elected officials in Ottawa and Halifax. In 1921, the federal M.P. for Pictou County, E.M. McDonald, in typical fashion, penned a letter to D.B. Hanna, president of the CNR, appealing for orders to Eastern Car.(117) On a later occasion McDonald informed Pictonians: "Have been engaged all week in endeavouring to make arrangements for relief of unemployment in Steel Works and Coal Mines and am meeting with success."(118)

As the neglect of the steel works in Trenton and the decline of the coal trade persisted in the 1920's and 1930's, the political aspect of industrial development became increasingly important. When the rolling mills and nut and bolt department were closed in 1943, there was little left of Pictou County's former industrial splendour. The cessation of munitions production at the end of World War II did not ameliorate the situation. At this stage the federal government stepped in to restore at least some industrial life in the region. Cameron writes:

The postwar uneasiness in international politics arising from mutual distrust between the communist and democratic nations was responsible for Trenton, Steel Works being equipped with the country's largest forging press. Forsyth (head of Dosco) in Montreal, Knoll (head of Dosco's operations in Trenton), the Federal Government's Department of Defence Construction in Ottawa headed by C.D. Howe and last, but not least, H.B. McCulloch, M.P., doggedly needling Howe to "do something" for Pictou County, combined in 1953 to bring to Trenton Steel Works a seven thousand ton forging press, at a cost exceeding \$2 million. It was financed by the Federal Government and put in the Trenton plant on a rental basis.(119)

The political nature of this event is beyond doubt since the forge was supplied with billets made in Montreal rather than Nova Scotia. These billets were rushed in a hot state by rail from Montreal and then forged in Trenton. Cameron describes the M.P. for Pictou County at the time, H.B. McCulloch, as a man who saw his job in a clear light - "get 'things' for Pictou County and be re-elected." (120) McCulloch let others talk in Parliament and instead cultivated the "acquaintance of Cabinet Ministers and, what was more important, Deputy Ministers and Senior Civil Servants." (121) It was this strategy which resulted in the restoration of at least some industrial life in Pictou County in the post-War period.

The importance of the political element in industrial development adds an interesting perspective to the history of the county (and indeed any economically fragile region). Voting behaviour in the county and in Nova Scotia has exhibited a remarkable attachment to the old and well established parties, the Conservatives and the Liberals. In contrast to the Prairies and British Columbia, Nova Scotia did not develop third parties which expressed regional dissent. Campbell and MacLean suggest that the strong position of the traditional parties in Nova Scotia stems from several sources:

..the clan system with its inherent stress on loyalty; strong family ties with a consequent growth of traditional family patterns, often fostered through the dominant role of the father; the influence of a powerful individual in the neighborhood, in a position to determine whether or not a job was available; the subtle and indirect suasion of community traditions; the coarse facts of selling votes for cash, liquor or "favours." (122)

Campbell and MacLean continue by stating that "there may also exist a correlation between voting behavior and low income

areas."(123) And "quite possibly the dependence on patronage has some effect in keeping the faithful in tow and the hopes of future victory with accompanying rewards maintained the core of the opposition."(124) The tendency of Nova Scotia to support the winning side (seventy-eight per cent success rate between 1867 and 1963) in federal elections is perhaps a reflection of the importance of political patronage in everyday life.(125) Such workers as highway crews, lighthouse keepers, post-office workers and railway workers, were particularly affected by political decisions. In Pictou County, any potential railway employee had to get a recommendation from the local M.P..(126) And at the change of government, railway workers and postal workers were dismissed and replaced by workers with the "proper" political beliefs.(127) The importance of voting behaviour and political patronage should not be underestimated. Even in more recent times Hayter and Storey claim, 'after first having noted that the allocation of DREE grants in Atlantic Canada has been inconsistent with the strategy of growth advocated by DREE, that "decisions pertaining to industrial development are probably resolved according to the political power of those bargaining rather than according to social and economic criteria."(128)

Industrial development was also boosted by the bonanza in tax exemptions and bonusing which was available to industries from municipal governments. The town councils and boards of trade worked in close alliance to attract that 'shy' but very attractive guest, a new industry. Only by generous deals which were more attractive than offers from other locales could an industry be procured. Bonusing or boosting as it was sometimes called was generally practiced in the most uncritical fashion.

The Pictou Advocate provides a general example:

Boost! Boost Pictou! Boost it today!
Boost it tomorrow! Boost it at all
times! Boost it at home! Boost it
abroad! Boost it to yourself! Boost
it to every person you meet! Keep
a-boosting! Make yourself thoroughly
acquainted with Pictou from a
distributional, business and industrial
standpoint, and then commence hollering
about these things.(129)

As trade and industry increased in the first years of the twentieth century, municipalities were forced increasingly to resort to these measures to obtain industries. Few, if any, towns paid heed to the Pictou Advocate which at one stage questioned the raison d'etre of bonusing (a position it reversed at a later stage):

Should industries which will compete with local industries be bonused? Especially since latter, with taxes, have subsidized the coming of the former? (130)

There were more towns than potential industries and that equation made for a capitalist's paradise.

This is revealed clearly in the minutes of the New Glasgow Board of Trade. Whenever a new industry was expected to locate in Nova Scotia, the Board of Trade organized a committee to set out the advantages and inducements provided by Pictou County. In the 1910's the promotional work of the board intensified and took on a more sophisticated form. In 1912 it was proposed to publish a pamphlet advertising and setting out the advantages of New Glasgow. Among the things that were to be included in the pamphlet were the advantages to industries and the splendour of the planned 'Forbes Street Subway' (which still has to be built).(131) In the same year the board raised \$1,000 by special subscription to entertain and impress a group of

English capitalists on a tour of Canada.(132) Promotional drives continued and advertisements were put in the Halifax Chronicle, a Steaton Agency publication (full-page advertisement) and Sunshine (a publication of the Sunlife Insurance Company).(133)

The capitalists' paradise even encouraged industries to establish which were in a very poor position to survive. Perhaps the most prominent example in the latter genre was a copper smelter in Pictou, established at the turn of the century. The smelter was initially built and operated by a group of New Englanders. This group was attracted to Pictou by a very generous bonus consisting of a free site, 28 acres in extent with 1200 feet of deep waterfront, and a wharf capable of accommodating vessels of 5,000 tons.(134) But the smelter did not prosper. Disarticulation was extreme. Ores were imported from Newfoundland as well as closer sources in New Brunswick and Nova Scotia. Machinery was imported from far-away sites including Montreal and Colorado. And last, the market for a copper matte of only forty-five to fifty per cent (still very much a raw material), consisted of the copper refineries in New York and Boston.(135) These conditions meant an uneasy existence for the smelter. Indeed, it took eight long years before the first copper matte was shipped from the smelter to the Baltimore Refining Company.(136) By this time the smelter had been bought by the Whitney interests of Boston which had been behind the development of the steel industry in Cape Breton. The life of the smelter, however, was not long. In 1909, the Pictou Advocate directed its readers' attention to an auction at the smelter where "buyers may expect bargains as it is intended to

sell everything." (137)

Another industry in the town of Pictou, the Nova Scotia Boot and Shoe Manufacturing Company, was given a free plant and building, valued at \$7,250, and a cash allowance of \$1,250. (138) Still, the shoe factory closed sometime in the first decade of the twentieth century.

Even those industries which survived for some time obtained generous give-aways from the municipal governments. The steel works of Scotia was for a long time exempt from local taxation and Eastern Car received a 20-year tax exemption from the town of Trenton when established in 1913. The latter constituted a saving of \$305,155.07. (139) The tannery, when rebuilt after the fire in 1910, received a tax exemption for 10 years. (140) Hamilton's bakery had in 1905 benefitted from a nominal assessment for the previous 12 years. (141)

Bonusing was essential in attracting industries. If bonuses were not offered, industry often located elsewhere. In the years after the First World War it became clear how far municipal governments and boards of trade would go in attracting industries. In the early 1920's the New Glasgow Board of Trade attempted to attract a new industry. The solicitation, concerning a Toronto based firm, was kept secret and took the following form:

The Executive Council of the Board of Trade ..
heard from outside that your company is
contemplating the erection of your industry
in Nova Scotia at a point outside New
Glasgow and trust that if no definite
decision has yet been arrived at, that you
will withhold action for a few days longer,
advising us what steps we might take to offer
sufficient inducements for you to locate
here. (142)

In addition, the M.P. for Pictou County, E.M. McDonald, visited

members of the company in Moncton and Montreal to convey the advantages of Pictou County as an industrial location.(143) Despite all these efforts the industry declined to locate in Pictou County.

The 1920's saw an additional element of promotion advanced by municipal governments and boards of trade. In 1924, the New Glasgow Board of Trade did not only see Pictou County as a future industrial region (hopes never die!) but other efforts were taken to attract what many underdeveloped countries and regions view presently as a panacea of economic development, tourism.(144) The beginnings of the promotion of tourism in Nova Scotia - Canada's Ocean Playground - must partly be seen as a result of the process of underdevelopment.

Conclusion

A common belief among many Nova Scotians today and in the past is that the relatively underdeveloped character of the provincial economy is a result of Confederation and the decline of the economy of 'wood, wind and sail'. As a healthy antidote, however, many recent students have observed the great strides taken towards industrialization by Nova Scotia after Confederation and up to the late 1910's. The examination provided in the previous section ~~add a~~ deeper perspective on the type of industrialization which took place in Pictou County between 1881 and 1921. The Pictou County economy was not only developed unevenly, because it was reliant upon a couple of large industries, but also disarticulated, that is, dependent on external markets and sometimes even external raw material. The industrialization process was thus very fragile and only took

place because of the fact that certain factors conducive to industrialization were present in Nova Scotia at the time. Perhaps the most important factor was the availability of the right mixture of raw materials, coal and iron, in an era when steel reigned supreme. But other factors, such as the presence of an aggressive entrepreneurial class, relying on capital accumulated in the past and borrowing technology from abroad, political connections and municipal bonusing, played an important part in creating local industries.

From its inception up to the very present the Pictou County economy has developed unevenly and in a disarticulated form. During some prosperous periods, such as between 1881 and 1921, industrial development took place in spite of these features. The question left, then, is why these features of disarticulation and unevenness were present in the Pictou County economy.

Footnotes

1. From an article reprinted in Free Lance, November 20, 1913, p. 3.
2. Evening News, December 18, 1914, p. 7.
3. Cosh, D. Trenton, Trenton: Town Council, 1977, p. 40.
4. "Cantley Papers." MG 1, No. 174, PANS, Fraser to Cantley, Oct. 27, 1886.
5. See Cameron, J. The Industrial History..., for the above and subsequent notes on the evolution of Scotia.
6. Evening News, December 18, 1914, p. 7.
7. Industrial Souvenir n.p.: 1915 (available in PANS library).
8. Pictou Advocate, December 25, 1915, p. 1.
9. Pictou Advocate, July 30, 1915, p. 1.
10. Pictou Advocate, Dec. 25, 1915, p. 1.
11. For a history of the Acadia Coal Company, J. Cameron, Pictonian Colliers. Halifax: Nova Scotia Museum, 1972, pp. 48-70.
12. For a history of the Pictou County coal industry, see ibid.
13. Amin, S. Accumulation on a World Scale. vol. 1. New York: Monthly Review Press, 1974, p. 16.
14. McCann, L.D., "The Mercantile-Industrial Transition in the Metals Towns of Pictou County, 1857-1931." Acadiensis, 10 (1981), pp. 29-64.
15. Ibid.
16. March 11, 1904, p. 1.
17. Pictou Advocate, March 2, 1917, p. 1.
18. Pictou Advocate, April 4, 1914, p. 2.
19. August 19, 1898, p. 5.
20. August 22, 1902, p. 5.
21. These impressions were gained from a file entitled "The Acadia Coal Company" contained in the archives of the

Stellarton Town Hall.

22. McCann, L.D. "The Mercantile-Industrial Transition....," p. 56.

23. Pictou Advocate, March 6, 1906, p. 1 and Canadian Mining Review, XXVI (April 1906), p. 133. For additional information on the McNeil enterprise, see Cameron, J., The Industrial History..., pp. 11-9-10.

24. "Cantley Papers", MG 1, No. 174, PANS, Shell Committee 1915 file "Representation of Certain Interests...", p. 29.

25. Report and Statement, Dominion Bridge Company Ltd. for the year ended 31st of October, 1920. (available in the Management Library at McGill University).

26. Evidence. Canada. Royal Commission on Industrial Relations 1919. Microfilm, Department of Labour Library, Ottawa, p. 3729.

27. Canada. Royal Commission on Capital and Labour 1889. Vol. 6, Evidence for Nova Scotia, p. 375 and Mining, Iron and Steel Manual 1895, p. 255.

28. Mining, Iron and Steel Manual, 1895, p. 255.

29. "Cantley Papers." MG 1, No. 174, PANS, Shell Committee file "Representation of Certain Interests...", p. 13.

30. Maritime Mining Record, 13 (June 28, 1911), p. 16.

31. Pictou Advocate, August 29, 1902, p. 1.

32. At one stage, for example, the foundry made winches for ships built by Scotia and during the war Scotia obtained punches for shell making from the foundry. See Pictou Advocate, September 25, 1915, p. 8 and December 28, 1917, p.1.

33. Free Lance, December 21, 1917, p. 4.

34. "Cantley Papers." MG 1, No. 174, PANS, Shell Committee 1915 file "Representation of Certain Interests...", p. 48.

35. Ibid.

36. Ibid.

37. Amin, S. Accumulation on a World Scale, p. 17.

38. Frank, D. "The Rise and Fall of the British Empire Corporation...", p. 13n.

39. "Cantley Papers." MG 1, No. 174, PANS, 1885 Correspondence file.

40. Ibid., Fraser to Cantley, August 22, 1885.
41. Ibid., 1886 Correspondence file, Fraser to Cantley, September 20, 1886.
42. Cameron, J. The Industrial History..., p. v-18.
43. House of Commons Debates, May 23, 1930, p. 2489. It was small wonder, in this context, that from 1901 to 1909, Lyman Melvyn Jones, President of Massey-Harris, was one of the directors of Scotia. See Frank, D. "The Rise and Fall...", p. 13.
44. Cameron, J. The Industrial History..., p. vii-1.
45. Ibid., p. v-18.
46. Evidence. Canada. Royal Commission on Industrial Relations 1919. Microfilm, Department of Labour Library, Ottawa, p. 3581.
47. Nova Scotia. Report of the Royal Commission Provincial Inquiry. Halifax: King's Printer, 1934, p. 45.
48. Graham, J.F. Fiscal Adjustment and Economic Development: A Case Study of Nova Scotia. Toronto: University of Toronto Press, 1963, p. 19.
49. Evening News, December 18, 1914, p. 7.
50. Canadian Mining Journal, November 15, 1914, p. 751.
51. Cameron, J. The Industrial History..., pp. v-8-9.
52. Siematycki, M., "Munitions and Labour Militancy: The 1916 Hamilton Machinists' Strike." Labour/Le Travailleur, 3 (1978), p. 131.
53. McCann, L.D., "The Mercantile-Industrial Transition...", p. 45.
54. Ibid., p. 48.
55. Ibid., p. 50.
56. Workers' Weekly, March 11, 1921, p. 5.
57. Pictou Advocate, February 15, 1901, p. 4.
58. Pictou Advocate, August 2, 1901, p. 1.
59. Pictou Advocate, January 14, 1913, p. 4.
60. Pictou Advocate, January 4, 1913, p. 4.
61. Pictou Advocate, August 31, 1901, p. 4.
62. Pictou Advocate, January 18, 1913, p. 4.

63. Pictou Advocate, November 22, 1901, p. 4.
64. Ibid.
65. Pictou Advocate, April 11, 1902, p. 8.
66. Maritime Mining Record, January 9, 1907.
67. Pictou Advocate, December 18, 1919, pp. 4-5.
68. Ibid.
69. Canadian Mining Journal, October 1, 1912, p. 684.
70. Broidy, W.A. The Lobster Industry. Pictou, Nova Scotia: Hector Centre Trust, 1980, p. 12.
71. Stevens, G. Canadian Glass c. 1825-1925. Toronto: Ryerson Press, 1967, p. 57.
72. Cameron, J. The Industrial History..., p. II-22.
73. Stevens, G. Canadian Glass..., p. 59.
74. Cameron, J. The Industrial History..., p. II-23.
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CHAPTER FOUR: ECONOMIC AND SOCIAL ASPECTS OF UNDERDEVELOPMENT.

The growth of agriculture was an important aspect of industrial growth in the nineteenth century. Industrial growth was by no means isolated from the countryside. Urban industries often grew as a reflection of prosperity in the countryside. Ontario's industrial complex, for example, was initially based on the prosperity of a wheat economy. On other occasions, industries grew as a result of major social changes in the countryside. Such was the case in Quebec where the rural proletariat released from agriculture formed the basis of labour-intensive consumer good industries in the province's major cities. In both cases, industry and agriculture were intertwined closely. Kenwood and Lougheed put it well:

...since in its pre-industrial stage of development the bulk of a country's economic resources are engaged in agriculture or in activities associated with agriculture, the speed with which employment opportunities in the non-agricultural sector grow will depend on the rate at which labour, capital and other resources are transferred out of agriculture into the other sectors of the economy.(1)

In the following, the economic linkages between Pictou agriculture and industry, and the social basis of a poor agricultural economy, are explored. In addition, some of the social causes and the negative effects of a massive outmigration of rural and urban workers on industrial development are described.

Agriculture and Industrial Development.

Agriculture in Pictou County was the most common activity throughout the nineteenth century. In the census of 1891, the farm population reached its peak and constituted approximately 73 per cent of the total county population (35,541). In 1900, the farm population still constituted over 50 per cent of the county population. After the turn of the century, however, the farm population fell precipitously. This corresponds to world wide trends, at least in the industrialized countries, and constitutes nothing unusual. The question that has to be asked in this context, however, is what effects the disappearance of a large part of the farm population have on the local agricultural and industrial complex. Did they result in farm consolidations and a more capital-intensive and commercialized form of farming? Did agriculture provide an important linkage to local agricultural implement industries and flour and grist mills? Did the families who abandoned farming move to the local towns and form part of a urban proletariat?

All questions, with some qualifications, have a negative answer. To begin with, the farms in Pictou County remained small and inefficient. Table 4:1 gives a partial explanation. The number of farmers, the acreage of land occupied and even the improved acreage decreased substantially from 1891 to 1921. This is reflected clearly in the land use of the farms where cropland and pastures were allowed to revert back to woodland and forest. Agriculture, in short, did not seem to progress towards more extensive holdings and more capital-intensive farm methods. This becomes even clearer if one looks at some additional statistics. Table 4:2 shows how the overall mean

TABLE 4.1
Land Areas of Farms and Lots in Piston County.
1851-1921. (Acres)¹

	Occupiers of land	Acres of land Occupied	Improved	Unimproved	Crops	Pasture	Gardens and Orchards	Woodland and Forest	Marsh or Wasteland
1851			103,582						
1861			116,576						
1871	3810	384,664	159,680		96,227	62,680	773		
1881	4269	369,421	170,460		97,278	71,896	1,286		
1891	4912	397,767	196,330		106,661	87,920	1,749	201,437	
1901	4055	369,310	140,555	228,755	73,374	107,556	2,636	155,339	
1911	3479	364,957	132,753	232,204	65,332		2,609	136,215	8,934
1921	3340	364,995	131,778	233,217	67,100	55,157		166,631	

1. In 1911, improved land was defined as land fitted for producing crops. In previous censuses non-tillable land used as pasture was included under this heading. Owing to this restriction in definition the records of the 1911 census, for the older provinces particularly, are not strictly comparable with those of earlier censuses. (Canada Census, 1911, Vol. IV, p. v.)

Source: Canada Census, 1851-1921.

TABLE 4:2
Change in Farm Size, Overall and Improved Land Only.
Pictou County, 1881-1921.

	Overall mean farm size, acres	Mean size of improved land per farm, acres
1881	86.5	39.9
1891	80.8	40.0
1901	90.9	35.9
1911	105.0	39.2
1921	112.5	36.1

Source: Canada Census, 1881-1921.

farm size increased from 1881 to 1921 but at the same time the mean size of improved land per farm decreased. Table 4:3 shows how remarkably constant the farm size holdings of Pictou County remained between 1881 and 1921. True, many small farms (less than 10 acres) disappeared and medium to large farms (over 100 acres) increased, but a pattern of continuity stands out more clearly than a process of change. The pattern of a lack of farm consolidations and a shrinkage of the improved acreage was paralleled by 'inefficient' agricultural methods and a predominance of subsistence farms. On a subsistence farm the whole output is consumed on the farm itself.

.. the farm is a source of both food and non-food commodities, such as wool, leather, firewood and timber, and is not a source of goods which are exchanged for non-farm products. Further, the term subsistence implies that the operator relies on his necessities and has no other source of income.(2)

As the nineteenth century approached its end, this situation was modified but slightly. Some subsistence farms persisted and others were transformed into so-called semi-subsistence enterprises. Sitwell defines the latter as farms which market a small proportion of their output.(3) In the late nineteenth century, farming in Pictou County "was predominantly of the part-time semi-subsistence type."(4) This meant that most farmers spent only part of the year on their farms, marketed some of the farm produce, and, finally, indulged in other economic activities such as lumbering, fishing or wage work seasonally or part-time.

Despite the signs of 'agricultural backwardness' there was also evidence of an improved and more efficient agriculture after the turn of the century. The expansion of the steel works

TABLE 4.3
Farm Size Holdings, Pictou County, 1871-1921
 (Number of farms and percentage of total farms)

	Less than 10 acres		10-50 acres		50-100 acres		100-200 acres		More than 200 acres	
	No.	%	No.	%	No.	%	No.	%	No.	%
1871	225	(5.9)	792	(20.8)	1805	(47.4)	819	(21.5)	161	(4.2)
1881	465	(10.9)	959	(22.4)	1902	(44.5)	833	(19.5)	110	(2.6)
1891	1178	(24.0)	853	(17.4)	1768	(36.0)	932	(18.9)	181	(3.7)
1901	762	(18.8)	687	(16.9)	1541	(38.0)	920	(22.6)	205	(5.1)
1911	417	(12.0)	590	(17.0)	1299	(37.4)	916	(26.3)	251	(7.2)
1921	259	(7.8)	577	(17.3)	1233	(36.9)	1002	(30.0)	269	(8.1)

Source: Canada Census, 1871-1921.

and associated metal works as well as the increase in coal production provided farmers with a ready market for agricultural produce. Dairy farming was particularly successful. In 1902, the Pictou Advocate reported that farmers were taking more interest in their farms. It was further noticed that "...there is arising a noticeable tendency toward the adoption of stock-raising and grazing as a means of profit, rather than the old plan of selling the grain and hay which are raised upon the farm."(5) An increase of the farm stock indicated a stronger commitment to agriculture. As a sign of the growth in dairy farming the first co-operative creamery was started in Scotsburn in 1901 to serve the western section of Pictou County. Still, the creamery was not able to manage on its own. Although it was built and equipped by a local association of dairymen, the creamery received help from the local government and was operated by the Dairy Commission of Ottawa.(6) In a speech given by the Commissioner, several shortcomings were noted with respect to dairy farming in Nova Scotia. The number of cows kept on the farms was small, the cows were poor producers and there was a tendency to view the revenue from the dairy herd as incidental rather than as stable and continuous.(7) In the eastern part of Pictou County, the section containing the coal towns and major industrial centres, a permanent creamery was much later in coming. It was not until 1913 that the Pictou County Dairy Company was established in the coal town of Stellarton. Prior to its establishment, the butter supply of the urban population came directly from the farms of the districts. Cameron writes:

Farm women made the butter and peddled it in wooden tubs or earthen vats through retail stores

or from door to door. The consumer rarely found two tubs of butter tasting alike. Varying conditions in sanitation, storage, refrigeration, and differences in farm wives' skill in churning and separating butter from buttermilk, all created a condition that demanded a better grade of butter.(8)

The delay in the coming of the dairy was partly due to the farm wives' monopoly on the production and trade of butter: why?:

..when the butter was manufactured on the farm it was looked upon as a perquisite of the farmer's wife, who disposed of it and handled the proceeds. When the milk was sent to the creamery or the cheese factory, his lordship put the cheques in his own pocket.(9)

Another development that warrants mention is the consolidation and expansion of the flour and grist mills after the turn of the century. Table 4:4 indicates how a large number of small flour and grist mills, usually operated in conjunction with saw mills and dependent on water power, employing few workers and most likely operating seasonally, were superceded by fewer small mills and one large capital-intensive mill operating on a permanent basis.

The large mill, the Atlantic Milling Company, was located in Pictou and established in 1907. J.W. Smith, the owner and operator, had previously operated a flour mill at Durham but was attracted by the railway facilities in Pictou. The mill was capitalized at \$50,000, over half of the total capital invested in flour and grist mills (\$94,650) in 1911.(10) The company received grain from local farmers and in 1909 "scores of teams ..(were) daily bringing in 100's of bushels of homegrown wheat."(11)

These developments should dispel the myth that agriculture was only backward and stagnant. There were

TABLE 4:4
Flour And Grist Mills in
Pictou County, 1851-1911.

	<u>1851</u>	<u>1861</u>	<u>1871</u>	<u>1881</u>	<u>1891</u>	<u>1901</u>	<u>1911</u>
Number of Establishments:	40	42	26	32	2	n.a.	10
Number of Employed:	45	74	35	50	48	n.a.	49
Employed per Establishment:	1.1	1.8	1.3	1.6	1.2	n.a.	4.9
Yearly Wages (\$):	n.a.	n.a.	5,767	9,127	5,501	n.a.	15,990
Wages per Employed:	n.a.	n.a.	165	183	196	n.a.	326
Value of Raw Material:	n.a.	n.a.	43,031	80,385	37,687	n.a.	221,082
Value of Products:	n.a.	n.a.	50,327	101,500	59,768	n.a.	337,075

Source: Canada Census, 1851-1911.

exceptions; some progress was made. Indeed, at the time considerable optimism was expressed concerning the future. Archibald McColl, Scotia's long-time secretary, wrote in 1914: "Everything points to development along farming lines in the Province, and any such development is, of course, an advantage to the manufacturer, as it provides an outlet for a certain part of their manufactured products." (12) McColl's prediction, however, did not prove correct. The Atlantic Milling Company, for example, did not receive all of its raw material from local farmers. In 1913 one newspaper expressed great hopes about the main article of the company, 'Scotia Flour': "It was Scotia Steel which made New Glasgow, and incidentally brought rich benefits to the whole county, and what Scotia Steel did for that town we trust 'Scotia Flour' may at least help to do for the town of Pictou." (13) 'Scotia Flour', however, was not milled from local wheat but from number 1 Manitoba hard wheat. Indeed, it was the importation of grain from central and western Canada that made the Atlantic Milling Company a relatively large industry which operated on a yearly basis.

The poor state of agriculture also meant that the agricultural implement industry was in a very poor condition. The three industries producing agricultural implements in Pictou County either closed or phased out that line of production before the First World War. One partial explanation for the closures is provided in the following:

.. a few years ago, the ploughs, harrows, truck wagons, sleds, buggies, sleighs, etc., in use in this county were manufactured at home. Now they are bought in Ontario, principally.. we buy the Ontario article, and thereby drive our own man out of the country. (14)

The inflow of cheap industrial goods from Central Canada constituted an important part in the demise of the agricultural implement industry in Pictou County. It was an odd development. In 1887 and 1890, two very important agricultural implement industries emerged in Pictou County, McNeil and Company and the Steel Harrow Company (in 1900 named Bailey-Underwood). These companies, as McGann has shown, benefitted from steel supplied by Scotia's rolling mills. McNeil produced "the celebrated Jubilee Harrow" along with mowers, rakes, plows, hay cutters and carriers, and employed 25 workers in 1894.(15) The Steel Harrow Company, on the other hand, manufactured "spring tooth harrows, rake teeth, harrow teeth, agricultural springs, picks, crowbars, etc." and employed 15 workers in 1894.(16) Both companies exported a substantial part of their products to central and western Canada as is indicated by their advertisements in the Mining, Iron and Steel Manual in the early 1890's. In these markets both industries met with considerable success. In 1887, for example, the Steel Harrow Company showed their products at the Provincial and Dominion Exhibition in Toronto. The Globe and Mail wrote:

The Steel Harrow Company, of New Glasgow, Nova Scotia, exhibit in the space of J.O Wisner, Son and Company, their specialty, the Bailey Steel Harrow. It is one of those articles we only occasionally meet which cannot fail to immediately strike the intelligent farmer as a perfect implement. It is really a marvel of neatness, lightness and compactness, combined with strength, durability and utility.(17)

This rosy picture, however, changed. As from 1896, the two industries ceased to publish advertisements in the Mining, Iron and Steel Manual. And by the turn of the century, as noted earlier, farm implements made in Ontario began to displace local

products. Pictou County was beginning to feel the negative effects of being a junior partner in a continental economy. The early start of Scotia, and the advantages that accrued to the local agricultural implement industries from a local supplier of steel, made it possible to market a substantial part of the industrial output in the county in central and western Canada. But when the latter had 'caught up', conditions reversed.

Central Canadian companies were quick to copy the original inventions by McNeil and Company, and McNeil decided to diversify into other lines of production after the turn of the century. The Bailey-Underwood establishment, on the other hand, was out-competed by Central Canadian manufacturers:

Bailey-Underwood concentrated in the production of farm implements made from steel. Upper Canadian assembly line factories and railway freight rates gradually eliminated (their) products from the competitive field.(18)

In 1913 Bailey-Underwood merged with a company involved in different lines of production. The last manufacturer of agricultural implements, a relatively small industry which concentrated mainly in other lines of manufacture, closed with the death of the owner/operator, John Stewart, in 1912.(19)

There was another important factor in the decline of the agricultural implement industries in Pictou County. Scotia supplied a considerable amount of raw steel to Central Canadian agricultural implement industries, raw steel which then came back to the county in the form of manufactured goods.

All in all, it has to be concluded that agricultural development in Pictou County or Nova Scotia did not significantly help the industrial sector. The evidence seems to support Sitwell who suggests that "the inability of the

agricultural sector to generate capital .. seems to have acted as a drag on the development of the economy as a whole."(20) The local industrialists and merchants were keenly aware of the linkage between agricultural and industrial prosperity. The New Glasgow Board of Trade took many measures to encourage local agricultural development. Perhaps the most important expression of this support was contained in a resolution passed on November, 1914. The resolution was addressed to the Prime Minister and the Leader of the Opposition and called for extensive funding and promotion of agriculture in Canada. This would, according to the Board of Trade, "furnish remunerative work for our unemployed, an increased market for our industries and greater traffic for our extensive lines of transportation."(21)

If agriculture did not serve to boost industrial development in the demand for urban factory-produced commodities, did not agriculture benefit industrialization by releasing an urban and industrial proletariat? To some extent this question can be answered in the affirmative. Some former farmers did indeed move to town to become wage workers. This was especially so in the period before 1881.(22) After 1881 and continuing up to 1921, however, it seems to have been more common for rural migrants to by-pass the local towns altogether and move to New England and western Canada. An alternative option for hard-pressed farmers, especially those located in the vicinity of the industrial towns, was to enter into wage employment seasonally or part-time.

There are many potential answers to the question why Nova Scotia agriculture did not advance to the same extent as

agriculture in Ontario, Saunders identifies one set of reasons in the following:

Except for a brief period in their history, Nova Scotia and New Brunswick have always depended largely upon outside sources for many agricultural products. This has been owing partly to preoccupation with other industries... but chiefly to the relative scarcity of rich arable land, which made it more economical to purchase supplies from outside sources than to produce them locally. As the interior of the continent was opened up, Western grains and Western meats were poured into the market at prices that could not be met by local producers. .. On the eve of Confederation, imports per head for the Maritime Provinces were about twice as great as for the sister province of Canada, and much of this disparity may be explained by the extent to which the Maritime Provinces depended upon other regions for supplies of foodstuffs. (23)

Saunders refers to the period before Confederation but his analysis can be extended to include the period between 1881 and 1921. The occupational diversity persisted, a relative lack of arable land remained, and competition from the West, which in time not only included Ontario farm products but also Prairie wheat, intensified. These factors are the most prominent in most explanations, single or multiple, of the poor agricultural performance of the Maritimes. However, they need some further elaboration. The relative lack of arable land, for example, should not lead us to assume that there are no lands suitable for agriculture in Nova Scotia. Agricultural lands indeed exist and, according to Sitwell, the province could have supplied its own needs. He writes with respect to the past and present food deficit and consequent need to import food in Nova Scotia.

The usual reason given for this state of affairs is that the soils of the province are generally of poor quality. While this is true in the sense that no soils are found which are potentially as productive as the Black Earths of the Prairies, it has been estimated that there are between half

a million and a million acres of land which are well suited for farming. This acreage is certainly large enough to have fed the population of 1871, and should even be able to supply the present population (1960), given the known existence of as much or more additional land which, though of lower grade, is still potentially useful when well managed. (24)

A scarcity of good arable land, in other words, is only a relative concept which is called into being by the existence of better agricultural land elsewhere. The relative and not absolute scarcity and quality of good agricultural land was thus responsible partly for the poor agricultural performance of Nova Scotia.

There were other factors responsible for the poor agriculture in Nova Scotia. One set of factors can be found in the nature of the social class positions the settlers of Nova Scotia left as emigrants and/or the social class position they found themselves in as immigrants. In the first place many of the Scots who immigrated to Nova Scotia came from a feudal situation. The Highlanders of Catholic origin were tenant farmers and obliged to contribute taxes in the form of money or kind to their landlords. In this situation, there was very little incentive and ability to improve agricultural methods as the taxes were too high to promote capital accumulation. As the tenants were facing the prospect of eviction to provide room for the sheepwalks there was even less incentive for the adoption of better agricultural methods. In a general statement, referring to the Scottish Highlands as a whole, Gentilcore writes:

A good deal of blame for the low state of agriculture lay with the land owners who took a large part of the production in high rents, but did nothing to encourage improvement or to increase the fertility of the soil, which after all belonged to them. They also demanded service either on their own farms

or in help manufacture in conflict with the tenants' own labour requirements.(25)

It is interesting to note that the laziness and inefficiency sometimes associated with the Highlanders, is related to the spheres of agriculture in which they were 'dominated' by the landlords. Cattle were the main rent-paying commodity in the Highlands of the eighteenth century. This induced the tenants to keep too many cattle. As a result pastures were overstocked and cattle undernourished. In contrast, the crops that were used for home consumption, were attended to very carefully. "Potatoes received the most attention and were always the most heavily manured."(26) One contemporary writer even refuted the charge that the West Coast Highlanders were lazy and poor workers by pointing to their efforts in making composts for their potato crops.(27) It was this position that many of the Scottish immigrants to Pictou County inherited from their homeland. They were 'black cattle and potato men' in Scotland and many remained in that position as they came to Pictou County. Why was the proportion of these settlers so high in Nova Scotia? Clark provides us with an answer:

The unfortunate Gaels, whether from Scotland or southern Ireland, had had little choice about leaving their homeland: the alternatives were often as grim as starvation itself. The nature of the fishery and the lumber trade meant that passenger space going out to Newfoundland and the Maritimes was available for a pittance. It may have been worth even less than that; but it brought them in their tens of thousands to just those nearest parts of the New World in which employment could be had in the pinneries or fishery, or where land for farming (of a kind) was available for purchase or rental at minimum levels of expense. Indeed a large number of the "farmers" simply squatted.(28)

Clark goes on to state that these settlers "when they first came, and often for a generation or two afterward, contributed to the disparity between the Maritimes' development and that of (the United States and Canada)." (29) Not only were they remarkably poor, they also found themselves in a region with a "comparative disadvantage in resources." (30) The combined effect was continued poverty. These points should not, of course, lead to the conclusion that "the unfortunate Gaels" were "culturally inferior" to their English counterparts. The Gaels were simply exploited doubly, first by the colonial status experienced vis-a-vis England and, second, by the forms of feudal exploitation occurring within the Celtic fringe. Indeed, some had even been reduced to a position of less than feudal serfs, having been swept off the estates to make room for sheep walks. It was with these past experiences that the Old World emigrants settled in Nova Scotia.

Once in the New World, these conditions tended to reinforce themselves. The settlers to Nova Scotia, for example, were many times forced to squat on the land. In this situation it was quite obvious that improvements of the land were done sparingly and selectively. Why make improvements when the threat of eviction was present constantly? Indeed in some cases, as Gesner wrote in 1848,

..the rightful owner of the soil waits until the squatter has rendered his land valuable, when he ejects him, and in poverty and distress he commences his labours elsewhere, perhaps again to driven away. With a pig, a cow, and a few cakes of maple sugar some are ready to migrate at an hour's notice. (31)

Many squatters also indulged in lumbering, from which almost immediate returns would accrue, in combination with

subsistence farming. This had, of course, a very detrimental effect on the development of agriculture and was lamented vigorously by many contemporary writers. According to these observers, it was because the farmers were lazy that lumbering was stressed at the expense of agriculture. It appears more likely that insecurity and poverty promoted such a development. In addition, we should not underestimate the leverage exerted by a strong merchant community. Most of the settlers in Pictou County were supplied with provisions by local merchants. This resulted in indebtedness and dependence. Through this relationship the merchants could coerce their debtors to indulge in lumbering activities. The monopoly held by the merchants meant poor prices for the lumber and continued indebtedness. MacDonald describes the effects on the society at large:

The worst evil perpetrated by the credit system was the perpetual poverty which the merchant imposed upon rural residents. Once a man succumbed to the temptation to live above his means, he was never able to liquidate the resulting debts. He became permanently poor, and often lost any initiative for work.(32)

The temptation to live above one's means was not, however, the only factor responsible for the great extent of indebtedness. Many settlers, if not the majority, were forced into debt. In addition, the merchants probably 'created demands' rather than people falling for the temptation of buying goods. This was particularly true with rum which was an important item in the trade with the West Indies. Without slavery and rum there would not have been such a phenomenon as the West Indies trade. In return for fish and lumber from Nova Scotia, the Pictou merchants received molasses, sugar and rum from the slave plantations. The rum was then used to perpetuate

the whole trading pattern by inducing and promoting drinking.

In time:

rum was thought a basic requirement to get the men really to work in the woods and to hew and draw the pine to the rivers and the ponds in the harbour.. the merchants figured it out .. that it took a gallon of rum at eight shillings to get out a ton of timber which they bought at twenty-five shillings.(33)

The credit system was also a functional part of the shipbuilding industry; an industrial activity which initially complemented and sustained the lumber trade. Patterson provides us with the general picture:

In the days of shipbuilding, the credit system .. was carried to the extreme limit. The builders themselves often sold their vessels on credit. In the meantime their employees obtained goods out of the store, which nearly every shipbuilder ran as part of his business. Often the men would, so to speak, "overdraw their account" and become indebted to their employers. Next year, to square the account, they would be given employment. In some cases this went on from year to year. The result was that the employee became discouraged with the prospect of being always in debt and failed to put his best endeavours into his work. The credit system as it was then carried on was unprofitable to both employee and employers.(34)

Abraham Gesner, writing in the 1840's, noted another important condition which served to discourage the settlement and agricultural development of Nova Scotia. This was the absence of a proper survey of the colony. A proper survey, taking into account the physical geography and the need for a road network, was never made. Instead, the pattern of land ownership evolved as a result of the individual claims made by settlers. All the idiosyncracies of individual claims resulted in grants with "notched and jagged margins" and many "isolated grants, great or small, not like the squares on a chessboard or the spots on the ten of diamonds, but the promiscuous clippings

of paper sometimes made to amuse children."(35) For the settlers in Nova Scotia these conditions discouraged the promotion of agricultural development. Gesner states:

Titles to land are insecure. Many individuals do not know whether their habitations belong to themselves, their neighbours, or the Crown.(36)

Even prospective settlers were discouraged to come as a result of this situation. Gesner claims: "At the Colonial Land and Emigration Office in London, the want of proper surveys in Nova Scotia is considered the chief discouragement to settlers with capital to resort to the colony."(37)

The connection between agriculture and industrial prosperity is important. As studies have shown, agricultural development formed the foundation of industrial prosperity in southern Ontario through various backward, forward and final demand linkages, and Quebec, through the release of a massive rural and urban proletariat.(38) In the Maritimes, on the other hand, and with some notable exceptions, agriculture neither created a great multiplier effect of local industrial development nor released a massive rural and urban proletariat. In fact, the small market for agricultural implements was soon absorbed by Central Canadian producers and the labour force released from the farms, along with a large proportion of the urban-industrial workers, moved away to propel industrial and agricultural growth elsewhere. The result of this process of outmigration, as we will see in the following section, was a labour market which was not fully conducive to a continuous and diversified process of industrial growth.

Labour Scarcity: Reasons and Consequences for Industrial Growth.

Labour scarcity or abundance have an important impact on industrial development. Labour abundance facilitates recruitment, flexibility and mobility for industries. As Carney et al states: "The convenience of large pools of labour with a range of skills is obvious; it makes it possible to set up new establishments or to modify existing production without seriously having to worry about problems of training." (39) Labour in abundance was not present in the New World in the late nineteenth and early twentieth centuries. From 1881 to 1921, with a few exceptional periods, such as the depressions of the 1890's, 1908, 1914 and the aftermath of the First World War, there was a general labour shortage in Canada and North America. What appears to have been the case, in addition, is that the labour shortage was more severe in the Maritimes than in many other industrial regions. In this section, an attempt will be made to document the reasons for the labour scarcity in Pictou County and the Maritimes and to demonstrate how this scarcity had a detrimental impact on industrial development.

One very important factor that served to inhibit the growth of a well-supplied labour market in the Maritimes was the massive outmigration of workers. Thornton has noted that the population growth rates of the Maritimes from 1881 to 1931 were "very low" and this was due primarily to a massive outmigration. (40) During the period the net outmigration (the number of outmigrants subtracted from the number of immigrants) amounted to almost half a million, a figure that represented close to fifty per cent of the 1931 population. (41) This is a

significant observation, for it was during the initial stages of this phase that the 'new economy' experienced a significant and impressive boom. In this case it is important to ask - as Thornton does - "whether and in what way, the persistent high levels of outmigration, in the 1880's and 1890's particularly, affected the potential for the economic development of the region." (42) Thornton goes on to suggest: "The significantly higher levels of outmigration from the Maritimes may well have jeopardized a successful industrial transformation of the region." (43) How do these hypotheses relate to Pictou County and the industrial belt of northern Nova Scotia generally? There seems to be considerable evidence to support Thornton's suggestions. The general scarcity of labour was aggravated by net outmigration in the region and this seemed to have had a depressive effect on the day to day operations and expansion of local industries.

There were several instances where the coal companies complained of miners emigrating to the West. The most spectacular move in Pictou County took place in the 1880's, when numerous Pictou miners were recruited to work for the North West Coal and Navigation Company, a company formed in Lethbridge, Alberta, with the goal of supplying coal to the Canadian Pacific Railway. The Lethbridge company was backed by Sir Alexander Galt who recruited a Pictou County mine official, William Stafford, of the Acadia Coal Company, to develop and operate the Western coal mine. The exact number of miners who moved to Lethbridge is not clear. Cameron's research indicates that thirty left Pictou County for Lethbridge in the initial year of operation, 1885. (44) Subsequently many more left. According to

Cameron, they left in ones and twos but the Eastern Chronicle reported that they also left in larger groups. In early October, 1887, for example, twenty-six miners from Westville and Stellarton left for Lethbridge.(45)

On a more general scale, there was a steady stream of coal miners westwards not only to the Canadian West but to the Pennsylvania coal fields. Throughout the period investigated, the coal companies reported frequently that production had suffered on account of miners leaving for the West.

It was not only coal miners who departed. People from all walks of life left. One particular time to leave was in the late summer to seek employment as a farm labourer for the Prairie wheat harvest. Although these migrants often returned to Pictou County with at least part of their earnings after the harvest, they still drained the county of workers when they were most needed. In the town of Pictou, the local newspaper reported:

It is expected that the same number as last year, 50, will leave Pictou this season on the harvest excursion. The majority of those who go from here return as soon as the harvest is over. Some of them have been making the trip for the last 6 years.(46)

Many, however, departed permanently, a phenomenon which in 1903 prompted the Acadian Recorder to urge government action:

Nova Scotia will have to get a hustle on in order to replace the population she has lost to Manitoba and the Northwest. The time has arrived .. when the Provincial Government should inaugurate a practical immigration policy to repatriate, if possible, some of the many Nova Scotians who, in the National Policy days, exodised (sic) to the New England States and to secure settlers for the many vacant or "for sale" farms.(47)

The above quotation points to another major destiny of

Maritime out-migrants, the New England States. In 1909, for example, the population of Massachusetts contained fifteen per cent Nova Scotians. The number of Nova Scotians, 66,139, in Massachusetts, constituted between ten to fifteen per cent of the total population in the province. Boston was particularly attractive to Pictonians. The city harboured a Pictou Club which in 1898 was reported to be in a "vigorous and healthy state." (48) Boston publishing houses even printed books about Pictonians. (49)

There were several reasons why potential workers and workers moved away. One was the pull of the West. In the late nineteenth and early twentieth centuries Canadian economic development was centred around the so-called National Policy whose aim was to develop the Western Interior through assisted immigration, railway construction and tariffs. The tariff was to assure that the farmers of the West would purchase their consumer and producer goods in Central Canada and not in the United States. The railway provided accessibility. The settlers, at last, were encouraged to grow wheat for export which could be handled by Central Canadian based railway companies, grain elevator companies and banks. Settlers were recruited by the promise of free land spiced with a considerable amount of boosterism. They came not only from Central Canada, the United States, Western and Eastern Europe, but also from the Maritimes. The railway was even encouraging Maritimers to go West. Many were coal miners. Robert Drummond, former union organizer and leader but later member of the Legislative Council of Nova Scotia stated in 1907:

...eastern Canada is not being treated fairly by the federal authorities in respect to the

cry that we must populate the West. In doing this they are robbing the East by periodical cheap excursions .. Already this summer the Dominion Coal Company has lost over five hundred men, while possibly, twelve hundred labourers have left Nova Scotia for the Northwest.(50)

The western frontier and the attraction it held to Nova Scotians was often not enough to prompt emigration. The wealthy may have moved because they perceived the investment climate better in the West. Craftsmen may have moved to the New England states to preserve their skills in an environment which contained a larger service sector than the Maritimes. But the majority of Maritimers, workers and potential workers, were more likely to move because they were pushed in that direction.

One can go back to the Pictou coal mines of the 1840's to find evidence to support this position. At this stage the coal operations of the General Mining Association (GMA) were primarily done by imported miners. These miners were highly militant and protective of their jobs and when the GMA attempted to implement wage cuts the company was met by ardent resistance. In 1840, the company failed to implement a wage cut as a result of the miners' protests. In 1842, a wage dispute occurred which lasted twelve weeks and ended in a compromise. In 1846, another strike occurred. These recurrent confrontations in the coal pits seemed to have served as forerunners to the outmigration of miners to other coal fields of North America. In 1846, for example, the year of one of the strikes, 56 Pictou miners set out for the Pennsylvania coal fields. Two years later another group of miners left for the United States. These miners were recent arrivals to Pictou County for whom the GMA had paid a "head tax" to the Colonial Government.(51) The payment of the head tax by the GMA reflected the urgency and extent to which

employers would go to secure labour. The amount of the head tax was not inconsiderable since the GMA later petitioned the government for a reimbursement of the money. At the same time, the exodus of the imported miners reflected the readiness of workers to pick up their belongings and move elsewhere when confronted with unfavourable conditions.

Another aspect which encouraged out-migration were the collective efforts of the coal companies to come to grips with their miners. One freedom that the miners enjoyed initially, and which they seemed to have used frequently, was the movement from one mine to another in case of strikes. This allowed for a source of sustenance during industrial disputes. In time, however, the coal companies colluded to put a stop to this practice. In one restless year, 1887, it was alleged that the Pictou and Springhill managers would not employ each others' miners in case of trouble at either place. And although the managers denied these claims, the Trades Journal reported cases which confirmed the validity of the allegations.(52) These events, in fact, were the forerunners to the blacklisting of militant and striking miners and steel workers circulated among the coal and steel companies at a later stage. These black lists, in their mature and embryonic forms, were often responsible for the outmigration of workers. Perhaps the most marked instance was the long strike of 1909 which affected almost all coal fields of the province (the most notable exception was Pictou County) and which in some cases lasted more than two years. During this strike at least one quarter of the strikers left the district to seek work elsewhere; some went harvesting or mining in the West.(53) The adverse conditions in

the Nova Scotia coal fields even induced miners from the Old World to return 'home'. In 1903, the Mining Record reported that "many of the Scottish miners who came to the collieries a while ago have returned home.."(54) One Scottish miner, visiting the Pictou coal fields in 1894, confirmed that push factors were inducing many miners to leave the region.

There has been an attempt to import miners from other countries on several occasions, but they did not stay very long, owing I suppose, to the long hours wrought and the long spells of idle time in the winter.(55)

The Canadian Mining Review also believed that the conditions of the Nova Scotia coal fields were no more favourable than their British counterparts.

A well known Nova Scotian, who has recently made a tour of British mines, reports that there is very little difference between the wages paid there and in Nova Scotia, a conclusion in which we agree, and which largely explains the difficulty of inducing British miners to come to this country.(56)

The Canadian census confirms, very clearly, the difficulties of obtaining British miners for the Nova Scotia coal mines. The number of immigrants in Pictou County declined drastically. From 1871 to 1921, it fell from 3,531 to 2,622.(57) This was not only due to natural attrition through death, but also to the fact that many moved away after a longer or shorter stay in the county. This move closely resembled the original move from their homelands. In both cases it was the perceived idea of a better place elsewhere which prompted emigration. It is an important and tragic sideline that the place of immigration seldom turned out to be "that better place to live".

The coal miners not only absented themselves permanently

through emigration, but temporary absenteeism was also a common practice to cope with the drudgery of work. One scholar of Silesian coal mining states: "These practices (absenteeism and rapid turnover of workers) are sometimes assumed to be reflections of a pre-industrial mentality, when extra income is traded for leisure at a relatively low level, but these patterns of behaviour also seemed to express discontent with working conditions." (58) This statement seems to apply to the Nova Scotia coal fields as well.

The extent of absenteeism, especially with the rapid growth in coal production after the turn of the century, was great. According to the Mining Record, production was hampered seriously by absent workers. In 1900, one reason given by many coal mine managers for the less than expected increase in output of the mines was that the men would not work. (59) The problem continued. In the late spring of 1907, it was reported that "it almost appears as if a majority of the men are helping their better halves in spring-house cleaning" and "it is within the bounds of possibility that one of the collieries in Pictou County may shut down for the summer season unless the miners attend more punctually to work." (60) As reported in the same year, the highest rates of absenteeism occurred after payday when there was a loss of between thirty and forty per cent in the output. (61) The problems of absenteeism to the employers were debated continuously in the press. The Mining Record was particularly concerned and blamed the problem on the fact that the miners had it too good. The journal claimed with respect to the tendency for wages to rise in the early nineteenth century:

Of what avail are higher rates to very many of the men so long as they only mean less

time at work, and more opportunities to spend wages. One closely connected with a large coal company remarked the other day: 'There seems to be no encouragement in giving higher rates for the more pay the men get the less time they work.(62)

To remedy the problem the Record urged the miners' union to "endeavour to induce the workmen to make more time rather than strike that larger increase of rates may be obtained."(63) On some occasions the Record even substantiated its claims by actual figures:

The question "Does good times tend to idleness on the part of the workmen?" has been rather unexpectedly answered in the affirmative. Since the services of some 175 men were dispensed with at Acadia the output has actually increased by the remarkably large quantity of 300 tons per day.(64)

But what are we to make of these comments? Was the high degree of absenteeism only ~~due~~ to the high wages and increased standard of living of the mining communities? There may have been some truth in these claims but they should be seen in the context of the harsh working conditions of coal mining. The coal miner, in short, did not view coal mining in the same light as his employer. One employer received the following response to a suggestion that long spells of work should be introduced in the mines:

Did he ever work to the limit of his strength for eight hours cutting coal in gas and bad air and 95 and 100 degrees of heat? Miners come to the surface exhausted, dripping with perspiration, eager to get to the fresh air and the blessed sunlight and the free open world to recuperate from their straining toil.(65)

It was little wonder that miners stayed off work whenever they found it possible. But there were other reasons for the high degree of absenteeism which were more directly related to

the actions of the employers. In a very rare entry of the Mining Record the editor noted that:

The question of absenteeism amounts to a problem. In past references to this question the blame for idle time has been laid at the doors of the employees. It may be that a certain amount of blame should have been laid on the mine officials. A correspondent has called my attention to a new phase of the subject by a question and an assertion. His question is: 'Do you know how many men, on an average, are off work because there are no places for them?' and his assertion 'At a certain colliery, where the average of men off was given at say 40, the enforced idle were perhaps half that number. Morning after morning men went out only to be told there were no places ready as yet.' I am assured that this assertion is undeniable. If the officials, in reporting the number of men idle, include those who are idle against their will, then the system of reporting is wrong, and the figures misleading. (66)

Although the Record soon retracted this statement by claiming that overcrowding was a strategy that the managers had adopted in self-defence, it is clear that absenteeism was not a problem unto itself. It was a problem, just as the wage disputes and quarrels over working conditions, which was intricately linked to the struggle between the coal miners and their masters.

Initially, it seems as if the coal managers had to put up with the problem of absenteeism. Despite a continuous recruitment of miners from the Old World the labour scarcity persisted and a process of selective hirings and firings could not be employed to keep the miners in line. In addition, the coal companies had to put up with a fairly strong and well-organized work force in the beginning years of the twentieth century. The lodges of the Provincial Workmen's Association in Pictou County were not only able to obtain higher

wages, they also managed to force the two major coal companies to enforce the closed shop.(67)

In time, however, the recruitment of foreign miners seemed to have paid off, at least to some extent, and in the latter parts of the first decade of the twentieth century more and more references to the firings of miners appeared in the local press. At least some evidence suggests that these lay-offs were aimed at educating the miners to attend more properly to work. After the firing of some men at the Acadia Coal Company in 1908 the Mining Record reported that "the men retained have realized their services may be dispensed with and their places filled if they do not hew to the line."(68) In April, 1910, the Acadia Coal Company was planning another reduction of the workforce and informed its miners: "In reducing the force the Company will only consider the fitness of those retained, from the standpoint of efficiency, general conduct and service."(69)

These instances, however, should not take away from the fact that the general labour scarcity persisted. They indicate merely that with an increased labour supply the employers were more likely to dictate to the miners. It was not until after the First World War that the closures of several mines and the mechanization of production resulted in an overabundance of labour. At this stage, however, more than at any time before, the quality of the labour force changed dramatically. There may have been more miners available than needed but, as Frank has shown, the miners were at this stage well-organized and resisted frequently and violently the wage cuts introduced by the coal companies.(70)

It was not only the coal miners who were pushed to emigrate. Some of the workers at Scotia were also forced to emigrate because of industrial disputes. In 1890 the workers at Scotia planned to organize a union. They also presented the managers with a petition for reduced hours of labour, and on yet another occasion there were attempts to join the Knights of Labour. The response of the management was clear. Some men were "taken in" to the office of the foremen, the petition was never replied to, and at least two workers were fired and presumably forced to leave the county under what the Eastern Chronicle considered "suspicious circumstances".(71)

Eighteen ninety seven was another year of labour unrest at Scotia. In this year the workers received a wage cut of ten per cent owing to - according to the company - "the extreme depression in the iron and steel trade."(72) At the same time, however, Scotia received an increase in the federal bounty on iron and steel production. This combination of events led to a volatile climate between the management and the workers. This was particularly so as the local press supported the demands of the workers that the reduction should not be implemented. The Pictou Advocate correspondent to Eureka, for example, wrote:

It is well-known that many employees were almost on starvation wages before, and to cut them 10% is one of the most contemptible acts ever perpetrated by the company. Would they please let the employees know how much they received from the Government each month, and year, and compare it with the starvation wages they intend offering said employees?(73)

The correspondent continued by urging that "governments pap-feeding such industries should have some voice in the poor labourer's wages."(74) The controversy of the dispute resulted in a mass meeting, attended by fully five hundred workers and

the management. At the meeting Graham Fraser addressed the workers by providing a retrospective look at work and living in Pictou County. According to Fraser, the present conditions were infinitely better than in the past. In the 1870's, for example, when the dollar was worth less than in 1897, mechanics had worked for wages amounting to 75 and 90 cents in the local shipyards. Fraser himself with partner McKay had taken a contract to supply the P.E.I. Railway with spikes which netted them a dollar a day each.

Despite these pleas the workers did not consider the wage reduction acceptable. In a very carefully worded and polite resolution, passed unanimously, the workers expressed their desire "to maintain the good feeling which has existed between us (the workers and management) so long" but still insisted that only the men with a large pay be reduced ten per cent.(75) The response by the company to the workers' suggestions was negative. The workers countered by forming a branch of the miners' union, the Provincial Workmen's Association.

The company's response was harsh. It was announced that unless the workers disassociated themselves from the union they would be fired. Despite the fact that over 250 men had signed on, the company stood by its threat and in the end the union was crushed and the reduction implemented. The repercussions for the union men were severe. In late July one newspaper reported: "Members of the Relief Fund in connection with the Nova Scotia Steel Works, in New Glasgow as well as Trenton, who desire to leave the province, will kindly leave their contributions at the store of Strickland Brothers."(76) At a later date another newspaper reported: "It is said that about 40 tickets were sold

here on Monday last, to parties going to Manitoba, and that a number of them were good men from Trenton, who had to go West on account of the misunderstanding about wages at the Steel Works." (77)

Many more workers, skilled and unskilled, left Scotia when conditions were tense. In association with a strike in 1918 one superintendant at Scotia left to work in a plant in Toronto. Once there, he sent for six of the best foremen at Scotia, who also quit and left for Toronto. (78) This was not an isolated and unusual instance. One official of Eastern Car summed up three decades of labour loss through outmigration in the following: "During the last twenty or thirty years (1913-1943) the best men in all departments have left us and there is very little material now that could be entrusted to higher positions." (79) The paradoxical conclusion that we reach is that those social groups, the employers, who complained the most bitterly about the labour shortage, were those who in no small measure were responsible for it in the first place.

These push factors may perhaps not be considered by some critical readers as forerunners or causes of the emigration of workers from the Maritimes. Such factors, it may be argued, were the general conditions under which miners and steel workers laboured in any place, be it the Old World, the Maritimes, Central Canada or the United States. This is indeed a valid objection. But it is at this point that the relative geographic location of the Maritimes becomes a very important consideration. For just as Old World miners were recruited or pushed to work for what they thought would be higher wages and better working conditions in Nova Scotia, so many Nova Scotians,

native or foreign-born, were pushed away from Nova Scotia. What applied in Europe also applied in North America. Pierson states:

All the kinds of mobility our immigrants practiced had long been known in Europe. And I think it can or will be shown that most of the causes of their crossing the Atlantic were European, not American. (80)

In both the trans-Atlantic and trans-continental migrations it was the adverse conditions of the place of work that prompted emigration, although the timing of the move may have been influenced by the economic condition of the place of emigration. The push factors, in other words, found their expression in emigration and the emigration was made possible by the western frontier. For a labour-abundant Europe the emigration did not prove detrimental to industrial development.

The consequences of a small labour market on the industrial development of Nova Scotia were serious. At first the labour market seemed to have been sufficient for the development of the new economy. The many foundries and forges which had developed in connection with coal mining and the shipbuilding industry, supplied labour to the emerging secondary industries. Many of the first skilled employees at Scotia were local blacksmiths. Even as Scotia grew larger, its labour force remained indigenous to Nova Scotia. This was in stark contrast to the Sydney steel operations where foreign labour was employed extensively. In 1910, for example, it was reported that:

most, if not all men employed at Trenton, are Nova Scotians, and the absence of foreign labour makes a difference. Further, there is less change in the labour force from year to year than in Sydney. (81)

The local background of the population in Pictou County

is confirmed by the census data from the 1860's to the 1920's. Almost without change nine out of ten Pictonians were born in Nova Scotia.(82)

Despite this pattern there were deficiencies in the labour market. Skilled and unskilled labour as well as managers could not be had to the extent required. In terms of skilled labour, the local employers of labour had to go outside the province to secure workers. At Scotia, outside skilled help had to be engaged to teach the smelting and rolling operations.(83)

William Jacks and Company of Glasgow, Scotland, contracted with Scotia to supply part of this skilled labour.(84) Some workers came from the United States. In the Steel Works, established in 1883, for example, the American workers were strong enough to convince management to hold a holiday on the fourth of July. This was not the case at the older Forge Works.(85) When the Melting Department was in existence (up to 1904), it was operated by a "cosmopolitan" crew. Workers came from P.E.I., Newfoundland and "the land of the mayflower."(86) In the establishment of the Eastern Car Company in 1913, the foreign element was equally prominent. The Car Works were built and operated by an international league of managers and skilled workers.(87) Scotia even went to Ontario to recruit skilled labour, not only because skilled labour per se was needed, but also because Ontario skilled workers were familiar with the Ontario market. In 1885, Graham Fraser wrote Cantley:

I enclose a copy of letter to G. Spring Co.
I think the sooner we start to make springs
the better and if you are talking to Baley at
Patterson you may in a quiet way ask him if he
is open for an engagement but you must do it in
a way that he will hardly know himself what you
want as Patterson should not know that we are
talking of taking him away. If we had such a

man it would be an easy matter for us to make, springs and we could then sell our steel without much trouble as could cut the price of springs .. we would only have to add the cost of labor making them which is not much and we have most of all the machines.(88)

Fraser and Cantley were successful in securing Mr. Baley.

These examples reflect how the local employers managed to overcome a serious handicap by recruiting labour from outside the local labour market. Once the skilled workers had been recruited it was desirable to transfer their skills to local workers through the apprenticeship system. But this system did not work smoothly. Besides an instance of imported glass workers refusing to teach their skills to local workers (of which more will be stated at a later stage), there seems to have been a general and persistent lack of potential apprentices as well as an inclination of apprentices to leave their employment before and at the time of being fully trained. In order to avoid the latter, the various metal works in Pictou County had entered into an interesting agreement. Cantley wrote in 1911:

We for many years have had an arrangement with Mathesons and other similar works in this town, that each should refrain from employing any apprentices who broke their apprenticeship agreement, and hitherto this had been strictly lived up to by all the Works.(89)

To the Matheson establishment this agreement must have been of critical importance. This was because Matheson lost workers consistently to Scotia throughout the late nineteenth and early twentieth centuries. Matheson-trained apprentices, for example, formed the nucleus of the machine shop force in the early days of Scotia.(90) Matheson-trained workers also "swelled the numbers of Pictou County tradesmen who emigrated."(91)

Perhaps the most telling example of a labour shortage of

skilled workers occurred in 1915 during the hearings of a Royal Commission investigating a strike. At these hearings one worker noted that the plant had been shut temporarily "on account of certain men not being there." (92) In addition, during the hearings No. 1 Mill had to shut down because three skilled workers were appearing at the hearings. (93) This obvious shortage of skilled labour, and its negative impact on the industry, was not only a function of the war. Already before the war, an attempt to run three eight-hour shifts on No. 2 Mill had to be abandoned because there were not enough rollers for each shift. (94) In the post-war period the scarcity of skilled labour continued. Despite the unemployment situation, Scotia was not in a position to discipline the labour force by firing those workers who did not show up regularly for work. In 1919, one worker testified:

Q. If a man does not feel like going to work on the shift, does he have to go on, or can he send word to the Company and say he does not want to work?

A. Yes he can do that. (95)

Of equal concern to the scarcity of skilled labour, was the problem of acquiring young boys to serve as apprentices. One small but by no means insignificant event which illustrates this phenomenon was an attempt by the Pictou Advocate, the newspaper in the town of Pictou, to secure a boy to learn the printing trade. The newspaper was repeatedly unsuccessful in this pursuit. In May, 1903, it was reported: "For the past two months .. not one application has been made for the position, yet we are frequently told that our boys have to go away to find employment." (96) In September of the same year the newspaper was getting impatient asking: "Are there no boys in

Pictou?"(97) Almost two years after the initial search, the newspaper had still not filled the position.(98)

Other industries were plagued by more general labour shortages. The most obvious example was the Hamilton baking establishment in Pictou which in 1903 employed as many as 180 hands. The Hamilton's suffered from a regular shortage of labour in the beginning years of the twentieth century judging by the frequent calls for boys and girls, between 15 and 18, in the local newspaper. In 1903 the situation had become so critical that Hamilton decided to center his main activities in Halifax. Hamilton stated:

For the past few years we have been severely handicapped for want of labour. We have had to seek employees in P.E.I., Cape Breton and Newfoundland, and still have been unable to meet the expansion of our business, both in the Maritime Provinces, Upper Canada, in Newfoundland and the West Indies. In Pictou there is no hope of getting anything like an adequate supply of labour, and so we have decided upon removal.(99)

The growth of the bakery, then, was checked due to a lack of labour, but its initial growth owed much to the cheap labour available in Pictou. In commenting upon the relocation of parts of the baking operations to Halifax in 1903, the editors of the Eastern Chronicle admitted that there were many locational advantages with Halifax but then continued:

... there are also advantages with Pictou. The difference in rents, wages and taxes favours Pictou. Under the unions in Halifax, labour that costs \$1 in Pictou will cost \$2 in Halifax. Rents in Halifax must be double that in Pictou. And what advantage does Halifax give for a wholesaler over Pictou? If any, we cannot see it. People who have done business in Pictou will be acting wisely by staying in Pictou. We say this kindly but positively.(100)

But in its enthusiastic praise of Pictou as a source of cheap

labour, the Eastern Chronicle neglected one important point, that is, that the cheap labour was extremely scarce. There were jobs available in Pictou but many workers were not willing to take them.

Another industry in the same position was the Logan tannery. At this establishment, however, paternalism in labour-management relations seemed to have been an important ingredient in maintaining a cheap labour supply. For a minimal financial cost, company housing was supplied and pieces of agricultural land were provided for subsistence use to the workers. In return, the work force was paid relatively low wages. In fact, the latter condition seemed to have been a major impetus for the rebuilding and expansion of the tannery by local and Central Canadian capital after a devastating fire in 1910. The Pictou Advocate wrote:

The story was current before the fire, and there is little doubt that it had good foundation, that negotiations were underway for the sale of the plant to a syndicate of Upper Canadians who have the tannery trade in a close combine. There was considerable fear among the workmen that the plant, if it changed hands, would be closed down. This fear had little basis in fact, as the situation of this tannery as regards markets, its equipment and the favourable conditions of cheap labour would have warranted it being retained - and enlarged.(101)

The newspaper's assessment of the situation seemed to have been correct. Already four months after the fire, the tannery was rebuilt and in full operation boasting the epithet, the "biggest business in West Pictou."(102)

In the early years of the lobster canning industry there were also difficulties in securing a supply of local labour. To make up for the local shortage, the industry procured labour in the form of migrant workers. In the early nineteenth century

the main concern of the industry in Pictou County was Burnham and Morrill of Portland, Maine. Many of their fishermen and factory hands came from the south shore of Nova Scotia and returned home after the season.(103) Other employees, notably foremen but also other employees, came from Maine where they worked in Burnham and Morrill's factories canning corn.(104) At a later stage other sources of labour were relied upon. The Maritime Packers Limited (1911-1966), a locally owned lobster canning company which in time became dominant in the industry, procured labour in the form of young Acadian girls and boys from the eastern coastal areas of New Brunswick. The work was seasonal, limited to the summer months, and the workers were housed and provided with food by the companies. According to one lobster canner the wages were low. The men received \$30 monthly and the women \$20 monthly.(105) The work force was substantial when employed. According to the census of 1911 the employees in preserved fish (almost exclusively lobster canning) constituted almost twenty-five per cent of the industrial work force in Pictou County.

Hamilton's baking establishment, the Logan tannery and the lobster canning industry were industries based on cheap and unskilled labour. There were jobs available in these sectors but Pictonians and indeed other Maritimers chose not to take them.

Not unexpectedly, the labour shortage on the farms was the most critical. Farms were not only abandoned in large numbers after the peak of farm occupation in 1891; those farmers who remained found it almost impossible to procure farm hands. This problem intensified as the more profitable farms became larger and more reliant on both machinery and wage labour. The

manager of the Pictou County United Farmers' Association testified in 1919:

the labour on the farm is mighty scarce, that is, trained farm hands who can operate machinery and drive a horse. It was different 20 years ago when most work was done with a shovel and a hoe, but a man has to be a practical mechanic nowadays to use his machinery.(106)

The manager continued his testimony by complaining about the high wages paid for farm labour. He had the following to say about his own farm hand: "I had to treat him fairly in order to make him stay."(107)

The reason for the labour scarcity, according to the farmers, was to a large extent the movement of people to the Canadian West. A resolution passed at the Nova Scotia Farmers' Association meeting in 1920 may serve as an illustration:

Whereas the farmers of Nova Scotia are greatly handicapped in their farming operations by the lack of skilled help, and whereas the CPR, by offering cheap rates and other inducements, entice away from the agricultural districts of Nova Scotia during harvest season, a large number of farm labourers, and in consequence thereof large quantities of farm produce remain ungathered, entailing a loss not only to the farmers, but to the province of Nova Scotia. Therefore resolved, that this NSFA, . . . , protest against this action of the CPR in running their so-called Harvest Excursion from Nova Scotia to the Western Provinces.(108)

An additional problem with securing farm hands, which the Nova Scotia farmers shared with other farmers in Canada, was the often higher wages and shorter working hours in urban industries. During an era of general industrial expansion in Nova Scotia, concomitant with a net outmigration, the labour shortage must have been very critical indeed. One Pictou farmer even went as far as to suggest that Chinese labour should be imported to remedy the situation. In a letter to the Pictou

Advocate he wrote:

..It is impossible to get farm labour. I know of farmers who are willing to pay \$25 per month the year round and this work has got to be done to farm successfully. The remedy is to import Chinamen. (109)

The great extent of outmigration from the Maritimes also meant that the economy was affected seriously during bursts of industrial expansion. In these instances farms and industries were hampered severely by labour shortages. One of the reasons, according to one industrial observer in Sydney, Cape Breton, was that "the labour question is such that it will always be a matter of difficulty to get emergency crews, whereas in a large centre such crews are always handled without difficulty." (110)

The same situation seems to have prevailed in Trenton. After the armistice, when the unemployment situation was very grave, Scotia still had difficulties in securing "emergency crews." One steel company official, for example, testified in 1919: "If you want to get a man to do a day or two's work for you, you cannot get one." (111) The emergency crews referred to in these instances were, of course, a mere euphemism for an industrial reserve army of labour, composed of under- and up-employed and potential strikebreakers. These workers were not available to the same extent in industrial towns like Trenton, Sydney and New Glasgow as in the large centres of Quebec and Ontario. It is interesting to note, for example, that although strikebreakers were recruited from one place to work in other places within the Maritimes, there never seems to have been a large-scale recruitment of Maritime strikebreakers to Central Canada. This observation does not say very much in itself. But if we note that it was common for Maritime

employers to recruit strikebreakers, either directly or indirectly, from the huge labour market of Montreal or even the large centres of Europe, we notice immediately the difference in labour market between the cities and towns of the Maritimes and the larger urban centres of Central Canada and Europe.

In Pictou County the intra-provincial or even intra-regional recruitment of strikebreakers did not even work properly. In 1876 the caulkers struck at the Marine slip in Pictou after a wage cut from \$2.25 to \$2.00 per day. A number of men were recruited from New Glasgow to take their places but they refused and returned home. A newspaper reported:

It is said they were aided in making their resolve by the strikers, who saw no reason why they should work for less daily pay than that given last summer, and gave the N.G. men to understand that no reduction would be allowed. The matter has since been settled, the caulkers getting their standing pay, \$2.25 per day.(112)

The following month the employers managed to recruit other men from New Glasgow as strikebreakers, at wages of \$1.75 per day, but the company was still thought to have lost money on this arrangement.(113)

In the coal mines, the employers did not even get as far as the shipyard employers. In the strike at the Drummond Colliery in 1879 it proved impossible to break the strike with non-union men:

..the company was busy searching for non-union labour to re-open the mine. In Pictou and Cumberland counties, where the public was aware of the situation in Westville, Simpson's (the mine manager) efforts went unrewarded. Eventually, however, he succeeded in bringing 11 men from Cape Breton. On learning that a strike was in progress, the Cape Bretoners refused to 'black-leg' and joined union ranks.(114)

A similar situation prevailed during the strike at the Acadia Coal Company's mines in 1887. During that strike the coal company was urged to lease one of its mines (the McBean) to Scotia whose steel operations were suffering from the enforced scarcity of coal. Scotia then tried to use non-union labour to operate the mine. The attempt, however, was not successful.

The Trades Journal reported:

The attempt by the steel works Company to run the McBean sit with all manner of nondescripts and New Glasgow loafers, niggers and blacklegs - has .. proved an utter and expensive failure.(115)

The last attempt, also unsuccessful, to employ strikebreakers took place at the Ferrona Iron Works in 1903.

One newspaper reported:

The workmen employed at the Ferrona Iron Works have struck for higher wages. Their demand is for an increase on 10%. Yesterday the management finding the men would not work, had some of the Bridgeville men come down, but on hearing the grievances of their Ferrona friends, they refused to strike a blow. A settlement of the difference is expected shortly.(116)

At a later stage, Cantley boasted that Scotia "have never had to bring in strikebreakers from other parts to settle grievances, real or unreal, which have occurred from time to time.(117) The Ferrona incident, along with the other incidents involving strikebreakers, suggest not only that strikebreakers had been recruited but also that this strategy had not been successful in resolving labour disputes.

The casual and temporary workers who came to Nova Scotia seldom stayed permanently as a reserve army of labour. Cantley referred to this problem as follows:

There is a lot of floating labour in and out, they come in here and work long enough to get enough money to take them to Halifax or some

other place, they come in and we put them to work at 16 1/2 cents (per hour), four days later they are likely in the office wanting their time. As Mr. McColl says, we pay from 10-20 men off every day, and take on as many fresh men.(118)

These latter "fresh men" were not, however, always available. This is indicated clearly in the monthly reports of the Labour Gazette which contained the frequent note that "the supply of unskilled labour was not equal to the demand."

Local newspapers give an indication of the mobility (sometimes calculated) of temporary and casual workers. In February of 1900, for example, 300 to 400 Italians passed through Pictou County on their way to the Dominion Steel Company's Works in Sydney.(119) These Italians came from Boston and in May of 1900, 120 of them were on the Maritime Express returning home.(120) In 1901, Italians were employed in constructing the water works in Pictou. But when a temporary delay occurred due to a shortage of pipe, they left the county.(121) The mobility of the Italians was not, however, peculiar. It was customary for the Italians to form construction gangs and travel to wherever work was offered.(122) What is striking, though, is that their home base was not Sydney, New Glasgow or even Halifax, but larger centres, such as Boston and Montreal.

A major source of casual and temporary labour was Newfoundland. But also in the case of Newfoundlanders, there was little certainty of a steady and reliant work force. One event which affected Scotia's mining operations on Bell Island but also spilled over into the Sydneys of Cape Breton, is worth recounting. In the summer of 1900 the iron miners and Scotia on Bell Island were involved in a wage dispute. In this strike the

iron miners obtained a wage increase. A comment on the dispute was expressed in a letter to Cantley from a contractor of the Coast Railway in western Nova Scotia:

I notice by the papers that you are having trouble with your men at Bell Isle. Hope you can manage your business so as to beat these miserable half starved pirates. I had between one and two hundred of them last season and found them the meanest lot of devils and hardest men to get along with I ever saw.(123)

But what is even more interesting about this wage increase and dispute is that it served to keep the Newfoundland miners at home rather than go to Cape Breton and work in the fall which was customary.(124) As a result the labour shortage was aggravated in Cape Breton.(125)

Disruptions in the labour market also occurred as a result of the seasonal variations of wage work and subsistence/small commodity activities which were common throughout the Maritimes. The Cape Breton mines often suffered from a lack of labour during the fishing season in Newfoundland. In the Canadian Mining Journal it was stated in 1906:

Notwithstanding the influx of strangers to the Cape Breton mines, labour is by no means plentiful .., and latest accounts indicate that it is getting scarcer. The Newfoundland fisheries are draining Cape Breton of natives of that Island.(126)

In addition, if one looks at the Cape Breton collieries, haying time in the late summer always affected the labour supply:

Haying time always affects the Cape Breton collieries. At present all of the mines are suffering more or less from the absence of their ablest young men...Picnics, fairs, etc., are another cause of idle time, but there may be small wonder that the men who day and night toil underground like to enjoy a holiday in the pleasant summertime.(127)

In Pictou County similar conditions prevailed. Many steel workers left their employment at the time of hay-making.(128) The Pictou County local newspapers were filled with references to workers at Scotia and Eastern Car leaving for "home", meaning a farm in the nearby rural districts. It was also common for Scotia workers to indulge in lumbering during the winter, sometimes for the company but also on their own. Guy gives an impression of the extent to which wage workers indulged in small commodity and subsistence activities. In analysing the industrialization and urbanization in Pictou County in the nineteenth century, he points out that it was common practice for town residents to have livestock and a vegetable garden of some size. He also notes that:

.. when looking at the number of persons in the towns, the numbers employed in the mines, steel plants and other industries, it is easy to assume that all these people lived in town, but such was not the case, for many farmers lived a double life of working in town and maintaining a farm as well. In the early days this was particularly true of those who lived handy to the town, and could walk or drive by horse and wagon to and from their work. With the coming of the railway the number of these people increased greatly as locals or commuter trains ran in all directions, and at all times to accomodate the changing shifts of the mines and plants.(129)

Of the five hundred workers employed at Scotia between 1897 and 1911, for example, at least forty per cent lived in their own homes. Of these some lived in the nearby rural districts, commuting by horse and wagon or by boat from Abercrombie.(130)

This pattern of seasonal wage employment, then, was a major characteristic of the work performed by Newfoundlanders, Nova Scotians and Pictonians. During the period of unprecedented and rapid growth, from the 1880's to the end of the First World

War, this pattern of seasonal and part-time employment seems to have been more of a nuisance to the employers than a situation in which the capitalists took advantage of semi-proletarian workers.(131) The following statement, given by an English visitor to the Anglo-Newfoundland Development Company's operation in Grand Falls, appears to have held true for many other parts of the Maritimes in the period of rapid growth:

The love of the sea and the fishing ..is in the blood of the native folk, and they are apt to obey its call and get down to their fishing work again after a spell of this up-country labour. Still, it is thought that they will soon be broken of this, will realize the advantage of the good houses in which they are placed at the Falls, and the blessing of a constant employment and a steady wage.(132)

The ties with the pre-capitalist economy were not, however, given up as easily and willingly as the observer at Grand Falls had thought, and it was probably for this reason that Archibald McColl lamented that: "I consider we have around here (Pictou County) the most independent body of workmen on this continent."(133)

There were also, however, advantages accruing to the industrial capitalists who employed small commodity and subsistence producers. This pattern becomes first visible during the First World War. Small and subsistence producers were at this time employed to promote the successful implementation of the piece-work system. This system of work tied wages to the amount of work performed by each worker. The more a worker produced or harder he or she worked the more wages were obtained. A union representative for the car works described the system as follows:

The present system of piece work has grown up

because the companies have chosen it as a method of forcing increased production and the men have accepted it as an opportunity to earn higher wages even if they had to labour in a slavish manner. The companies have been able to determine the absolute limit of a man's productive power and have continually cut the rates and the men have been forced to work harder to earn the same money.(134)

The same spokesman advocated hourly wages to replace the piece-work system.(135) The workers, then, felt that the piece-work system had, to a greater or lesser extent, been forced upon them by the employers. One strategy which the employers adopted in this pursuit was the employment of seasonal labour in the form of farmers and fishermen. These workers entered the factories or mines for a short period to earn as high wages as possible. Thereafter, they left for their farms and fishing boats. In this situation they tended to work very hard, thus enabling the employer to set increasingly higher standards of work. One of the workers at the car company described the operation of the piece work system and the employment of seasonal labour as follows:

I will give you an illustration of piece work, the way we figure it out and the way most of the men figure it out in working all year around. Take the Car Company: They set a piece work rate and they run an order through, and men who are used to running on a basis of piece work all year round they start in after the price is set, and perhaps they will make considerable money; then another young man comes in who has never had any of that kind of work and he is put on this piece work job and he knows that he is not going to be there probably for over two or three months, so he works very hard and spoils the job for the other men, and the other men have to suffer for it all the year around.

Q. How do you mean 'spoils the job'?

A. Because he works too hard, and gets a large pay day, and the next day the price is cut.

Q. Does that always follow?

A. Yes, nearly always.(136)

The employment of fishermen and farmers had the effect, then, of dividing the working class. It would probably be wrong, however, to expect the boundaries between the employees 'working all year round' and the seasonal workers to be very clear and distinct. Divisions also emerged between more and less productive workers (between the young and old, for example). These divisions, according to a union spokesman, were inevitable as once "a man gets a notion into his head that he wants more money he goes after it.." (137) In the end this leads to trouble: "Piece work is driving every drop of blood out of a man and there is nothing to it after a while." (138)

After the First World War, despite the presence of many jobless workers, the employment of farmers and fishermen continued at Scotia and Eastern Car. Cameron states:

After the First World War, employment with the car works became a way of life. For a small group of officials and tradesmen paid on a monthly rather than hourly basis, there was employment the year round. For the great majority of the 1200 men needed to maintain the plant's maximum production rate of 16 box cars per day, it has been a feast and famine existence, predicated entirely upon the needs of the railway systems who buy cars when they want them. About half the employees live in Trenton and New Glasgow, a few in the other Pictou towns, and about 500 anywhere from 2-20 miles distant from the plant, in farm and coastal districts. When the plant works the men drive daily to and from; when the plant is not working they till their small farms. The coast dwellers in season fish lobsters. (139)

The employment of small producers was not merely coincidental but a conscious strategy. The general superintendant and chief engineer of the Eastern Car Company wrote in 1943:

.. it has been the practice always to try and draw labour from the farming and fishing

communities where the men could make some kind of a living apart from the car business and whenever possible our construction schedule was arranged in such a way that it fell in the winter time rather than the summer time when the men were occupied in farming and fishing..(140)

The reason for the above set-up, as given by the same source, was that car building operations "are very erratic and cause many shutdowns" and by employing men occupied in farming and fishing the employees of the car works "would not be a charge to the community" when laid off temporarily.(141) But the record also shows that there were other than benevolent motives behind the employment of farmers and fishermen.

The employment of farmers and fishermen also allowed for the payment of relatively low wages. The superintendant of the car works, for example, stated in 1942 that the inefficiencies of the plant had in the past been made up for by lower wages. He wrote: "Up to now the Company has had an advantage, on account of paying less money both in check rates and piece work prices, and this, more or less, offset the disadvantages.."(142) It was probably because of these wages at the car and steel works that the workers thought of themselves as the coolies of Nova Scotia in the inter-war period.

The last important advantage in employing workers with ties to the land was that they would not emigrate in case of temporary shutdowns. This is expressed clearly in a promotional booklet issued by the New Glasgow Board of Trade:

.. the employment record in this area fluctuates considerably from time to time. It is characteristic, however, that the skilled labour that has been trained locally tends to remain in the area, and is available for local industrial expansion, despite conditions of declining opportunity. This is largely accounted for by the fact that many in the labour force own

property and in slack times are able to employ themselves usefully upon the land. Seasonal labour is available due to the nature of the fishing and lumbering industries.(143)

Kenwood and Loughheed have written that: "An inescapable condition of successful industrialization is the existence of an expanding, mobile and adaptable labour supply."(144) In Nova Scotia and Pictou County this inescapable condition did not seem to exist. Natives and immigrants, be they workers or farmers, either absented themselves from work regularly or emigrated. The labour supply was thus mobile; but the local workers did not practice the mobility that was suitable to the local employers. Instead of flocking to the growing industries and urban settlements, Nova Scotians and, indeed, other Maritimers looked for work in other industrial regions of North America or sought agricultural land in the West. The result was persistent and severe labour shortages of not only skilled, but also unskilled labour. But was not the Maritime labour force adaptable to the emerging capitalist industries? In the beginning years, this appears to have been the case. But as the process of capital accumulation proceeded, problems mounted. Workers moved away and stayed off work to rest or to attend to their farms or fishing-boats more frequently. During the period of general expansion, these actions were not well-conceived and were bitterly complained about by the employers. The labour scarcity, in short, cut into the profits of the industrialists. But this was not the only phenomenon in the sphere of social class struggle which hurt profits. In the next chapter a detailed account of the interaction between labour and management in the workplace, and its impact on industrial growth, will be provided.

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137. Ibid., p. 3649.
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CHAPTER FIVE: CAPITAL, LABOUR AND THE PROCESS OF INDUSTRIAL
DECLINE.

The Role of Foreign Capital.

Scotia, up to its merger with Besco in 1921, has generally been seen as a highly successful and prosperous company. Frank describes Scotia as having had a "strong reputation for cautious management, technical excellence and financial success." (1) McCann agrees with this viewpoint in his article on the rise and decline of the metals complex of Pictou County. He stresses the technological improvements made to the Trenton facilities between 1906 and 1912. He also argues that it was not until the 1920's that the industrial complex of Trenton and New Glasgow was surpassed technologically by the industrial complex in Hamilton. (2)

In discussing Scotia's loss of competitiveness McCann puts particular emphasis on the 'foreign takeover' of Scotia by Besco in 1921. He also identifies other factors, such as the cessation of federal assistance in the form of "freight rate preferences, bounties, tariff protection and grants-in-aid for infrastructural development." (3) The reasons for decline have been seen as external to the region, either emanating from the policies of foreign capitalists or federal politicians. There is, of course, much truth in this interpretation. The danger, however, is to carry the point too far and attribute decline to

external domination solely. Internal factors also contributed.(4) The capitalist class in the hinterland was, namely, 'succumbing willingly and profitably' and/or pursuing economic policies which resulted in external domination and eventual decline.

Although Scotia was owned and controlled by local capitalists, the directors were not averse to soliciting foreign capital. Such capital flowed into Scotia during times of expansion and in 1901 it was even rumoured that the facilities at Sydney Mines and Bell Island were in the process of being sold to American and Montreal capitalists.(5) In 1909, R. E. Harris, the president of Scotia, addressed the shareholders' meeting and advocated the issuing of bonds and debenture stocks in Britain. Harris felt that the amount of capital in Canada for investment was limited and investment capital would be more readily available in London.(6) In 1910 there was an attempt by foreign (Montreal-based) capitalists to take over Scotia but the local owners managed to retain control.

The retention of local control was generally seen as beneficial to the local economy and the local capitalists viewed as true patriots. What is less well-known is that despite the retention of local control, the conditions of the working class deteriorated drastically and real wages decreased after 1908. Local control and ownership, in other words, did not prove beneficial to the great majority associated with Scotia. There are at least some evidence which suggest that conditions would not have been any different under foreign control and ownership. In 1910, for example, Randolph Forget, the leading Montreal capitalist in the forefront of a take-over attempt of Scotia,

claimed that in the case of a take-over Scotia would enlarge operations and double the work force rather than curtail operations.(7)

During the First World War it became patently clear that Scotia's management and board of directors were not concerned seriously about the penetration of foreign capital. It was munitions production that at this stage required the subscription of large amounts of foreign capital. A new blast furnace was built and other equipment added to the plant at Sydney Mines.(8) In Trenton, much equipment had to be converted and added to meet the munitions orders. The foreign capital interests, represented by the Stone and Webster holdings of New York, have sometimes been regarded as having had a detrimental effect on Scotia. The 'foreigners' were the aggressors whose objects were to make money without regard to the welfare of the workers or the local community. What is interesting about the penetration of the American capital, however, is that the American investors did not take the initiative but were solicited by Scotia's management. In November of 1915, president and general manager, Thomas Cantley, was in New York to negotiate the sale of a block of treasury shares. The results were positive. In a later communique it was stated: "...the financial negotiations which have been in progress with New York parties, looking to the placing of large blocks of the company's securities with strong banking interests, have been concluded, and...the company is now ensured of a strong financial position which will enable it to handle any orders which may come along."(9)

What is also interesting about the American take-over

is that the Americans never intended to run Scotia. Mr. Stone, of Hayden and Stone, stated in 1918;

...it was not the wish while the major portion of the stock was held in the United States to make the company an American one. The desire was that it continue purely as a Canadian institution, operated by Canadians, that it should expand and progress into one of the great steel industrial concerns of the continent.(10)

As the quotation implies, the original intentions were somewhat modified with the employment of an American general manager, F.H. Crockard. But Crockard remained at his position for only a short period and thereafter the managerial duties returned to Canadian hands.

In 1921, Scotia became part of Besco. This event, as stated earlier, has been seen by many observers as a major, if not the major, factor in Scotia's decline. At a later stage these positions will be questioned and evidence presented that the roots of the decline of Scotia go back further. At this stage it is of concern to find out whether the merger with Besco was orchestrated only by the American interests of Scotia. In other words, was the merger something that was imposed by external agents and resisted by local interests? The answer is no. Both foreign and local shareholders consented to and supported the merger. The Eastern Chronicle reported in 1921:

With only one dissenting voice representing 200 shares, the shareholders of Scotia decided in favour of the merger and the union with Dominion Steel and Coal and the Halifax Shipyards. The vote cast in favour represented 83,343 shares overwhelming the vote of 200 shares in opposition. It is said the 'no' vote came from a lawyer in St. John, N.B.(11)

The final take-over of Scotia by foreign capital, in the form of Besco, was not an external assault on local interests. The foreign and local capitalists collaborated and pursued

policies which they thought were the best for the company.

An Emphasis On Staples and Basic Steel Production.

The industrial policies of Scotia followed closely those of its major competitor Disco. This meant that although a certain degree of secondary manufacturing was performed by Disco and Scotia, their real efforts were concentrated in staple production for metropolitan markets. In 1917 Gray wrote:

Nova Scotia, as a province, has not reached the stage of industrial and manufacturing activity that should have accompanied a coal mining industry 100 years old... It must be confessed that the potentialities of Nova Scotia have been meagerly realized. Take away the steel industry from Nova Scotia and what other manufacturing activity has the province to show as a reflex of the production of 7,000,000 tons of coal annually?.. The coal mined in Nova Scotia has for generations, gone to provide the driving power for the industries of New England, Quebec and Ontario, and has, in large part, been followed by the youth and energy of the province. For almost a century, Nova Scotia has been exporting the raw material that lies at the base of all modern industry.(12)

These comments are highly appropriate with respect to Scotia. First, it appears from several sources, that Scotia concentrated mainly on staple production for export (coal and iron ore), a highly profitable sector, while the secondary lines of steel production were neglected. In financial circles this was well known:

Some of the folk interested in stocks in Montreal are evidently of the opinion that the coals department of Scotia is the strong and the money making of the concern. Indeed the writer heard it stated with some emphasis, in Montreal, that the reason for Scotia stock being so low was due to the coupling of the words coal and steel and that had the latter word been omitted Scotia common would be nearer a hundred than seventy.(13)

In another illustrative report from 1907 it was stated:

If Scotia never manufactured a pound of iron

or steel the enterprise would still continue to exist on a revenue-producing and a dividend basis. The concern has sufficient ore in sight and out of sight at Wabana to keep it operating merely as a mining industry for many years to come.(14)

The emphasis put on staple production was expressed in many other ways. Cameron claims that for nearly fifteen years after 1895, Cantley was almost continually on the move and his main purpose was to find markets for the large output of iron ore on Bell Island.(15) Table 5:1 shows the measure of his success. The staple extractive bias of Scotia is further expressed in the transportation of the ore. Rather than transporting the ore in local steamers, made from local steel, Scotia contracted foreign carriers:

Cantley went to Northern Europe in 1898 and concluded arrangements with Norwegian owners for the time charters of steamers five thousand to seven thousand tons deadweight. This was the inception of dealings with Norway that continued for years and in that period the Nova Scotia Steel and Coal Company time-chartered ten to fifteen large steamers per year for the company's coal and ore carrying work.(16)

In comparison to the steel ships built at the Scotia shipyards during and immediately after the First World War, these Norwegian steamers were huge. None of the ships built at Trenton had a gross tonnage exceeding two thousand tons.(17)

Coal and iron ore were replaced by shells during the First World War as the most profitable line of production. The secondary manufacturing of steel was still in the background. Indeed, Archibald McColl, Scotia's secretary, stated that sixty per cent of Scotia's orders during the war were for munitions. In addition, McColl claimed that although the company had been paying dividends during the war, these dividends were not paid out of the manufacturing operations (car building and steel

Table 5:1
Ore Mined by Scotia and its Distribution, 1895-1910,
Wabana Iron mines, Bell Island, Newfoundland

Year	Nova Scotia	United States	Germany	Great Britain	Total shipments for year	Total to Date
1895	2,400	-	-	-	2,400	2,400
1896	15,545	20,355	-	-	35,900	38,300
1897	10,842	29,499	2,523	2,523	45,387	83,687
1898	30,913	-	63,468	6,476	101,127	184,814
1899	23,492	87,993	173,760	17,599	302,784	487,598
1900	33,200	137,381	-	13,193	183,774	671,372
1901	25,214	75,261	189,957	52,206	342,638	1,014,010
1902	31,725	86,341	207,923	96,917	422,906	1,436,916
1903	26,927	80,992	173,339	62,069	343,327	1,780,243
1904	86,162	5,380	119,624	34,767	245,933	2,026,176
1905	79,140	5,795	218,868	4,241	308,044	2,334,220
1906	74,800	126,665	124,757	61,629	387,841	2,722,061
1907	110,870	110,689	85,331	63,842	370,732	3,092,793
1908	81,040	53,154	142,111	36,490	312,795	3,405,588
1909	91,700	215,364	91,542	61,781	460,387	3,865,975
1910	129,501	220,836	138,306	43,415	532,058	4,398,033
Total	853,471	1,255,635	1,731,509	557,418		
% of Total	19.4	28.6	29.4	12.7	100.0	

Source: Cantley, Th. "The Wabana Iron Mines of the Nova Scotia Steel and Coal Company Limited." Transactions of the Canadian Mining Institute, 14 (1911), pp. 276.

rolling).(18) After the war the emphasis on coal and iron ore exploitation continued. Scotia bought the Acadia Coal Company in 1919 and after the merger with Besco, coal and iron continued to be extracted and exported.

It was generally thought, and later proved, that coal was the leading and most profitable line of production after the First World War and that the frequent and substantial cuts in wages imposed on the miners were used to make up for the less profitable lines of steel manufacturing.(19) The later lines of production were not, however, only suffering from a general trade depression. According to one union official the idleness of the steel plants was due to the selling of iron ore to Germany. The union official continued:

McLachlan claims that idleness at steel plants and coal plants is due to the selling of iron ore to Germany. It is for this reason that the corporation refused to appeal for a government order for railway material. It is more profitable to export iron ore than to use it locally. McLachlan claims that the coal miners are being forced to pay (through the wage reduction) the enforced idleness at the steel plants.(20)

The steel sector was not only suffering from a lack of iron ore, however; it was also suffering from technological neglect.

Secondary Steel Manufacturing and Technological Neglect.

What effects did the emphasis on staple extraction and export have on the steel manufacturing sector? Despite several important improvements and additions to this sector, it appears as if the secondary manufacturing of steel was neglected technologically. The timing of the neglect is difficult to pin-point. Very roughly it appears as if Scotia measured up to the standards of a competitive steel company throughout the

1880's and 1890's but sometime in the first decade of the twentieth century conditions changed.

There is plenty of evidence that suggests that Scotia's facilities in Trenton were not maintained properly and improved sufficiently to assure the continuation of a relatively prosperous industrial community. In 1943 - in the evidence given before a Royal Commission - it was revealed that the last improvements in the machinery that 'Scotia' had made were during the First World War.(21) At that stage, however, the improvements were highly selective and by no means all-encompassing. One major improvement, as stated earlier, was in machinery used for the highly profitable production of shells, a temporary line of manufacture called forth by the war. The technological edge that the company held in this line of production was not matched in others. The spokesman for the men during a strike in 1915 stated:

The company lays great stress on the improvements made in the plant. It is not our business to criticize the plant. It is sufficient answer to say that no company can exist, which does not try to keep up to date. It is only in certain parts, however, that this plant can be said to excel anything in Canada or in America. In many other respects it does not compare with other steel plants as the company has suggested.(22)

Four years later the technological backwardness of the plant was once again criticized by the men. They stated:

We claim that the Scotia Co., which has available \$5M, good credit with the banks, and financial institutions, and enormous natural resources to pledge for further advances, should make the capital expenditures necessary to install up-to-date machinery. A great part of these improvements have been overdue for 20 years.(23)

The rolling mills, for example, were very old and out-of-date.

In 1915, one of the mills, No. 1 mill, was described as "pretty

much the same as it was when the Steel Works started." (24) And in the Royal Commission of 1943, one expert rendered the following comment:

These mills to my knowledge have had no improvements since the winter of 1917-18.... They were then (1917-18) old and practically antiquated. The labour cost was excessive and costs high in labour maintenance and material. Further, not one of those mills had anything like sufficient room in which to cool and handle their products. (25)

The lathes which turned the rolled goods from the rolling mills were also old. The general superintendant at Trenton wrote some time in the early 1920's:

We have 4 lathes at present in our Roll Turning Shop, two of which used for turning 9" and 18" mill rolls are in very bad condition and are practically worn out. These lathes are very old, have been consistently under repair, and as a result of their present condition our Roll Designer claims we are losing 1/3 efficiency. (26)

It was small wonder that one of the major complaints that the workers of Scotia raised at the hearings of the Royal Commission on Industrial Relations in 1919 was "the efforts of the Nova Scotia Steel and Coal Co. to reduce costs by reducing the number of men on the mills instead of putting in up-to-date machinery." (27) The workers complaints, however, were left unanswered. Later in the year (1919) the work force at Scotia was reduced to such an extent that the men could hardly find time to cease production for the two minutes ordered by the King in the memory of the 1-year old peace. (28)

The shipbuilding operations which Scotia had commenced during the war were also lacking in modern equipment. The Workers' Weekly referred ironically to the shipyard as "that wonderful plant" and it was generally known that the poor working conditions and low wages paid at the plant compensated

for the lack of modern machinery.(29)

Even the car works, established in 1913, and at that time modern and well equipped, was left to deteriorate. In a report by the superintendant of the car works to the president, dated April 29, 1943, this becomes very clear.(30) In the document the superintendant reviewed the history of the car works and made several very interesting observations. According to the writer, the car works were disadvantaged in several respects vis-a-vis its major competitors in Montreal and Hamilton.

On account of the plant having only one-half the output of the other two Car Companies, it is at a disadvantage in getting long runs as the orders are generally smaller in quantity, and the setting up of dies, tools and equipment for a small contract is the same as for a large one. The Company also is at a disadvantage on account of the cost of material delivered at the plant; for instance, material delivered at Trenton for a box car costs \$50.00 more than it does at Montreal, and \$75.00 more than at Hamilton.(31)

In another section of the document the superintendant noted another severe handicap:

The question of modernizing the plant has been up different times since 1929, but no money in any proportion has been spent on the plant so far. The result is that The Eastern Car Company, Ltd., is far behind its competitors in machinery and equipment and both the staff and the men know and feel the disadvantages that they have to cope with.(32)

The author went on to note that the car works were not disadvantaged with respect to markets since all cars were sold and "delivered f.o.b. C.N.R. tracks, Trenton." The significance of these comments is great. First, they indicate clearly that the works, after their establishment, were neglected technologically. The concern over the competitive state of the plant in 1929 indicates clearly that the car works had been neglected for an extended period, probably even under local

ownership and control. Second, they suggest that the difficulties at the car works were inter-related to the neglect and decline of the steel works.

As noted earlier, the steel works supplied all the 'raw material' to the car works in Trenton and, indeed, also to the car works in Montreal and Hamilton initially. In time, however, this flow of material was reversed, a function, no doubt, of the neglect of the steel works. The decline of Pictou county as an industrial region based on secondary steel manufacturing, then, must at least in part be seen as a result of the decline of the rolling mills as from the early 1900's. Had the rolling mills been kept up-to-date and expanded, the car works may have performed better, older industries may not have closed, and perhaps even new industries may have been attracted to the county.

The working class community was keenly aware of this equation and the local press, the Workers' Weekly particularly, was full of references on the need to improve the steel works after the armistice in 1918. When Scotia purchased the Acadia Coal Company in December of 1919 the Workers' Weekly reported: "All that is necessary is the proper machinery, and when equipped with the same we venture to predict that the East River (flowing through New Glasgow and Trenton), before many years, will be known as the Clyde of Canada." (33) As the depression deepened the newspaper became even more explicit and detailed about what action should be taken. In 1921 the following could be read:

At the present time, when the women of Trenton are feeling the pinch of the industrial depression which we might say has prevailed in our town since armistice was signed about three years ago. They

naturally have suggested as to what the women would do if they had the one million and a quarter dollars clear profit that is said the Nova Scotia Steel and Coal Company have made in the year 1920. Well, they would first start in and extend the plant, put in new mills and build up this old-cried down shack into a modern well-equipped place that would prepare them when ready, to take orders and figure at prices that would compete with other companies. The company informs us that has to be done later. (34)

These were not suggestions taken out of the blue. After the war Disco had added some material and improved its facilities in Sydney, Cape Breton. During the depression of 1908, when Scotia experienced a period of 'arrested development', time was taken to improve and extend the plants. (35) When reminiscing about the period before 1915, Cantley had the following to say about technological improvements and industrial success: "The fact that the plant was kept free from bankruptcy is that the directors and management were courageous enough to invest such a sum of money and today we can handle material as well as any Steel Works I know on this continent or across the water." (36) It was common practice, as it is today, to up-date and improve the means of production during general economic depressions. Indeed, even Scotia's manager, McDougall, expressed the intentions and appropriateness of modernizing and extending Scotia's operations:

New business, said McDougall, is offered to a limited extent which are at present attractive to the Scotia Co., consequently, now is the time to make the necessary preparations for the future. With this in view certain extensions of plant which have been contemplated for sometime will also be planned and undertaken where possible during the shut-down. (37)

Yet the company, before and after the Besco merger, did not act. It could only state that the lack of orders was due to the fact that they "couldn't compete with other companies on

account of poor equipment." (38) Scotia's facilities in Trenton, in other words, were maintained sparingly and equipped poorly, as a conscious and deliberate policy despite the good financial position inherited from the very profitable manufacture of munitions. Scotia even exploited the fact that the plant and equipment were out-dated to demand a lower scale of wages for their workers. The workers were adamantly opposed to this policy. One worker, H.C. Fraser, stated in 1919:

... as regarding the rates of wages of the men in the different departments of the rolling mills, the company claim that because of this, they cannot compete with other places, owing to what they are lacking in equipment. This is one thing the men are very much displeased with. They don't think it is fair that they should have to make up for what they are lacking in modern equipment. (39)

The antiquated nature of the plant not only put pressure on the workers' wages, but also on the safety of the plant. During the early years of Scotia the technological standard of the works was adequate and accidents were rare. In 1904 the Eastern Chronicle boasted that in Trenton the Scotia officials "are extremely careful of the men placed under them & compared with the record of Disco the accidents at Trenton are a mere bagatelle." (40) But with the deterioration of the plant this rosy picture changed. In 1917, it was reported for Nova Scotia as a whole:

We are plodding along at least ten years behind the advanced methods of safety and we are having hundreds injured and losing thousands of valuable and necessary days of work each year by preventable accidents ... the province of Nova Scotia is not living up to its reputation. (41)

It was not strange that Scotia's facilities were included in this assessment, for only six years later they received a severe reprimand from another government source:

Do you think that 10 accidents from the Steel Co. in Feb. were really more than there should have been? Further, it would seem as if the Eastern Car Co. has not been making a very good showing in this respect for some months past... there are a great many plants larger than either of the Trenton ones going for long periods without a lost time accident.(42)

It was not strange that the workers urged management to implement up-to-date machinery to make the products of the mills more competitive, to do away with hand labour and to lower the accident rate. This would also have created, according to the workers, a general expansion for the benefit of the labour displaced by mechanization.(43)

Perhaps one could ask, at this stage, whether there was no up-to-date machinery at Trenton capable of turning out goods priced competitively? The hydraulic forges which had been imported from Germany just before the war fall into this category. The Workers' Weekly wrote of the forging shops, on December 3, 1920, as follows:

The big press in the Forging Shops of the Steel Works is one of the largest and most up-to-date in Canada. The Forging Shops are among the best equipped with all the convenient improvements to complete work quickly. There should be a constant demand for the stuff manufactured there; such as heavy shafting, car axles etc. and yet that part of the plant hasn't been in operation more than 2 months since last June. It seems to us that if there was a hustler on the road to drum up orders Scotia should be able to get their share.(44)

The lack of aggressiveness in marketing referred to by the Workers' Weekly in reference to the forges was a plight common to Scotia as a whole:

It is pointed out on the street that while our steel plant is short of orders, that the Upper Provinces' steel plants employ travellers to constantly cover Nova Scotia in search of trade and evidently are successful. A representative of the Canadian Steel Company, it is said, is ever on the road hustling business among the merchants,

dealers and smaller users of steel products, and the orders go to Hamilton, Ontario. It may be that the material sold is not within the grasp of our steel industries to manufacture, but it does not seem out of place that after all these years of steelmaking in Nova Scotia that the smaller producer of steel should send a 1000 miles away to procure his requirements.(45)

Another assessment of the poor marketing performance of Scotia is reflected in the loss of the local market:

..Up until 1920 the steel wares manufactured at Trenton had to a large extent control of the Maritime market, which was not an insignificant one. Gradually this was invaded by the Steel Company of Canada, which produced a more varied quantity of products.(46)

As indicated, this market was not "insignificant". Indeed, there was room for expansion in some areas. One telling example was the delay of the widening of a bridge in New Glasgow because of a lack of material in the United States:

The effects of the steel strike in the United States, are brought home even at this distance, when the work of widening George Street Bridge cannot be proceeded with for lack of material. It is questionable if the iron work can be touched this winter and the covering will have to be renewed on the bridge as it now stands.(47)

It should be remembered that this was at a time when not only Scotia but the Maritime Bridge Company were in the prime of their industrial lives.

The problems of the forging shops were augmented by other unfavourable conditions. One superintendant at the Trenton facilities wrote in the early 1920's:

If we were equipped with up-to-date machines for finishing, and the cost of our steel was brought down we would have a much better opportunity to capture a larger share of the trade in this line (shafts and forgings). We assume that Welland imports their billets or forging steel and in order to underbid us we believe they must be getting some cheaper than our stock is costing us from Sydney. P.S. I understand through our Mr McNeil that Canada Cars are able to buy their billets from Sydney

cheaper than we are.(48)

The Trenton plant, then, was lacking technologically in some respects and was suffering from an exceedingly high and discriminatory price of billets from Sydney. The rolling mills were also, of course, suffering from this circumstance. This was by no means an invention of Besco. It was a continuation of a policy implemented by Scotia from the very beginning. The Trenton forge and mills had never received steel billets from Sydney Mines at cost price. In 1903 it was stated: "The plants at Sydney Mines and Trenton will...be placed on the same footing as if they belonged to rival companies, the standard by which they will be compared being the price at which they can sell their products in Montreal."(49) Scotia's and later Besco's facilities in Cape Breton, then, made a profit at the expense of the facilities in Trenton. This was a condition which continued after the demise of Besco, under receivership operations in the late 1920's and 1930's, and under Dosco subsequently. When commenting on this arrangement during the inquiry of the closure of the rolling mills and nut and bolt plant in 1943, the counsel for the company had very little to say. When an American engineer pointed out that in the United States subsidiary steel plants buy billets at cost plus freight, the counsel responded tersely: "After all we do live in different countries don't we?"(50)

A final and perhaps most well-expressed judgement of the Scotia facilities was made by Judge Carroll, the Commissioner who headed the investigation of the closure of the rolling mills and nut and bolt plant in 1943:

It would seem that Dosco and its predecessors, and especially its predecessors (Scotia and

Besco), are open to criticism for allowing the Trenton plant to deteriorate, not keeping it in such a condition that would enable it to give service to the public in its lines, and have a fair chance to compete with like industries elsewhere located. It would also help to save the situation had those in control of the steel industry at Trenton listened to public-minded men in this province and installed machinery to get a more varied production and also to undertake the manufacture of other steel wares.(51)

The decline of Scotia's steel operations and the associated local metal works cannot, then, be seen as only the result of the general economic recession, the small local market and various regional factors (such as the foreign take-over); it is clear that the company's policy of emphasizing staples production and neglecting technological improvements also played an important part.

Capital, Labour and Industrial Growth/Decline.

Industrial growth and development is to a large extent dependent on a successful resolution of the conflict between capital and labour. This ensures that production can proceed without interruptions in the form of strikes and lockouts. Yet very little to date has been written on the labour-capital relationships of the secondary industries in Pictou County. Cameron holds the view that workers and management interacted in harmony - with a few minor exceptions - until foreign capital penetrated the region. In the case of Scotia, he writes:

It was in the early period that the employer-employee relationship of Scotia Steel was established. It lasted for forty years, until Besco's absentee management. Fraser and McKay, the record shows, in business were reputable men, and their employees held them in respect. In the beginning, the founders worked with their men in the forge... With their employees they sweated together, they fired furnaces together, they held the tongs

together under the jarring blows of the steam hammers on the white hot billets of iron and steel, they knew one another as only humans who toil together know one another.(52)

This picture was also supported by Scotia's general manager, Cantley, who later represented Pictou County as a federal M.P. and senator. In the House of Commons in 1930, Cantley spoke of the near perfect record of Scotia's labour management relations as follows:

The success of the ideal to which I refer is evidenced by the fact that in the case of the mainland enterprise, which has operated continuously for more than fifty years, and in the case of the Sydney Mines coal and steel operations, carried on over a period of thirty years, no strike has ever occurred. True it is that on one brief occasion during the overstrained period of the war a ticket-of-leave Australian convict agitator appeared and succeeded in stirring up some little friction.(53)

The connection between locally controlled industrial growth and labour-capital relations is clear in these accounts. When Scotia was controlled locally, industrial development proceeded rapidly and capital and labour cooperated. When foreign capital took over, industrial decline and disharmony set in. Some elements of the interconnection between industrial prosperity and labour harmony are probably correct for the very early years of Scotia. In the next section, some evidence will be presented in support of this position. For the last decade of Scotia's existence, however, there is very little to support this interconnection.

There are many strategies employed by capital to control labour. These can be categorized into two fields - which are not mutually exclusive - collaboration and confrontation. Of these collaboration and harmony, in the form of paternalism, seemed to be dominant in the early years of Scotia.

In 1888, Graham Fraser testified before the Royal Commission on Industrial Relations that there had never been a strike at Scotia. Employees, at the same hearings, did not voice any serious complaints. The record also shows that class collaboration and paternalism was a well developed concept in labour-management relations. The most obvious case was the Employees' Relief Fund Society which was established in 1889 and continued in existence until the late 1930's. As the name implies the society's aim was to help those steelworkers and families who were struck by accident or sickness. The funds for the society were obtained from workers' contributions and company funds. Of these funds the greatest part came from the employees. Yet the company had a great deal of insight and control in the society. The Society's funds were in the trust of company officials and the latter were always present by presiding or giving speeches at the annual meetings. The leadership of the society, beside company officials, fell upon trusted employees such as foremen or workers close to retirement.

The elitist orientation of the leadership of the society did not mean, however, that their society stood apart from the rank and file workers. There were many instances - at least up to the closing of the primary steel making facilities in 1904 - that workers 'waited upon' their foremen to present them with gifts of appreciation. These presentations took place when the foremen were promoted, moved away, retired or departments were phased out. The close bonds between at least some foremen and their employees probably paralleled the relationship that Cameron describes between the two founders of Scotia, Graham

Fraser and Forrest McKay, and their employees in the early years. It should be pointed out, however, that paternalism as a successful ingredient in management-labour relations was becoming less and less of a factor as Scotia grew larger. This change I will return to at a later stage.

Paternalism was not confined to the Relief Fund Society. Graham Fraser was a prominent member in community affairs. In 1891 he guaranteed the rent for a year of a reading room started by a Mutual Improvement Society.(54) In 1897, Fraser, his brother Simon, and Henry Ritchie, all officials of the steel company, donated company land to the workmen for the purpose of establishing an athletic ground. The company officials were duly thanked by the workers and in later years Graham Fraser was honoured by giving his name to an annual cricket tournament. In 1904 Fraser left the Scotia Company for a position with Disco but a few years later he returned to Pictou County and served as mayor for New Glasgow.

A sign of goodwill extended to the workers by the company was the arrangement of an annual excursion to Halifax. The trip was arranged in one of the summer months and the number of people who participated ranged from 400 to 700. Anybody could come along and the event was advertised in the local newspapers. In 1904 the Eastern Chronicle carried one such advertisement:

Monster Excursion to Halifax
Mammoth Aquatic Regatta.
Visit the Public Gardens. Grand Matinee
Leaves New Glasgow 6.15. Leaves
Halifax 7.30. Return fare.
Adult Employees \$1. All others \$1.25.
God Save The King.(55)

Even as late as 1910 there seems to have been a significant degree of harmony prevailing between management and

labour. At the hearing of the provincial Royal Commission on Hours of Labour, it was stated "that the feeling of the men in regard to the company (Scotia at Trenton) is exceptionally good."(56)

Paternalism was also an element in the smaller industries and merchant establishments in the county. Picnics were organized regularly in the summertime and during the winter it was common for employers to take their workers for a sleighride.(57) These conditions suggest that, apart from the sometimes turbulent coal mines, interruptions caused by industrial disputes were rare. The peaceful labour climate was a boon to Pictou County industries and the local businessmen boasted over the absence of strikes and confrontations. In two promotional publications of the early 1910's, for example, it was stated that "labour disputes are settled by friendly communications between employers and men" and "strikes are rare."(58)

Yet there existed industrial conflicts and friction before the 1910's, as is evidenced by the disputes in Trenton and Ferrona in 1890, 1897, 1903 and 1908.(59) In one case one even suspects that paternalistic gestures were extended to legitimize repression. In 1897, the workers were given the athletic ground in the midst of a wage cut and unionization attempt.(60) The scattered events of labour unrest before 1910 intensified in the 1910's. The coal mines were not only affected, but also other industries. The shift is noted by one writer, calling himself "an old boy", who wrote to the Pictou Advocate in 1910:

The relations between capital and labour were more human than now. Capital had not then lost

its own soul in seeking to gain the whole world, and labour was loyal, not to capital, but to the human soul behind it. The boycott, the strife, the strike, are later developments, so also is the soulless corporation, behind which human greed hides its identity, and to whom we vainly cry for bread only to get a stone. The dramatic persons then acting their different roles have nearly all past off the stage.(61)

In a similar fashion, one coal miner testified that until "about 1910 or 1911 no one could have worked for a better company than Dominion Coal."(62) But this picture changed. As the "old boy" stated, capital had become larger, controlling industries not only on a regional but national (sometimes international) scale and thereby becoming less responsible to what geographers sometimes call people and place. The already existing fragility of the Pictou County economy was exacerbated. The captains of industry had a widened spatial perspective on profitability and could make investment decisions accordingly. The original question which prompted the present study related to the impact of the capital-labour climate on industrial growth and prosperity. Some of the structural and quantitative aspects of this question were discussed in Chapter Four. The remaining part of this chapter discusses the qualitative aspects of the labour force (unionization, strikes, militancy, etc.) and their potential impact on industrial growth and decline. Two main events and periods, different qualitatively, are discussed.

The first deals with the Pictou County glass industry which experienced a boom from 1881 to 1892 and then declined rapidly. The empirical material in this case suggests that the capital-labour situation had an important, if not decisive, role in the gradual disappearance of the local glass industry. The second phase of development deals with the decline of the

economy of 'coal, iron (steel) and rails' from about 1914 to 1921. During this phase of development many factors contributed to industrial decline. The qualitative aspects of the actions of capital and labour, capital especially, were decisive in the industrial decline of the region.

Confrontation I: The Case of the Nova Scotia Glass Company.

The first prominent industry affected adversely by 'labour problems' was the Nova Scotia Glass Company which was the largest and most diversified of the local glass works. The Nova Scotia Glass Company was started in 1881 by local capitalists who were connected closely with Scotia. Local capital was in control until 1890 when - according to Cameron - the local capitalists "felt obliged to sell due to increased competition in Ontario, and a rise in freight rates to Western Canada." (63) The new owners were the Diamond Glass Company of Montreal. What happened after the foreign take-over of the local glass company? Cameron states:

The Montreal directors, in the pattern of so many of their successors in other Nova Scotia endeavours, took just twenty-four months to close out the business - the first, but not the last, Pictou County plant to meet an ignominious fate at the hands of Montreal-Toronto ownership-management. (64)

What are we to make of this conclusion. Did the glass factory close as a result of the take-over by Montreal capital and management? As in the case of Scotia, several events suggest that this may not be the full answer. First, the local owners were not forced to sell, but chose to sell to Montreal capital. (65) Second, the Montreal managers let it be known that they "would turn out goods in Trenton which would be equal to

the American products" and did order new patterns and moulds.(66) This seems to indicate that the Montreal managers did not merely plan to close the glass plant. Third, and very important, the glass company had been, and was increasingly, affected by the impact of what seemed to have been a strong, craft-based, glassblowers' union. When operations started in 1881, about thirty skilled workmen were recruited from Pittsburgh. One newspaper account tells of these workers that "there may have been some steady men among them, but as a whole they were drunken and reckless, only one in the lot having a trunk or a second set of clothes."(67) Regardless of the truth or falsity of the statement, the workers could and did work. In the spirit of true craftsmen they thought of themselves as the best in the trade and "they would not allow any one to learn the business.."(68) The same problem had confronted the General Mining Association in the 1840's when imported coal miners refused to let local workers perform or learn their tasks. In the case of the coal miners, one source gives an indication of the 'problems' (to management) which go along with a 'craft monopoly':

The colliers are considered as tradesmen and as such paid high wages. They fix their prices and will not consent to admit any other persons into the works. Two thirds of their work could be done by common laborers and yet they insist upon doing the whole themselves at wages of from eight to twelve shillings per day besides privileges in rent and fuel to the value of twelve to fifteen pounds annually. In the same pits labourers perform services equally severe for three shillings and six pence or four shillings a day; but these men are not allowed to touch the work of the miners.(69)

The monopoly of the miners was ended by several circumstances. The increase in demand and production of coal after 1850 put serious strains on the 'craft monopoly'. It was

no longer possible to bar local men from becoming miners. Coal mining, moreover, cannot be considered a purely skilled operation which takes years of hard work to learn. As McKay points out, inexperienced hands were put in the pits, and although they confronted difficulties, they did learn to mine coal.(70)

In the isolated glass plant in Pictou County the situation was different. The skill of the imported glass blowers was indispensable and was absolutely necessary to maintain and expand the plant. In order to expand, however, and as later events would show, the skill had to be taught to local men. The local management therefore closed the plant in order to get rid of the Pittsburgh men and then began recruiting Bohemian and English glass blowers.(71) This took place in 1884 and the Bohemians and Englishmen seem to have been recruited on the understanding that their skill should be taught to local men. By 1887, one source reported that most of the 'foreigners' had left and their places had been taken by local men.(72) Another source, however, still referred to the glassblowers as "kind-hearted strangers".(73)

Although there was a union in existence during the period before the Montreal 'takeover', the glass workers still seem to have worked for wages below the general standard prescribed by the International Brotherhood of Glassblowers, an affiliate to the American Federation of Labor. In the hearings before the Royal Commission on Labour and Capital in 1888, for example, the manager of the Nova Scotia Glass Company reported that wages or piece work rates were lower in New Glasgow than elsewhere.

Q. About how do the wages compare here and in Pittsburgh and elsewhere where they make the

same ware?

A. I think, for the goods of the same quality, the price here is lower.(74)

There is very little material extant to tell the story of the union at the glass works before the Montreal takeover. What is known is that all the workers were not members.(75) But the union still had an impact on the working conditions of the plant. Those workers who were organized were committed union men and enforced at least some union rules pertaining to the work process. In 1888, for example, the manager stated "that the Glassblowers' Union establishes so many articles as forming a day's work."(76) The union men also made their presence felt in other spheres of industrial relations. During a strike at the coal mines in 1887 the glass blowers contributed to the coal miners' strike fund. In one of a series of acknowledgements, appearing in the coal miners' newspaper, the Trades Journal, it was stated:

A 3rd weekly donation of fifty cents per member is hereby acknowledged from the members of the union in connection with the Glass Works. They must be made of right good union stuff.(77)

In the winter of 1889/1890 the ties with the International Union strengthened considerably. As later events would show, not only were the workmen at the Nova Scotia Glass Company expected to adhere to the "production quotas" stipulated by the union, they were also expected to demand and receive union wages. Labour problems were evaded at this point, however, by the men agreeing "to work out that fire (season) at the old rates should the union allow."(78)

With the strengthening of ties with the international union a whole series of events set in which suggest that the glass company was affected "negatively" as a result of their

workers not being willing to settle for less than their counterparts in other glass manufacturing establishments. Perhaps it is also more than coincidental that the Montreal takeover took place shortly after the formation of the union. With its formation, strikes were certainly anticipated. In the agreement between the local owners and the Montreal leaseholders it was stated that the plant should be run eight months of the year "barring strikes".(79) Was the Montreal Syndicate solicited to cope with future labor problems?

Several events point to a positive answer to the above question. First, the season during which the union was formed, ended very abruptly in the month of May and started as late as September while the previous custom had been to stay closed for a mere five weeks.(80) The late start was probably caused by a wage dispute. In early September 1890, Mr. Beach, the new manager, stated that the factory would start "if the men would work at the old price."(81) It was not until late September, however, and after the Eastern Chronicle had appealed to the common sense of the glass blowers, that the Glass Works opened.(82) Whether the glass blowers went back to work at the old rates is not known but it is certain that their pay was still below the standards prescribed by the International Union. The delay in operation can without doubt be seen as due to industrial conflict, as, once in operation, the company had the order books filled and a record high employment figure at 150.(83)

(Industrial unrest was still, however, looming at the plant. In early November representatives of the international union arrived and "inspected the works and decided that the men

could do union work and should have union prices (wages), and gave them the alternative of either leaving the union or going on strike." (84) The glass blowers made a demand for union wages but were refused. In mid-December, 1890, the glass blowers notified the manager that unless they received union wages they would quit work. (85) On Saturday, December 20, the strike started. Unfortunately, very little is known about the conflict. Newspaper accounts are short and superficial or lacking completely and the men on strike did not make any statements, "not wishing to precipitate a newspaper controversy." (86) The strike ended in early January, 1891. It is not clear which side won the dispute. One newspaper account reports that the local manager received a telegram during the strike ordering the shutdown of the plant for the winter. (87) The opening of the plant a few days later suggests that the men gave in under the threat of a closure. Another newspaper article suggests that the men obtained some demands. (88)

Regardless of who was the victor in the strike, management or the glass blowers, curtailments of production were made almost immediately after the strike. In late January the company cut out the production of lamp chimneys. The reason given was that they could be made cheaper in Montreal. (89) Shortly thereafter the plant closed. (90) The plant remained closed for nearly seven months and opened in early October. (91) Very little is known about this season. The works seem to have been busy as the employees were required to work both Christmas and New Years Day and operations lasted til the regular seasonal closing date of June 15. (92) The work force, however, had been reduced to eighty or ninety male hands plus half a dozen

women.(93) The labour union continued to exist in the glass works. In January, 1892, the boys made a demand for an increase in wages from eighty cents to one dollar a day.(94)

In May there was further friction but not between the management and the union. This time the local union was fined by the International union. Although newspaper accounts are scanty on the nature and circumstances surrounding the fine, it is quite likely that the fine was related to the wage standards set by the international headquarters. How this issue was resolved by the international and local union is not known, but we can probably assume that the issue figured prominently, as it had in the past, in the final closure of the plant on June 15, 1892. At this point the moulds were discarded or sent to plants of the Diamond Glass Company located in Montreal.(95) In 1898 the company's office and fixtures, and a number of sheds, were sold at a public auction.(96) The last trace of the factory was eradicated in 1899, when a major fire consumed what had become a "favourite place for beer drinkers and tramps."(97)

It is evident that after the closure of the Nova Scotia Glass Works, foreign or Montreal capital was no longer interested in pursuing their glass manufacturing operations in the Maritimes. It was preferred to concentrate production as well as to serve the Maritime market from Central Canada. In this pursuit one of the other glass works was taken over and closed by the Diamond Glass Company in the 1890's.

One glass factory, operated by the Humphrey brothers, however, continued in operation until 1915. This factory seemed to have served the local market exclusively and seemed to have conducted its operations under infinitely worse conditions (for

the workers, that is) than the Nova Scotia Glass Company. In 1915, Humphrey's glass works employed mostly boys who according to Humphrey were from fourteen years of age and up. The wages were from seven to eleven cents an hour and the boys worked for nine hours with two short fifteen minute breaks. Some boys, however, did not get a break since work still had to be carried on through the resting period. The conditions of the plant were clearly a reflection of industrial "prosperity" based on cheap (child) labour and long working hours. In the hearings by a Conciliation Board associated with a steel strike in 1915, in which the steel company attempted to use the working conditions of the glass works as a justification for their own treatment of their boy employees, it was discovered that the glass works were run in contravention of the Factories Act. The following answers and questions were recorded at the hearing:

Murray - Have you ever been convicted under the Factories Act?

Humphrey - I cannot say off hand, it was my brother who was carrying on the work then.

Murray - Did you pay a fine?

Humphrey - I cannot say that. I know we had a boy under fourteen.

Murray - Answer the question.

Humphrey - I really think we did. I could not swear to it. I was away at the time.

Murray - You work the boys nine hours per day?

Humphrey - Eight and a half. (Some boys worked nine hours according to an earlier statement by Humphrey. My comment. L.A.S.)

Murray - Do you know that it is unlawful to work them eight hours and a half per day under the Factories Act?

Humphrey - I did not know that. (98)

A further perspective on the low wages and long hours at the Humphrey Glass Works can be had by comparing its working conditions with the defunct Nova Scotia Glass Company of 1888. The working conditions for the boys at the Humphrey plant seem to have been infinitely worse than at the Nova Scotia Glass

Company, lending support to the general hypothesis that for industries to succeed in a hinterland they have to depend upon a low paid and/or unorganized labor force. (See Table 5:2) During the time that separates the statistics in Table 5:2, the cost of living in Pictou County had increased by at least 33 1/3 per cent. (99) If we make allowance for this increase in the cost of living the discrepancy between the wages in 1888 and 1915 appears very wide indeed.

Shortly after the evidence of fourteen year old boys working 9-hour days at the Humphrey's Glass Works, the plant closed. The official explanation given for the closure and subsequent relocation to Moncton, N.B., was the high price of coal locally and the availability of cheap natural gas in the latter location. An further reason for the closure must have been the added costs that would have been incurred by the plant complying with the regulations set by the Factories Act. Why else was the Glass Works closed so soon after a major infraction of the Factories Act was revealed? However, to single out the latter event as the major cause of the closure would be wrong. The Glass works had for a long period suffered from a high price on coal (see chapter 3) and there is no reason to doubt that the concern was actively seeking an alternative location with a cheaper source of energy. It seems quite likely that the "problems" with the Factories Act speeded up or perhaps even induced the move to Moncton with its cheap natural gas.

Five years after the Humphrey's moved their glass works to Moncton the works closed for good. The reason for the closure was given to be the increase in the price of natural gas that had been made "within a very short period" after the plant

TABLE 5:2
 WAGES AND WORKING HOURS AT TWO GLASS INDUSTRIES
 IN PICTOU COUNTY, 1888 AND 1915

	Nova Scotia Glass Works (1888)	Humphrey's Glass Works (1915)
Working hours:	7-8.5	8.5-9
Daily wages for boys:	50c.-\$1.50 (Ages 12-18)	63c.-99c. (Ages 14 and up)

Source: Canada. Royal Commission on the Relations of Capital and Labour, 1889, vol. 6, Evidence for Nova Scotia, pp. 371-2, 399 and Free Lance, Sept. 25, 1915, p. 4.

had been established. But the labor situation at the plant also seemed to have an impact on the closure. We know that the glass blowers were outspoken and far from docile shortly before the closure. In 1919, the glass workers, who were now once again organized under the American Flint Glass Union, demanded recognition of their union and standard wages. The management, however, "refused and when the men insisted they were told the concern was not paying and would be closed down." (100) The board of directors, however, disagreed with the management and offered the workers to operate the plant by themselves and turn over 25 per cent of the proceeds to the owners. Should the experiment work, which it did, the owners would take over the plant and offer union wages.

The happy situation did not, however, last very long. Already the next year, as noticed, the plant closed as a result of the increase in local gas rates. Were the workers prepared to make up for this added cost of production? Given the developments of the previous year, it appears unlikely. Indeed, the glass workers appear to have maintained their militant position to the bitter end. According to one visitor of the plant:

....., just prior to the closing down, the Humphreys glass blowers participated in a Labor Day parade. Each man...carried a glass cane and brandished the canes with considerable enthusiasm. (101)

The glass industry was the first secondary manufacturing complex to be phased out in Pictou County. This was not unexpected. The glass industry was one of the industries which suffered the most from a dependence on both external raw material and markets. In addition, as we have just seen, the industry "suffered" from the demands made by a strong union.

The combined effect of these circumstances led to the closure of the major glass plant in Pictou County in 1892.

Confrontation II: The Case of Scotia and Eastern Car, c. 1914-1921.

The final and decisive blow to the Pictou County economy came with the near-collapse of the economy of 'coal, iron (steel) and rails' after the First World War. This blow was preceded by the closures of Scotia's primary steel and pig iron plants in Pictou County during the early years of the twentieth century. These were made primarily because of the better availability of natural resources for these lines of production at Sydney Mines, Cape Breton Island.(102) Some of the reasons behind the decline after the First World War were, however, more complex.

During the war, the class collaboration and harmony of the leading industries in Pictou County changed dramatically. The number of strikes recorded and the number of unionized workers increased precipitously. This can be seen clearly in the tables below. Table 5:3 is a compilation of statistics of labour organizations in Pictou County from 1911 and onwards. Although there are some shortcomings in these statistics (some unions never reported the number of their membership) they do give an indication of the abrupt change in unionization during the First World War. The figures also indicate that Pictou County in some years contributed relatively more to union membership than any other locality in the Maritimes. In 1917, for example, New Glasgow was reported the most well-organized town or city in the Maritimes. In 1918 it was in "5th place".

TABLE 5.3

LABOUR ORGANIZATIONS IN PICTOU COUNTY, 1911 TO 1923.

	New Glasgow			Pictou			Stellarton			Thorburn			Trenton			Westville			Total		
	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3	1	2	3
1911	-	-	-	1			8	4	128	-	-	-	-	-	-	2	-	-	11	4	128
1912	1	-	-	1	-	-	9	5	227	-	-	-	-	-	-	1	1	100	12	6	327
1913	3	1	15	1	-	-	11	6	359	1	-	-	-	-	-	2	-	-	18	7	374
1914	4	1	210	1	-	-	11	3	100	-	-	-	-	-	-	1	-	-	17	4	310
1915	-	-	-	1	1	150	10	3	216	-	-	-	-	-	-	1	-	-	12	4	366
1916	4	3	800	2	-	-	9	5	289	-	-	-	-	-	-	1	-	-	16	8	1089
1917	6	5	2068	2	1	14	8	5	353	-	-	-	-	-	-	1	-	-	47	11	2531
1918	5	3	2340	2	1	40	8	6	423	1	-	-	-	-	-	-	-	-	16	10	2803
1919	7	3	468	2	2	50	8	6	1516	1	1	477	1	-	-	1	1	530	20	13	3041
1920	5	2	138	2	1	15	8	8	1798	1	1	568	1	1	521	1	-	-	18	13	3040
1921	4	1	110	2	2	95	6	4	275	1	1	461	1	1	73	2	1	83	16	10	1097
1922	5	-	-	1	1	10	6	4	1493	1	1	500	1	1	22	2	1	86	16	8	2111
1923	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	2	-	-	3	-	-

1 - Number 2 - Number reporting membership 3 - Membership

Source: Canada. Department of Labour. Labour Organizations in Canada, 1911-1923.

A similar picture is conveyed in Table 5:4 which lists the membership of the Pictou County Trades and Labour Council, an umbrella organization for all the unions in Pictou County. This organization, formed in 1915 and disbanded in 1921, was in 1918 the largest trades and labour council in the Maritimes. In 1919 it was in "5th place".

The statistics on strikes show a similar break between the periods before and after war. As can be seen in Table 5:5 the number of strikes, particularly in the secondary manufacturing sector, increased markedly during the First World War.

It may perhaps be argued that these strikes were a mere reflection of the exceptional circumstances created by the war, but that does not appear to be the case. The war did not constitute a qualitative break but the continuation and intensification of a trend towards deteriorating working conditions and decreasing real wages which began sometime in the first decade of the twentieth century. In 1908 the most visible move was taken in this direction. In that year a wage cut was introduced. The response by the workers, as in 1897, was an attempt to form a union. Cantley acted in accordance with the feelings he expressed in a private letter. He wrote:

After my return home, I had a talk with all our Trenton superintendants and foremen, told them what had been done at Sydney Mines, and also told them that we expected them to make some reduction in the labor in every department. I also sent for the bulk of the rolling mill crews and had some 50 or 60, perhaps 70 of the men meet me, and to them I explained that the company had, during the past couple of months, secured practically every ton of business which had come into the market; that we had taken it at the best prices at which it could be secured, but that the reduction in price, as compared with last year, is so great as to leave us with no profit. That under these circumstances, we must either have some reduction on the tonnage rate paid them for rolling, or let the mill remain idle for a time. I submitted a list showing

TABLE 5:4
 PICTOU COUNTY TRADES AND LABOUR COUNCIL

	Unions Affiliated	Unions in Locality	Number of Members Represented
1915	F O R M E D		
1916	6	14	1600
1917	12	15	3300
1918	12	15	3300
1919	7	18	1957
1920	n.d.	n.d.	n.d.
1921	D I S S O L V E D		

Source: Canada. Department of Labour. Labour
 Organizations in Canada, 1915-1921.

TABLE 5.5

NUMBER OF STRIKES AT SCOTIA, EASTERN CAR,
THE COAL INDUSTRY AND OTHER INDUSTRIES IN
PICTOU COUNTY, 1901-1921

	Scotia and Eastern Car	Coal Industry	Other Industries
1901	0	2	0
1902	0	0	0
1903	1	1	1
1904	2	0	0
1905	0	1	0
1906	0	1	0
1907	0	1	0
1908	0	0	0
1909	0	2	0
1910	0	0	0
1911	0	0	0
1912	0	0	0
1913	0	2	0
1914	0	0	0
1915	2	2	2
1916	1	3	1
1917	4	1	0
1918	4	2	1
1919	1	0	1
1920	1	0	1
1921	0	0	0

Sources: Labour Gazette, 1901-1921 and local newspapers.

reduction in the tonnage rates, varying between 5% - 15% and in some cases 20% the higher reduction coming off the higher paid men, but that there would be no reduction in the cases of men earning \$2 per day or less. I understand the rolling mill men had a meeting Saturday and yesterday I was asked if they could meet me at a conference one evening, and I have told them that they could. There are some rumours in regard to their forming a union in connection with the P.W.A.; and other rumours asking for conciliation. A union I do not want, in fact, I think it would be better to close the works for a while than submit to that. Conciliation I do not fear, but it will involve a considerable amount of work by way of preparation, and will take a good deal of time when the Conciliation Board was in session.

At the blast furnace and open hearth departments, last month, we had about the biggest output and perhaps the lowest costs that we ever had..... The output of finished material at the mills, N.G., however is comparatively small due to the poorer character of the orders we have handled. On axles we are running only about 1/2 time. (103)

Cantley was not only succesful in preventing the formation of the union; he also implemented the wage cut.

The first industrial dispute at Scotia which resulted in a major strike occurred in 1915. The spark that kindled the strike was a work stoppage in protest over a wage reduction by the boys who provided the men with drinking water. Soon the boys' strike spread and involved close to 3000 men. According to the Pictou Advocate it was "one of the biggest strikes which had ever taken place in the Maritime provinces or in Canada.." (104) It did not, however, last very long. On the promise of a Conciliation Board from the Department of Labour, the boys and men resumed work after four days of striking.

A month after the strike the Conciliation Board began its sitting in the Trenton and New Glasgow Town Halls. The evidence given before the Board, summarized extensively in the local press, provide a detailed description of past and present conditions at the steel and car works. The first condition that

surfaced during the hearings was the very strong anti-union stance by Scotia and especially general manager, Thomas Cantley.

First, Cantley objected to the presence of the representative of the men, C.C. Dane. Second, the company failed initially to produce a writ in response to the complaints of the men. Third, the company refused to meet privately with Dane and the Commissioners to attempt to settle the dispute privately and in good faith. Finally, Dane was refused a visit of the facilities of Scotia. All these actions either broke the informal rules which generally prevailed under conciliation hearings, or contravened the stipulations set out in the Industrial Disputes Investigation Act. The second feature which emerged was the company's firm stand on past and present wage reductions. Secretary McColl stated: "The company feels that the wages are fair and equitable in all operations and in some cases too high." (105) The company backed up these claims by examining the paychecks of various workers.

What was the reaction of the workers to the company's stand? Their claim was that wages had been reduced not only in 1908 but also in 1914. The men, then, claimed that wages had dropped while the company claimed they had increased. There were several factors which account for the difference. First, the company's figures were calculated on an average basis making no discrimination between check rates (an hourly wage) and tonnage rates (piece work). Second, the company did not consider the sometimes harsher working conditions and longer hours which had been introduced since 1908. Third, the company did not take account of the increasing cost of living over the previous ten years. Let us review briefly these points one by

one.

In defence of the reduction in wages the company argued that if the workers laboured hard and intensely on the basis of the ~~tonnage~~ rates, a relatively high wage could be procured. The workers objected by pointing to the low check rates, equal or even less than the wages of unskilled labour, and the frequency at which the workers were forced to work for check rates. At times, this was inevitable when one order was finished and the production lines had to be changed to accommodate a new order. On other occasions, the workers felt that they were prevented deliberately from obtaining tonnage rates. One worker, for example, pointed out that the mill men would frequently be interrupted when "fair tonnage" was made and assigned to other work. (106)

The second objection by the workers was that the technological improvements made to the plant had sometimes meant a deterioration in an already harsh work environment. In addition, and as observed already, much of the old antiquated machinery was retained. The combination sometimes created bottlenecks and stressful situations. One set of devices which created such problems was the continuous furnaces.

Q. You stated that a change had been brought about. How?

A. We changed to the continuous furnaces. Lots of times the billets pile up in the furnaces, they as a rule give us considerable trouble, we get nothing for it.

Q. Then there is very little change in conditions?

A. Very little change. (107)

Another worker added: "with the old furnaces the men got a short time of slow work between the heats, but with the continuous furnaces they got no time at all, although the output was increased for the company." (108) With respect to the

efficiency of the furnaces one man stated:

- Q. At one time it took three furnaces to run a mill, now one?
- A. It is done by one.
- Q. Does it make conditions easier.
- A. The work is just the same, it is no benefit to the men.(109)

Another change brought on by the new innovations was the increase in the weight of the billets handled by the mills from 2600 to 6000 pounds.(110) The men still had to handle these billets with the same equipment as previously: "It is always hot, most of the orders are heavy, and they are all handled by hand with tongs and the hooks."(111) Work, then, was by no means easy in the rolling mills. One worker expressed it aptly:

- Q. Is it hot?
- A. I will tell you, and you will excuse me, if a man can work there he need not be scared of going down below. I can take off my coat and show you where my back is all burnt from the work. Heat in front of you, sometimes there are six tons of metal behind you, and another three tons in front of you.(112)

Two workers summed up their perception of the changes in the mills and axle department from past years. The first one was reported to have stated: "In former years the wages, he claimed, was better and the work was not so fine or exact."(113) The second one, with 22 years service, gave the following evidence:

- Q. In this 22 years have your conditions become any better on the mills?
- A. I cannot say that they have.
- Q. How much did you make years ago?
- A. We did not make quite so much but the work was not so hard and the hours shorter.(114)

Perhaps the roughest conditions, however, prevailed in the boiler department where the firemen fed the boilers and furnaces with coal. Three firemen rendered the following judgement of the boilerhouse:

- 1) Q. What are the conditions here?
A. The place is very dirty, it is the dirtiest place I have worked in.
- 2) Q. Conditions and wages are worse at the steel works?
A. The conditions are the worst I ever saw. I have been 5 years at it and never saw conditions so bad, the wages are the lowest
(This worker had worked previously at J.W. Cummings, the Tram powerhouse in Stellarton and the Allan Shaft boilerhouse).
- 3) I have fired all over the world, marine and stationary too, I worked at Halifax and Cape Breton. This is the worst I have ever seen.(115)

The long hours of work were another serious complaint.

The mill men worked a 10 1/4-hour day shift and a 13-hour night shift.

The third and last objection raised by the workers to the company's claim that the wages had increased, was that the cost of living had increased even more. The mayor of Trenton, also a retail merchant, provided evidence to back up the workers' claims. His calculations indicated that the increase in the cost of living over the last twenty years had been 33 1/3 per cent and that wages had not increased proportionally. He also found that a workman with a wife and family in Trenton lived on about \$611.77 per year while he should receive, on the basis of a cost of living index provided by the Conciliation Board, \$900. The mayor pointed out, moreover, that he had not included certain luxuries in his calculations. In response to a question on what these luxuries were, the mayor stated:

- A. Amusements and milk, etc.
- Q. Is milk a luxury among the men?
- A. It is a luxury among a good many of our workmen in Trenton. Car fares I did not figure on for I was figuring on people who lived at Trenton near their work.(116)

The decision of the Conciliation Board gave some small,

but by no means satisfactory, increases to the men. Through an agreement prior to the hearings, the decision was binding and to remain in effect for the duration of the war.

Despite the binding provisions in the conciliation report, strikes continued to plague the steel and car works. The next strike occurred at Scotia as soon as February 1916. This time it was a small strike performed by 65 machinists who demanded a wage increase from 40 to 50 cents an hour.(117) Somewhat later there were more disturbances in the works and "strike possibilities" which were never realized.(118) The rest of 1916 appears to have been quiet.

In March 1917 200 men struck at Scotia for a 15 per cent wage increase but lost.(119) In August 1917 the electrical workers "posed problems" but the trouble was "satisfactorily adjusted."(120) The last strike of 1917 took place at the Eastern Car Company when the workers laid down their tools because of the employment of an American citizen born in Germany. Despite the fact that investigations had "disclosed nothing against him inimical in any way to Canada", the workers insisted he should go. After a two-day strike he was induced to go back to the United States.(121)

In April 1918 the largest strike since 1915 occurred at the steel and car works as well as other local metal works. According to the Labour Gazette, 4000 steel workers took part in a one-day strike for increased wages and recognition of the union.(122) Local papers estimated the number of strikers at 5000.(123) The strike was terminated on the promise of a Royal Commission to inquire into the conditions of the industries involved in the dispute. The major demand of the men was for

recognition of the union. In stating the men's case, C.C. Dane spent most of the time presenting evidence on the widespread recognition of unions by the coal and railway companies (even Scotia) as well as the benefits of unions to the men and even to the companies. On the benefits to the latter, Dane noted with respect to the coal companies:

Formerly, petty strikes in these mines were an everyday occurrence, the drivers would strike, or the men in some one mine, or section of one mine on account of some difference with some subordinate official. These differences, small in themselves were likely to tie up the mines for a day or part of a day. Today, all this is changed. No employee would dream of going on a private strike. He knows that if his claim is just and reasonable, the Union will see that it is adjusted.(124)

In addition to the demand for union recognition Dane requested an increase in wages on what by this time had become familiar grounds:

We will lay before you evidence in regard to the rates of wages in these plants, many of which we claim are extremely low in comparison with the rates paid elsewhere and in proportion to the exceedingly large increase in the cost of living.(125)

The company was prepared to negotiate with the men on the wage issue but was adamantly opposed to union recognition. The decision of the Royal Commission came as a cold shower to the workers. Small increases in wages were recommended but union recognition was not favoured. Indeed, one newspaper held that the decision was even worse than that offered by the company before the appointment of the Royal Commission:

the decision (by the Royal Commission) was not enthusiastically received by the employees, for by its decree they did not profit as much as the company had voluntarily offered them prior to the strike.(126)

The misgivings following these events led to a mass meeting by the workers in which it was decided to strike once

again. At noon, on June 14, 1918, 2600 employees walked out of the Scotia and Eastern Car plants. Organizer Dane stated on this occasion that the dispute between the workers and the company was of a long standing and the union had expended a considerable amount of money to communicate with the company only to be met by rebuffs. Dane continued by writing on the workers' solidarity ("even the women workers walked out"), the sneering and insulting attitude towards organized labour by the former manager (Cantley), the lack of a regular payday and the fact that the wages of the steel and car company did not compare favourably with other industrial centers.(127)

Finally, Dane took a swipe at "the so-called labor representative (which was the well-known union spokesman of the miners, J.B. McLachlan) who "agreed with the other two members (of the Royal Commission) that the Car Worker or Steel Worker could live on twelve cents per day less than a miner and pay twice as much for coal or rent."(128) The strike also resulted in a one-day sympathy strike by two smaller local mines while the larger coal companies had entered into agreements with their workers not to supply the steel works with coal during the strike. The strike lasted four days and produced small wage increases while union recognition was not conceded by the company.

This event concluded the strikes staged at Scotia and Eastern Car during the war. The firm impression gained from the strikes, along with those in other industries and the coal mines, is that the workers were fighting a defensive battle either to maintain a "living wage" or get a "fair wage" for an increasingly stressful work environment. It is difficult to

come to any other conclusion given the very strong anti-labour and anti-strike feelings during the war. This was particularly true in Pictou County which supplied a substantial number of men for the war effort in Europe. The local papers were unanimous in condemning the workers for striking but less inclined to criticize the munitions producers for accumulating unprecedented profits. During the strikes of 1918 these anti-labour feelings had reached their peak. An editorial in the Halifax Herald, for example, stated as follows:

New Glasgow workers, if your brother, or your chum, is willing to offer his life for \$1.10 a day to protect you from the Prussian threat, how can you strengthen the hand of the enemy by refusing to work?(129)

Once the strike was in progress the same paper carried a cartoon of the Kaiser taking great joy in the strike (see Figure 5:1). The minister of Public Works was briefly in New Glasgow and declared that "everybody now has either to work or fight." (130) In this social climate strikes were called only as a last and desperate resort.

Immediately after the war strikes continued at Scotia and Eastern Car. In November of 1919, 115 riveters at Eastern Car struck for increased piece work rates and after 16 days they reached a settlement with the company. A strike with wider implications for the local economy, however, was fought two months earlier. On September 8, 1919, the majority of the employees at the Scotia shipyards walked off the job and the plant was forced to close. One of the issues of the conflict was wages. The workers contended that they were receiving the lowest wages in Canada. They continued:

The scale of wages paid to riveters in Halifax is 67 1/2 cents per hour, in Montreal (Vicker's yard)

Figure 5.1

"Good News From Canada." - The Kaiser."



Source: Halifax Herald, June 15, 1918, p. 1.

90 cents per hour, whereas here, where according to government statistics living is the second highest of any province in the Dominion, riveters are paid at the magnificent scale of 40 cents per hour. Why in Halifax yards a rivet heater (usually a boy of 16 or 18) gets paid 40 cents an hour. There are many other comparisons equally ridiculous but who could not build boats profitably under such conditions as those consisting here.(131)

Despite these discrepancies the workers were willing to concede the wage demand in return for a guarantee of one year steady employment. This was a proposal first made by the company but then withdrawn when accepted by the men.

The new demand by the company was a request for one year of uninterrupted and regular work from the workers. The workers refused this "offer" and the strike lingered on. Several union men, including the president, were fired.(132) On September 15 work resumed under what appears to have been a clear victory for the employer. The men were provided with some sanitary facilities (which had been lacking completely) but the wages remained the same and the union men were not re-employed. The local newspapers were in full agreement as to the causes of the defeat. The Eastern Federationist carried the following headline: "Underpaid as a Result of Making Inadequate Plant Pay Dividends - Men Compelled to Sacrifice to that End."(133) The Pictou Advocate added:

Mr Levi MacMillan, Superintendant of the plant, has clearly demonstrated that ships can be successfully built here, but that with the present plant it cannot be done and pay the employees a living wage. It is a striking fact that the most up-to-date plants represents the best rates of wages.(134)

The shipyard strike, and the issues it raised, was a microcosm of the wider industrial picture in Pictou County. The plants in the county, of which Scotia was the dominant, were out of date technologically and the workers were paying, or were

forced to pay, the price of this state.

The continuation of wage disputes and rumblings of discontent at Scotia reflected this situation. In early 1920 the negotiations for a new wage schedule were begun. These negotiations were unproductive and in April, 1920, the workers applied for conciliation. The company, however, refused. The workers responded by organizing a mass meeting at which it was decided to strike unless major reductions were made in the working hours and higher wages paid. The lack of response by the company did not, however, result in a strike although the workers decided to act unilaterally on one of their demands; on April 15, 1920, they cut the working hours on Saturdays in half:

When the 15th of April arrived, the men at the Steel plant were as good as their word and took their Saturday afternoon off and will continue to do so in the future. They also went further by securing a train to leave at 12 noon to carry workmen home to New Glasgow and vicinity.(135)

At another mass meeting later in the same month more demands were made by the workers. It was decided that the Saturday half holidays should become permanent. This would have left a 55-hour week for day turns and 61 1/2-hour week for night turns. But the workers were still not satisfied. They proclaimed that as the night duty in the rolling mills and heating furnaces was very strenuous labour, these working hours would not be tolerated by the men. Instead the men requested "a working week of 50 hours on night turn until such time as the eight-hour day comes into effect."(136)

After being presented with these demands, Scotia decided to accept conciliation. The conciliation hearings proceeded and a report was concluded on June 1, 1920. The commissioners reported that the workers were relatively low-paid while at the

same time Scotia was in a very poor position to pay higher wages. Under these circumstances the commissioners wrote:

None of the members has been without experience on questions of wage disputes, but individually we frankly admit that never before have we had so difficult a question to deal with. Rightly or wrongly, we have reached the conclusion that we must give the employees some increases.(137)

The increases did not, however, meet the demands or even the needs of the workers and the commissioners recommended that their conclusions should not be considered "a final adjustment" but open to negotiations "if either party desire to resubmit any of the matters dealt with to us."(138)

In the report the difficult situation at the plant was also linked, at least indirectly, to the poor technological state of the plant. The commissioners noted that the rolling mills were still fuelled by coal; this meant that they had to be cleaned four times daily, entailing one and three quarters of an hour. In Sydney, on the other hand, gas furnaces, requiring no cleaning, had been installed. Despite this technological weakness (which was one of many), the commissioners did not recommend a general overhaul or upgrading of the plant.(139)

In the end the men agreed, however reluctantly, to the terms set out by the commissioners and the remaining part of 1920 seems to have been devoid of industrial unrest. In early 1921, however, more unrest loomed at Scotia. In February of 1921, a planned twenty per cent cut was announced. At this stage the men once again turned to the Department of Labour for conciliation.

The men feel, and most people will agree with them, that as such advances as were secured by the men the past few years, were in almost every instance secured only after presentation of their case to various boards, the same line

of action should be followed in the present instance.(140)

The company refused a conciliation board. At the same time, Scotia, along with Disco, had almost ceased production owing to - it was stated - the general trade depression. These conditions continued into May, 1921, when an additional ten per cent cut was implemented and made a condition for the resumption of work.(141)

The labour problems of Scotia were not confined to Pictou County. In the summer and fall of 1920 Scotia was under constant pressure from their clerks at Sydney Mines for an increase in wages. Moreover, in the latter part of 1920, Scotia was confronted with wage demands from their railway workers at Sydney Mines. In November and December the railway workers went on strike to obtain wage parity not only with their Disco counterparts but also with the workers employed by the major Canadian railway companies. The discrepancies between these wages were enormous and there can be no doubt that a levelling of these wages would have meant a serious cut in profits for Scotia (see Table 5:6); at least Scotia acted accordingly, for no concessions were made and the strike continued.

These events suggest that Scotia, even before the formation of Besco, was confronted not only with the general economic recession, regional problems and 'self-inflicted (technological) wounds', but also a labour force which was not prepared to carry the burden of these problems.

The problem of the labour force - in the view of the employers - was often held out to be the major plight of the local economy. The earliest point (in 1913) on which this view was expressed was during an attempt by the United Mine Workers

TABLE 5:6

WAGE RATES FOR RAILWAY WORKERS AT DISCO AND SCOTIA
IN COMPARISON TO STANDARD WAGE RATES
IN 1921

	Disco	Scotia	Standard
Engineers	64c.	57c.	88c.
Firemen	50c.	44c.	70c.
Conductors	60c.	50c.	88c.
Brakemen	60c.	44c.	81c.
Overtime (more than 8 hours worked)	Same rates as above	Same rates as above	One and a half times the above rates
Standard Work Day	12 hours	12 hours	8 hours
Total Average Wage for 12- hour Day	\$7.02	\$5.85	\$11.45

Source: Workers' Weekly, April 26, 1921, p. 1.

to organize the Pictou coal miners. One newspaper, in panicky fashion, warned that the whole Pictou County economy was in jeopardy:

The Belgian capitalists (who were in control of the Acadia Coal Company) have spent a large sum of money in Pictou County, and have further large developments under consideration. Is it wise to Kill the goose that lays golden eggs? The Belgians own mining properties in Western Canada and elsewhere, and their Pictou County investments are relatively small as compared with that in other parts of the world. Capital is proverbially timid, and adverse labour conditions will undoubtedly mean a backset to Pictou County for many years to come.(142)

During the war the 'labour problem' intensified and so did the fear that labour militancy would drive industries away from the county. The Eastern Chronicle, in connection with one of the major steel strikes in 1918, provides a good illustration:

A few months ago one might have laughed at the idea of anything happening which would endanger the future life and progress of the Scotia plant at Trenton. This, even after the control of Scotia affairs had passed through the purchase of a majority of the stock, into the hands of American interests. For we here possessed a labour market and settled community interests that in themselves offered every attraction to encourage the company to develop the great steel industry at this point. But these are the days of rapid changes and this we are told can be applied to the labour situation here. There is a large measure of unrest among the men, so much so, it is said, as to greatly disturb investing interests and which has a tendency to remove that feeling of assurance, among those in the inside, who were optimistic respecting local expansion some months ago.(143)

After the war, labour continued to be seen as one of the major problems and disruptive agents in industrial development. Cantley, for example, recognized four major problems of the Nova Scotia steel and coal industries, the trade depression, the lack of cheap power, high freight rates and labour unrest.(144) One

of the solutions, according to Cantley, was for labour to bear the costs of the economic recovery. In 1919, Cantley "painted a gloomy picture of what would happen to Canada unless the tendency of higher pay and shorter hours was checked." (145) He also called for increased production. Cantley's sentiments were shared by the M.P. for Pictou County, Alex McGregor, who proclaimed that he, himself, was working "twelve long hours every day (while) the Germans are now working fourteen hours a day." (146) It was a strange logic. Before the war Germany had been an important source for capital goods and technology for Scotia as well as an important market for Scotia's iron ore. Cantley praised the German model of industrial development and had even learnt to speak German. During the war, the picture changed drastically. Anti-German sentiments were expressed frequently by the politicians and industrialists. Once the war was finished, however, and Scotia resumed its iron ore exports to German industries, Germany, in the minds of the politicians and industrialists, once again became a model for Canadian industrial development.

In 1921, Cantley was still preaching a hard line against labour, proclaiming that "foreign labour organizations should not be permitted in Canada" and young Nova Scotians should "remain in the (the province) and work hard." (147) Perhaps the most extreme example of Cantley's views was that the coal miners should work, even live, sleep and be entertained for several days underground, to improve the economic standing of the industry. (148) The suggestion was rejected by the workers and was never implemented.

The pressure of workers' actions in the uneven and

disarticulated economy of Pictou County was particularly severe. The regional economy was not only peripheral and relatively marginal, but also neglected technologically and the workers were expected to make up for these shortcomings. This was expressed over and over again by the local capitalists. Yet the workers found this proposition hard to accomodate. Through the Labour Gazette and the local labour press they were informed that workers in Central Canada received higher wages, worked less hours and paid less for food. This information spurred them on, to demand better working conditions and higher wages. On the local level, these circumstances were compounded for the local capitalists, for here it was difficult to favour one plant with the proper technology and high wages, while neglecting others. In 1919, these problems were revealed clearly by an official of the Eastern Car Company:

Q. In Montreal you know they have established a 5-day week?

A. That leads back to a number of criticisms I have to make.. You must take into consideration the local conditions. We have here a large steel industry right close by, so, of course, if a certain standard was adopted by ourselves, they would immediately, of necessity, be taken up by the Steel Company, and that raises the question: can we afford it? It is going to raise our cost to such an extent that it will be unprofitable. I think, under present-day conditions a question of this kind must be determined locally.(149)

Relativley high wages on both the national and local level, then, seemed to exert a demonstration effect on lower-paid workers. If the car workers received a raise in pay, a similar raise had to be given to the steel workers. In order to afford these high wages Scotia would most certainly have had to improve the technological status of not only one, but several, if not all, sectors of the Trenton facilities. This

option was not chosen. Instead, the Trenton facilities were wound-down, and through this process many workers, militant workers particularly, were fired. The workers who remained, worked sporadically for low wages and were often farmers and fishermen. And despite the low wages paid, the officials of Scotia/Besco were prepared to go even lower. One official conveys the general picture in the following interchange:

Q. I wanted to point out that there was a point beyond you would not go even in a competitive market. You would not expect work, if the Japanese were competitors, to bring your conditions down to the Japanese point?

A. I am considering our own position. If I go to London and sell cars, I must meet the prices offered by the Japanese, Chinese or any other race. (150)

Rather than making labour more productive through the introduction of new technology, Scotia chose to put increased pressure on its labour force.

It is in this light that the closures and winding-down process of the Trenton facilities have to be seen. These measures were actively and consciously adopted by the industrial capitalists. And there were benefits to the employers which followed in the wake of the depressed industrial conditions. With the closure of the Sydney Mines primary steel plant, for example, there were other benefits involved than a mere disappearance of industrial duplication. In some measure the closure also resolved the problems faced by the railway workers' strike:

Every straw shows how the wind blows from an industrial viewpoint, and it is generally conceded that scrapping the Scotia steel plant is the last straw that breaks the camel's back and removes all doubt regarding the closing of the works for an indefinite period. The Dominion Iron and Steel Company in Sydney want about the thousand tons of scrap for the purpose

of making rails and have invaded the yards on this side (Sydney Mines) and intend to ship by barge 20 to 30 tons a day to the opposite side of the river (Sydney).(151)

By transferring the steel from Sydney Mines to Sydney, Besco centralized the production of primary steel in Sydney and at the same time rid itself of an embarrassing labour problem. The railway workers in Sydney Mines had become a redundant labour force. In this case, and many others, Besco was infinitely stronger than two separate companies in combatting labour. The resources of the new company meant an increased strength in bargaining. Forsey even claims that Besco was formed to counter the claims of the very powerful miners' union, the United Mine Workers.(152) Besco could also conduct lockouts more efficiently and transfer goods and production lines from one place to another in case of a labour conflict. Perhaps most important, however, Besco could orchestrate a more efficient winding-down of the steel and coal industry in Nova Scotia in favour of more well-endowed regions.

In the workers' minds there was no doubt of who was responsible for the industrial depression. One headline in the Workers' Weekly stated in conjunction with the plant closures in early 1921: "Latest Move of 'Employing Strikers' Ten Per Cent Cut."(153) The same newspaper quoted an American publication which claimed that "the unemployment condition is not the result of the world war, but is part of the great programme of the big business interests to establish the open shop."(154) The workers felt, then, that the idleness of the plants signified a lockout aimed at obtaining two goals, first, the open shop, and, second, a wage cut. In Pictou County, where the idleness and closures seemed to have been the most extreme, these policies

were highly successful. The union associated with the steel and car works vanished completely. According to one source (of many) "nearly all the men prominent in union affairs during the past few years have been blacklisted and refused employment." (155) It was this policy of Scotia, perpetuated by Besco, which during the great Nova Scotia steel strike in 1923, resulted in submission and docility at the Trenton plants. According to one union spokesman in Sydney, the workers in Trenton were more concerned about work itself than wages. (156)

In combination with discriminatory firings (often of union men and militant workers) and hirings (often of fishermen and farmers), the policies of deindustrialization and the general economic crisis combined to produce a peaceful labour force in Pictou County. Besco's operations continued to operate on a sporadic basis with outmoded and antiquated equipment. This seems to suggest that the Trenton enterprise was not profitable. But that was not strictly true. The low wages of the workers, sometimes complemented by subsistence and small commodity activities, of the workers made the Trenton facilities, if not the most profitable, certainly workable, enterprises. It was not difficult to make a profit in a locale where the workers referred to themselves as the coolies of Nova Scotia. New technology was not pumped into the steel and car works and there can be no doubt that the process of winding down, which began already before the First World War, was still in effect during the inter-war period. Besco and its predecessor were merely squeezing the last drops out of an obsolete and old plant.

The workers reacted to these developments although they

faced immense obstacles. First, lay-offs and blacklists had taken their toll. Second, the policy of Scotia to employ farmers and fishermen was in itself a divisive phenomenon. Third, the political and economic climate was not conducive to muster wide support for the workers' cause. This was because of the almost isolated existence and declining role of the steel and coal complex in a rural environment dominated by farmers. Perhaps the best expression of this condition occurred in the 1930's when the municipality of Pictou County refused to render direct relief to the unemployed steel workers and coal miners within its jurisdiction. The refusal (based on a slim majority vote) was based "on the grounds that 90 per cent of the County taxpayers were farmers who could not afford an additional tax burden from relief costs and also because (we are) 'opposed to the principle of direct relief because values should be demanded from every man seeking relief if he is physically able to give value in labour.'"(157) Cameron claims the affected workers and miners were faced with starvation, "a fate that was averted by the Provincial Government assuming the Municipality's one third share of cost as well as its own."(158)

Over two decades of technological neglect and corresponding misery on the part of the workers resulted, finally, in the formation, now with legal sanction, of a union at the steel and car works in the late 1930's.(159) Subsequent events are interesting. Technological weaknesses meant that Scotia's plants (now part of Dosco), although profitable, were in a precarious and unstable state. A low-wage labour force was a sine qua non for their successful operation. The pressure for higher wages and shorter working hours by the union challenged

that equation. There could be only one result. When the workers, after union pressure, were awarded a major wage increase in 1943 (by a federal labour board operating during the war), the rolling mills and nut and bolt plant were closed permanently.

This event was preceded by another development associated with unionization which was cutting into the profits of Dosco's operations in Trenton: the introduction of seniority in hiring. Prior to unionization, Scotia could and did employ those men and women who they saw fittest for a position. This constituted an important means to boost profits. During the First World War, for example, those workers who were familiar with the antiquated rolling mills and who were paid relatively low wages were retained in those positions while new men were attracted, with high wages, to work the new machinery used for munitions production. Scotia's old-time workers were, quite understandably, very concerned about this hiring procedure. After unionization in the late 1930's, however, employees from the antiquated departments had priority for the jobs created in munitions production. The result was a serious shortage of labour in the old rolling mills and nut and bolt department. This scarcity caused Dosco considerable problems.

The closure of the rolling mills and nut and bolt plant in Trenton in 1943 was primarily the result of the corporate neglect of the means of production. The labour problems were merely triggering off this latent weakness. One would think, in this situation, that the responsibility and future rehabilitation of the steel complex should have rested with the corporate interests. But this has been far from true. In fact,

since the Second World War, industrial recovery and growth have to a large extent been induced by labour concessions and government aid.

The perhaps most important statement for setting the stage of industrial growth in Pictou County and Nova Scotia in the post-World War II period, was a provincial Royal Commission on development and rehabilitation conducted in 1944.(160) In the section covering the steel industry, the most telling information is rendered. Rather than blaming Dosco for the industrial depression, the labour situation is singled out as the most important for industrial recovery:

Nova Scotia suffers from a presently adverse situation in the matter of labour relations. Until this is improved it will be difficult to induce private investors to finance the large plants required for expansion of iron and steel production. Permanent improvements in pay rolls and in wage rates result from prosperous business which can only be attained by a high degree of cooperation between employers and employees.(161)

The labour problem was not only seen as a potential hindrance to an industrial recovery but also as a major cause of the past process of industrial decline. In the report of the royal commission the problems of distance to markets and technical difficulties were stated as retarding forces in the past. Another prominent feature was identified as the "lack of a sustained, dependable and satisfactory performance from labour, especially in the coal mining phase of the industry."(162) It was also stated with respect to the Sydney steel plant (which would presumably have applied to Trenton as well) that "the attitude of labour has always been a serious detriment to efficient and low cost operations at the plant and at the mines which supply the raw material."(163)

Developments after the Second World War

The events after the Second World War have confirmed the government and labour as the bearers of the social and economic costs of industrial development in the Maritimes. In the 1950's, a provincial crown corporation, the Industrial Estates Limited, and a smaller counterpart in Pictou County, were formed to attract and provide infrastructure for industrial capital. These corporations, in the estimation of one labour spokesman, "were practically giving out blank cheques to companies" establishing in Nova Scotia in the 1950's.(164) In the view of another observer, the service provided by the provincial corporations was a mere "gift from the state rather than a reward for risk."(165) Perhaps the clearest example is provided by the Michelin Tire Corporation, a French transnational corporation, which established two plants in Nova Scotia in the early 1970's. In the early 1980's, Michelin operated three plants in Nova Scotia: Granton, Pictou County; Bridgeville, Lunenburg County and; Waterville, King's County. Michelin constituted the largest private employer in Nova Scotia in the 1970's and early 1980's and, in the process of obtaining this status, profited handsomely from government subsidies. Belliveau and deMarch estimate that "of the approximate \$125 million total Michelin investment in Nova Scotia, two-thirds can be traced back to one level or other of government."(166) And Bradfield suggests "that the costs of attracting Michelin to Nova Scotia were very high and may well have exceeded the benefits."(167)

Labour has also paid a price for the attraction of new investment and revitalization of old industries. The depression

that Nova Scotia experienced after the First World War resulted in a philosophy on the part of the provincial government and many workers that jobs are more important than wages and working conditions. This is reflected in the statistics on strikes in the province. O'Brien has shown that from 1966 to 1978, the man-days lost through strikes and lockouts when taken as a percentage of the man-days worked, were much lower in Nova Scotia than in other Canadian provinces. O'Brien concludes that Nova Scotia (and New Brunswick) have work forces which are twice as "stable" as Canada as a whole.(168)

The cheap and stable nature of Maritime labour has constituted a major locational attraction for many industries. Companies, such as Aerovox, Clairtone and General Instruments have moved to Nova Scotia to employ cheap labour.(169) Perhaps the most prominent example however, is, once again, the Michelin Tire Corporation. It was the combination of a weak labour movement, plagued with un- and under-employment and extensive government help, that prompted Michelin to establish in Nova Scotia. In the course of the construction and operation of the plants the provincial government passed several laws to maintain a "stable" labour climate. During construction, there were threats of strikes, but the Nova Scotia government passed special legislation which, as Bradfield puts it, "put a lid on the pot."(170) In 1973, the stationary engineers in Granton attempted to form a union but the government passed legislation which barred craft unions in industrial plants.(171) Finally, in 1979, the provincial government passed the so-called Michelin Bill which obstructed a unionization attempt at the Granton plant by proclaiming that interdependent multi-plant companies

had to organize together or not at all.

The Michelin case illustrates clearly the extent to which Nova Scotia has become underdeveloped industrially, and through this process, a hostage of, and thereby an attraction to, transnational corporate capital. This condition is not unique to Nova Scotia. In the context of Europe, Carney et al write of the late 1970's:

..under the pressures of the international recession, non-unionized labor reserves are being established in depressed areas and often this is the purpose of State intervention as well as an inadvertent consequence of deindustrialization.(172)

In Nova Scotia, both deindustrialization and state intervention have created and maintained a non-unionized and cheap labour reserve. And while some of these workers (whether working or not) may enjoy better material conditions than their counterparts fifty or a hundred years ago, their strength vis-a-vis their employers has declined. The increased possibility and willingness of capital to resort to what Bluestone and Harrison have called the "mobility option" has prompted the Nova Scotia government to introduce labour legislation discriminating clearly in favour of capital. If the Michelin Bill had been introduced in the 1920's or 1930's, for example, one union would have had to organize all Besco's and Dosco's operations in Nova Scotia. Given the strength of labour at the time, this would have been a very difficult law to implement. Yet, today, despite extensive protests, the Michelin Bill is in force and the Conservative Government which implemented it is presently (1985) serving its third consecutive term in office.

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CHAPTER SIX: CONCLUSION

Regional disparities or heartlands and hinterlands have emerged in all advanced capitalist countries. The heartlands are generally characterized by a good resource base, large markets, a diversified industrial base, a well-developed urban structure and, perhaps most important, a capacity for "innovative change." These ingredients are concentrated in the metropolis with its power to control economic, political, and social decisions of national importance. Hinterlands, on the other hand, tend to possess a poor or undiversified resource base, a staple economy based on exports, a poorly developed urban structure lacking a metropolis, and an inability to bring about innovative change.(1) This regional dichotomy has become very clear in the western industrialized world, including Canada, in the early 1980's.

But the hinterlands were ~~not~~ always inevitably disposed to their present position. At one time, for example, the Maritime region of Canada played an important part in the national economy. The steel industry, backbone of an industrializing country in the late nineteenth century, was located in the region. For some time it even appeared that the region might become part of the Canadian industrial heartland. Even so, the forces of deindustrialization - so clearly visible in the 1920's - were already at work in the late nineteenth and

early twentieth centuries.

Pictou County, Nova Scotia, formed one small part of this regional transformation. What were the forces of deindustrialization which sent Pictou County into a process of regional-industrial growth and decline?

There is no doubt that different theories of capitalism, whichever epistemological basis is used, provide an insight into the strong likelihood, if not inevitability, of regional disparities during the evolution of industrial capitalism.(2) But these theories explain neither the the process nor the empirical basis of industrial change or why regional disparities occur the way they do. This process is complex and varies in time and place. Many factors are involved. In the industrial history of Pictou County, the emphasis in research has been put on such factors as a deficient resource endowment, a peripheral geographic location, the forces of regionalism, a small market, and the negative influences of foreign entrepreneurship.

On the whole, however, factors in the sphere of local social class interaction have been neglected. In contrast, this study has focussed upon such local social forces operative in the process of regional growth and decline. The thesis argues that those investment decisions which emphasized staple production and technological neglect in secondary steel manufacturing, combined with the response that these policies elicited from the community and labour, undermined the industrial competitiveness and growth of the county.

The type of economy which followed from this investment pattern was weak. The industrial growth rate of the county from 1881 to 1921 was, on the whole, relatively lower than that in

other parts of Canada. The Pictou County - indeed, the whole Maritime - industrial complex was dwarfed by its Central Canadian counterpart both in absolute, and, in time, relative growth terms. Dependency and underdevelopment in the form of unevenness and disarticulation were evident. Unevenness was expressed in the reliance on only one company, Scotia, and one industry, the coal industry. This constituted a serious weakness in that there was nothing to replace the void in industrial growth after the decline of the economy of 'coal, iron (steel) and rails'. The situation in many other peripheral regions of the industrialized world at the end of the nineteenth and beginning of the twentieth centuries was similar. Disarticulation, or the dependence on external markets as well as raw material, machinery and technology, was another feature of underdevelopment that Pictou County shared with other peripheral areas of the industrialized world. Pictou County exported coal and semi-manufactured steel to the Central and Western Canadian markets rather than use these vital materials to diversify and build up the linkages of a more balanced local economy.

The combination of a set of fortuitous circumstances had catapulted Pictou County into a position of economic/industrial prominence in the late nineteenth and early twentieth centuries. Local capitalists took their old skills and capital acquired during the prosperity of the economy of 'wood, wind and sail', and applied them to a new economy, based on 'coal, iron and rails'. They also solicited foreign capital, technology and labour, used their political clout to induce federal, provincial and municipal governments to promote local industrial

development and, finally, took advantage of a heavy foreign demand for the province's natural resources. The industrial prosperity which resulted from these measures did not, however, create the multiplier effects to transform the hinterland to heartland status. Unevenness and disarticulation continued amidst an impressive industrial growth rate in the first twenty years of the twentieth century.

The social basis of dependency and underdevelopment were expressed in the sphere of both agriculture and industry. Pictou County, and the Maritimes as a whole, with some exceptions, had a poor agricultural sector. As a consequence, the growing industrial sector could not benefit from sales that a prosperous rural economy would have stimulated. This was in clear contrast to southern Ontario, whose industrial prosperity was, in large degree, a function of its burgeoning wheat economy. There can be little doubt that such factors, identified in the past as western competition and relatively poor soils, played a role in the failure of Maritime agriculture.

But interacting social factors also played a major part. The wretchedness of many immigrants, and the uncertainty they faced in the county, were obstacles in the way of agricultural investments. The promotion of the lumber trade over agriculture by the merchant community, widespread indebtedness and squatting were all factors which stifled attempts to overcome external competition and the disadvantages of tilling a poor soil. In addition, many immigrant farmers who possessed capital avoided Pictou County and Nova Scotia because of a comparatively poor land survey. The rigid military grid - present in Ontario -

which left no doubt to land ownership and an orderly agricultural expansion, was absent in Nova Scotia.

Agriculture has the capacity to promote industrial growth not only through prosperity, but also through crises. This was the case in Quebec where an agricultural crisis resulted in the formation of a massive rural and urban wage labour force. In the Maritimes, by contrast, both the massive outmigration of farmers and wage workers, and the tendency for overseas immigrants to by-pass the region, resulted in persistent labour scarcity. Farmers who sold or lost their lands seldom became farm or factory hands. Instead, they moved to what they perceived as greener pastures elsewhere, most notably, the New England states and the Western Interior.

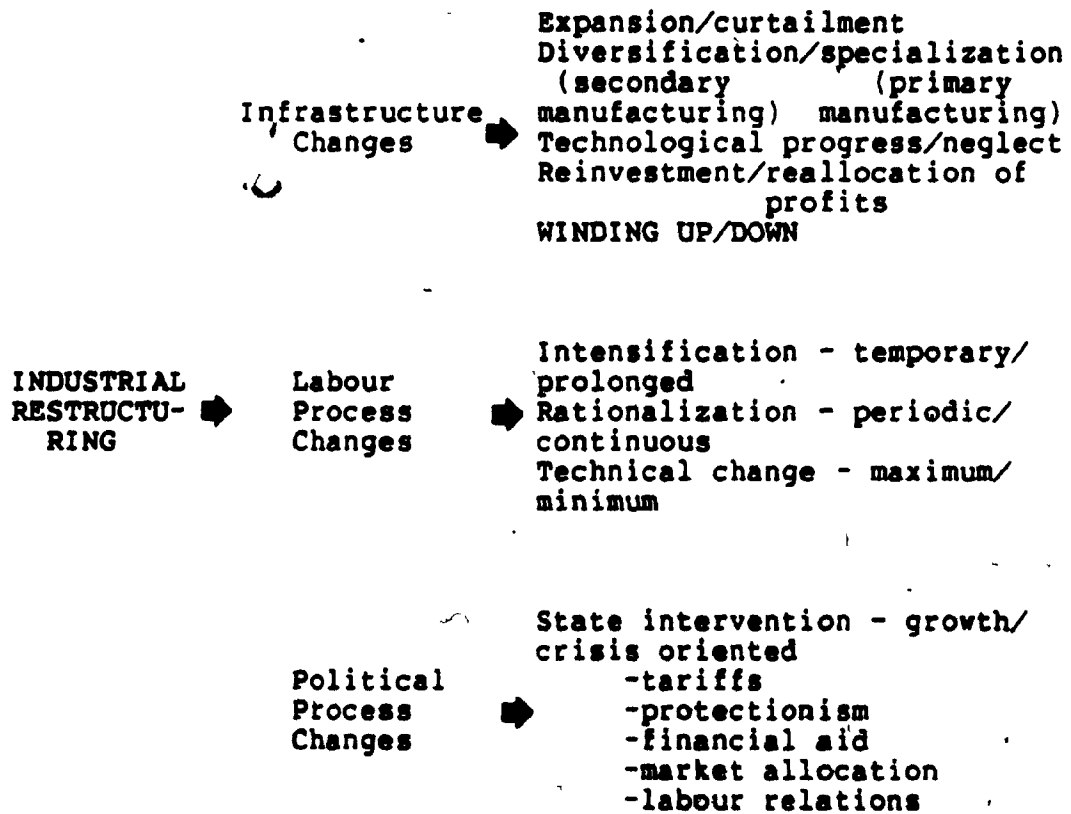
The same was true for many coal miners and steel workers who went back to the Old Country (U.K.) or moved to the coal fields of Appalachia or Alberta. The moves were seldom voluntary. Steel workers and coal miners, actual or potential, moved away because of adverse local conditions. Indeed, similar conditions seem to have prompted people to flee both Europe and Nova Scotia. Low wages, long working hours and ruthless employers were powerful push factors in both areas. Absenteeism and emigration were natural reactions to these phenomena. And the latter was aided and abetted by the real, but often imagined, opportunities of the West.

The return to farms and fishing-boats on a seasonal basis by many workers was a further nuisance to the employers. The subsumption or integration of labour in the industrialization process of Pictou County was thus only partial. Workers both saw and took advantage of the real and imagined opportunities of

the "Boston" states, Central Canada, ~~the~~ West and the local farm and fishing areas. In a labour-abundant Europe, the labour climate affected by absenteeism and emigration did not seriously hamper industrial growth. In labour-scarce Nova Scotia, on the other hand, absenteeism and emigration had a considerable negative effect on industrial growth. In some parts of North America, such labour scarcities promoted technological innovations and the adoption of labour-saving devices. This strategy was also open to the Pictou County entrepreneurs. But, as we have seen, this opportunity was missed and technological neglect was followed by a long process of winding-down.

There was, then, a social side to the poor labour market on which the Pictou capitalists had to rely in their quest for private capital accumulation. The capitalists were, in fact, responsible for the labour scarcity of which they complained so bitterly. In this situation, they were faced with at least two industrial restructuring options. One set of options can be placed in the category of infrastructure (see Figure 6:1).(3) The industrialists in Pictou County could have continued on a path of positive restructuring by expanding, diversifying and keeping their production lines up-to-date with the intent of maintaining a competitive industry. This would have allowed for the payment of adequate wages and thus the retention and attraction of old and new workers. Or, they could have pursued a policy involving continued staple production, the curtailment of technical investments, the abandonment of aggressive marketing and the reallocation of profits elsewhere. Rather than face the challenges of the former the Pictou capitalists chose the security of the latter.

Figure 6:1
INDUSTRIAL RESTRUCTURING PROCESSES



The Pictou capitalists continued to emphasize the production of staples (coal and iron) and semi-manufactured steel goods at the expense of diversifying their production lines. Both the production processes and the marketing aspects of the least profitable line of business, steel-making, were neglected. The Trenton facilities were discriminated against within an increasingly complex corporate web and parts of the facilities were phased out and relocated elsewhere. The only major exception was the Pictou County glass industry which, with the aid of foreign technology, capital and management, made a bid for continued competitive status in the early 1890's. But in this case the claims of a militant labour force requesting union wages resulted in a closure. Technological efficiency and union wages were not enough for the capitalists; they expected technological efficiency and non-union wages.

With the general winding-down, the capitalists restructured the labour process in Pictou County. We can make the following observations by using Massey and Meegan's categories of intensification, rationalization and technical change. (See Figure 6:1)(4) Prolonged intensification was a distinct feature. Workers were forced to work harder and /or longer for the same or even less remuneration. Such intensification is common in any industry, but in the successful industry it is used only as a temporary measure to overcome production bottlenecks before the introduction of new technology. Continuous rationalizations or lay-offs also occurred, and a near lack of technical change was a distinct feature affecting the labour process. Again, these processes were long-term and not applied as temporary measures in an

economic down-swing.

Finally, we may note the frustration vented by labour in this climate, a frustration which seemed to reinforce the process of winding-down. Indeed, it only subsided with depressed economic conditions, reduced worker bargaining power and a process of selective hirings and firings. But labour was not silenced permanently. Shortly before the Second World War, the workers spoke up and made major gains. This put an enormous pressure on the antiquated mills in Trenton and substantial sections were closed. This event points to one of the rigidities arising from the combination of industrial conservatism, negative restructuring and labour militancy.

The restructuring of infrastructure and labour had its counterpart in the political process. (See Figure 6:1) The state took on a role as manager of crisis rather than promoter of growth. Tariffs and protectionism are usually applied to promote national growth. In Pictou County, these measures - while appealed to by the provincial and municipal governments - were not implemented. State intervention was crises-oriented and confined to financial aid in the provision of new machinery; market allocation; and mediation in labour disputes. Burrill has written that "the few who have controlled the Maritime economy have always in times of trouble been able to manipulate culture (and politics) and emerge with an image of themselves, the entrepreneurs, as Everyman." (5) Herein lies one of the ironies of the process of negative industrial restructuring in Pictou County. The depression, for which the industrialists were in large part responsible, was blamed on external forces, whether labour, the economic depression or the federal

government. This is perhaps not very strange in itself.

What is curious is that the industrialists were able to conceal their own role in the process of industrial decline and crises so effectively. Much of this arose, no doubt, from their control of the press and their prominence in politics. This allowed for the local lobbying in favour of federal and provincial help and intervention in the management of economic crises. The cries for protection and government aid in the provision of new capital goods and markets intensified as the means of production and competitiveness of the Trenton works deteriorated. Parallel with these developments, the politicians took it upon themselves to police labour, tone down wage demands and diffuse discontent through the appointment of various royal commissions.

In Figure 6:1 it is emphasized that there were industrial policy options open to the industrial capitalists in Pictou County.(6) The macro-economy certainly had an influential role in the choice of options, but the ultimate selection of investment path was the responsibility of the local entrepreneurs in control of the major industries in the county. The foreigners who took over at a later stage, merely continued on the path paved by their predecessors.

This brings us back to the broader question of the causes of deindustrialization in Pictou County. The contention made here, based on an inductive and empirical social class analysis, is that the industrial capitalist class was at the basis of the industrial decline. Profits rather than social responsibility to the community guided their actions. Even the scarcity and militancy of labour, can be traced to the actions of the

industrial class. Potential and practising workers emigrated on a large scale, absented themselves frequently on a temporary and seasonal basis, and in time grew increasingly militant as a reaction to harsh working conditions and relatively low wages.

Paradoxical as it may seem, the long-term policies of deindustrialization in Pictou County may have led to a new and hybrid form of positive industrial restructuring represented by an increasingly dominant transnational capital in the years following the Second World War. This restructuring process is quite different from the one that propelled industrial growth in the late nineteenth century. Technological progress was then coupled with an improved (however slow it may have been) standard of living for the working class. Indeed, the social interaction between capital and labour for a time produced a technologically progressive industrial society. Workers' demands forced technological progress either by encouraging capitalists to do away with skill through mechanization and automation or to offset the negative effects of higher wages and shorter working hours through improved productivity.

Today, however, the above equation no longer holds. Technological progress has obtained a momentum in some respects independent of the pressures of the working class. The ownership of the technology is in the hands of highly mobile transnational corporations which can bestow or withhold regional capital infusions according to profit calculations. In the 1970's and 1980's, labour costs probably played the most important role in these calculations. Relatively high wages and union pressure have repelled industries and often prompted them to move away from the traditional industrial heartlands of the

western capitalist world.

The current industrial crisis of south-central Ontario or the industrial "snowbelt" in the United States serve as illustrations. The obverse of the crisis in the industrial heartlands, is often the revitalization of industrial activity in industrially depressed areas where wages are relatively low and unions rare or non-existent. Regions of this character include the Maritimes and parts of northern Quebec and Ontario in Canada, the so-called sunbelt in the United States and a large part of the Third World. The movement of capital illustrates clearly the hegemony of capital in what Holland calls the struggle of "capital versus the regions." (7)

Pictou County's position in the struggle versus capital underwent three general phases. First, from 1881 to some time in the early 1900's, capital was stationary. The weaknesses of the regional economy, unevenness and disarticulation, were challenged and some attempts were made to diversify the local economy. Labour was quickly integrated but not subsumed into a vibrant and expanding industrial economy. At this stage, the regional economy prospered and its labour force demanded, and to some extent obtained, increased real wages.

Second, from the early 1900's to 1943, as the profitability of the region declined and the demands of labour cut into the profits of capital, the efforts to achieve further growth and diversification were abandoned and capital neglected the region. Disarticulation and unevenness became entrenched characteristics of a fledgling industrial system. Labour was integrated only partially through selective hirings and lay-offs, and thereby subsumed or brought more fully under the

control of capital. The declining industries offered fewer jobs and the competition for these jobs resulted in lower wages. The industries employed part-time farmers and fishermen (who could support themselves in slack periods) and non-union workers. Third, when in the Second World War years the region and its labour force found themselves underdeveloped, un- and under-employed, capital returned. But now it was stronger and able to stipulate financial and labour conditions.

Labour's poor position in countering the mobility threat of capital is paralleled in the political process. The state has become a hostage to transnational capital and the capacity to lay down economic policy has in more and more cases been forfeited and replaced in the frantic effort to attract industry.

These stages, however crude and incomplete, point to the poor position that labour has held throughout in the regional struggle of Pictou County. In the 1910's and 1920's, capital sought lower wages to support an ailing industrial structure. When these concessions were not forthcoming, capital withdrew its investment and moved away. This process is now replicated in some North American and European heartlands where labour's unwillingness to concede past gains has resulted in a capital flight from these regions. Whether this flight will escalate to the same proportion as in Nova Scotia in the 1920's, 1930's and 1940's is difficult to say at this stage. The heartlands are not disarticulated and developed unevenly and should, therefore, be more attractive to industries. But the mobility of contemporary industries and their ability to transport commodities cheaply over long distances, have undermined the

attraction of the traditional heartlands as industrial sites.

For these reasons, the same type of "take-it-or-leave-it" threats heard in Nova Scotia for nearly a century, are now heard in the industrial heartlands. The problem of the hinterland has also become a problem of the heartland. The grim implications of this process are outlined by a labour spokesman in the following:

All they (the company officials) want from us is our labour and they only want to buy it from us if the price is right; and if the price is not right the company claims, and there is a lot of evidence to make the claim valid, that there are a lot of other people in other towns, in other states, in other countries, who will sell their labour cheaper than we do. We who have nothing to sell but our labour have been reduced to the level of bidding against each other..(8)

Such a process is hardly paving the way for the upgrading of living and working conditions for poorer workers (in the hinterlands) to the level of their richer counterparts (in the heartlands); indeed, it is threatening to do the reverse.

Footnotes

1. L.D. McCann, ed., Heartland and Hinterland. Toronto: Prentice-Hall, 1982, p. 4.
2. Browett, J. "On the Necessity and Inevitability of Uneven Spatial Development under Capitalism." International Journal of Urban and Regional Research, 8:2 (1984), pp. 155-177; J. Bradbury, "Regional and Industrial Restructuring Processes in the New International Division of Labour." Progress in Human Geography, 9:1 (1985), pp. 38-63.
3. The development of these options was inspired by Bluestone, B. and B. Harrison, The Deindustrialization of America. New York: Basic Books, 1982.
4. Massey, D. and R. Meegan The Anatomy of Job Loss: The How, Why and Where of Employment Decline. London: Methuen, 1982.
5. Burrill, G. "Salt in our Wounds." This Magazine, 16 (Feb.-March 1982), pp. 34-35.
6. For a case of positive industrial restructuring in the Canadian steel industry, see L.A. Sandberg and J.H. Bradbury, "Restructuring in the Canadian Steel Industry." McGill University, Montreal, 1985.
7. Holland, S. Capital versus the Regions. London: MacMillan, 1976.
8. From the soundtrack of the film, Controlling Interests: The World of the Multinational Corporation. n.p.: California Newsreel, 1978.

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