The British Columbia Electric Railway and Its Street Railway Employees: Paternalism in Labour Relations*

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British Columbia has long had an unenviable reputation for industrial conflict; the British Columbia Electric Railway enjoyed comparatively amicable relations with its street railway employees prior to World War I. Moreover, although international unions, i.e. American unions, were frequently blamed for industrial unrest in B.C., an American union, the Amalgamated Association of Street Railway Employees of America (A.A.S.R.E.A.) helped ameliorate conflict between the company and its employees. However, neither a tradition of friendly labour relations nor the intervention of international union leaders could prevent four strikes of B.C.E.R. street railway employees in the two years between 1917 and 1919. This article will attempt to explain these disputes and to suggest one reason for the otherwise apparently harmonious relations of the B.C.E.R. with its employees.

The traditional labour policy of the B.C.E.R. can be described as one of paternalism. The company's directors and managers believed in treating their employees fairly but firmly. Both the chairman of the Board, R. M. Horne-Payne, an English financier, and the first general manager, Johannes Buntzen, thought it their "duty to look after the men's interests and moreover that in the end it will be to the good of the company."1

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1 See for example, Martin Robin, Radical Politics and Canadian Labour, 1880-1930 (Kingston, 1968), 47; Norman J. Ware, "The History of Labor Interaction," in Labor in Canadian-American Relations, ed. by H. A. Innis (Toronto, 1937), 23; Stuart Jamieson, Industrial Relations in Canada (Toronto, 1957), 37-38; John Crispo, International Unionism: A Study in Canadian-American Relations (Toronto, 1967), 280. (In his overall assessment of international unionism, however, Crispo noted that in recent years, employers in British Columbia have, on several occasions, welcomed the moderating influences of international unions, p. 286, p. 304.) ; British Columbia, Legislative Assembly, Royal Commission on Labour, Report (Victoria, 1914), M2. (The Commission reported that contrary to common opinion there was no evidence to show the harm of international unions.)

“The good of the company” was the main motive of the B.C.E.R.’s policy. As a service industry whose major contact with its customers was through its street railway employees, the company was anxious to have satisfied workers. A contented employee was a good public relations representative. Additionally, the company depended on the good will of the general public whenever it sought concessions such as favourable franchise agreements from local governments. The editor of the B.C. Federationist was not far from the mark when he declared in 1914 that the B.C.E.R. tolerated the union because of a desire to stand in the good graces of all parties while seeking urban and suburban franchises. . . . The balance of advantage has always been immeasurably greater on the side of the company than the men. It had been a very cautious policy, carefully thought out and cleverly carried through. The men being in permanent employment had residential standing and votes. The company, having attained [sic] all the franchises to be got, do not need to be quite so genial in future — and do not look like being so.

The geniality of the company was particularly evident while Buntzen was general manager. He went out of his way to grant small courtesies to “the men.” In return, he was (according to The Independent, a local labour newspaper) “idolized by his men” who sponsored at least one public banquet in his honour. Buntzen also began the company tradition of co-operating with the street railwaymen’s union. Although the B.C.E.R. refused to have a closed shop, it assisted the A.A.S.R.E.A. in forming locals in Vancouver (1898), Victoria (1899) and New Westminster (1901). In the case of the New Westminster local, the company even provided a special interurban car to permit thirty members of the Vancouver local to travel the thirteen miles to New Westminster to assist in organizational work. The conservatism of the original members of the local unions and of the international leaders of the A.A.S.R.E.A. encouraged the B.C.E.R. to co-operate with the union.

As long as the company had only a few hundred employees, the direct, personal paternalism of Buntzen succeeded in maintaining a strong esprit de corps among its employees. Such a spirit was a valuable asset. While the local labour movement was frequently critical of the B.C.E.R., the street railwaymen tended to defend their employers.

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3 May 22, 1914, p. 4.
4 The Independent, May 11, 1901; Vancouver Daily Province, June 29, 1901, p. 12; August 13, 1902, p. 4; September 4, 1903, p. 5; November 25, 1904, p. 11.
5 R. H. Sperling to A. T. Goward, June 2, 1911, BCERP, Box 663; The Independent, March 16, 1901; Emerson P. Schmitt, Industrial Relations in Urban Transportation (Minneapolis, 1937), 95.
After Buntzen retired, the company persisted in paternalism — sponsoring smoking concerts for its employees and picnics for their families. It also continued to recognize the basic importance of bread and butter issues. The company did not pay the street railwaymen generous wages but it realized the need to pay them as well as other street railwaymen in Canada and on the American Pacific coast. When compared to the wages paid to other semi-skilled workers in Vancouver, the hourly wages of the street railwaymen were sometimes low. On the other hand, the street railwaymen enjoyed fringe benefits such as free transportation and discounts on their lighting bills. Many, but not all, union members were prepared to accept these concessions as worth something when comparing their wages with those earned in other industries. Their uniforms, which were subsidized by the company, gave them a particular status and respect in the community. And, unlike many other semi-skilled workers, most of them enjoyed steady work in spite of fluctuations in the economy and the weather.  

From 1902 to 1910 — again, as part of the policy of paternalism — the B.C.E.R. provided its employees with a unique profit-sharing scheme. Initially, payments from this plan were intended to be in addition to normal wages. The company hoped that employees who shared in profits would be motivated to do more and better work. Under the scheme, employees shared equally in a sum equal to one-third of the amount available for dividends after the ordinary shareholders received a 4% return on their investment. This yielded the employees $25 each in 1903. The sum rose steadily to a peak of $66.78 in 1908. Unfortunately, the number of employees increased more rapidly than profits and individual shares declined in value. The company also began to use the profit-sharing scheme as an excuse for not raising basic wages. In 1910, the employees, including many new men who had not qualified to share in the profits by serving the company for a full year, asked for the abolition of profit-
sharing and a straight increase in wages. The company granted the request.10

By 1910 the labour situation in Vancouver was beginning to change. The cost of living was rising faster than wages. So uncertain was the situation that late in the spring of 1910, the B.C.E.R. briefly feared a strike of its street railway employees. Both the company and the union reluctantly prepared for conciliation under the federal government’s Industrial Disputes Investigation Act (Lemieux Act).11 The company also tried, unsuccessfully, to hire strike breakers. Before resorting to the Lemieux Act or a strike, the company and the union local agreed to discuss their differences on wage questions with R. Cornelius, the Grand Vice-President of the Amalgamated Association. The union minute books record only that Cornelius “gave a stirring address urging unity” to the New Westminster local. More revealing is the comment of the B.C.E.R.’s general manager, R. H. Sperling, who advised his superiors in England that Cornelius “proved on the whole to be a very fair-minded man . . . [whose] influence was beneficial to the negotiations in general.”12 By replacing the profit-sharing scheme with a 3½ per hour increase (a settlement which the company did not think would be very costly),13 the B.C.E.R. secured a better working arrangement for itself, avoided a strike and secured labour peace for three years.

Though many members of the local union were unhappy with the agreement, they honoured their contract with the company. When the Vancouver Trades and Labour Council proposed a general strike in the

10 A convenient table showing the annual fluctuations in the employee’s share of the profits may be found in H. F. Underhill, “Labor Legislation in British Columbia,” University of California, Ph.D. thesis, 1936, p. 127. For the end of the system see R. H. Sperling to George Kidd, July 9, 1910, Letters from the General Manager, BCERP; R. H. Sperling to Gerald H. Brown (Acting Deputy Minister of Labour, Ottawa), November 12, 1910, BCERP, Box 3-33.


13 It is difficult to make exact comparisons between the wages demanded and those actually obtained. The existing schedule adopted in 1907 ranged from 20½ to 31 ½ per hour over a ten year scale. In 1910 the local union asked for a range of 22½ to 40½ per hour on a six year scale. Under the 1907 schedule a motorman or conductor in his fourth year of service earned 28½ per hour; the union asked for 37½ per hour for men in this position. B.C.E.R., Vancouver to B.C.E.R., London, May 4, 1910, BCERP, Box 717. Under the 1910 agreement the men netted about 1½ per hour over the 1907 schedule.
summer of 1911 to assist building trades workers in their demands for a closed shop, the street railwaymen endorsed the strike and donated cash to the strike fund, but did not strike themselves. That they contributed generously to the strike fund suggested that the union was becoming involved with the increasingly militant activities of the local Trades and Labour Council. When the street railwaymen refused to strike themselves, some members of the Trades and Labour Council tried to retaliate by creating a breach between the B.C.E.R. and its employees.

All was not well within the B.C.E.R. "family." One of the particular reasons for this discontent was the rapid increase in the number of employees. It was no longer possible for employees to take their grievances directly to the general manager. In 1911, the general manager, R. H. Sperling, delegated his responsibilities for personnel relations to two assistants, G. R. G. Conway and J. A. Roosevelt. Roosevelt, an American and a connection of the Roosevelt family, took charge of the transportation division. His endeavours to improve efficiency by altering running schedules and changing personnel made him personally unpopular.

Roosevelt, finding many of the men immediately under his charge such as the Traffic Superintendent, the Interurban Manager and the local managers of the New Westminster and Lulu Island lines unsatisfactory, discharged them and replaced several of them with Americans. The dismissal of long-time employees caused uneasiness among other B.C.E.R. employees; their replacement by Americans stimulated innate anti-Americanism in the community. When the matter of American employees — of 4,146 employees only 4½% were of American origin — was raised in the Provincial Legislature, Premier Richard McBride, objecting to "good and faithful men being dismissed on a moment's notice to make room for Yankees," warned the B.C.E.R. that he might have to act under the Alien Labour Act. The company recognized the problems created by Roosevelt’s presence. On May 1, 1913, Roosevelt resigned. Although

14 A.A.S.R.E.A., Division 101, Minute Book, Regular Meetings, 1910-1913, June 24, 1911 and July 5, 1911; Division 134, Minute Book, Regular Meetings, 1906-1911, July 4, 1911. The local unions had already established the principle of aiding fellow unionists in strike action. Over the years the Vancouver local gave small donations — usually $20 to $50 — to such strikes as that of the United Mineworkers at Nanaimo in 1905; the Vancouver telephone operators in 1906 and street railwaymen in Philadelphia in 1910. They did not, however, automatically answer all requests for financial assistance.


16 The provincial Royal Commission on Labour noted that in the larger cities larger industries "the conditions therein and the disappearance of all personal relations seem to be tending to create an ever widening gulf between the employer and the employee, and to promote the organization of labour into unions...", pp. M1-2.
several of his appointees remained, the reappointment of the men he had dismissed relieved much tension within the company.\textsuperscript{17}

The increase in the number of employees also meant that the majority were new workers who, because of the sliding scale of wages based on experience, were at the bottom of the pay scale.\textsuperscript{18} Newcomers also lacked the corporate family spirit and the deferential attitude of the older employees. Some long-time employees had also left the company to retire on small fortunes made in real estate speculation or to go to better positions.\textsuperscript{19}

Changes in personnel also affected the union which found a division of opinion and a "want of good faith among some members." In fact, some long-time employees, in an apparent display of deference, resigned from the union executive in 1910 as "a protest against unreasonable demands" for higher wages. They may have been influenced by the company's act of raising the wages of foremen and of certain small groups of employees. The union had also lost some of its early leaders through the company's policy of promotion to supervisory posts from within whenever possible. For example, A. G. Perry, a motorman and first president of the Vancouver local, became manager in North Vancouver and G. A. Dickie, the first treasurer of the local, became Master Mechanic.\textsuperscript{20}

"Bread and butter" matters continued to be major issues. While the B.C.E.R. maintained its 1910 wages schedule, the cost of living and wages for other labourers rose. By 1913, the B.C.E.R.'s maximum hourly rate for motormen and conductors was 35\(^\circ\). In contrast, the city of Vancouver was paying 37\(\frac{1}{2}\)\(^\circ\) per hour for unskilled labour. A provincial Royal Commission on Labour reported that $3.00 per day provided no more than a living wage.\textsuperscript{21}

\textsuperscript{17} R. H. Sperling to B.C.E.R., London, January 31, 1912, Box 67; R. H. Sperling to H. Williams, August 26, 1911, Letters from the General Manager; F. R. Glover’s notes "Re Legislation etc.," January 26, 1912, BCERP, Box 42A-69C.

\textsuperscript{18} As of May 31, 1910 of 464 motormen and conductors in Vancouver, 247 had been in the employ of the B.C.E.R. for less than three years. R. H. Sperling to George Kidd, July 9, 1910, Letters from the General Manager, BCERP. In December 1911, the average length of service of conductors and motormen on Vancouver City lines was 2.05 years. Memo of January 23, 1912, BCERP, Box 601.

\textsuperscript{19} F. R. Glover, Diary, April 22, 1909, Box 372; R. H. Sperling to J. Buntzen, December 19, 1907, BCERP, Box 665.


\textsuperscript{21} B.C., Royal Commission on Labour, Report, p. M7; the street railway union submitted a budget showing that it cost a man with a wife and three children $1223.79 per year to live at a very minimum level. This sum was considerably higher than that earned by the highest paid motorman or conductor. Budget, June 10, 1913, copy in BCERP, Box 535.
By 1913, however, depression had set in. The labour market was no longer buoyant. Discontented street railwaymen could no longer easily move to alternative employment. The company also had problems. It was in the concluding stages of a period of large scale expansion of its facilities but with the onset of depression revenues had not risen as anticipated. Moreover, company officials in England knew it was becoming difficult to raise new funds to complete projects still underway. The Board of Directors did not think it could afford even slight concessions to the employees when the wages agreement expired in June 1913.22

Several weeks before the union locals presented their demands, the B.C.E.R., recalling the co-operation of international union officials in 1910, sent F. R. Glover, a senior executive, to see W. D. Mahon, the international president of the A.A.S.R.E.A. Glover informed Mahon of the company's financial difficulties. Mahon, admitting to Glover that the B.C.E.R. was a model employer, promised to advise local officials to moderate their demands. When Magnus Sinclair came to Vancouver on behalf of Mahon, he reportedly told local union officials that their original demands were so extravagant that the international could not support them.25

The company had indicated it was prepared to do no more than retain existing wage scales; the employees asked for a raise of approximately 22½% and for changes in working conditions. The B.C.E.R. refused to consider this proposal but offered a slight increase for beginning employees in return for modifications in working conditions. The members of the Vancouver local unanimously rejected this offer, disclaiming the "unreasonable attitude of the company." The company's directors had already authorized all necessary precautions for a strike including protection for company property and the importation of strike breakers if "absolutely necessary." The directors claimed that in the long run a strike would be cheaper than wage increases.24 The policy of paternalism was fading rapidly with the advent of depressed economic conditions.

Eventually, both the company and the union agreed to refer their differences to a board appointed under the Industrial Disputes Investigation Act. The majority report of the board recommended some wage increases.

22 R. M. Horne-Payne to R. H. Sperling, April 16, 1914, BCERP, Box 106-1431.
23 F. R. Glover to R. H. Sperling, May 24, 1913, Letters from the General Manager; F. R. Glover to R. H. Sperling, November 18, 1913, BCERP, Box 105-1431.
for beginning employees and some minor changes in working conditions. Seventy-eight per cent of the employees refused to accept the award until the company made further adjustments in working conditions, particularly in connection with running schedules. The employees' acceptance of a new two year agreement was a reluctant one made only in the light of increasing unemployment in the city.

By year's end, many of them were on half time. Unhappiness continued among certain groups of employees. The men who worked on the interurbans, the car repairmen and the car cleaners, found that the working conditions laid out in the 1913 agreement restricted their overtime earnings. They briefly threatened to strike for restoration of the previous agreement. W. D. Mahon, however, visited Vancouver and persuaded the interurban men to accept the status quo on the grounds that their complaint had no real basis. The repairers and cleaners, however, were not pacified until a Board of Conciliation investigated their case. The tension below the surface could be easily aroused. The dismissal of a conductor accused of tampering with a fare box threatened to lead to a strike. The employees rightly argued that no one should be dismissed without a hearing. Nevertheless, in spite of assorted grievances, the street railway-men honoured the agreement they had accepted in 1913.

The general situation continued to deteriorate. The depression persisted; the outbreak of war and the onset of jitney competition were new complications. The directors of the B.C.E.R. warned management officials that wages would have to be reduced by as much as 20% even though this might mean a strike. When the general manager, George Kidd, argued that the men ought to be paid a competitive wage taking account of the cost of living, the Board agreed to reduce wages by only 15%. The company had set aside its old policy of benevolent paternalism. Indeed, in his annual report for the year ended June 30, 1915, W. G.

25 The majority report was signed by Judge Murphy and H. O. Alexander (the company appointee). M. B. Cotsworth (the union appointee) presented a minority report. For his work, Cotsworth was greeted by "round after round of applause" when he visited a meeting of Division 101. A.A.S.R.E.A., Division 101, Minute Book, 1910-1913, August 20, 1913. Memo of Meeting of Company and Union, August 21, 1913, BCERP, Box 106-1431.

27 Labour Gazette, XIV (July 1914), 53-59; XIV (September 1914), 367; George Kidd to Michael Urwin, August 14, 1914, London Letter Book #10, BCERP.
28 Michael Urwin to George Kidd, February 19, 1915, BCERP, Box 64; Michael Urwin to George Kidd, October 23, 1914, London Letters Inward, #1, BCERP; George Kidd to Michael Urwin, March 16, 1915, Letters from the General Manager, BCERP.
Murrin, the General Superintendent, complained of the “spirit of independence” among the employees and noted:

In the ordinary way the first step in a programme designed to improve the attitude of the men toward the Company would have been to have given evidence of the Company's great interest in the welfare of the men and to have built up from this basis a desire on the part of the men to take their part in the reciprocal duties for the good of the Company. As the men, however, had already received considerably more than we would have willingly given, it was necessary first of all to indicate that they could not get things for the mere asking.

I arranged to handle all things concerning the Union myself, and throughout the whole year have endeavoured to convince the representatives of the Association that it is the Company's business first and everything else [is] a secondary consideration.29

The B.C.E.R. had been anticipating difficulties with its employees ever since it decided, late in 1914, to reduce wages. It was, with reason, concerned lest the street railwaymen might join forces with the linemen, members of the International Brotherhood of Electrical Workers to fight against wage reductions. The street railwaymen permitted Kidd to address their mass meeting to present the company's case but he failed to convince them of the need to accept wage reductions. Eventually, the union and the company agreed to the establishment of proceedings under the I.D.I. Act. After twenty-five sittings during the summer of 1915 the Conciliation Board recommended an eight per cent wage reduction with few changes in working conditions. The B.C.E.R. regarded the decision as a favourable one; the employees did not. At a mass meeting at the Imperial Theatre, 550 of them unanimously agreed to reject the award and to prepare to strike.30

The company was already prepared for such an eventuality. It had even arranged for strike breakers. By personal letter it warned each employee that in case of a strike it would give a forty-eight hour period of grace and then cease to recognize the union and seniority rights. The company, however, preferred to use persuasion to avoid a strike. The B.C.E.R. contacted the international officers of the A.A.S.R.E.A. and asked them to work against the strike. In response, the international officers quickly telegraphed the Vancouver local expressing their opposition

29 Report of the General Superintendent for the Year ended June 30, 1915, BCERP, Box 438. At the same time the company was attempting to break the local of the I.B.E.W.
to a strike. On receipt of this wire, the members of the local union were "clearly very disappointed." The 670 of them who attended a special mass meeting to consider the attitude of the International left the meeting in disorder. More successful was Kidd's use of H. H. Stevens, Conservative M.P. for Vancouver City, as an intermediary. Stevens reported that the men suspected the company of trying to break the union and would accept an agreement that would not last for a fixed period but rather for twenty-two months or for the duration of the war plus six months, which ever was the shorter term. The street railway strike was averted.\textsuperscript{31}

The outcome delighted Kidd. Not only did the acceptance of the conciliation award mean a lower wage bill, but Kidd believed that the employees realized "better than they have for many years that the Company intend to keep the management of the business in the hands of officials," and, that having learned that conciliation did not necessarily go in their favour, would be more ready to negotiate on a reasonable basis in the future.\textsuperscript{32} While the Conciliation Board had been sitting, the company had taken advantage of the unemployment problem by enclosing with mid-month pay cheques a "Notice to Unmarried Men. Your King and Country Needs You. We Can Spare You."\textsuperscript{33}

The new firmness was tempered briefly with old-time benevolence. So peaceful did the labour situation seem, that the B.C.E.R. attempted to restore paternalism by organizing first aid classes, purchasing instruments for a company band (later dissolved because of complications posed by the Musicians' Union) and arranging billiard matches between the motormen and conductors and the office staff.\textsuperscript{34}

The old paternalism, however, would not work under war time conditions. Defence industries had taken up the labour slack. By the summer of

\textsuperscript{31} Notes of Meetings in General Manager's Office, August 23, 1915 and August 30, 1915, BCERP, Box 64; George Kidd to Michael Urwin, September 4, 1915, BCERP, Box 64; A.A.S.R.E.A., Division 101, Minute Book, September 1, 1915.

\textsuperscript{32} George Kidd to Michael Urwin, September 4, 1915, BCERP, Box 64.

\textsuperscript{33} A copy is enclosed with George Kidd to Michael Urwin, August 7, 1915, Letters from the General Manager, BCERP.

\textsuperscript{34} In 1915 Kidd had set out to break the International Brotherhood of Electrical Workers, the linemen's union, which was "one of the most costly and offensive Unions any company ever had to deal with." He succeeded because the linemen, probably fearful of unemployment, were willing to negotiate directly with the company rather than through the union. Kidd blamed his problems with the I.B.E.W. on its representatives who were "aggressive labour agitators with extreme socialistic and syndicalist views." He believed his employers had been led astray by their business agent — and told them so. (Kidd to Horne-Payne, July 7, 1915, Box 68; Kidd to Urwin, September 17, 1915, Box 64.) George Kidd to Michael Urwin, November 20, 1915, Letters from the General Manager, BCERP; George Kidd to Michael Urwin, May 19, 1911, Letters from the General Manager, BCERP.
1916 there was a definite shortage of labour; retaining employees was increasingly difficult. Disaffected linemen, taking advantage of the situation, struck the B.C.E.R. on the issue of union recognition. The company was again seriously worried that the street railwaymen might join the electrical workers in a sympathy strike. Eventually, the management restored the electrical workers' wages to the 1915 level and recognized their union.

There was "intense dissatisfaction" among street railwaymen too. They presented resolutions to the Trades and Labour Congress of Canada asking for the repeal of the Lemieux Act which they had found to be "no fast remedy for settling disputes between capital and labor." They were unhappy with the 1915 wages agreement and the rising cost of living. They were also agitating for a formal six day week instead of the usual 1½ days off in eight. The company surrendered in part to the street railwaymen. It restored the wages prevailing before the September 1915 reduction on condition the agreement extended to June 30, 1918 or to six months after the end of the war, Management officials thought this would avoid a difficult labour situation in the summer of 1917. They hoped that by war's end the company would be negotiating from a position of strength as there would be many unemployed after the war.

In the spring of 1917 the street railwaymen asked for a war bonus as a supplement to their wages. Although the agreement still had a year to run, Kidd sensed uneasiness among the employees because of the high cost of living, the general upheaval in the labour market and "the feeling that a good time is coming for them and that they are going to have much more their own way than in the past." The example of American railwaymen who had twice within six months squeezed important concessions from their government had not been lost on the B.C.E.R.'s employees. Although concerned about a possible strike, Kidd dismissed as "perfectly ridiculous" a suggestion that the company should pay a war bonus.

Six weeks later — in May 1917 — Kidd unhappily informed his directors that the employees would probably demand such a bonus, costing approximately $100,000 per year. He admitted that the men had a legiti-

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35 George Kidd to Michael Urwin, September 23, 1916, Letters from the General Manager, BCERP; William Saville to G. R. C. Conway, August 28, 1916, Box 592, BCERP.
37 George Kidd to R. M. Horne -Payne, March 27, 1917, Box 68, BCERP.
mate grievance; the cost of living had risen about 25%. He feared the consequence of a strike in Vancouver where labour was scarce but, as late as May 17, he did not really expect a strike. With his directors' approval, he announced that starting June 1, the company would pay a war bonus of from five to fifteen per cent varying in inverse proportion to the employee's monthly earnings. This did not satisfy the street railwaymen who wanted an average increase of five cents per hour or almost a fifteen per cent increase for the highest paid men rather than the five per cent proposed by the company.

The employees argued that such an increase was imperative in order to meet the high cost of living. The company contended that jitney competition meant it could not afford to grant the higher wages which, incidentally, would make its employees the highest paid street railway workers in Canada. Because their agreement still had a year to run, the international headquarters of the A.A.S.R.E.A. was unlikely to support B.C.E.R. employees in a strike. Nevertheless, ninety-seven per cent of the street railwaymen in Vancouver and New Westminster voted to stop work. On June 13, 1917 they struck. Although the street railwaymen were undoubtedly frustrated, calm prevailed. The strike, said the Vancouver Province, was as "peaceful as a Sunday School." "An atmosphere of good humour seemed to prevail all round," but retail trade was seriously hindered.

The street railway strike and the fear that a sympathy strike by electrical workers would shut down industry precipitated the decision of the provincial government to have Dr. Adam Shortt, a federal civil servant and political economist, investigate the economic conditions of the B.C.E.R. with particular reference to jitney competition and proposed fare increases. As soon as Shortt's appointment was confirmed, Kidd and the union met to discuss the question of wages. Kidd offered a three cent per hour raise. After refusing to consider this offer, the union leaders hinted that if their demands for five cents an hour were not met, the electrical workers would join the strike. Fearing that the cessation of all light and power service would destroy the good will the company had acquired during the strike and jeopardize agreements with the city, Kidd reluc-

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88 George Kidd to Michael Urwin, May 12, 1917, Letters from the General Manager, BCERP; Announcement, May 21, 1917. Copy in Box 98, BCERP.

39 Vancouver Daily Province, June 14, 1917, p. 16; George Kidd to Michael Urwin, June 25, 1917, Letters from the General Manager, BCERP.

tantly granted the five cent increase in a one year agreement. On June 21, 1917—six days after the strike began—the men returned to work. Their new wages were high by Canadian street railway standards but not by local standards for unskilled and semi-skilled labour.41

Prices continued to rise faster than wages. National registration of manpower and then conscription antagonized many members of the labour movement who believed that there should be no conscription of men without conscription of wealth. And, the revolutionary ideas which had long been present among some labour men had been stimulated by the Russian Revolution. The B.C. Federationist, for example, published articles by Lenin and closely observed the Russian scene.

Throughout Canada, and particularly in the West, the labour situation was critical. To complicate matters there was disagreement between conservative labour leaders, mainly from the east, who continued to advocate political action and membership in traditional international trade unions as a means of accomplishing their ends and western radicals who favoured industrial unions and direct action, i.e., the strike. This conflict which was evident at the September 1918 convention of the Trades and Labour Congress in Quebec City was confirmed by the B.C. Federation of Labour Convention and the subsequent Western Labour Conference at Calgary in March 1919. These meetings, at which Vancouver union leaders played a prominent part, endorsed socialism, the formation of One Big Union and the use of the general strike to achieve labour's objectives.42

To the management of the B.C.E.R., the question in 1918, however, was simply one of wages and working conditions. The initial reaction of the Chairman of the Board was to refuse higher wages "with utmost decision and firmness" even though it might mean a long shutdown.43 Kidd, the man on the spot, regarded the union demands as unreasonable but realized the difficulty in resisting a demand for a minimum of forty cents per hour, since an adjuster appointed by the federal government had recently granted 48¢ per hour to common labourers in shipyards.44

41 George Kidd to Michael Urwin, June 26, 1917, Letters from the General Manager, BCERP.
42 Among the useful studies of the subject are Martin Robin, Radical Politics and Canadian Labour, chapters IX-XII; Paul Phillips, No Power Greater: A Century of Labour in B.C. (Vancouver, 1967), ch. 5; H. A. Logan, Trade Unions in Canada (Toronto, 1948), ch. XIII.
43 R. M. Horne-Payne to George Kidd, April 9, 1918, Box 68, BCERP.
44 The shipyards had reluctantly raised their rate of pay to compete for labour with the Puget Sound yards.
"To fight a strike," said Kidd, "would be out of the question" as it would involve all of the company's employees and would practically suspend the business of the whole community.\(^{45}\)

Kidd offered the street railwaymen a ten per cent increase (which would mean a 30¢ per hour minimum) with the same working conditions. Although the eight hour day was almost universally accepted in Vancouver, Kidd would not alter the customary nine to nine and a half hour day for street railwaymen.\(^{46}\) The union refused his offer. The company and its unions then applied to the federal Department of Labour for a Board of Conciliation and Investigation. Before this Board could prepare a report on street railway matters or hear evidence in a dispute between the Electrical Workers and the B.C.E.R. and the Western Canada Power Company, the street railwaymen and the electrical workers struck at midnight on July 1, 1918. The fact that the two unions went out together, appointed a joint committee to carry on the strike, and did not wait for the Conciliation Board's report is indicative of the restlessness of labour at the time.

The joint strike committee asked the Vancouver Trades and Labour Council to place electric power on the "unfair list." Most of the affiliated bodies were favourable but the general strike committee of the Trades and Labour Council delayed action to give the unions and the companies time to reach a settlement. According to the *B.C. Federationist*, "the patience of other union men was only held in leash by herculean efforts and the general strike committee could not have prevented a general strike taking place ... if a settlement had not been made."\(^{47}\) Office and supervisory staff maintained light and power service while residents of Vancouver walked or rode on the jitneys.

The Conciliation Board\(^{48}\) accepted the company's claim that the street railway was a losing proposition. It argued, however, that the ability of the company to pay was not a relevant issue, that employees "should not be called upon to bear a share in the loss resulting from an unremunerative business undertaking which served the citizens as a whole." In line with a recent decision of the National War Labor Board in the United

\(^{45}\) George Kidd, to Secretary, B.C.E.R., London, May 30, 1918, Letters from the General Manager, BCERP.

\(^{46}\) George Kidd to John Davidson, August 1, 1918, Letters from the General Manager, BCERP.

\(^{47}\) July 12, 1918, p. 1.

\(^{48}\) The members of the Board were Hon. Mr. Justice W. A. Macdonald, the chairman; Frederick Buscombe, a wholesaler representing the company and T. J. Coughlin of the Brotherhood of Railway Trainmen, representing the employees.
The B.C.E.R. and its Street Railway Employees

States, the local Conciliation Board contended that employees “should receive a fair rate of wages which will enable them with proper economy, to meet the high cost of food and other necessities.” After making some specific recommendations for wage increases (from 30–40¢ to 40–47¢ per hour), the Conciliation Board concluded by observing that the B.C.E.R. was “in the unfortunate position of being unable — under existing [municipal] agreements — to pass the enormously increased cost on to the public upon whom, however, it must inevitably fall in the end, for if the public want the service it must pay for it.” Because this statement gave the B.C.E.R. an opportunity to raise fares from five to six cents, it agreed to pay the wages suggested by the Board. Once more, said the B.C. Federationist, the company had used its employees to gain concessions from the government. Nevertheless, the employees had also gained some concessions including a reduced spread-over period and the heating of the car barns and the back ends of the cars.

At last, the B.C.E.R. seemed to have solved its problems with its street railway employees. Labour unrest, however, was festering in the community. Employers were very concerned. Some mistakenly feared that the Industrial Workers of the World, a radical union, was “endeavouring to

49 Specifically, the Conciliation Board recommended an increase in minimum wages for motormen and conductors from thirty cents an hour to forty cents (the B.C.E.R. had been unable to hire anyone for less than thirty-five cents) and in maximum rates from forty to forty-seven cents. According to Kidd, these would be second only to Anaconda, Montana in street railway wages in North America. The Board also advised that the term of service required to reach maximum rates should be reduced from four to two years. These rates would be included in a one year agreement which could be reviewed if the cost of living rose appreciably. The Conciliators also recommended the adoption of the principle of the eight hour day — a major issue for the unions — although the implementation of such a measure would have to wait the end of the war. See also, British Columbia, Department of Labour, Annual Report, 1918, H50.

50 “Report of Board in Dispute between B.C. Electric Railway Company and Street Railway Employees,” Labour Gazette, XVIII (August 1918), 575ff.

51 July 12, 1918, p. 1.


53 The return to normality was short-lived. At Midnight on Saturday, July 13, 1918, the Electrical Workers, without notice, resumed their strike thus shutting off light, power and street railway service. With some difficulty, supervisory personnel restored limited service but could not provide sufficient electric power to operate the street railway. Not until the Attorney-General, the provincial Minister of Labour and the Mayor of Vancouver intervened did the company agree to restore transportation and lighting privileges which had been discontinued when wages were raised and to refer other matters to further arbitration. The Electrical Workers then returned to their jobs. B.C.E.R., Vancouver to R. M. Horne-Payne, July 15, 1918 with E. T. Rogers to BCERP; George Kidd to R. M. Horne-Payne, July 12, 1918, BCERP, Box 68; George Kidd to John Davidson, August 1, 1918, Letters from the General Manager, BCERP.
circulate their members where possible to promote discontent.” The Van-
couver Trades and Labour Council was talking of a general strike and
Vancouver civic employees had struck briefly in the spring of 1918. Ac-
cording to Kidd, the labour situation was “most critical.”

The war which had resulted in a shortage of labour, a higher cost of
living and increased wages also restricted the lives of individuals. Con-
scription indirectly caused the third stoppage of B.C.E.R. employees with-
in fourteen months. In protest against the shooting of Albert (Ginger)
Goodwin, a former vice-president of the B.C. Federation of Labour who
was avoiding military service by hiding in the hills near Comox, the Van-
couver Trades and Labour Council, endorsed the idea of a twenty-four
hour “holiday” starting at noon, August 2, 1918 as a protest. This was,
of course, a form of general strike.

Of the B.C.E.R.’s employees, only the street railwaymen on city lines
joined the work stoppage and then only from noon to 10:30 p.m. when
the Mayor and others persuaded them to return to work. The success of
these efforts in getting the street railwaymen back to work, Kidd sug-
gested, was to a great extent due to the action of the returned soldiers
who, earlier in the day, had raided the Labour Temple and physically
attacked Victor Midgely, the Secretary of the Vancouver Trades and
Labour Council. The decision of the street railwaymen to resume work
prevented serious consequences. The returned soldiers and their sympa-
thizers “had made it their business to centre their opposition to the
Strike on the stoppage of street car service.” Fearing a riot led by the
soldiers if the street cars did not run, Kidd took his men back without any
attempt to discipline them for breaking their contract. He also believed
that if the company balked, it would be unlikely to receive government
protection for its property.

Kidd criticized the failure of the provincial and federal governments to
tackle evils such as radical and anarchistic propaganda which were af-
fecting the labour movement. He also rebuked “the business interests,

54 George Kidd to R. M. Horne-Payne, May 23, 1918, BCERP, Box 68; B.C. Federa-
tionist, July 5, 1918, 1; Austin Taylor to Edward Fitzgerald (Assistant to the
Chairman, Imperial Munitions Board), April 5, 1918, Robert Laird Borden Papers,
#133263-5. (Original in Public Archives of Canada).

55 For details see Paul Phillips, No Power Greater, 72-74; Martin Robin, Radical
Politics and Canadian Labour, 152.

56 Midgely was forced to take temporary refuge on a window sill. When he got back
into the building he was beaten and forced to kiss the flag. Later, police rescued
him. The building itself was damaged and some records destroyed.

57 George Kidd to John Davidson, August 13, 1918, Letters from the General Mana-
ger, BCERP.
representing the more stable element in society [who] have been inactive and take practically no part in the civil life or government of the community.\textsuperscript{58} To remedy these problems, Kidd began organizing an association of leading businessmen "whose object would be the consolidation and coordination of employers of capital and labour on a sound and equitable basis." The Association would do as much "to see that unfair conditions are not imposed by employers upon work-people as the reverse."\textsuperscript{59} This was obviously more of the nature of self-interest than paternalism. In any case, the Employers' Association of British Columbia failed to stop labour unrest.

By January 1919, Kidd was warning his directors that unemployment caused by the end of wartime shipbuilding and the return of soldiers combined with the ideas of the Bolsheviki might result in "violent disturbances" during the summer.\textsuperscript{60} On May 18, 1919 the members of the Winnipeg Trades and Labour Council embarked on a general strike.\textsuperscript{61} In Vancouver, employers were justifiably worried. The Vancouver Trades and Labour Council polled its members on the idea of a sympathy strike which the \textit{B.C. Federationist} declared was on the issue of "the right of workers to collective bargaining."\textsuperscript{62} A majority voted in favour; on Tuesday, June 3, 1919, the Vancouver Sympathy Strike began.

The big question in Vancouver was "what will the street railwaymen do?"\textsuperscript{63} Initially, they had voted 518 to 209 against going out on strike. For two days they continued to work in spite of pickets on the cars and at the car barns. When they met after midnight of June 4 to consider their situation, the longshoremen and other strikers picketed the meeting making open but undefined threats against the street railwaymen if the cars

\textsuperscript{58} \textit{Loc. cit.}

\textsuperscript{59} George Kidd to the managers of the B.C. Telephone, B.C. Sugar Refinery and other companies, November 29, 1918, BCERP, Box 104.

\textsuperscript{60} George Kidd to R. M. Horne-Payne, January 30, 1919, BCERP, Box 68. There was interest in Bolshevik ideas among the street railwaymen. In February 1919 their union sold at least 200 copies of a 5\penny pamphlet "Soviets at Work" to its members. A.A.S.R.E.A., Division 101, Minute Book, February 3 and 17, 1919.


\textsuperscript{62} June 6, 1919, p. 1. In writing to the Prime Minister, J. Kavanagh, Secretary, Vancouver Trades and Labour Council, also emphasized the importance of collective bargaining. J. Kavanagh to R. L. Borden, May 27, 1919, Borden Papers, #61617.

\textsuperscript{63} \textit{Vancouver Daily Province}, June 3, 1919, p. 1.
ran on the morning of June 5. The threats worked. On the morning of June 5 most Vancouverites had an unexpected walk to work; the decision to strike had been made long after most people had gone to bed.

Once again, the Vancouver street railwaymen had violated their agreement with the B.C.E.R. In New Westminster and on the interurban lines, the unintimidated street railwaymen voted against joining the strike. The interurbans, however, were unable to run all the way into downtown Vancouver. Then, when nine labour leaders were arrested in Winnipeg, a general strike was called in New Westminster. Service on the main interurban lines also stopped.

As soon as the street cars ceased to run, hundreds of jitneys appeared. The mayor had temporarily suspended the by-law against them. Since it could not offer alternative transportation, the B.C.E.R. could only protest mildly. The union was more assertive. According to W. H. Cottrell, president of Division 101 and a member of the Strike Committee, the jitneys were "legalized scabs," threatening the effectiveness of the strike. The Strike Committee presented the city with an ultimatum: if the jitneys were not ordered off the streets, the telephone operators would be called from their jobs. The threat did not work. Non-union operators maintained telephone service and the jitneys remained. On some streets, however, the strewing of carpet tacks limited the effectiveness of the rubber-tired jitneys.

Not surprisingly—in view of past experience and Murrin's recent statement to the Royal Commission on Industrial Relations that he had great respect for the discretion and wisdom of the parent union64—the B.C.E.R. used the jitney competition as an excuse to renew contracts with W. D. Mahon, the international president of the A.A.S.R.E.A. His cooperation was especially desirable because local union officials refused to discuss the strike with the company. The management of the B.C.E.R. urged Mahon to "come here at once" to investigate. At the same time, the company sent its executive "trouble shooter," F. R. Glover, to international headquarters in Detroit to "press the Company's claims for their intervention." Glover persuaded the international executive (Mahon was out of town) to wire the Vancouver local urging its members to return to work at once.65 The wire, however, seemed to have little effect. When

64 Canada, Royal Commission on Industrial Relations, Minutes of Evidence, 1919, vol. I, p. 415. (Transcript in Department of Labour Library, Ottawa.)

65 W. G. Murrin to W. D. Mahon, June 10, 1919; W. G. Murrin to W. D. Mahon, June 19, 1919; George Kidd to R. W. Bartlett, July 7, 1919; F. R. Glover to W. G. Murrin, June 25, 1919, all in Letters from the General Manager, BCERP.
Mahon returned to Detroit, he immediately warned the Vancouver local that if the contract with the B.C.E.R. were not honoured, the local would lose its charter. By the time Mahon’s telegram arrived in Vancouver, the Winnipeg strike was over and tension was easing in Vancouver.

With the end of the Winnipeg strike, the raison d'être of the Vancouver strike disappeared. By a majority of forty-five, the street railwaymen voted to return to work on June 30, 1919. The international, apparently had had limited influence over the local union. W. G. Murrin, the acting general manager, thought that the International “seemed afraid throughout of doing anything which would weaken their influence with the men and bring about . . . a breach” between local and international leaders. Nevertheless, the B.C.E.R. was anxious to have Mahon or an “efficient substitute” come to Vancouver to investigate the situation and take steps to restore confidence in the reliability of street railway service. Because street railway service had been suspended three times within a year, the city was not anxious to remove the jitneys completely as they provided an alternative method of public transportation.

Mahon was consistent in this policy. He told the Association’s annual convention in 1919:

“Within the last half year there has been a spirit on the part of our membership to entirely disregard the laws of this Association on the subject of strikes, and several strikes have been called . . . in violation of our law. In some cases mass meetings have been called and strikes ordered without giving any consideration to our laws, and without submitting the matters in dispute to a referendum. I would remind you that the integrity of this organization is at stake.”


Local union members seemed satisfied with the local conduct of the strike. Within a month of the strike’s end, they re-elected most of their local officers. (*B.C. Federationist*, July 25, p. 1). They were less happy with the international and instructed their delegates to the annual convention “to endeavour to have produced all correspondence that passed between the International and Street Railway Company at the time of the strike.” The decision of the Convention to give the Vancouver local $2,000 in strike pay and [waive?] a month’s per capita tax of $2,700 temporarily restored friendly relations between the local and the international. (*A.A.S.R.E.A., Division 101, Minute Book, Regular Meetings, 1919-1921, September 2, 1919 and October 29, 1919.*). In the spring of 1920, however, a plebiscite among members in Vancouver on breaking with the international failed by a mere seven votes to obtain the necessary two-thirds majority. (E. Rogers to R. W. Bartlett, May 14, 1920, Letters from the General Manager, BCERP).

Before the strike there had been a serious conflict within Division 101 as newer members who had little seniority were aggrieved by swing shift arrangements. They formed a Reform Association as a potential competitor to the A.A.S.R.E.A. Unfortunately, the minutes of Division 101 for this period are too thin to reveal the whole significance of this internal conflict.

W. G. Murrin to F. R. Glover, June 29, 1919, Letters from the General Manager, BCERP.

During the strike, the use of the private automobile increased. The only “bright spot” on the labour scene was a Vancouver firm which sold gasoline. *B.C. Department of Labour, Annual Report, 1919*, p. K76.
A little more than a month after the conclusion of the sympathy strike, the street railwaymen asked for increased wages and improved working conditions. They rejected the company's proposal of a five cent per hour increase and applied for a Board of Conciliation. This Board reported that in comparison with the increased cost of living and wages paid to workers in other industries, the wages paid to motormen and conductors did not seem too low considering the steadiness of the work and the limited amount of skill required. Because of the general tendency towards higher wages, the Conciliation Board recommended an increase of five cents per hour—the original company offer. The Board also advised that there should be no major changes in working conditions.  

This was much less than the employees wanted but they accepted it. The company, needless to say, was not disappointed.  

From the company's point of view, the labour scene during the 1920's was comparatively peaceful. In 1920 and 1923, however, the company avoided street railway strikes only by acceding to its employees' demands for higher wages to meet the rising cost of living. On the other hand, in 1921, during the trough of the post-war depression, a federal Conciliation Board awarded the company a ten per cent reduction in wages. By mid-decade, the labour situation seemed stable. In 1924, labour and management successfully negotiated a three-year agreement which included only minor alterations in previous wages and working conditions. In 1927, another Board granted only minor increases but the employees accepted another three-year contract.  

The relative calm of the labour scene was also reflected by the company's resumption of the policy of paternalism which had been more or less suspended for the duration of the war. A programme providing long term loans at low interest to employees who wanted to buy their own homes was extended from the clerical staff to all employees.  

Blanket life insurance of $1,000 for all employees with five or more years' service was provided. In 1926, the directors voluntarily set aside £40,000 ($200,000) for pensions for employees with more than twenty-five years' service who had passed retirement age. The British Columbia Electric Employees' Magazine which began publication in 1918 continued explaining com-

70 “Report of Board in Dispute between the British Columbia Electric Railway Company and Certain of its Employees,” Labour Gazette, XIX (December 1919), 1394-1399.  
71 R. M. Horne-Payne to George Kidd, April 8, 1919, BCERP, Box 68. By June 30, 1921, 83 employees had used this scheme. The company had advanced $198,136.95 of which $49,087.18 had already been repaid. George Kidd to John Davidson, September 15, 1921, BCERP, Box 65.
pany policies and developments as well as carrying news items about individual employees and their families. Kidd observed that the company was a popular employer, that "from the highest to the lowest in all sections of the community people are desirous of joining the service." In 1927, the company informed a Conciliation Board that "a large number of those operating our cars are constantly endeavouring to aid their sons, brothers and other relatives to obtain employment with us." As far as the company was concerned, the labour situation had returned to its normal pre-war state of apparently happy employees working for a paternal company.

Paternalism was not the company's only policy. Although the B.C.E.R. thought of itself as a benevolent employer, it was prepared to be tough, if necessary. In times of real or threatened trouble it called on outside agencies for help. It never actually imported strike breakers to operate the street railway but it seriously considered this possibility on several occasions. The B.C.E.R. preferred negotiations. It had considerable success in getting the international officers of the A.A.S.R.E.A. to assist it in local wage discussions. The greatest friend of the company in labour relations, however, was the federal government's Industrial Disputes Investigation Act, the Lemieux Act. On six occasions during the period under consideration, major disputes over wages and working conditions were referred to Boards set up under this Act. None of the decisions of these Boards could be described as entirely unfavourable to the company.

The strikes of 1917, 1918 and 1919 were aberrations from the general pattern and reflected the culmination of general labour unrest in the province rather than specific dissatisfaction with the B.C.E.R. The fact that the street railwaymen and the electrical workers co-operated in fighting the company was another reflection of this unrest. The turmoil of the war years and the strikes demonstrated that the B.C.E.R.'s policy of paternalism succeeded only when it was accompanied by conditions which enabled the company to pay wages and provide working conditions competitive with those in other industries in Vancouver and with street railway companies elsewhere. Paternalism, in short, worked only in relatively stable and prosperous times. By itself, it was no panacea.

Nevertheless from the B.C.E.R.'s point of view, paternalism was an enlightened policy. Not only did it give the company a reputation as a model employer but for many years it helped to free the B.C.E.R. from

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73 See testimony of W. G. Murrin to the Royal Commission on Industrial Relations, Minutes of Evidence, 1919, I, 419.
serious labour unrest. To most employees paternalism probably meant no more than a minor fringe benefit but they deferentially accepted it. An explanation of the origins of this deference requires a broad study of the province's working classes both within and outside the ranks of organized labour. Such a study may reveal that paternalism and deference were not confined to the B.C.E.R. and its employees. This, in turn, may lead to a re-assessment of British Columbia's image as the province of labour unrest. In any event, this examination of the B.C.E.R. and its relations with an international union, the A.A.S.R.E.A., suggests that the traditional interpretation of international unions as the culprits in industrial unrest in British Columbia requires, at least, modification.