



International  
**LONGSHORE & WAREHOUSE  
UNION**

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## **LOCAL 500 BULLETIN**

*August 22, 1958*

### **LONGSHORE STRIKE PARALYZES SHIPPING IN FIVE B.C. PORTS**



ILWU strike committee, August 1958. (L-R): Leo Labinsky, B.C. District Council president; Lang Mackie, Port Alberni Local 503 representing Vancouver Island locals; Roy Smith and Bill Henderson, Vancouver Local 501.

#### **This was the headline**

in the Vancouver Sun 50 years ago today. The story said that, "Picket lines formed at 6 p.m. Thursday [August 21, 1958] following a breakdown of final talks with the Shipping Federation of B.C. The strike is over pension plan, working hours and pay but the pension plan is the main issue."

This was the first strike on the Vancouver waterfront since 1935. The newspaper article said, "Vancouver's last strike erupted into violence at Ballantyne Pier, June 18, 1935. . .

But in 1935 the waterfront continued to operate almost as usual because members of the Canadian Waterfront Workers' Association [the scabs] continued to operate on the wharves, despite the riot and picketing."

The strike of 1935 had broken the Union and the Union workers that had gone on strike were blackballed. The scabs became the union, albeit a completely company union. The Vancouver Waterfront Workers Association (VWWA) was chartered by the International as ILWU Local 501 on March 16, 1944. This was the beginning of the transformation of the company union into a real Union.

In 1958 enough men who started in 1935 were still on the waterfront to lend credence to the employers' belief that the union was bluffing about pensions and would not risk another disastrous defeat. The employer overlooked the union's new leadership. Roy Smith, Leo Labinsky, Lang Mackie and Craig Pritchett were coming to the fore and were not to be deterred by past defeats.

Bargaining for a new collective agreement started before the 1957 contract expired, but yielded small progress. By August 1958, what patience remained among the union people had dissipated. They had been working without a contract since April.

Meetings were held with other unions likely to be affected by a general waterfront strike. Teamsters, grain-workers and railwaymen agreed to honour ILWU picket lines. A complete shut-down of all cargo movement was assured. George Home, Secretary of the B.C. Federation of Labour, explained in a public statement that the right of any union to make pension plans the subject of collective bargaining was at stake. "That principle," he declared, "has unanimous union backing."

To convince employers that the union was not bluffing, the bargaining committee took a strike vote among the 1,300 men. Under the chairmanship of the dynamic new president of Local 501, Roy Smith, 82% voted in favour of a strike.

*....over*

Two features of the Longshore workforce in 1958 accounted for this mandate. On the one hand, at that time a relatively high percentage of the Membership were already at or over pensionable age and therefore had a personal interest in the issue. Secondly, there were many sons of Longshoremen in the Industry. Many of the younger Members had either seen their fathers retire on the pitifully small pensions provided under the 1953 plan, or else had fathers still working at age 65, 70 or even later, because they could not face retiring on \$30 to \$60 a month.

On August 21st, the Union met with the Shipping Federation (forerunner of the BCMEA) Board of Directors. The Union told the Shipping Federation that either they negotiated a new collective agreement now or they would meet again but under different circumstances, with lots of pickets on the move, but not a single ship. The Board of Directors turned thumbs down. The meeting ended with a scramble for telephones to get the word to the Locals to "pull the pin" and start picketing the ships. The companies also got the word out and ordered ships away from the docks. In two hours seven ships left, but when pickets went up, 30 remained.

The Union issued a public statement, "We got nowhere on the main points to do with pensions. They were equal control and full credit for past service." (The latter meant bringing pensions of those already retired up to the level of the new plan.)

Although the strike commenced on August 21st and closed down shipping operations completely, government intervention did not occur until September 13th, at which time Eric Taylor was sent to Vancouver as a mediator. By that time it was clear to all parties that the strike was solid and moreover that it had an unusual support from the public.

The settlement was approved September 22nd and included improvement in wages - 21 cents over two years. The eight hour day was agreed to with a one hour extension for a ship to shift or sail. Vacation pay was improved considerably.

The major breakthrough was achieving a jointly-controlled pension plan. This was to be financed by a 16 cents per hour employer contribution which was estimated to produce a benefit rate of \$3 a month per year of service. Apart from achieving decent pensions for its own Members the Union performed a service for the whole trade union movement by dramatically proving that pensions were a negotiable condition.

The most important change resulting from the 1958 strike settlement was the achievement by the Union of joint control over the pension plan. All of the improvements that have occurred over the years are attributable to that fact.

One fly in the ointment of the settlement was the treatment of those who had retired under the 1953 plan. It was the desire of the Union to treat them in the same manner as those who retired under the new plan.

However, for several years it proved to be impossible to get agreement of the employers on that point. The matter was eventually resolved by "the Jones case".

### The Jones Case:

The finances of the 1953 plan had been kept secret from the Union. By 1958 the fund had generated a surplus of between \$1.5 million and \$2 million. Income tax law and the plan itself provided that any such surplus could only be used for the benefit of retired and/or active Longshoremen.

It was the intention of the employer in 1958 that the 16 cents per hour contributions to the new plan would be paid out of the accumulated surplus of the old plan. The Union argued that it should be used in the first instance to upgrade the pension of the 1953 Pensioners.

Nothing was done until the new plan was irrevocably established. Then a lawsuit was launched by the Union on behalf of the 1953 Pensioners. That action became known as the Jones Case after one of the Pensioners named in the suit.

The wheels of justice grind slowly and it was not until 1963 that the Supreme Court finally brought down a ruling. The judge divided the surplus into three parts. The largest share was applied toward the Shipping Federation meeting its 16 cents a hour contribution to the new plan.

Satisfactory or not, the court ruling did resolve the problem of the 1953 Pensioners. Their share of the fund was used to upgrade their pensions to parity with the Members of the new plan. That established the Union principle that the Pensioners and the Actives would always receive the same increases to pensions.

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Information used in this report is from the 25th Anniversary History of ILWU Canada published in 1984; Never Say Die! by John Stanton (1987); and the archives of the Vancouver Sun newspaper.

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