

Ep. 21: Construction Unions, the False Creek Rumble and Expo 86 Transcript by Patricia Wejr

Rod Mickleburgh [00:00:06] Welcome to another edition of On the Line, a podcast that brings to light stories from BC's rich but too often unknown labour history. I'm your host, Rod Mickleburgh. This time out, we take a look at the valiant efforts by BC's unionized building trades to fight off a concerted effort by the anti-union Social Credit government to break their hold on major construction projects in the province. It all came to a head in the run up to Vancouver's World Fair Expo 86 and the building of the fair itself. It does not have a happy ending. Bill Bennett's Social Credit government had taken a hit during the province-wide Operation Solidarity movement in 1983. Although its rollback of long standing fundamental social rights remained intact, the labour movement had managed to fend off equally draconian measures aimed at the province's public sector unions. But despite that setback, there was no letup in the government's anti-union zeal. Many caucus members were strong proponents of Right to Work, and they particularly detested the monopoly held by BC's powerful building trades on virtually all large-scale construction projects. The first shot across the union's bow had been fired in 1982, when JC Kirkhoff and Sons, a little known non-union contractor from the Fraser Valley, shocked the building trades by winning the \$14 million contract to build a new courthouse in Kamloops. Despite union picketing of the site and much scoffing that Kirkhoff was not equal to the job, the courthouse was built on time and under budget, although it was not the start of a non-union trend at the time. There had also been the Sandman Inn in the mid-1970s that was built right in the heart of downtown Vancouver by Bob Gaglardi, son of notorious Social Credit cabinet minister flying Phil Gaglardi. When a non-union contractor showed up on site, the building trades invoked their non-affiliation clauses and walked off the job. These clauses, which were part of the union's collective agreements, gave them the right to refuse to work on the same construction site as non-union workers. Cheered on by the ICBA, the fanatical anti-union Independent Contractors and Businesses Association, however, Gaglardi said that's fine, I'll build it totally non-union. And he did. Gary Kroeker, a long time activist in Local 115 of the International Union of Operating Engineers and later president of the BC Building Trades in the early 1990s, spoke with Jim Sinclair about the Sandman Inn project for the BC Labour Heritage Centre.

Jim Sinclair [00:03:35] The Sandman Inn becomes a symbol for the building trades. Gaglardi -- major politician -- starts building the Sandman Inn. You guys invoke the affiliation clauses, they fire all the union people off the site and they build it non-union. And isn't this kind of a watershed.

Gary Kroeker [00:03:49] I'm going to say that that one becomes the most watched project in terms of how things changed as far as the construction industry is concerned in downtown Vancouver. At one point in time, downtown Vancouver pre-Sandman, there wouldn't be a project that wasn't being built union. And Gaglardi said, I'm building it this way and brought on some... started it out union and then brought on some non-union. And the affiliation was invoked and he said, okay, the whole job's going non-union. And from there, it just escalated to the point of it became the flagship for the, I'm going to say for the ICBA, and the non-union sector saying that if Gaglardi's going to do it, we can do it. And in the trades, I gotta say that we sort of backed off a little bit. You know, work was a little tough in the '80s and said, hey, we've got to get our members to work somehow so we sort of turned a bit of a blind eye to the affiliation clause. And say, well, gee, it's okay for the operator to be there, but mister carpenter, you're on your own. Or the electrician may say, hey guys, yeah, we got the job and mister drywaller, you're on your own. And so it became -- because we had to get our individual union member to work. And so it was another one

of those divide and conquer issues that did not bode well for the trades and let's call it the recapture of some unity within the group. And then springing from there, I mean as we move through the, let's call it the early part of the '80s, and our good friend Mr. Bennett decides that, hey, they should toughen up the labour laws and all the rest of it.

Rod Mickleburgh [00:05:45] So tensions were high in early 1984 when the BC and Yukon Building Trades began negotiating for a new collective agreement with the Construction Labour Relations Association of BC. Roy Gautier of the Building Trades and the CLRA's Chuck McVeigh appeared on Jack Webster's much watched TV show that January. The province was going through a steep recession. And McVeigh told Webster that the contractors needed a wage cut of 30% for the unionized construction industry to survive. Webster put the proposition to Roy Gautier. By then, Expo 86 was firmly on the horizon, and Gautier was also worried the government was going to insist that non-union contractors be allowed to bid on Expo contracts.

Jack Webster [00:06:38] What if he's right, though? What if the whole kit and caboodle is going to go non-union? Many of your guys are lucky to have non-union jobs just now, right?

Roy Gautier [00:06:48] Well, I wouldn't say they're lucky. I think the whole thing is exaggerated. There's no question about it that there are union people working on non-union jobs. And that's a fact of life. And that's brought about by desperation more than anything else. And I think you have to see it in the light very quickly of people that have exhausted their unemployment insurance benefits, they're proud people. They're tradesmen. They're used to be working reasonably steadily, nine months a year. So they don't want accept social welfare, so they go and work on non-union jobs. That's the kind of thing we're up against. They're creaming it off the top. Non-union contractors, there's no doubt about it. And some of that is based on provincial government policy that has changed significantly. The provincial government will argue that it's always accepted public tender, that the low bidder takes. But that's not the truth of the matter. The experience is that unionized contractors have basically been involved on hospital construction, large public projects. Provincial government now has taken a different viewpoint. They're not only involved in their own crown corporations and the letting of construction work, they're directing. And I'll give you an example. We had a fairly good working relationship with BC Place and with Expo, at the management level up to the top level. We had reasonable assurances, particularly in the case of Expo '86, that because the narrowed down time frame, they want to get the job done in an 18-month period and they were going to use union contractors 100%. The directive came from the top of the ladder in Victoria. You have open sites. And what I'm saying is that government green light in that area is influencing a lot more people. It's a big problem. Where we depart from the contractors and CLRA is the solution. We don't see that work people should even contemplate 30% cuts in wages and benefits to find a resolution to that.

Music: 'I Don't Want Your Millions, Mister' performed by George Hewison [00:08:48] Well, I've worked to build this country while you lived a life of ease. Now you've stolen all that I've built, mister, while my children, they starve and freeze. And I don't want your millions, mister. And I don't want your diamond rings. All I want is the right to live, mister. Give me back my job again.

Rod Mickleburgh [00:09:46] Bill Zander was president of the Provincial Council of Carpenters when the next big challenge came. In an interview with Sean Griffin and Dan

Keeton for the BC Labour Heritage Centre, he recalled the state of the union prior to Expo 86.

Bill Zander [00:10:02] Our membership grew and we had up to 17,000 in the Carpenters Union in the province up until about I don't know, I'm just guessing now. By 1984 or so, '86. And that included a couple of school boards, but they weren't huge. The union grew.

Sean Griffin [00:10:26] And it grew basically, through organizing.

Bill Zander [00:10:28] That's right. And then, of course, what took place across the border was the Right to Work. And that influenced up here. They started trying to move it up here. We had it with Kerkhoff. Kerkhoff was a big one, and he was used by the Social Credit government to basically break the building trades. That's what his job was.

Rod Mickleburgh [00:10:44] The driving force behind JC Kirkhoff and Sons was the chippy Bill Kirkhoff. With the help of like-minded concrete supplier Ewald Rempel, Kirkhoff displayed an obsessive single mindedness in blazing a trail for non-union contractors in BC. He was cheered on by many in the government. In the spring of 1984, Kirkhoff took his non-union crusade to Vancouver to a large luxury condominium project in False Creek, known as Pennyfarthing. The job had started out union, but somehow Kirkhoff ended up with a contract to finish the job. The building trades were outraged to find Kirkhoff on a site where they had worked just two weeks earlier. They could not let this pass. A mass picket line went up and Pennyfarthing became a daily magnet for hundreds of desperate unemployed construction workers struggling to make ends meet during BC's grim recession. At a boisterous union rally, Roy Gautier told the fired up crowd they had to convince Premier Bill Bennett that they could screw up Expo with similar disruptions if the government allowed non-union contractors to help build the fair. As if to underscore Gautier's warning, the large Expo site lay tantalizingly close, just across the waters of False Creek. Meanwhile, the union blockade was letting no one in to work at Pennyfarthing. Then, Ewald Rempel waved a red flag in the face of the union by purposefully driving up to the site. His vehicle was quickly surrounded, rocked back and forth and pelted with foul-smelling material. Someone slashed its tires before Rempel could drive away. Roy Gautier addressed the angry mood of his members in a BC interview broadcast on the Webster Show.

Roy Gautier [00:12:47] I don't think that you can stop these members right now. They're mad. They're frustrated about what's happened. They're frustrated about what's happened down at that site. And I don't think -- I don't know what will turn those people off at this point in time.

TV Reporter [00:13:01] Are you saying that maybe it's out of your hands?

Roy Gautier [00:13:04] No, I'm not saying it's out of our hands. I'm simply saying that anybody to try to persuade those people to come away from there right now is going to have a difficult time. Sometimes there's a position arrived at where, you know, you just have to take a stand. People know that, they realize that. They are law-abiding citizens. They don't want any particular problems, just the same as any other citizens. But there comes a time when they're going to make a stand. And I think right now that's what they're doing.

TV Reporter [00:13:30] Are you saying the laws are bad and therefore it's all right to break them?

Roy Gautier [00:13:33] I'm not saying the laws are bad. I'm simply saying that these people have made the determination individually that they're going to take a stand. They're in a desperate position. In all, they've been unemployed so long and they see this happening and they see that down the road, if they don't take a stand then, you know, it's just going to become worse.

Rod Mickleburgh [00:13:49] But a week later, Kirkhoff had a court injunction outlawing any further obstruction. Fearing huge fines that would cripple the building trades, the union's months-long blockade of Pennyfarthing came down. It was a difficult, bitter decision. But Bill Zander pointed to advice given to the unions at the time by lawyer Harry Rankin.

Bill Zander [00:14:13] Pennyfarthing was probably the turning point in the building trades. We agreed again, to quote Harry, your hat'll be floating if you don't get off that picket line. Because there's an injunction against you and you're going to end up -- he's just telling it the way it is. I'm telling you what's going to happen to you. You make the political decision if you want to pay the, you know, if you want to pay the fines and run the risk, that's your business, not mine.

Sean Griffin [00:14:49] So you were told again, the risk here is great.

Bill Zander [00:14:52] Yeah, we would have faced huge fines. What should have happened is because there was a lot of people, there were people from other trades. There were school teachers, there were fishermen. There were, you know, people from all over that were coming down manning that picket line. We had the support of the public, which is something we didn't have a handle on and we should have. We should have known where the public were on this. But the public were on it, we found out afterwards, the public were on our side. And we should have ended up with a citizens picket. The building trades had to get off. But these other people aren't building trades and they can do whatever they like. So then Roy Gautier, who was the president of the building trades, came and had a big meeting, said it's over with. The line's coming off. That was him defending the unions and their finances that might have been involved in the court cases. But that didn't mean the people had to get off that weren't building trades.

Rod Mickleburgh [00:15:47] Gary Kroeker agreed that the injunction put the building trades under enormous financial pressure.

Gary Kroeker [00:15:54] Well, the fear of the penalties, because I think they were talking like \$50,000 a day. I throw out that number, it could have been higher, but it was a pretty substantial amount that was being bandied around. And I think the trades said, okay, as much as this is the hill to die on, maybe we should reassess where we're at. And I think, if I'm not mistaken, right on the heels of that was still coming Expo and a number of labour leaders got involved with how to have that project go union.

Music: 'The Workers Song' performed by The Longest Johns [00:16:32] Oh, come on all you workers who toil night and day by hand and by brain to earn your pay. Who for centuries old past, for no more than your bread, have bled for your countries and counted your dead. We're the first ones to starve. We're the first ones to die. The first ones in line for that high in the sky and we're always the last when the cream is shared out, for the worker is working when the fat cat's about.

Rod Mickleburgh [00:17:15] The building trades next step was to try and negotiate an agreement for Expo 86 that would guarantee, if not a total union site, that fair wages would have to be paid by non-union contractors. That would ensure a level playing field for bidding on Expo contracts. But every time they reached an apparent deal with fair's CEO, Jimmy Pattison, the government's anti-union hawks killed it. Roy Gautier called it, "negotiating in a sea of dishonesty and duplicity." Even the Vancouver Sun showed sympathy for the predicament of the construction unions.

Lucie McNeill voicing Vancouver Sun article [00:17:59] Every time Roy Gautier makes a concession to cut a deal on the use of non-union contractors, the Expo directors, under pressure from the government, throw it back in his face. Are they mad or just following orders from someone who is?

Rod Mickleburgh [00:18:18] The government then went further, declaring Expo 86 a special economic zone where the building trades non-affiliation clauses would simply not apply no matter what their contract said. In his interview with Jim Sinclair, Gary Kroeker explains how it all went down for the building trades who seemed doomed, no matter what they did.

Jim Sinclair [00:18:42] And now we get to Expo 86 and under normal rules, that would be a project labour agreement. And Patterson signs one with you guys to build the whole place. But what happens then is the government says no. So how did that all play out?

Gary Kroeker [00:18:57] Well, I think, again, there was so much politics involved with Expo that it was incredible. You know, there was meeting after meeting after meeting after meeting over how that project should proceed. And as I said, at first there was some indication that, hey, we can put an agreement together. And then that got turned around and said, nope, it's going open shop. And I recall one meeting of the trades saying, hey, let them build it the way they want. We'll get a contractor on there, then we'll pull the guys off and use our non-affiliation clause. And again, being in some tight economic times, some of the trades thought it was a great idea. And a lot said, no, no, no, no, no, no. Because my contractor's already got the work and, you know, I don't want to jeopardize my jobs. And it became a bit of a -- no I don't want to call it internal -- but it became a bit of a battle internally as to how the trades should even proceed. And anyway, long and the short of it, I think there was one short stoppage on East gate, if I remember correctly but I don't think it was anything major.

Jim Sinclair [00:20:29] They declared in the labour legislation they could declare an economic zone.

Gary Kroeker [00:20:34] Yes.

Jim Sinclair [00:20:34] And so they declared the Expo site a special economic zone and they made affiliation clauses null and void. I mean, that's the first time they actually reach into your collective agreement and say, even though you're not using them that often and the legal framework at the Board's turning against you. But that's the first time you see it saying this is going to be null and void. It will not be allowed on the site, which effectively made an open shop.

Gary Kroeker [00:21:00] That's right. Yeah, again, some of the employers, Kirkhoff, was a number one player. And you know, the political blood runs thick in that world.

Music: 'Billy and the Socreds' performed by DOA [00:21:17] Well, Billy and the Socreds are high on the hog. While all the folks on welfare are eatin' just like dogs. Over in the soup line they're starting to unwind, eatin' Billy's table scraps and drinkin' cookin' wine. While down on the [unclear] and out in the streets, Billy and the Socreds are laughin' throwin' pickles at your feet. Billy says to Jimmy, you old flim flam man, let's gather all the [unclear] and find our little scam. We'll clean out the Eastside like throwin' out the trash. And when the party's over, we'll split up all the cash. While down on your [unclear] and out in the street, Billy and the Socreds are laughin'....

Rod Mickleburgh [00:22:02] In the end, the majority of construction at Expo 86 still ended up in union hands. But it was a watershed event for the construction industry. The non-union sector got a toehold it never relinquished. A few years later, more than half of all construction in the province was non-union. The building trades stranglehold on major projects was gone forever. As for Expo 86, it was a mixed blessing. On one level, it was a huge success, attracting large crowds, many from other countries, which put Vancouver on the map, as people like to say. It also gave us Skytrain and a welcome boost during BC's worst economic downturn since the Depression. On the other hand, many longtime residents of the Downtown Eastside were evicted as greedy landlords sought to cash in on short term accommodation for fair visitors. There was also a sense that it was misguided to spend all that money on a six-month fair when there were so many pressing social issues. Vancouver's popular indie band, Said the Whale, also looked back on Expo 86 unfavourably with their song False Creek Changes.

Music: 'False Creek Changes' performed by Said the Whale [00:23:25] False Creek changed in '86, the year Expo exploited her shores. It's been 22 years laying down bricks. There's no room for me here any more, any more. There's no room for me here anymore. I made my mark in '84 and born in the month of June, my home at the heart of Charleston Park, never thought I'd be leaving so soon, so soon. Never thought I'd be leaving so soon...

Rod Mickleburgh [00:24:14] Finally the same Social Credit government subsequently sold off the valuable Expo site to developers Concord Pacific for a song, one of the worst deals in the history of BC. Broadcaster Jack Webster went to former NDP cabinet minister Bob Williams for an assessment of the fair.

Jack Webster [00:24:36] Now, Expo itself, where the devil would we have been in this time of recession, which it is, without the -- they spent how much already -- 5 or 600 million on Expo right now. Where would we have been without that integral development in downtown Vancouver for the year of '86? Well, '85.

Bob Williams [00:24:56] No, that's true. It's certainly creating some jobs. But, you know, they're putting those buildings all up and then they'll be knocking them down. It's better than just digging snow and ice. But one could have had longer term projects. But we all want it to succeed and we're all going to support it. I think it could have been a little more exciting, could have had the best brains in the province involved in it, could have had people like Arthur Erickson designing buildings, but he was blacklisted because he once supported the NDP. Could have had David Suzuki doing film for it, but he was blacklisted because he once supported the NDP. So there's a mean-mindedness around that and other projects that hurts them and British Columbia, I'm afraid.

Rod Mickleburgh [00:25:36] No one had more of a sour taste about the fair than the BC Building Trades, done in by an obsessive anti-union government without any sense of

fairness or integrity. And that's it for this edition of On the Line, a reminder of just how hard it is for unions to confront forces that are determined to break them. It is never easy on the front lines of working class struggle. Thanks to the other members of the podcast collective, Donna Sacuta, Executive Director of the BC Labour Heritage Centre and researcher extraordinaire Patricia Wejr. Thanks also to Jim Sinclair, Sean Griffin and Dan Keeton for the interviews and to Chris Gainor for his music archives. Lucie McNeill was the voice of the Vancouver Sun, and this episode was produced by John Mabbott. I'm your host, Rod Mickleburgh. We'll see you next time, On The Line.