

R E P O R T  
- of the -  
ROYAL COMMISSION ON PRODUCTION  
-of-  
SHIPS IN THE SHIPYARDS OF  
BRITISH COLUMBIA

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The Honourable S.E. Richards, Winnipeg,  
Chairman.

D. Service, Esquire, Vancouver,

H.H. Lewis, Esquire, Vancouver,

C. Pritchard, Esquire, Vancouver,

A.A. McAuslane, Esquire, Vancouver,

Commissioners.

## REPORT OF THE ROYAL COMMISSION

PRODUCTION OF SHIPS IN THE SHIPYARDS

- of -

BRITISH COLUMBIA

THE HONOURABLE THE MINISTER OF LABOUR

PART 1.STATEMENT OF PROCEEDINGS:

The undersigned were appointed a Royal Commission by Letters Patent under the provisions of Part 1 of the Inquiries Act, authorized by Order in Council P. C. 5964, dated the 13th day of July, 1942, to:

1. Examine into the operation of the plan of continuous operation now in effect and to give due consideration to the substitute plan submitted by the deputation.
2. Inquire into any factors now impeding production in the shipyards of British Columbia and as to the most effective means of securing maximum production in such shipyards.
3. Report on the foregoing.

Mr. George Reynolds Currie, of the City of Vancouver in British Columbia, was appointed by the Commission to act as its secretary.

Your Commission met on the 20th day of July, 1942, at the City of Vancouver, for the purpose of organization. It was decided to hold public meetings and to publish on July 21st a notice in the three daily newspapers of the City of Vancouver that the Commission appointed to inquire into the most effective means of securing maximum production in the shipyards of British Columbia would sit at 10:30 A.M. Tuesday, the 21st day of July, 1942, in the Court House, Vancouver, and on succeeding days; and that persons desiring to make a statement or representation with regard to the matter should communicate with the secretary of the Commission. All Labour unions having members working in the shipyards and all shipbuilding companies were notified directly by the secretary.

The secretary was instructed to write and did write to the shipbuilding companies in the cities of Vancouver, Victoria and Prince Rupert to furnish statements of production, progress, daily attendance and absenteeism, up to the 18th day of July, the last day of the previous week.

## - PROCEEDINGS AT VANCOUVER -

Your Commission held public sittings in the City of Vancouver on the 21st, 22nd, 23rd and 24th days of July, 1942. On the 25th day of July, 1942, the Commission held a private meeting and decided to invite to Vancouver, for the purpose of giving evidence, two employees of the Prince Rupert shipyard to be selected by the Labour unions, Mr. B. Allen, Assistant to the General Manager and Mr. A. M. Korr, Assistant Superintendent of the Prince Rupert Dry Dock and Shipyard. Mr. Norman Dobson, attached to the Wartime Merchant Shipping Limited and Mr. Howard T. Mitchell attended the meeting at the request of the Commission. It was decided in order to save time and expense to appoint a committee consisting of Mr. Dobson as chairman, representatives of the

employees, to be appointed by the Canadian Congress of Labour, the Metal Trades Council and the Canadian Federation of Labour and representatives of the shipbuilders, to personally investigate each of the shipyards, to report in detail as to any factors now impeding the building of ships and to suggest any improvements that might be introduced to increase the production of ships. The following were appointed to and composed the Vancouver Committee,-

Norman Dobson, Chairman,

R. Johnson, charge hand rivetter, representing the Canadian Congress of Labour,

J.H. McCarthy, machinist, representing the Metal Trades Council,

A. Tolnic, charge hand shipwright, representing the Canadian Federation of Labour,

W.D. McLaren, representing employers,

J. Dalrymple, representing employers.

The Commission, in the afternoon of the 25th day of July, made a personal inspection of the shipyards in Vancouver.

The Commission held further public meetings in the City of Vancouver on the 27th, 28th, 29th, 30th and 31st days of July and on the 3rd, 4th, 5th, 6th, 7th and 14th days of August, 1942.

Your Commission travelled to the cities of Seattle and Tacoma in the State of Washington and the City of Portland in the State of Oregon, in the United States, and to the City of Victoria in British Columbia and held sittings in the period from the eighth to the twelfth of August, 1942.

The Commission returned to the City of Vancouver and held its 1st public sitting there on the 14th day of August, 1942. During the period from the 20th day of July, 1942, to the 14th day of August, 1942, the Commission held many private sittings for the purpose of discussing the course to be pursued by it and had interviews with Mr. J.H. McVety, Regional Director of the Unemployment Insurance Commission, regarding the obtaining of skilled mechanics for the British Columbia shipyards and also in regard to the training in British Columbia of such mechanics, charge hands and assistant foremen.

Briefs were submitted to the Commission at the public sittings by,

The Joint Conference of Shipyard Unions,  
Metal Trades Council (A.F.L.) Vancouver,  
Brotherhood of Painters, Decorators and Paperhangers,  
International Association of Machinists,  
Blacksmiths' & Helpers Union, Vancouver,  
Sheet Metal Workers' International Association, Vancouver,  
Dock & Shipyard Workers' Union of Vancouver & District, Local  
No. 2,  
Boilermakers' and Iron Shipbuilders' Union, Local No.1,  
Vancouver,  
Welders' & Burners' Sub-Local E, Boilermakers' Union,  
Vancouver,  
H. Shaw, welder,  
W.L. McIvor, welder,  
O. Hill, welder,  
A. Coombes,  
M. Burton, member of the Blacksmiths' and Helpers' Union  
Unions affiliated with the Canadian Congress of Labour,  
Prince Rupert, B.C.  
Prince Rupert Dry Dock and Shipyard Limited,

Electrical Workers' Unit No. 3, Amalgamated Building Workers  
of Canada,  
Burrard Dry Dock Company Limited,  
North Van Ship Repairs Limited,  
Austin C. Taylor, Wartime Merchant Shipping Limited,  
Howard T. Mitchell,

and by private individuals.

The Commission also heard the evidence of the following witnesses at the City of Vancouver,-

H.R. MacMillan; L. Anderson; J.W. Bruce; George Sangster;  
W. Clark; J.A. McArthur; A.T. Dyer; Robert Johnson;  
R. G. Daniels; Ernest Marshall; Bruce Watson; R. Logan;  
H. Madden; Paul Gernunstadt; W. Betts; N. Burton; W. Richards;  
Charles Ronder; James Walker; Thomas Walker; Robert Stewart;  
Walter Jackson; Allan Tolmie; T. Sims; D. Isenman;  
K. Cunningham; C.A. Saunders; S.T. Davies; Dan Dempsey;  
James Hall; J.R. Barrett; Charles Harris; Patrick Morin;  
Percy Pearce; Langford Mackie; M. Mills; R.H. Elfstrom;  
Arthur Knight; A. Hill; Herman Shaw; R. Higgins; W.H. McIvor;  
E.A. Fenton; David Lamont; B.H. Ten-Broock; David Pace;  
Ernest Westrup; J. Sturgeon; Donald Williams; W. Hunt;  
L.C. Campbell; Thomas Thompson; Hugh Renfrew; Jack Crawford;  
C. Keely; Thomas Bradley; E. Simpson; John Graham; Ed Fontaine;  
Andrew Burke; Alfred Coombs; George Stanton; Andrew Ley;  
Sam Bell; David Heldrum; Harry Egan; Alistair McLeod;  
J.P. Lucas; W. Robertson; G. Woods; Clarence Hogarth;  
Gilbert Taylor; B. Allen; A.M. Kerr; R. Adair; S. Baxter;  
J.A. Reid; A.E. Jamieson; J. Varley; John Dalrymple;  
Paul H. McClung; Clarence Wallace; W.G. Jordan; Hugh Clifford;  
J.W. Thompson; W.D. McLaren; Austin C. Taylor; C.W. Flesher;  
Walter Leek; Fred Hume; Howard Mitchell; R.T. Fairey;  
J.H. McVety.

-- PRINCE RUPERT --

Witnesses from Prince Rupert were heard at Vancouver.

- PROCEEDINGS AT SEATTLE -

The Commission arrived in the City of Seattle on Saturday, the 8th day of August, 1942, and held a sitting at the Labor Temple at 9:30 A.M. The meeting was attended by,

Douglas Fowler, Business Representative of the Boilermakers and Welders' Union and Vice-President of the Metal Trades Council, Seattle District,

Steve B. Barry, Assistant Business Representative, International Association of Machinists,

George Nethercutt, Business Representative, United Association of Steam Fitters,

Wm. A. Anderson, Ship Caulkers (Wood) United Brotherhood of Carpenters and Joiners,

H. Matheny, Sub-Agent, Ship Sealers' Union,

J.B. Wigem, Shipwrights (United Brotherhood of Carpenters and Joiners,

and many other representatives of labour.

- PROCEEDINGS AT TACOMA -

In the afternoon of the 8th day of August, 1942, the Commission visited the shipyard of the Tacoma-Seattle Shipbuilding Corporation and had an interview with Mr. Walter Green, the manager. The Commission then travelled to the City of Portland, arriving there at nine o'clock.

- PROCEEDINGS AT PORTLAND -

On the 9th day of August, 1942, the Commission attended a meeting in the offices of the Oregon Yard, Kaiser Shipbuilding Company, Incorporated. The meeting was attended by,

- Mr. Carl Flesher, National Maritime Commission,
- Mr. John Ray, Business Representative of the International Brotherhood of Boilermakers, Iron Shipbuilders, Welders and Helpers of America,
- Mr. A.C. Hoggan, :
- Mr. Duncan Campbell, : Labour Co-ordinators,
- Mr. Volney Martin :
- Mr. J.O. Murray, Personnel Manager of the Oregon Shipbuilding Corporation,
- Mr. John A. Hallett, General Superintendent, Vancouver Yards,
- Mr. Mike Miller, Assistant General Manager, Vancouver Yard,
- Mr. Russell Hoffman, General Superintendent, Oregon Yards,
- Mr. Robert Nieman, Assistant General Manager, Swan Island Yards,
- Mr. E. Hann, General Superintendent, Swan Island Yards,
- Mr. Norman Dobson,
- Mr. Howard T. Mitchell.

Following the meeting, the Commission inspected the Oregon and Swan Island shipyards.

At all the meetings in Seattle, Tacoma and Portland, your Commission was received with the utmost courtesy and kindness and very valuable information was given to them as to the production results of the seven day continuous production plan, the views of labour and management in regard to it, as to absenteeism and as to the best methods of obtaining maximum production.

- PROCEEDINGS AT VICTORIA -

The Commission held public meetings in the City of Victoria on the 10th, 11th and 12th days of August. A notice had been published in the two Victoria newspapers that the Commission would hold sittings on the 10th day of August, 1942, and on ensuing days which notice was similar to that published in the Vancouver newspapers; and all Unions having members working in the shipyards of Victoria and the Victoria shipbuilding companies were duly notified.

Briefs were presented by,

The Victoria Shipyard Joint Council,  
 United Association of Journeymen Plumbers and Steamfitters,  
 Victoria,  
 Shipwrights, Amalgamated Building Workers of Canada, Victoria,  
 Victoria Holders,  
 Victoria Machinery Depot Company Limited,  
 Yarrows Limited, Victoria,

and evidence was presented by the following witnesses,-

A. Clyde; E.B. Smith; D.R. Kowat; D.R. Anderson; J. Woods;  
 J. McKinlay; John Martin; R.D. Patterson; Alex Sims;  
 John A. Cook; W. Shaw; R. Noble; J.T. Walker; W.B. Caird;  
 H.S. Hammill; N.A. Yarrow.

In addition, the Commission held private sittings in Victoria at which it was decided to appoint a committee consisting of Mr. Norman Dobson, chairman, representatives of the employees to be appointed by the Canadian Congress of Labour, the Metal Trades Council and the Canadian Federation of Labour and representatives of the shipbuilders to personally investigate each of the shipyards and report in detail as to any factors now impeding the building of ships and to suggest any improvements that might be introduced to increase the production of such ships. The following were appointed to and composed this Victoria Committee,-

Norman Dobson,	Chairman,
J. McKinlay,	- representing the Boilermakers and Iron Shipbuilders' Union of Canada,
R. Noble,	- representing the National Union of Machinists, Fitters and Helpers, Local No. 2,
W. Caird,	- representing the Trades and Labor Congress,
J. Walker,	- representing unions affiliated with the Canadian Federation of Labour,
G. Cowper,	- representing the management of the Victoria Machinery Depot Company, Limited,
J. Cameron,	- representing the management of Yarrows Limited.

Following the return to Vancouver, private sittings of the Commission were held on the 17th, 18th, 19th, 20th, 21st, 22nd, 24th and 26th of August, 1942, for the purpose of review and consideration of the evidence, and, in addition, the commissioners spent much time individually and collectively on the preparation of this report.

The special committees at Vancouver and Victoria, under the chairmanship of Mr. Dobson, respectively, made thorough and painstaking examinations of the Vancouver and Victoria shipyards and submitted written reports to the Commission dealing with the plant, equipment, methods of shipbuilding and other pertinent matters and making recommendations in regard thereto. These reports will be of much help in removing minor factors which have been impeding production and will be of great value in improving some details of shipbuilding. Copies of the reports have been handed to the shipbuilders who have expressed their approval.

Evidence was given that the facilities for transportation of employees to and from the shipyards were not sufficient. The Commission asked for a report and has since been informed that the

matter is being given sympathetic consideration by the transportation companies. The Regional Director of Transit Control has been advised.

The Commission has agreed unanimously on all of this report except Part III, which contains the report of the Chairman and Messrs. Don, Service and H.N. Lewis, being the majority of the Commission, on the respective merits of the continuous production plan and the substitute plan submitted by the deputation attending on you at the City of Ottawa.

The other members of the Commission, Messrs. Chris. Pritchard and A.A. McAuslane, will submit separate reports on the subject matter of Part III.

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PART 11UNANIMOUS RECOMMENDATIONS

The members of the Commission are unanimous in making the following recommendations,-

(1) Special Technical Advisory Committees - That the reports of the Vancouver and Victoria committees, under the chairmanship of Mr. Dobson, should be adopted and put into effect immediately by the shipyards. Some of the recommendations made in the reports are general and apply to all shipyards while others apply only to certain shipyards named in the reports.

(2) Skilled Labour Supply - That as soon as the harvest in the prairie provinces is nearly over representatives of the shipyards should be sent from Vancouver to the prairie cities and towns to interview and select skilled tradesmen to work in the British Columbia shipyards.

(3) Labour Co-ordinators - That a Labour Co-ordinator be appointed for each of the four Vancouver shipyards and the two Victoria shipyards and, when required, for the Prince Rupert shipyard to act as intermediary and director of good relations between employers and employees and with such other duties as are carried on by the co-ordinators in the Portland shipyards. Each co-ordinator should be selected by the labour unions having members in the yards and approved by the shipbuilder. The co-ordinator should have his private office and be provided with the services of a stenographer. The salary of the stenographer and the office and stationery and all other necessary equipment and expenses should be paid for or provided by the shipbuilder. The Commission suggests a salary of \$300.00 and mileage allowance for automobile to be paid each co-ordinator.

In the opinion of the Commission, each co-ordinator should be sent to Portland, Oregon, at the expense of the shipbuilder, to consult with the shipyard co-ordinators there and obtain their advice before entering on his duties.

(4) Labour-Management Production Committees - That a Labour Management Production Committee should be appointed in each shipyard where such committee is not already installed. Labour representatives on the committee should be employees of the shipyard selected by the unions. The committees should meet frequently. Once a week is recommended.

(5) Information for Workers - Workers should be kept informed at frequent intervals of the progress of the building of the ships in the yard and of the launchings and deliveries of ships by all yards. Numerous complaints have been made by workers that they have not been kept informed of the results of their combined shipbuilding war efforts and that they have, in consequence, very naturally lost some interest.

(6) Training of Supervisory Staff - That there should be increased facilities for the training of charge hands and assistant foremen. The Commission is of the opinion that the evidence has established that there is not sufficient competent supervision in some departments of the shipyards. The Commission has been informed that steps are being taken to train charge hands and assistant foremen and is of the opinion that the present classes should be extended so that all charge hands employed in the shipyards may be trained in their off work hours.

(7) Vocational Training - Vocational training for trades employed in shipbuilding should be extended as soon as equipment is available. Colonel Fairey, Regional Director of Training for British Columbia, is making every effort to attain this end and should be given priority to obtain the required equipment.



Sufficient competent instructors should be appointed to operate schools twenty-four hours daily so that men on all shifts can take advantage of the opportunity of getting further training.

(8) Welding Fumes - That steps should be taken to protect welders from injurious fumes. Evidence was given that the fumes from welding under certain conditions were injurious to the health of workers inhaling same. Mr. R.H. Elfstrom, chemical engineer, Division of Industrial Hygiene, Department of Pensions and National Health, Vancouver, was asked by the Commission to report on the subject and as to means of guarding against injury. He has informed the Commission that he will be unable to make his report for a further period of two weeks. The report, when received, will be submitted to you. The Commission is of the opinion that the shipbuilders should be required to give careful consideration to any recommendations submitted by Mr. Elfstrom. It was noted that, in the Portland Oregon yard, ventilating fans were in operation.

(9) Medical Examinations - The medical examination, free of cost, of all welders, burners and painters, and free medical examination of all other tradesmen, if desired by them, on entering the employ of the shipbuilder. Welders, burners and painters should be re-examined medically, free of cost, at such intervals as might be considered advisable by the Provincial Health Officer of British Columbia.

(10) Spray Painting - All spray painting should be done only on the third shifts.

(11) Safety Precautions - The appointment of a safety committee in each yard sufficiently competent and large in numbers to provide that proper safety measures and precautions shall be taken for and by all employees. All men actually on work should have crash helmets, if the same can be obtained. Printed safety instructions covering all trades should be furnished each employee.

(12) Housing Accommodation - The housing, where required, for the British Columbia shipyards should be proceeded with as speedily as possible and priority should be given such house building over other house building. The evidence discloses that the housing accommodation is insufficient for the workers in the Vancouver North Shore shipyards and very insufficient for the workers in the Prince Rupert and Victoria Machinery Depot shipyards. This shortage of housing is definitely reducing the employment of workers and impeding the production of ships. It is noted that the construction of houses being built for the workers proceeds at only five days a week in North Vancouver and five and one-half days in Victoria.

(13) Recreation Facilities - Recreation buildings should be erected in Prince Rupert and Vancouver North Shore shipyards and part of such buildings, at least, should be built before the coming winter so that meetings, dances and card games can be enjoyed. The evidence submitted to and inquiries made by the Commission show a great need of such buildings. They would be a great inducement for the workers to remain in the employ of the shipyards and would help to keep up their morale.

(14) Drying Room - Adequate drying rooms, in which the working clothes of employees could be left for drying between shifts on which such employees are working, should be provided in each shipyard. In the opinion of the Commission such drying rooms would add to the comfort and efficiency of the workers and reduce absenteeism.

(15) Dressing Rooms - Adequate dressing rooms should be provided in connection with the drying rooms and should contain sufficient showers with hot and cold water.

(16) Shift Ratios - The operators should level off and build up their shifts to approximately the ratio of 5 - 4 - 2. The Commission is of the opinion, based on the evidence of and information given by shipbuilders of experience in Oregon and British Columbia shipyards that such ratio brings the best results. The third shift should be used particularly for electric welding, pick-up jobs, moving material, shop operation and any other work for which there is a shortage of tools or shop capacity.

(17) Uniformity of Wages - That there should be uniformity of wages in the same occupational classifications. There are differences in the wages paid to the same classifications of employees in the British Columbia shipyards. During the course of the hearings frequent references were made to the high rate of labour turn-over, particularly in the lower paid groups and the consequent loss in productivity. This condition was attributed to inequalities in the wage structure and, in some cases, to wage scales which were claimed to be out of line with those prevailing in other industries. It appears that classifications of semi-skilled work with the appropriate rates of pay are not always clearly defined and that the practices of British Columbia shipyards differ to a marked degree in some instances. To better their conditions workmen move from one trade group to another and from one shipyard to another and frequently leave the industry. The output of skilled journeymen is affected by the extremely high turn-over rate of helpers who quite often seek a transfer just at the time they have acquired sufficient experience to handle their jobs properly.

The Commission considers it desirable that, so far as possible, wage standards should be equalized in the British Columbia shipyards subject, of course, to the approval of the National War Labour Board and the provisions of P.C. 5963. To bring this about, it is recommended that an immediate examination should be made by the shipbuilding companies and the labour unions into the present authorized wage structure and that uniformity of wages should be adopted within the limits permitted. At the same time, any alterations that might be required by reason of changes in working conditions or operating methods could be considered and submitted to the National War Labour Board for consideration.

(18) Castings - The British Columbia shipyards should be authorized to buy or make in British Columbia such castings as, in their opinion, can be bought or made there advantageously. Evidence submitted and information furnished show that certain castings that were formerly made in Vancouver are now being made in Eastern Canada and shipped to Vancouver. Some similar castings are being made in Vancouver and being shipped to Eastern Canada. Other castings are being made in British Columbia and are shipped to the United States. There are facilities in British Columbia shops and even in the shops of the shipyards themselves to make most or all of the castings required. Patterns for the castings are still on hand. It is considered that a saving could be made by using in Vancouver part of the scrap metals collected there and now being shipped away.

(19) Tools - That provision should be made for keeping the yards informed of all suitable tools and equipment that can be obtained as required. The Commission has been told that no such information has been given as yet by any wartime department. The shipbuilders fear an early shortage of small tools. This subject matter should be given immediate consideration and attention and priority should be given to the manufacture of such tools.

PART 111MAJORITY REPORT

The undersigned Commissioners Stephen Elwood Richards, Don. Service and H.M. Lewis submit their report on the examination by the Commission into the operation of the plan of continuous operation now in effect, after having given due consideration to the substitute plan submitted to the Minister of Labour by the deputation representing the shipyard workers at a meeting held in Ottawa. Separate minority reports will be submitted by Messrs. Chris. Pritchard and A.A. McAuslane, the other members of the Commission, who do not subscribe to this Part 111 of the report.

Continuous operation plans have been in effect in Seattle and Portland for some months, so that evidence as to the results obtained there are of value.

The statements of the representatives of Labour at Seattle are that, in Seattle

(a) The continuous operation plan, more frequently called the continuous production plan, is satisfactory if there are enough mechanics to work same.

(b) The majority of the men would probably prefer the ordinary calendar week with Sunday as a day of rest but are willing to accept a week day for rest as a sacrifice on account of the war.

(c) When the continuous operation plan was first introduced there was Sunday absenteeism amounting to about 22% but such absenteeism now is only 7%. There is no "Sunday atmosphere" or indifference to work such as has been referred to in the evidence given in British Columbia.

(d) There is no objection by the Sunday workers to the fact that only some of the office employees are required to work on that day.

(e) Saturdays and Sundays are considered as regular work days and premiums in pay are payable only on the sixth day to those who work six days in the calendar week.

(f) The maximum results are undoubtedly obtained by the continuous operation plan.

The Commission did not meet the operators of the shipyards at Seattle.

The Commission did not have an opportunity of interviewing the representatives of labour at Tacoma but did see Mr. Walter Green, manager of the Tacoma Division, Tacoma-Seattle Shipbuilding Corporation. Mr. Green told the Commission that he did not like the continuous operation plan but that, undoubtedly, it brought about the greatest amount of production. His company was increasing the number of its employees and was gradually putting the continuous operation plan into effect.

The evidence of the representatives of labour at Portland is that, in Portland

(a) Labour is now very much in favour of the continuous operation plan.

(b) There is little or no greater absenteeism on Saturdays and Sundays than on week days. Absenteeism amounts to only about 4% per day. There is no "Sunday atmosphere".

(c) The men like having their day of rest on a week day so that they can transact their business on that day.

(d) Saturdays and Sundays are considered as regular work days and premiums in pay are payable only on the sixth day to those who work six days in the calendar week, except in cases of accident in the shipyards or lay-off.

(e) The maximum results are undoubtedly obtained by the continuous operation plan.

In the Portland plan of continuous operation, a day off is provided each calendar week, and at the same time, the day off is advanced one day in each successive week. At the end of seven weeks, two successive days of rest are provided. The rotation of days starts over again at the beginning of the eighth week.

This plan is considered by representatives of labour in Portland to be advantageous to them because,

(a) It provides for the rotation of shifts without loss of time,

(b) The day off is changed each week,

(c) The two days off at the end of seven weeks are considered to be an advantage.

The shipbuilders in Portland stated to us that the operation of the continuous operation plan is satisfactory in all respects and brings about the greatest production and that, as a matter of fact, the production on Sunday is slightly higher than on week days. That there is no difficulty in maintaining the equipment where the yards are being worked seven days. Repairs are done daily and mostly by the third shift which is from midnight to 8 A. M.

The shipyard employees in Seattle and Portland have accepted a reduction in overtime rates of pay for sixth day work and holidays as a contribution to the war effort in answer to an appeal from the President of the United States.

The majority of those who gave evidence in British Columbia are employees in the shipyards. They testified that the 7-day continuous operation plan was attended with confusion and lack of co-operation, particularly in one shipyard, and did not bring about increased production; and that the operation of the substitute 6-day plan submitted by the deputation would result in greater production. Those statements as to production, made in good faith were, of necessity, only expressions of opinion based on personal observations. The records of actual production do not support their statements.

The evidence of the shipbuilders of British Columbia is practically unanimous in stating that the plan of continuous operation, in which the men work six days and have one day of rest in each week but the plant, tools and equipment are operated on all seven days of the week, is the most effective way of securing maximum production. The success and greater possibilities of the continuous operation plan are proven, in our opinion, by the results obtained in the Burrard (Vancouver Dry Dock Company Limited (south yard)-and the North Van Ship Repairs Limited. The following statements of production are a comparison of and illustrate the difference in results obtained between the operation of the continuous operation plan and the plan which was previously in effect.

The period of the old plan with which the comparison is made is from the 1st to the 26th days of April, inclusive, which, on the whole, was the period of greatest production under that plan.

BURRARD (VANCOUVER) DRY DOCK COMPANY LIMITED  
(South Side Yard)

Steel Fabricated  
Steel Erected  
Man Days Worked

April 1 - 26 (15 1/2 shift week)  
Daily Average 102.5 tons  
Daily Average 116.5 tons  
2025 man days per day

April 26 to July 18 (21 shift week)  
Daily Average 144.7 tons  
Daily Average 139 tons  
2595 man days per day

Increase over April  
41.2%  
19.3%  
28.2%

NORTH VAN SHIP REPAIRS LIMITED

April 1st to 26th  
(15 1/2 Shifts)

April 26th to  
May 31st.

Increase  
over  
April.

June 1st to  
June 30th  
(21 shifts)

Increase over April

Steel Fabricated 507 tons per week  
Steel Erected 577 tons per week  
Average Man Days (per wk.) 6207  
Index (Man days per ton) Average 10.4

754 tons per week  
882 tons per week  
7029  
Average 8

49%  
53%  
13.2%

793 tons per week  
848 tons per week  
9546  
Average 11.25

56%  
47%  
53%

Completed  
(Welded and Rivetted) 520 tons per week  
Man Days (Average per wk.) 5399  
Index (Man days per ton) Average 10.4

605 tons per week  
5355  
Average 8.9

16%  
1% (decrease)  
710 tons per week  
6431  
Average 9.1

37%  
19%

At the time the report of the North Van Ship Repairs Limited on production was made up for the Commission, complete figures for the month of July were not available.

The substitute 6-day plan is similar in most respects to the 5 1/2 day plan formerly in operation, so that the above comparisons are fair. Any difference between the two plans would not, in our opinion, increase production to any marked extent and certainly not to the extent of the plan of continuous operation of the yards.

The figures for both shipyards are remarkable in view of the fact that the continuous operation plan required the employment of more men who, in the main, were unskilled and who, to some extent, diluted the average skill of the whole working force. It is the opinion of the operators that it is the continuous momentum of the work without stoppage that accounts for an increase in man power effectiveness. We draw this to your attention, although we understand that the main purpose of the continuous operation plan is to obtain greater total production rather than greater production per man.

The Vancouver operators state too that there is no difficulty in making repairs while the yards are being operated continuously and that, as in Portland, most repairs are done on the third shift.

The evidence further shows that

(a) The plan by which the yards are kept in continuous operation requires approximately one-sixth more men to obtain the best results and that an endeavour should be made to increase the man power to that extent.

(b) The continuous operation plan should be applied to repair work with such modifications as are necessary to suit the class of work required to be done.

(c) In each shipyard there should be such minor modifications of the general plan as may be required in the opinion of the operator of the shipyard.

We make the following recommendations in regard to the operation of the continuous operation plan:

(1) Ten minutes more should be allowed for lunch to the second and third shifts without any deduction in pay. We are of the opinion that twenty minutes allowed now are not sufficient.

(2) Limitation of National holidays for the duration of the war should be made to apply to all citizens of Canada.

(3) Some employees have got into the habit of stopping work for periods up to fifteen minutes before proper quitting time. The unions and employers should act jointly in requiring all employees to work for the full shift in good faith.

(4) Contractors supplying and/or building parts of ships who are mainly occupied on such work should be required to keep up with and supply the seven day requirements of the shipyards.

(5) The plan of the weekly advancement of the day of rest, as in Portland, should be given consideration by the managements and the unions representing the employees.

The duration of shifts and wages in the shipyards as provided in the supplementary agreement signed by most of the union is as follows,-

	<u>Daily</u>	<u>Paid for</u>	<u>Weekly</u>	<u>Paid for</u>
Day Shift	8 hours	8 hours	48 hours (x)	50 hours
Night Shift (second)	7 hours 40 minutes	9 hours	46 hours	54 hours
Graveyard (third)	7 hours 40 minutes	9 hours	43 hours	54 hours

The weekly premium of two hours payable to the first shift for the sixth day is being paid to those working that day regardless of any previous work during the week. This condition is conducive to absenteeism on Sundays and other days. A great improvement on the existing practice could be made by agreement between the Unions and the shipbuilders to provide that the bonus for the sixth day shall be payable only to those who work six days each week, as in Seattle and Portland.

We are also of the opinion that the men feel genuinely and earnestly that they have a grievance in the change of their day off from Sunday to a week day.

We draw your attention to the statement in the brief of the Joint Conference of Shipyard Unions presenting to you the proposed six-day plan that,

" Our suggested plan is designed as a solution to an existing situation. There is nothing final or absolute about it. In fact, we hope that our plan (or some equally satisfactory one) will become a stepping stone to a real maximum production plan, with the yards operating all day seven days per week".

and express the hope that complete harmony will exist in the shipyards in which the workmen and the managements are performing such valuable war work, so vital at the present time.

.....

PART IVCONCLUSION

We are attaching a schedule of all briefs, statements, charts and letters submitted to the Commission and forming part of the evidence.

We wish to acknowledge the courtesy and kindness with which we were treated at Seattle, Tacoma and Portland and to express our thanks for the co-operation and assistance we received there. We also wish to express our appreciation of the friendly spirit shown and assistance rendered to us by the Labour Unions and shipbuilders and by all other persons who gave evidence. We wish, too, to record our appreciation of the able work done and help rendered by the Commission's secretary, Mr. George R. Currie.

All of which is respectfully submitted.

(Sgd.) S. E. Richards  
Chairman

(Sgd.) Donald M. Service  
Commissioner

(Sgd.) H. M. Lewis  
Commissioner

(Sgd.) C. Pritchard  
Commissioner

(Sgd.) A. McAuslane  
Commissioner

Vancouver, British Columbia,

28, August, 1942.



SCHEDULE REFERRED TO IN PART IV

<u>No.</u>	<u>Nature</u>	<u>Filed by</u>
1.	Schedule of Personnel	Wartime Merchant Shipping Ltd.
2.	Correspondence with Kaiser, Shipbuilding Yards, Portland, Ore.	Wartime Merchant Shipping Ltd.
3.	United States Shipbuilding Agreements	Wartime Merchant Shipping Ltd.
4.	Conditions United States Shipyards	Wartime Merchant Shipping Ltd.
5.	Shift Classification Card	Wartime Merchant Shipping Ltd.
6.	System of Rotation	Wartime Merchant Shipping Ltd.
7.	Brief	Joint Conference of Shipyard Unions.
7A.	Supplementary Brief	Joint Conference of Shipyard Unions.
8.	Brief	Metal Trades Council, Vancouver. (Submitted by J.W. Bruce)
9.	Brief	Brotherhood of Painters, Decorators and Paperhangers.
10.	Brief	International Association of Machinists.
11.	Letter from Minister of Labour	International Association of Machinists.
12.	Copies of first proposal submitted to Unions and Supplementary agreements signed by Unions	Secretary.
13.	Brief	Blacksmiths' & Helpers' Union, Vancouver.
13A.	Brief	M. Burton, member Blacksmiths' and Helpers' Union.
14.	Brief	Sheet Metal Workers' International Association, Vancouver.
15.	Brief and Supplementary Remarks by C.A. Saunders, President, Local No. 2	Dock & Shipyard Workers' Union of Vancouver and District, Local No. 2.
16.	Brief	Boilermakers' and Iron Shipbuilders' Union, Local No. 1, Vancouver.
17.	Brief	Welders' & Burners' Sub-Local E, Boilermakers' Union, Vancouver.
17A.	Brief	H. Shaw, Welder
17B.	Brief	W.L. McIvor, Welder

<u>No.</u>	<u>Nature</u>	<u>Filed by</u>
17C.	Brief	O. Hill, Welder
17D.	Poster	E. Simpson
17E.	Brief	A. Coombes
18.	Production Charts	Prince Rupert Drydock & Shipyard Ltd.
18A.	Attendance Graph	Prince Rupert Drydock & Shipyard Ltd.
18B.	Attendance Records	Prince Rupert Drydock & Shipyard Ltd.
18C.	Other Data	Prince Rupert Drydock & Shipyard Ltd.
19.	Brief	Union affiliated with Canadian Congress of Labour, Prince Rupert, B. C.
20.	Brief	Prince Rupert Drydock & Shipyard Ltd.
21.	Brief	Electrical Workers' Unit No. 3 of the Amalgamated Building Workers of Canada.
22.	Progress Chart	Burrard (Vancouver) Drydock Co. Ltd.
22A.	Attendance Chart	Burrard (Vancouver) Drydock Co. Ltd.
22B.	Data	Burrard (Vancouver) Drydock Co. Ltd.
22C.	Attendance Records	Burrard (Vancouver) Drydock Co. Ltd.
22D.	Allotment of Employees	Burrard (Vancouver) Drydock Co. Ltd.
23.	Brief	Burrard Dry Dock' Company, Ltd.
24.	Production Records	Burrard Dry Dock Company, Ltd.
24A.	Attendance Records	Burrard Dry Dock Company, Ltd.
25.	Not filed	
25A.	Brief	North Van Ship Repairs Ltd.
25B.	Production Chart	North Van Ship Repairs Ltd.
25C.	Production Chart	North Van Ship Repairs Ltd.
25D.	Attendance Records	North Van Ship Repairs Ltd.
26.	Data	West Coast Shipbuilders Ltd.
26A.	Agreement	West Coast Shipbuilders Ltd.
27.	Brief	Austin C. Taylor, Wartime Merchant Shipping Ltd.
27A.	Magazine Article	Austin C. Taylor, Wartime Merchant Shipping Ltd.

<u>No.</u>	<u>Nature</u>	<u>Filed by</u>
27B.	Newspaper Article	Austin C. Taylor, Wartime Merchant Shipping Limited
28.	Charts	Leak & Company Limited, Vancouver.
29.	Charts	Hume & Rumble Limited, Vancouver.
30.	Data	Carl Flesher, United States Maritime Commission.
31.	Brief	Victoria Shipyard Joint Council.
32.	Brief	United Association of Journey-men Plumbers & Steamfitters, Victoria.
33.	Brief	Shipwrights, Amalgamated Building Workers of Canada, Victoria.
34.	Data	Metal Trades Council, Seattle.
35.	Data	Metal Trades Council, Portland.
36.	Brief	Molders, Victoria.
37.	Brief	Victoria Machinery Depot Company Limited.
37A.	Chart	Victoria Machinery Depot Company Limited.
38.	Brief	Yarrows Limited, Victoria.
38A.	Attendance Records	Yarrows Limited, Victoria.
39.	Memorandum re Sittings	Seattle and Portland.
40.	Brief	Howard Mitchell, Wartime Merchant Shipping Limited.
41.	Brief	G.K. Davidson.
42.	Data	Dominion-Provincial War Emergency Training.
43.	Report	J. H. McVety, Regional Director, Unemployment Insurance Commission.
44.	Letter	Norris & MacLennan, barrister, etc.
45.	Report	Advisory Technical Committee, Vancouver.
46.	Report	Advisory Technical Committee, Victoria.

REPORT OF THE ROYAL COMMISSION ON SHIPYARDS  
PRODUCTION IN BRITISH COLUMBIA.

Submitted by

Commissioner C. Pritchard.

Vancouver, B.C.

THE HONOURABLE HUMPHREY MITCHELL,  
MINISTER OF LABOUR.

Sir:

As a member of the Royal Commission, appointed to investigate conditions in the Shipyards of British Columbia, under P.C.5964.

1. To examine into the operation of the plan of continuous operation now in effect and to give due consideration to the substitute plan submitted by the deputation.
2. To inquire into any factors now impeding production in the shipyards of British Columbia and as to the most effective means of securing maximum production in such shipyards.

It is our desire to submit for your consideration, the following report:

I fully appreciate the fact that the scope of the work of the Commission was to investigate fully all the facts relating to the production of ships, but more specifically as to operation of the yards on a proposed plan under trial of 7 day continuous operation as compared to one of 6 days operation in accordance with the terms of existing agreements (signed for the duration of the war).

Considerable evidence was heard from workers, and operators of all yards, and visits to several yards in Seattle, Tacoma and Portland were made, all in our efforts to secure information that would be helpful in coming to a decision.

Any plan adopted to be successful must have the whole hearted co-operation of the men and Management, and what is most important, maintain the morale of the workers. To accomplish this, it is essential that every consideration be given to the prevailing conditions locally, and nationally, and the relationship of Agreements that have been entered into in good faith for the duration of the war and that were abrogated and proposals made for substitute plans, that failed to recognize the terms of these Agreements.

The evidence produced in my opinion, proves conclusively that the 7 day plan does not work out satisfactorily and will not produce the practical results contemplated by such plan. The men employed being dissatisfied with the staggered days and working conditions. Particularly as they are out of harmony with the general prevailing conditions in which transportation, housing, absenteeism, and the conditions prevailing in co-related industry do

not permit of the successful operation of the plan and produces a condition of discontent that is destructive to efficient production on this basis.

In addition the problems of management were important factors, several of the yards were not sufficiently equipped for continuous operation and do not have a satisfactory labour turnover.

In the forced development of the yards, important factors had been neglected, such as a sufficient supply of tools and modern equipment, lack of proper sanitary accommodation, no provision for storing and drying clothes, this especially is needed in British Columbia. Lack of full time safety men, and regulations governing same. A shortage of efficient foremen and charge hands. These and many other matters has caused the men to become dissatisfied, and destroys the morale, which must be maintained at all costs, to obtain the maximum of production so vitally needed. It has been established beyond doubt by the evidence placed before the Commission, that the workers are convinced that the situation can best be controlled by the operation of the yards under the terms of their Agreements, with the management adjusting conditions to meet any emergency under said agreements.

Considerable stress was laid upon the plan of continuous operation in the United States Pacific Coast Yards, and evidence and exhibits were produced and supported in a measure, by the information I was to secure on my short visit to the above yards. But I am of the opinion that there can be no comparison as between the situation existing in the B. C. Yards and the U. S. Yards. However, it appears unfortunate and destructive to any proposal, to advocate the acceptance of provision of any plan and not adopt it in its entirety, and anticipate it working out successfully. In the United States Plan, all their basic agreements have been secured in co-operation with management and the approval of Government and provide for a basic 40 hour work week, with time and one-half for the 6th day, and double time for the 7th day if worked, and all holidays. But no such proposals as this were to be made effective in our situation, as recommended by the representatives of the Wartime Merchants Shipping Board. The yards here still being bound to unequal conditions as regards our wage structures (but still desirous of lengthening of the work day and week).

The unsatisfactory situation relative to the difference in the wages of helpers and labourers in several classifications, require immediate attention, as the interruption of work of mechanics and the smooth working of the industry is seriously affected by the large turnover of these men who are not satisfied with the basic rate of 50¢ per hour.

One outstanding feature, and a cause of considerable discontent is the fact that while considerable propaganda has been carried on and recommendations made for the establishments of Management-Labour Committees, very little progress has been made in putting the plan into effect. These Committees should be established without delay, and many ~~problems now retarding production~~ can be solved and help to bring about more harmonious conditions.

The proposal for the adoption of a plan based upon the provisions of Agreement entered into at the Chicago Convention governing the operation of a 7 day

week, which has the approval of the U. S. Government would be acceptable to the Shipyards workers of B. C. Exhibit No. 3, placed before the Commission by W.M.S. Board covers all the agreements rendered at the Chicago Conference.

Therefore I submit for your approval, after very seriously studying all the factors and the overwhelming weight of evidence, that we adhere to the original basic agreement and operate the yards upon the 6 day basis according to all the provisions of same.

Or if the decree of the Government is for a 7 day plan of operation, then it be adopted with all the provisions of the plan as established in the United States. Finally, we would strongly urge that a joint Conference of Government Management and Labour be called at the earliest possible moment, whereby all concerned can hold a frank discussion on all phases of the industry and come to the decision that will be of the greatest value to the country, return the harmony and morale of the workers and produce the necessary ships in the shortest possible time.

I appreciate the opportunity of having been able to serve on the Commission and trust my decision will merit your sincere consideration.

Respectfully submitted

(Sgd.) C. W. Pritchard,  
Commissioner.

REPORT OF THE ROYAL COMMISSION ON SHIPYARD PRODUCTION IN  
BRITISH COLUMBIA.

Submitted by Commissioner A. McAuslane

TO THE HONOURABLE HUMPHREY MITCHELL, MINISTER OF LABOUR.

Dear Sir:

I am in complete agreement with the report of the Commission on all matters investigated and reported on and recommendations made by the Commission, with the exception of Part III of the Report.

In my opinion, the outstanding factors shown by evidence to retard production are as follows:

1. The lack of a national policy in the shipbuilding industry.
2. The partial introduction of a continuous work program in the shipbuilding industry in British Columbia.
3. The degree of compulsion used by officials of the Department of Labour to enforce the plan on organized labour.
4. The lack of co-operation on the part of certain shipbuilding Companies to make the plan effective.
5. The refusal of the Prince Rupert Dry Dock Company to put the plan in operation and at the same time repudiating the provisions of basic agreements, and enforcing supplementary agreement provisions, reducing overtime and holiday pay.
6. The open hostility shown by practically all of the Union witnesses to the present seven-day continuous work program.

The above factors will now be considered in more detail.

(1) The evidence shows that the Unions agreed to sign supplementary agreements on the basis of an all-out War Effort, and relinquished conditions gained over a period of years, only to find that where open shop conditions prevail in the industry unorganized workers are receiving the benefits of Basic Agreements. At the same time, no seven-day continuous plan exists in any of the Eastern Canadian Shipyards. Union men naturally draw the conclusion that the Government's policy is inconsistent, and that labour on the Pacific Coast is being experimented upon with accruing benefits to open shop firms, in carrying through anti-Union policies.

(2) The partial introduction of the seven-day plan has meant that all of the Unions have membership working under two sets of conditions, making it increasingly difficult to maintain harmony in labour relations.

(3) All Unions in the presentation of evidence to the Commission, strenuously objected to the threats and manner in which the negotiations were conducted at the time of signing supplementary agreements, and the fact that the free process of collective bargaining between employee and employer was stultified, resulting in a general attitude of distrust and discontent throughout the industry.

The Honourable Humphrey Mitchell (Continued)

(4) On the evidence submitted by a number of the Foremen, whom one could assume to be abiding by the Companies' policy, it would appear conclusive that certain Companies do not favour the seven-day plan. In the brief submitted by the Burrard North Company, Mr. Clarence Wallace reported that from seven to eight hundred employees are engaged on repair work, and that it is impossible to work these men on an efficient basis under the staggered plan. Numbers of his foremen have also shown open hostility to the plan. A similar condition exists in the firm of Yarrow's in Victoria. In fact, while all Companies have submitted figures to show increased production, they nevertheless indicate lack of enthusiasm for the plan

(5) The refusal of the Prince Rupert Dry Dock Company to put the plan in operation, at the same time repudiating the provisions of basic agreements and enforcing supplementary agreement provisions, reducing overtime and holiday pay speaks for itself, since all parties to the supplementary Agreement had the understanding that any time the plan was not operative, the full terms of the basic agreements would be reverted to. The attitude of this Company could only be interpreted as an example of cheap chiselling on the part of an employer.

(6) In my opinion, no plan can be productive of the best results which has not the full cooperation of the men, and to this end I would strongly recommend that a Joint Conference of Shipyard Owners, Unions affected, and Government representation, take place at an early date, to iron out wage inequalities and other anomalies existing in the industry.

In conclusion, I am definitely of the opinion that the merits of both plans cannot be fully judged until both have been given an equal trial, and would strongly urge that labour's plan for production be put into effect immediately.

Yours very truly,

(Sgd.) A. McAuslane,

Commissioner.

AM:MBM