

*Wage Controls and The CLC: Dr. Ron Lang sets the Record Straight*

*To Whom it May Concern -- Letter dated July 7, 2010*<sup>1</sup>

From

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To whom it May Concern:

I just received a copy of George Vair's book titled *The Struggle Against Wage Controls: The St John Story, 1975-1976*, (Canadian Committee on Labour History, 2006).

Although the book deals primarily with the New Brunswick experience, it does comment on what was happening at the Canadian Labour Congress. It is on the latter that I wish to comment.

Before I do however, let me set out my own credentials.

In the late 1950's and early 1960's I was the President of Local 368 of the United Cement, Lime and Gypsum Workers at Woodstock, Ontario. I was also the President of the Woodstock, Ingersoll and District Labour Council. I attended the Labour College on a CLC Scholarship, after which I graduated with distinction. In 1963 I enrolled at the University of Waterloo and Graduated with an Honours BA in Political Science and in 1968 and an MA in 1969. Having received a Canada Council Scholarship I went to the London School of Economics and received a PhD.<sup>2</sup>

In May of 1972 I went to see Bill Dodge who was Secretary Treasurer of the CLC to see if they had any vacancies. They hired me on the spot as Director of Legislation. I retired from the Congress in 1988 because, quite simply, I was burned out after the tumultuous years fighting wage controls and the demands of the job: post controls.

My first comment is that, on p.39 [of Vair's book], I am referred to as Director of Legislation, which is incorrect. Russ Bell who was the Director of Research died in May 1975. Joe Morris (then the CLC President) gave me Research as well as Legislation and henceforth I was Director of Research and Legislation.

On pp 21 and 22 it states, "The Prime Minister's announcement surprised everyone the Provincial premiers had been told only that day," (the announcement was of course wage controls).

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<sup>1</sup> With permission, including minor editorial changes and insertions.

<sup>2</sup> Thesis published: Ronald W. Lang, *The Politics of Drugs: The British and Canadian Pharmaceutical Industries and Governments – A Comparative Study*. (Saxon House, 1974).

Again this is incorrect. On the Friday evening before Thanksgiving Monday I received a telephone call from Joe Morris to hurry back to Ottawa for a meeting with John Munroe, Minister of Labour, on Saturday evening.

This meeting took place in Hull in Mama Burgers Restaurant. We walked through a narrow back hall to a small room in the back where John Munroe and Tom Eberle were waiting. Eberle was Deputy Minister of Labour.

At this meeting Munroe handed Joe and me a copy of the controls programme Trudeau was to announce on Monday. After reading this paper I spoke up first and told Munroe “the CLC would never agree to these controls and would fight it and the government with everything we had.” To which Munroe replied – “Lang you always were a goddamn hardheaded SOB.” Joe did not take this sitting down; he backed me up and stated emphatically “this government would be in the fight of its life.”

I would add here that for at least a year Russ Bell and myself represented the CLC in numerous meetings with an interdepartmental Committee, which had government representatives from Labour, Finance and Industry Trade and Commerce,

The purposes of these meetings were to stave off the government’s intentions of “restraining wages”. The paper John Munroe presented to Joe and myself was the exact paper Russ and I had rejected at the last meeting of the Committee.

It was John Turner who Donald MacDonald succeeded as Minister of Finance and it was during the time we were meeting with these government representatives that Russ Bell and myself drew up the CLC’s 10 Point programme, which is on the bottom of p. 28. [Vair book]

John Turner resigned because he refused to implement wage controls.

On p.27 the book states, “initially the Canadian Labour Congress was slow to recognize the threat of wage controls.”

From what I have outlined above this is patently false.

What really irked Joe Morris was the meeting of the CLC Executive Committee with Donald MacDonald at the Inn of the Provinces a few days after Trudeau’s speech, Instead of the Committee denouncing these controls they phrased their questions in such a way as to give the impression [of asking or being concerned with] how they should negotiate under the legislation. These were the members who would be retiring their leadership shortly.

On the question of challenging the legislation before the Supreme Court, I chaired the meetings with our lawyers and experts from academia.

The paper deals at some length with *Labour's Manifesto for Canada*, I wrote the *Manifesto*. If Joe Morris had been able, health-wise, to run for a third term we would have changed forever the way labour market and economic decision-making was made.

We had been meeting extensively with the top CEO's of Canada on a plan to create a Crown Corporation which would have administrative authority over social policy and Labour markets and would report to parliament through the appropriate Minister. This Crown Corporation would have had equal corporate and union representation on its Board of Directors along with representatives from the Provinces and Federal government. For the first time labour would be at the center of decision making in Canada. The business people were in agreement with the CLC's plan. To this point this fact has not been known publicly.

The paper also talks about the NDP government of Saskatchewan and Manitoba signing with Trudeau's wage controls. They, unfortunately, interpreted it as an incomes policy.

At a meeting in the Chateau Laurier Hotel attended by Blakeney, Schreyer and Ed Broadbent, Joe Morris became infuriated with the two Premiers, It became so hot and heavy Joe Morris literally chased them from the room because he was prepared to physically assault them. I have never seen him as angry as at this time.

I know it is too late to make changes to a published book but I also thought I should set the record straight. All the time Joe Morris was President he would insist I go with him whether it be to meetings with business people, Cabinet Ministers or the Prime Minister. All the time he was President I wrote every speech he gave. He called me his *alter ego* and in my view he was and still is the best President the Congress has ever had. He was a visionary; it is a pity he did not run for a third term.

Sincerely, Dr. Ronald W, Lang.

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<sup>3</sup> R. W. Lang writing as: Eastern Ontario Representative, Congress of Union Retirees of Canada (CURC)

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