

One day longer 10 years later

In July, 2009, more than 3,000 Steelworkers walked off the job in Sudbury after failing to strike a deal with Inco's new owner, the Brazilian mining giant Vale. A decade later, we look back at how it all started and what it all meant

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A powerful union, a huge multi-national corporation, a clash of cultures, let's go back to 2009 ...

By Darren MacDonald

In the months leading to the strike at Vale in 2009, a major confrontation seemed both impossible and inevitable. There was talk almost immediately in the mining industry that, having purchased Inco in 2006, the only way the deal made sense for the Brazilian multinational was to undo the benefits package the Steelworkers had fought for in collective bargaining that ensured retirees a guaranteed income.

Defined benefits, as it was known, protected workers from inflation, from the ups and downs of markets. The nickel bonus, too, which saw workers paid more when nickel prices were high, was also a major obstacle in Vale's view of things, as were restrictions on using contractors. For the company, these sorts of benefits represented unacceptable long-term costs and risks that threatened the viability of their Canadian purchase.

Anyone who has ever been in a union can tell you that heading into negotiations for a new contract, improvements are the goal, and concessions are the red line that can't be crossed. For a union such as the United Steelworkers of America, headed by Sudbury's own Leo Gerard, such concessions were unthinkable.

And so a powerful international union with deep roots in the community was headed for a collision with a powerful global corporation with resources and motivation to win the fight. For the rest of Greater Sudbury, there was a sinking feeling something bad was coming. The unstoppable force was about to smash into the immovable object and that was that.

1942: The year a little firm called CVRD was born

Companhia Vale do Rio Doce (the Sweet River Valley Company) was founded in 1942, at a time when Brazil was led by a revolutionary government intent on boosting industrial production and nationalizing its resources. Two private companies were merged to form the government-owned and controlled CVRD, as the Second World War increased demand for iron ore to historic levels.

“The country needed money, it needed to nationalize its ore and, according to its American commercial partners, it needed to join the war,” according to Vale – Our History, the company’s own book on its past. “Companhia Vale do Rio Doce, a company capable of expanding the supply of iron to the United States’ arms industry, was fundamental.”

Politics in Brazil took a sharp turn in 1930, when Getúlio Vargas led a military revolution and established a new republic.

“Vargas began a widespread institutional reform to strengthen state intervention in the social and economic fields,” Vale says in its history.

A 1937 constitution made it illegal for any foreign company to own mines, and gave the state broad powers to seize private firms when it was seen to be in the national interest. Even exporting iron ore was seen as controversial, as nationalists argued the resource should stay in Brazil for its own needs. But after a series of revolutions and instability, a government study in 1957, which came to be known as Document 18, outlined a plan to make the company a major player in global iron ore markets.

In the coming decades, despite increasing political instability, the company had grown to become a dominant player in the iron ore industry. The company diversified, built railways, mined other minerals, harvested lumber, owned port facilities.

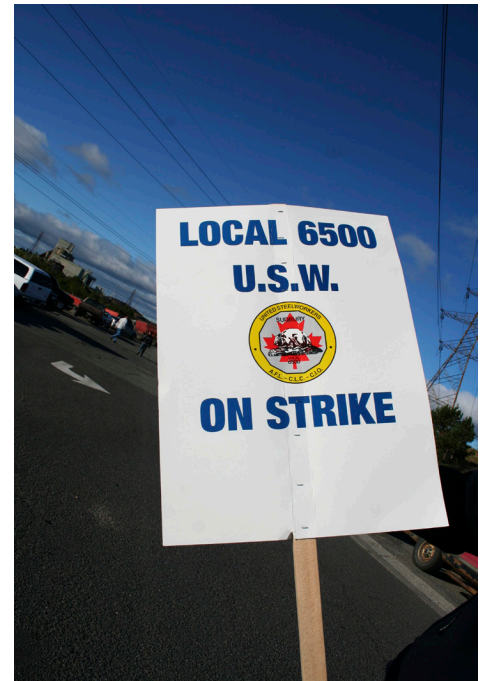
By the early 1990s, ruinous policies by military governments in the previous two decades left Brazil with an annual inflation rate of 1,476 per cent and an economy in chaos. CVRD was able to insulate itself to a certain extent from the chaos because it owned everything it needed to get its product to market. Because the rail and other businesses were profitable, the company not only owned the infrastructure needed to get their product to market, that infrastructure made them even more money.

By the time democracy returned in 1992, a desperate need for revenue and foreign investment led to laws allowing for privatization of state companies.

On May 6, 1997, a few hundred protesters gathered outside Brazil’s stock exchange to oppose the first stage of CVRD’s privatization. After a few delays, the process went ahead in three stages and the company was reorganized and was now run a mix of private and public companies. Decisions were made by a board of governors from these companies, overseen by a CEO. Successful even during the rule of dictators, the company soared as democracy and free market policies took hold.

“The year following privatization, 1998, ended with earnings of R\$1.02 billion, a new record for Brazil’s private sector,” Vale says in its book on its history.

As profits soared, the company was listed on the New York Stock exchange for the first time in July 2000. At the end of 2002, the company’s market value reached US\$11 billion, up 20.3 per cent from US\$9.2 billion in 2001.



“In a year marked by slow growth of the global economy, the closure of international financial markets and the natural volatility of the Brazilian economy due to presidential elections, Vale obtained record sales and one of the three biggest profits in its history, reaching R\$2.04 billion,” then CEO Roger Agnelli said in his annual report for 2002.

As the stock value climbed, the company had a growing war chest to acquire foreign companies. It bought foreign copper mines, steelmakers, and more iron ore mines to cement its status as the world’s largest iron producer. In 2006 alone, CVRD spent US\$21.5 billion on foreign acquisitions. The biggest was its \$18 billion purchase of all of Inco’s nickel and other mine operations, including Sudbury, the biggest single purchase ever of a foreign firm by a Latin American company.

The rise of the Steelworkers

According to Sudbury journalist Mick Lowe, the labour movement in this city began on March 10, 1944, when Mine Mill Local 598 was certified after years of struggle.

“The 11,000 hardrock miners, mill, smelter and refinery workers who became trade unionists that March were the newest members of a union with a long and storied history in the hardrock mining camps of North America,” Lowe wrote in a 2008 piece for The Republic of Mining.

“At a time when government-supported social and cultural amenities were minimal, the Mine Mill sponsored a full range of cultural activities, including dance classes for children, amateur theatre, and concerts,” Lowe said. “The union also built a series of satellite union halls in the outlying communities of Chelmsford, Levack, Garson and Lively, as well as the Mine Mill Children’s Camp on Richard Lake, just south of Sudbury.”

By the 1960s, Mine Mill had 17,000 members in Sudbury — the largest local in Canada. At a time when the city’s population totalled 80,000, that was nearly a quarter of the entire population.

But Mine Mill was a controversial union, even in Canadian labour circles. It had been expelled from the Canadian Congress of Labour because of the presence of communists in its ranks, and the Steelworkers were given permission to try and wrest members away from Mine Mill.

What followed was years of internal labour battles, with Steel taking members away from Mine Mill everywhere but Sudbury, the key battleground. A story in Macleans Magazine in April 1962, by journalist David Lewis Stein, describes the process by which the Steelworkers seized Sudbury. At the time, labour laws required a union to collect \$1 from at least 45 per cent of the local’s member’s. That allowed for a vote to be held among members to choose which union they want to represent them.

Stein arrived in town just before the vote.



“I found the city bristling with signs of the union war,” he wrote. “On every street corner there seemed to be at least one billboard advertising Steel (I later learned that Steel had leased 20 billboards, although local advertising men had advised that the saturation figure for the area was 13). On walls, restaurant tables and cars I saw small stickers saying such things as ‘Mine Mill is My Union’ and ‘Only Inco Wants Mine Mill—Nickel Workers Want Steel.’”

While much has been written about communists in Mine Mill, Stein says it wasn't the main issue for miners.

“Communism was clearly an issue in Sudbury, but if it had been the only issue, Steel would never have gained a foothold in the city,” he wrote. “What divided most of the men I spoke to was simple economics — which union could win them the highest wages, the most efficient grievance procedure and the best pension plan.”

Mick Lowe writes that unhappiness with a disastrous three-month strike in 1958 that ended with workers taking the same contract that had been offered before the strike.

Steel won the vote with support from 7,182 members, a razor slim victory of just 15 votes. On Oct. 15, 1962, Steelworkers Local 6500 was certified as the representatives of 15,000 members in Sudbury.

A year later, the union negotiated a landmark contract that included major gains in retirement pensions. A wildcat strike in 1966 shut Inco down and 200 OPP officers were called in to keep the calm. A contract signed that September made Local 6500 members the highest paid workers in steel and mining anywhere, with gains in vacation benefits, pay and the creation of a union health and safety committee.

The union set another record in 1969 after a four-month strike.

“Gains included a full prescription drug plan, fully paid insurance plan, nine stats, and for the first time, a cost of living allowance (COLA), improved pensions, a wage inequality committee, improved safety and health language and a large reduction in contracting out,” USW says on its homepage. “Drug, dental and other benefits that were obtained for 14,000 pensioners.”

Membership peaked at more than 18,000 members in 1971, and big gains were made in contracts in 1972 and 1975, including “a 75¢ an hour across the board, early retirement at age 55 with 20 years' service, 50% pension for widows, vacation bonus ...”

A 234-day strike in 1978-1979 netted more record gains, but as the decade changed, major layoffs accelerated the decline in membership. But gains continued at the negotiating table, and in 1985, the nickel bonus was negotiated, as well as more pension and benefit improvements.

The defined pension agreement was negotiated in 1988, fully protecting pensions from inflation, and members earned the right to that pension after 30 years of service. In 1991, a 22 per cent increase in wages was agreed to, and in 1997, a three-week strike netted much stronger language to prevent contracting out of work, a deal that was improved in the 2000 contract, along with more pension improvements.

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By 2005, Steelworkers were among the highest paid industrial workers in the world. However, membership had declined from the 18,000 peak to just 3,000, as technology, new nickel finds elsewhere, global competition and rising costs squeezing employment levels. With almost five times as many people receiving Inco pensions than actually working there, Sudbury's economy depended far less on working miners than any time in its modern history.

The service sector, and especially government, had moved in to replace some of those jobs, although the city's unemployment rate routinely neared double digits through the 1980s and 1990s.

The Steelworkers themselves had joined with the United Steelworkers of America in 1967. Leo Gerard began his career with the Steelworkers in 1977, quitting college just before graduation for a job as a staff representative. He was elected director of District 6 in 1985, and became national director of the Canadian division in 1991. He was elected national treasurer in 1993, becoming president for the entire USW in February 2001.

Conditions leading up to the strike

Before the Vale purchase of Inco, many people had hoped that Inco and Falconbridge would combine forces and become a single company. They said at the time such a merger would have saved \$500 million a year. A tentative announcement of plans to create a single company were foiled, however, when the European Union and the U.S. raised monopoly fears.

“The biggest competition issue posed by the merger was Falconbridge's Nikkelverk refinery in Norway,” the Globe and Mail's Jacquie Mcnish wrote at the time in a piece called The Great Canadian Mining Disaster.

“If Inco acquired the facility, the merged company would produce, according to sources, more than 80 per cent of the world's supply of precision nickel alloys, which are sold mostly to aerospace and armaments manufacturers.”

The dream of a united Canadian nickel company based in Sudbury died, crushing many dreams. Instead, both were purchased by foreign companies. Xstrata was an Anglo-Swiss company that was taken over by Swiss-based Glencore in 2013.

Vale, however, was not owned by a company based in Europe or North America. It was Brazilian, the country in far away South America with a history of dictatorships.

Not long after CVRD bought Inco in 2006, eventually rebranding the company Vale Inco, nickel markets nose-dived, falling by 65 per cent in 2008 alone. Both Vale and Xstrata announced major layoffs.

“In 2007, it wasn't uncommon for Sudbury miners to earn more than \$150,000 (Canadian) a year, thanks to their nickel bonuses which are based on metal prices and company profits,” said a Globe and Mail story from 2008. “Pickup trucks, ATVs, motorcycles, boats, snowmobiles and jet skis were selling briskly to Vale Inco and Xstrata miners who were flush with cash. An estimated 12,000 other people in the region with jobs servicing the then-booming mining sector were also enjoying unprecedented good times.”

Agnelli, who initially praised Inco's local operations, changed his tone in the wake of the commodities crash in 2008.

Vale Inco was, he said, the most expensive mining operation anywhere in the world. That had to change, the company said, for the mines in Sudbury to have a future.

And so the stage was set for what was once considered impossible to become inevitable. On July 13, 2009, at 12:01 a.m., picket lines went up in Sudbury.

One of the bitterest chapters in the Nickel City's labour history had begun.



Vale Strike: A timeline

The Vale strike may have begun officially in July 2009, but the conditions that led to it actually began three years earlier.

By Carol Mulligan

May 2006

Inco and USW Local 6500 settle a three-year contract with wage increases of 60 cents an hour the first year and a cost of living allowance of \$1.50 an hour over three years. The minimum pension increases from \$3,150 to \$3,300 a year and no layoffs are guaranteed whether Inco buys another company or is bought by another company.

September 2006

On Sept. 24, After a series of takeover battles, Inco agrees to be acquired by Companhia Vale do Rio Doce of Brazil.

October 2006

On Oct. 20, CVRD gets approval under the Investment Act of Canada to purchase and take full control of Inco Ltd., and agrees to a three-year no-layoff clause. On Oct. 25, CVRD CEO Roger Agnelli visits the Copper Cliff Smelter Complex and tells workers “local nickel operations will thrive under the CVRD umbrella.”

September 2008

On Sept. 19, Fire destroys the storied United Steelworkers’ Hall on Frood Road. Two 12-year-old boys are charged with arson. Then, on Sept. 26, USW Local 6500 opens its temporary Steelworkers’ Hall at 128 Pine St.

April 2009

On April 7, USW holds a news conference to announce the start of negotiations with CVRD. It had asked for a delay because of union elections that month. The request was denied. Over two days, April 8 and April 9, members of USW Local 6500 vote for the local’s executive team. After a recount, on April 23, incumbent Local 6500 president John Fera wins by five votes over challenger Patrick Veinot, who was the union’s vice-president. Rick Bertrand is elected vice-president.

May 21, 2009

USW Local 6500's negotiating committee receives a strike mandate of 90 per cent from those of its total 3,201 membership who voted -- 1,911 yes and 190 no. Another 112 members of USW Local 6200 in Port Colborne, who bargain with Local 6500, voted 96.5 per cent for a strike mandate.

June 2009

On June 1, a membership meeting for USW Local 6500 is held at Garson Arena. Members are told Vale Inco is seeking to reduce their nickel bonus and change their pension plan. Members say, "No concessions." Three days later, on June 4, the contract deadline between USW Local 6500 and CVRD is extended to July 12 as the global recession affects Sudbury operations. The Copper Cliff Smelter has been closed for maintenance since May 1. All mines and plants in Sudbury operations were to shut down for maintenance June 1-July 27, during which time 2,200 members were to be on temporary layoff and eligible for EI after using vacation pay.

The Strike Begins: July 2009

On July 8, Three membership meetings are held at Garson Arena to hear Vale Inco's proposal to settle a new collective agreement. Major issues are the nickel bonus, pensions, seniority rights and contracting out. On July 10, USW Local 6500 holds a ratification vote on Vale Inco's offer. Of the 2,600 members who voted, 2,213, or 85.1 per cent, reject the offer. On July 13, picket lines go up at Sudbury and Port Colborne operations at 12:01 a.m. July 17 saw the first of many union rallies held at the entrance to the Copper Cliff Smelter Complex. On July 24, a massive union rally with then NDP Opposition Leader Jack Layton and USW International President Leo Gerard is held at McLelland Arena and at the entrance to the Copper Cliff Smelter Complex. Later that day, Industry Minister Tony Clement tells a local reporter Sudbury would be the "Valley of Death" if CVRD had not bought Inco. The comment galvanizes strikers. Days later, after coming under fire, Clement would say it was a "bone-headed" remark. On July 31, a court order is issued for picket line protocol that allows 12-15 minutes' waiting time for any vehicles entering Vale property, except for emergency vehicles.

Aug. 8, 2009

Vale Inco announces plans to resume partial production with 1,200 supervisors and with members of USW Local 2020 and replacement workers, infuriating strikers. It was the first time in the history of the mining giant that it produced during a labour dispute.

September 2009

On Sept. 7, a Labour Day rally is held at which union leaders and politicians march in solidarity. Sept. 15, the new Steelworkers' Hall opens at 66 Brady St. Four days later, on Sept. 19, an international and community solidarity rally is held at Sudbury Arena with union leaders from around the world. USW International president Leo Gerard tells the crowd that if businesses are not with USW, they are against them. "This strike will determine what kind of future we'll have and what kind of future our kids and grand-kids will have," Gerard says. The rally is followed by a free showing at SilverCity Sudbury Cinemas of Michael Moore's film "Capitalism: A Love Story." Then, on Sept. 21, strikers prevent four trucks trying to enter Clarabelle Mill from crossing the picket line for five days, while the trucks are guarded by AFI security personnel. The next day, Sept. 22, representatives for USW Local 6500 and Vale Inco return to court to clarify picket line rules.

October 2009

Vale Inco restarts partial production at Clarabelle Mill on Oct. 1. On Oct. 5, Vale resumes partial production at Coleman Mine and the Garson ramp at Garson Mine. And then on Oct. 8, the union and some members are called back to court for a third time on a motion from Vale Inco seeking further injunction orders. The existing picket line protocol remains in effect.

Nov. 24, 2009

Wayne Fraser, USW Local 6500's lead negotiator, is re-elected director of USW District 6 with a large majority. District 6 encompasses Steelworkers in Ontario and the Atlantic provinces.

December 2009

The annual Christmas party for Local 6500 members and families, a staple since the strike of 1978-79, is held Dec. 5 at the Steelworkers' Hall. A week later, on Dec. 11, USW Local 6500 says it is willing to return to the bargaining table to negotiate and asks Vale to resume negotiations as the strike approaches the five-month mark. A few days after that, on Dec. 14, Vale lawyer Harvey Beresford replies there is no point in resuming talks as the union will not accept concessions. Vale continues to insist upon a defined contribution pension for new hires, a restructured bonus plan with a cap on payments and efficiencies to allow the company to operate more efficiently. Three days after Christmas, on Dec. 28, USW International president Leo Gerard authorizes an additional \$100 holiday season bonus for all Local 6500 members who have been doing picket duty or volunteering at the hall.

The Halfway Mark: January 2010

The biggest union rally in Sudbury history is held at the six-month mark of the strike on Jan. 13. More than 2,000 Steelworkers and supporters, among them Greater Sudbury Mayor John Rodriguez and Timmins-James Bay NDP MP Charlie Angus, take to the streets in a show of solidarity. Gerard presents a cheque for \$100,000 to Local 6500 from other USW locals. A week later, on Jan. 19, Vale Inco restarts production at Copper Cliff Smelter, a move USW Local 6500 president John Fera calls "disappointing" and "disrespectful" toward workers. Vale Inco purchases a full-page advertisement in The Sudbury Star on Jan. 26 in which it accuses union members of acts of intimidation, violence and vandalism as well as death threats. Gerard responds with a Feb. 2, 2010 letter in The Sudbury Star saying he is proud of the solidarity and strength of members, and accusing Vale of making unwarranted accusations.

Feb. 1, 2010

Mine Mill Local 598/CAW reaches an agreement with Xstrata nickel with a deal including a \$2,500 signing bonus, a wage increase and COLA. USW Local 6500 questions why it can't reach a similar deal with Vale Inco.

March 2010

Steelworkers from Ravenswood West Virginia Aluminum Company visit Local 6500 on March 1. Their local, USW Local 5668, was locked out for 1,700 days from Oct. 31, 1990-June 29, 1992, and negotiated a contract with the company after all that time. USW and Vale Inco meet for two weeks with provincial mediator Kevin Burkett in an effort to resolve the strike. USW chief negotiator Wayne Fraser calls for binding arbitration saying it "would be the right thing to do." While that's occurring, Vale Inco's John Pollesel said on March 7 the company has been consistent in its demand that "change is essential" to ensure the long-term sustainable future of the Sudbury operations. Undeterred, on March 11, USW Local 6500's bargaining committee recommends members reject an "inferior offer" from Vale. It is turned down by 88.7 per cent of members who voted. Then, Vale halts production at Garson Ramp on March 14, placing it on temporary care and maintenance and transferring its temporary workforce to Coleman and Creighton Mines and the Copper Cliff Smelter Complex. Over two days, March 22 and March 23, a meeting of Vale union members from other parts of the world convenes in Sudbury and the Bridging the Gap Solidarity Rally is held. On March 24, Superior Court Justice Robbie Gordon does not approve Vale's request to limit the number of picketers to three at picket lines, limiting them to eight instead. And finally on March 31, USW Local 2020, representing office, technical and professional employees at Vale, accepts a three-year contract by 84.5 per cent. Striking Local 6500 said it is disappointed its sister union settled.

April 2010

The Ontario Federation of Union Retirees visits the Stobie picket line on April 15 and donates \$3,500 to strike fund. Two days later, on April 17, as Vale plans to resume full production at Creighton, Stobie and Coleman mines, USW International President Leo Gerard says, "It will never happen because we won't let it happen. If it takes civil disobedience, so be it. We'll fill every jail if that's what it takes." USW local 6500 members attend Mine Mill Local 598/CAW's Day of Mourning on April 28, an occasion to mark the sacrifices of workers who died or became sick on the job.

May 2010

Picket lines continue to be staffed despite unseasonably cold weather and high winds. On May 11, Superior Court Justice Robbie Gordon orders pickets at Coleman Mine and Clarabelle Mill to be removed immediately after Vale takes protesters to court. USW Lawyer Brian Shell speaks to members on May 12 about Canadian Labour Law and his hope of a successful ending to the strike. Members receive an additional \$100 if they are performing picket duty or volunteering at the hall. On May 17, Vale accuses six strikers and the USW of violating a court order and a trial is set for June 21. The hearing is delayed until June 28 but all charges and lawsuits are dropped July 8 after the strike is settled. The company announces on May 27 it is changing its name from Vale Inco Ltd. to Vale Ltd. No mention is made of the strike in a news release about the renaming.

June 2010

Vale vice-president John Pollesel tells Vale Ontario employees on June 29 the two sides had a deal but it fell apart when the parties couldn't agree about submitting the matter of nine fired employees to the Ontario Labour Relations Board. Provincial mediator Kevin Burkett calls off talks between the parties, ending the mediation process.

The end is in sight: July 2010

Vale and Steel negotiators are summoned to a meeting by Ontario Labour Minister Peter Fonseca on July 2 to give an account of their inability to find a solution to the strike. On American Independence Day, July 4, a tentative deal is reached between USW Local 6500 and Vale, and is announced by both parties. Picket lines remain in place the next day. A special membership meeting is held July 7 at which the bargaining committee recommends acceptance of Vale's offer. Ratification votes are held over two days, July 7 and July 8, and 2,376 of the 2,838 members eligible to vote accept the contract by 75.5 per cent (1,795-581 votes). Members receive a 12-page information package on the new collective agreement, and are told they will return to work by July 22.

(Source for much of this information is "Winds of Change: The Local 6500 USW Strike of 2009 to 2010" by Hans Brasch)



Weathering the storm: The strike and the economy

Labour disputes always impact the economy. It's inevitable when you remove a big chunk of buying power from the retail sector. But the Sudbury of 2009 was not the Sudbury of 1979 or 1959. A more diversified economy and a smaller mining labour force meant the economic hammer of a strike fell on Sudbury with much less force than in previous disputes

By Matt Durnan

It has been 10 years since a bitter strike at Vale saw more than 3,000 members of Steelworkers Local 6500 take to the picket lines, sapping millions of dollars from Sudbury's economy.

And while the economy was hit, in some sectors quite hard, the Sudbury of 2009 was not the Sudbury of 1978-1979, when 11,000 Steelworkers went on strike. Not only were there considerably fewer strikers, but the city's economy had greatly diversified. Not as reliant on mining as it once was, the community was able to weather the year-long storm in a way it never could before.

That's not to say there was no impact; there was. But that impact was limited in a way it hadn't been before.

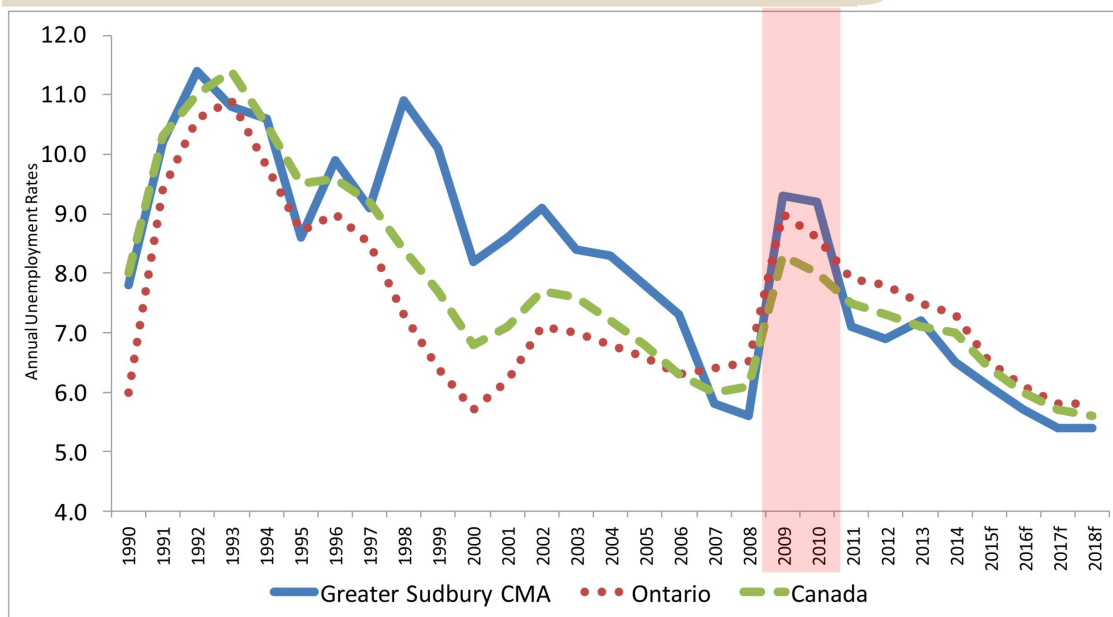
That's not to say there was no impact; there was. But that impact was limited in a way it hadn't been before.

A Community Adjustment Committee was established in 2009 to identify actions that could be taken to mitigate the economic impact of slumping nickel prices and the corresponding job losses as a result of layoffs.

Then vice-chair of the committee John Caruso spent the better part of six months studying the economic impacts of the layoffs coupled with the strike. Because workers were making an average gross weekly wage of \$880, the economic hit to the city was in the neighbourhood of \$133.5 million per year.



Annual Unemployment Rates (%)



Source: Statistics Canada, Labour Force Survey, 1990 - 2014. All annual calculations are based on unadjusted, three-month moving averages. LFS data for Greater Sudbury CMA have been re-benchmarked to 1990. Forecasted data from the Metropolitan Outlook 2 Winter 2014 Report, Conference Board of Canada

The highlighted section shows a dramatic spike in the unemployment rate during the strike. (Data: City of Greater Sudbury)

Laurentian University business strategy professor Jean-Charles Cachon estimated at the time of the strike that Local 6500 members alone normally contributed \$20 million per month to Sudbury’s economy; those workers were bringing home just \$200 per week in strike pay.

In spite of those figures, Sudbury’s economy weathered the strike very well, at least by comparison to the Inco strike of 1979 when more than 11,000 Local 6500 members were involved, which impacted the wages of nearly 43,000 people.

Greater Sudbury Chamber of Commerce president and CEO Debbi Nicholson was with the Chamber for both strikes and says the business community was much more well-prepared for the strike in 2009, as the city’s economy had diversified greatly and was no long the single-industry town that it was back in the 1970s.

Obviously any time there’s a significant labour dispute ... it affects the (business) community
Debbi Nicholson, president and CEO of the Greater Sudbury Chamber of Commerce

“Obviously any time there’s a significant labour dispute in the community, it affects the (business) community to some extent,” said Nicholson.

“Nobody looks forward to those times. In terms of the economy though, I would say the economy weathered it extremely well, but there’s always an impact for any sort of labour unrest, but I think this one (2009) was felt much less than any former ones were.”

By 2009, the city's economy had branched out and established multiple pillars, including the education and health care sectors. The timing of the strike could have potentially been much more impactful had the city's economy not diversified, as 2009 was in the back end of Canada's "Great Recession" of 2008-09 that began with the global financial crisis of 2007, followed by the housing market crash of 2008.

"It depends what sector of the economy you were in; certainly some businesses didn't invest at that time or rush to hire right away, but business for the most part carried on," said Nicholson. "There wasn't a lot of doom and gloom like there was in 1979."

Nicholson was essentially brand new to the Chamber during the Inco strike in 1979 and admitted that she may not have been as tuned into the inner workings of the economic impacts, but was more of an observer as the strike made national headlines, families of workers lost their homes and some businesses shuttered for good.

"It got to the point that it was impacting the economy to such a great extent, that it was the Chamber that brought the union and the company back together to have a discussion," said Nicholson.

"I remember that meeting, the tension in the room was palpable and we sort of indicated to them that we have to resolve this, it's impacting not only the company, it's impacting the whole of the community. I think as a result of that, you did see this upturn in realizing that Sudbury needed to do something and not be so reliant on its primary industries."

One major industry that established itself in the city was the mining supply and service sector, which solidified itself as all but strike proof in 2009.



Debbi Nicholson is the president and CEO of the Greater Sudbury Chamber of Commerce. (File)



Dick DeStefano retired this year from the Sudbury Area Mining Supply and Service Association. He had been the group's executive director since 2003. (File)

Sudbury Area Mining Supply and Service Association (SAMSSA) was started in 2003 and by the time the 2009 strike hit, had grown to include more than 80 members. At the time of the strike, roughly 80 per cent of those members were doing 75 to 80 per cent of their business with Vale.

“The issue was that our guys were crossing the picket lines and Vale was still buying from suppliers while the strike was going on,” said Dick DeStefano, who served as SAMSSA executive director from its inception in 2003 and retired from the position just this year.

“The discrepancy between that and the general economy was that when a supplier signs a contract with a mining company like Vale, they sign on service functions not on product, and those contracts are binding and legal. So the equipment that had fallen into reasonable disarray by 2009 was being contracted out to a lot of suppliers, because Vale likes non-unionized workers. It was very clear to Vale's culture that they wanted non-union workers doing work.”

To his recollection, not one SAMSSA member company experienced bankruptcy during the strike, and in many ways, the strike was a watershed moment for SAMSSA as a number of supply companies began to expand their reach into places like Timmins, Northwestern Ontario, and south of the boarder into the United States.

“Some went out to British Columbia, some started taking on new products and services that they didn't normally do,” said DeStefano. “The impacts of the layoffs on the supply and service industry, I don't want to say it increased the power of the suppliers, but it made them pretty predominant as leaders of maintaining a company in the mining field.”

While much of the city's economy wasn't feeling a massive crunch and were in somewhat of a holding pattern, the mining supply industry was still chugging right along.

“When we looked at the diversification (of the economy), who was creating wealth? We had close to a billion

worth of sales,” said DeStefano. “The economy’s stabilizers were bureaucrats, hospitals, education. That’s when SAMSSA really shifted, I can say with confidence that service contracts and revenue from those went up and the relationship with Vale was a reasonably comfortable one.”

What wasn’t reported in great detail during the course of the strike, was that there were striking employees who were working quietly for supply companies.

“There were guys that were working in the shops,” said DeStefano.

“We never really said anything publicly about that and these shops never disclosed who they were hiring and when, but I know that some of them had a lot of sympathy for the strikers. We didn’t want it to get out that these guys were making an extra \$500 a week and they weren’t showing up at the picket line. These suppliers didn’t have to retrain these guys, they could just bring them in and say ‘we’re fixing this up, what should we be doing better’ so I know that happened.”

The general belief among the supply industry at the time of the strike, was that the striker workers were quite competent at their jobs, and thus the give and take between the two and the suppliers’ willingness to bring striking miners into their shops.

“The alternative for a miner, even up to the last three or four years, who knew something about mining was to go into a supply company,” said DeStefano. “Prior to the strike, Vale was spending between \$475 - \$550 million annually in goods and services from the supply industry. During the strike they still spent about \$150 million, that’s still a significant amount of money for small companies that want to maintain their operations.”

In many ways, the strike was an eye opener to those in the mining industry that there was another path to take, and one that offered a different level of stability.

“If I had to summarize, I’d say that the supply and service industry has been the most consistent and most incrementally growing in terms of organic growth; but the most consistent business sector that generates real wealth for real people,” said DeStefano.

“Guys who were working at the mine were making \$100,000 to \$120,000 a year. Guys in our industry were making \$75,000 to \$90,000 but they always had work, it’s the cyclical nature, if one commodity or mine went down, go to another one.”

While Sudbury did see an expected spike in unemployment rates in both 2009 and 2010, the numbers were not a big deviation from what was being felt across the province and the country due to the recession.

Sudbury’s unemployment rate jumped from 5.6 in 2008 to 9.3 in 2009, and holding at 9.2 in 2010. Ontario as a whole saw a significant increase in unemployment from 2008 to 2009, jumping from 6.5 to 9.0, then dipping slightly to 8.6 in 2009. The country as a whole was seeing unemployment numbers rise in that same time period, as Canada’s rate increased from 6.1 in 2008 to 8.3 in 2009.

Laurentian University economics professor David Robinson wrote in September of 2009 that the mining supply and service sector were seeing a significant slowdown - as mentioned by DeStefano, Vale spent roughly \$400 million less with supply and service companies during the strike.

“Many companies in the mining supply and service sector are operating at reduced capacity or on part time,” wrote Robinson in 2009.



David Robinson is a professor of economics at Laurentian University. It was his work that identified the mining supply and service sector as a leading sector of the city's economy. (File)

Present day, Robinson reflected on the strike and its minimal impact on the economy as a whole, especially when compared to the strike of 1979.

“This strike had surprisingly little effect in Sudbury,” said Robinson. “There’s clearly some effect locally, but it’s not that big. There was an effect on the suppliers, they had contracts going into the strike that they had to fill but they were getting fewer contracts. A couple of things happened, some of those (supply) companies were very successful at picking up other outside business and we should take that as a good sign; that’s a sign that Sudbury is no longer dependant on Vale.”

Robinson explained that the mining supply sector, in many ways, acted as a buffer for the city’s economy and absorbed a lot of the shock of the strike.

“There was a decline in the workforce inside the gates, and an increase in the workforce outside of the gates, that was still mining workforce when you think about it, stabilized the city a lot,” said Robinson.

The mining service and supply sector boasted close to 100 companies that were SAMSSA members at the time of the strike, and it didn’t take long after the strike had ended for the organization to grow and eventually hit its critical mass of 140 companies.

“As soon as the strike was over we saw an increase of about 10 to 15 per cent of companies that were interested and asking questions,” said DeStefano. “People started to see that we came through it, there weren’t massive lay-offs, there were some.

“Our biggest strength was, and that still exists, is we had the highest concentration within 100 miles of all the mines of companies that could get there within hours to solve a problem. The word concentration is key, that’s the strength of it and it’ll go on.”



The mood in the city

A tale told in letters to the editor

The wider community, as it has done routinely, was fully behind the striking workers in the first several months of the strike.

But as month after frustrating month passed, and the strike dragged on, that support began to fray. It didn't vanish entirely, but it was clear in letters to the editor and in posts on social media that divisions were emerging where once there was only unity

By Arron Pickard

labour strike is never easy — for anyone. From the striking union members and their families to the business owners who rely on the disposable incomes of hard-working people in Greater Sudbury, no one is left untouched by a labour dispute, and that's only exacerbated when the strike stretches beyond expectations.

When more than 3,000 members of United Steelworkers 6500 employed at Vale Inco first set up picket lines on July 13, 2009, it was expected the people of Greater Sudbury would support strikers unconditionally.

However, a steady stream of propaganda from both sides started to drive a wedge between the residents of the Nickel City. It was a vast difference from labour disputes of the past.

A tale told in letters

That divide not only played out on the front pages and homepages of local newspapers, it also played out in letters to the editor, with the public expressing a broad range of opinions on the union, the company and on the strike itself.

Near the end of the dispute, letter writer Kèv N. Rayner said the community was split between the unionized and non-unionized, between political beliefs of pro-labour and pro-corporate, between the white- and blue-collared workers, even between the younger generation and the older generation. There was also a protectionist element to criticism levelled at Vale, with some USW supporters calling for “Canadian-made” solutions, expressing concern over foreign ownership of Inco.

It was obvious that most residents supported Local 6500 in its strike, but it became clear throughout the long months that not everyone was in their corner. One had only to look at the pages of local newspapers or peruse blogs and online comment sections to get a real feel for the divide among residents.

A letter by C. Boyer, published April 29, 2010, pointed out the tension from the strike pitting neighbour against neighbour, but put the blame solely on a “company without a conscience,” that being Vale Inco, of course.

“I fully support the men who are now on strike. Fight for a fair contract, a Canadian contract, not a Brazilian contract.”

Letter to the editor, Lilian Goulet, July 23, 2009, Northern Life

At first, letters of unconditional support for striking Local 6500 members were appearing, filling OpEd pages with such comments as, “I fully support the men who are now on strike. Fight for a fair contract, a Canadian contract, not a Brazilian contract.” (Lilian Goulet, July 23, 2009)

A letter by Blair Omalley titled “Inco employees are ‘hard workers’” (July 21, 2009) praised the Steelworkers for their tenacity, and defended her own husband and his co-workers from people who called them “selfish Inco employees.”

“The Inco workers are standing strong, at their own peril, so that your sons, daughters and grandchildren can hope to work at Inco one day, that it will continue to be a good workplace, so they can support their own families.”

But, again, lines had already been drawn in the sand, and those who supported the striking employees were at a loss as to how anyone could side with anyone but their own neighbours in this dispute.

“It is shocking to me that so many are blinded by ignorance,” OMalley wrote, expressing her disappointment in the attitudes and opinions expressed by many Sudburians regarding Inco employees.

But as the strike continued, seemingly with no end in sight, tensions continued to mount. Still, while most people backed the striking workers, others said this was quickly becoming one of the most “emotionally discussed” labour disputes in decade (Kev. N. Rayner, Oct. 13, 2009).

For example, a front page story on Jan. 21, 2010, featured a local family, Michael and Tina Kavanagh, who were struggling financially as both were Vale Inco workers on strike.

As members of Caisse Populaire Val Caron, they were told at the start of the strike they wouldn't have to make mortgage payments on their \$400,000 home (their mortgage payments were \$900 bi-monthly, as they grossed about \$200,000 a year when they were working) until they went back to work.



No one anticipated the strike lasting even more than five months at the time the story ran, and the bank was demanding the couple pay \$11,000 in interest on their mortgage payments.

While their case may have resonated with some residents, it received the opposite reaction from others.

In an emotional letter to the editor only a few weeks later, Denise St. Onge said she felt little sympathy for the family.

She said she and her husband lost their jobs as a result of the strike, and it would be a month before either would be able to collect employment insurance benefits. They had no money for groceries to feed their son.

We have lost our jobs, as have many other people because of this strike. I am sorry you may not get that bonus cheque, but I would love a cheque to eat right now.

Letter to the editor, Denise St. Onge, February, 2010, Northern Life

“We don’t get a special allowance from the bank to pay our mortgage, it is due when it is due. We don’t have a \$400,000 home, we have a mortgage only worth one-third of that.

“How can anyone feel pity or sympathy for these people? We have lost our jobs, as have many other people because of this strike. I am sorry you may not get that bonus cheque, but I would love a cheque to eat right now.”

Another letter to the editor from a J. Calford a week later questioned the “mismanagement” of the family’s money.

“This couple, in the past three years, has earned over a half a million dollars and have to borrow from friends and family? My question is, did they not prepare for the future by putting aside at least one of the nickel bonus cheques?

“I do hope they can keep their home and survive this strike. But I also hope they learn a valuable lesson for the future.”

The original story was meant to be a warning to residents to make sure they read the fine print in such situations. The family didn’t want other families to get a phone call from their bank demanding \$11,000 in interest payments, immediately.

But at the time, the strike had been going on for more than five months. The community was stressed. People were no longer holding back in expressing their opinions, either in the newspaper or online.

“The facts are simple, Vale had the right to purchase Inco as the highest bidder and now have the right to run the company as they wish,” said one



commenter on NorthernLife.ca (what is now Sudbury.com) in August 2009. “If they wish to have targets and benchmarks for profitability, then so be it. They own the company, not the workers.

“Wake up and stop including the rest of us in this great city with your embarrassing and unprofessional behaviour and comments. Most of you would not last the week in a non-union environment where you are accountable.”

Don Jongsma wrote in his letter to the editor on Sept. 22, 2009, he was “disappointed and embarrassed” by the mischaracterization of Vale Inco, both by the union members and politicians backing them.

“Vale Inco’s dealings in Sudbury have been commendable to them and their country,” he wrote. “They are employing more workers, opening more mines, and giving more generously to the community than their predecessors. I am impressed with Vale Inco’s decorum in this whole affair. They have not once retaliated to the barrage of misinformation and false rhetoric spewing from the union and the NDP.”

Not even local businesses were immune from the dispute. While many certainly felt the financial effects of the prolonged strike, some were actually targeted by fellow business owners for their support of the striking union members.

In a Jan. 28 story printed on the front page, a downtown entrepreneur said she received an anonymous letter at her establishment asking she remove her signage supporting the striking Steelworkers. The letter writer accused the union of “thug-like” tactics in forcing support of their cause, referring to comments made by Steelworkers International president Leo Gerard, who stated categorically that anyone who wasn’t with the union was against the union.

The letter writer advised they would be encouraging other downtown businesses to boycott this particular establishment until the sign was removed.

The traditional newspaper’s OpEd section wasn’t the only means in which proponents for and against striking union members waged their war of words. Facebook wasn’t that old at this point, and online blogs were becoming the norm. It was the perfect medium for people to post their opinion. And, much like today, bloggers and commenters were able to hide behind the anonymity of the internet.

“On some local media website comment sections, members of the community and striking workers have been drawn into verbal battles — and even resorted to threats — over issues concerning the strike,” wrote Northern Life guest columnist Max Leighton, in the Jan. 12, 2010 edition. “Indeed, battle lines are being drawn online.”

Roland Mirault had this to say in his letter to the editor, published Feb. 23, 2010:

“Every blog on local media websites regarding the labour dispute between Vale Inco and USW Local 6500 has encouraged cyber bullying. You may agree or disagree with the dispute. We are entitled to our opinions, but when we use such tactics as bullying, we’ve crossed the line.”

The fact Steelworkers were finding employment elsewhere, in an effort to provide for their families in a difficult time, seemed to strike a chord late in the strike, particularly for one high school student, who expressed frustration over the fact striking miners were taking jobs away from students. Others defended the strikers, arguing the striking union members were forced into the situation.

Megan Bland wrote a letter to the editor published on April 13, 2010, saying she and her fellow students needed the jobs more than the strikers.

“As USW Local 6500 members who voted in favour of the strike, they voted NOT to work, plain and simple,” Bland wrote at the time. “Many USW Local 6500 workers have been hired everywhere, taking jobs from students across the city. Personally, I believe they should be serving their time as a striker.”

Bland’s letter elicited a response from another young person in the community, whose father was a striking union member.

“These strikers have more than themselves to look after and support,” said Jeremy Paavola. “They have families. It is not as simple a thing as paying for school. Which, make no mistake, is simple, and pales in comparison to the complexities many striking families face.

“I’m a university student whose father has been on strike for the last nine months. I understand the stress, difficulties, and situations that arise when a family’s source of support is suddenly caught off (and against their will). I also understand how defeating it is for a father to look for work but be rejected for nine months, out of fear that the strike will conclude at any moment, and that such a worker would have been a waste to train.

“I have very little sympathy and understanding for a student who has only her tuition to worry about, when the families of thousands of strikers face an uncertain future.”

There were numerous letters to the editor printed in the year-long strike, both in favour of and against the striking union members, and unions in general. It was clear, however, the city was divided in its support. A stark contrast in the atmosphere union members had come to expect since unions first came onto the scene.



View the video at Sudbury.com/vale-strike

Behind the scenes

What was it like to cover a contentious year-long strike? Two reporters weigh in



Angry strikers. Burly security guards. Looming deadlines. A community divided. Reporters Carol Mulligan and Heidi Ulrichsen worked for competing news outlets during the Vale strike, but we brought them together on the stage of the Steelworkers Hall on Brady Street to discuss the challenges they faced trying to cover the strike, and the strategies they used to get the job done.



View the video at Sudbury.com/vale-strike



What did it all mean?

10 Years Later: Strikers, politicians and company officials weigh in on the Vale strike and the legacy of this bitter chapter in the Nickel City's labour history

By Carol Mulligan

Few could have imagined when members of United Steelworkers Local 6500 took to picket lines July 13, 2009 that they would remain there for 361 days.

Hopes were high among 3,062 men and women that withdrawing their labour would break Vale Inco's determination to drastically change their wages, benefits and working conditions.

After more than 840,000 work days lost, 700 fewer members returned to Vale Inco Sudbury operations than left a year earlier. After staffing picket lines for a year, staging hundreds of events to boost strikers' morale and enlist community support, after visits to Queen's Park and appeals to Ottawa, an overwhelming majority voted to go back.

At a special meeting July 7, 2010, the union's bargaining committee recommended acceptance of the latest company offer, painting it as better than the one they had struck over. At ratification votes held July 7 and 8, 1,795 members accepted the offer and 581 voted against it.

Some observers believe USW Local 6500 was forced to accept major concessions from its Brazil-based employer. Some even questioned whether the historic strike had sounded the death knell for unions in Canada. If a mighty union such as United Steelworkers had to give up hard-fought gains to settle a contract, how could less powerful ones stand up to their employers?

Ten years after the start of the longest strike in the 100-year-plus history of the nickel giant, people still talk about the legacy of the labour dispute.

The legacy

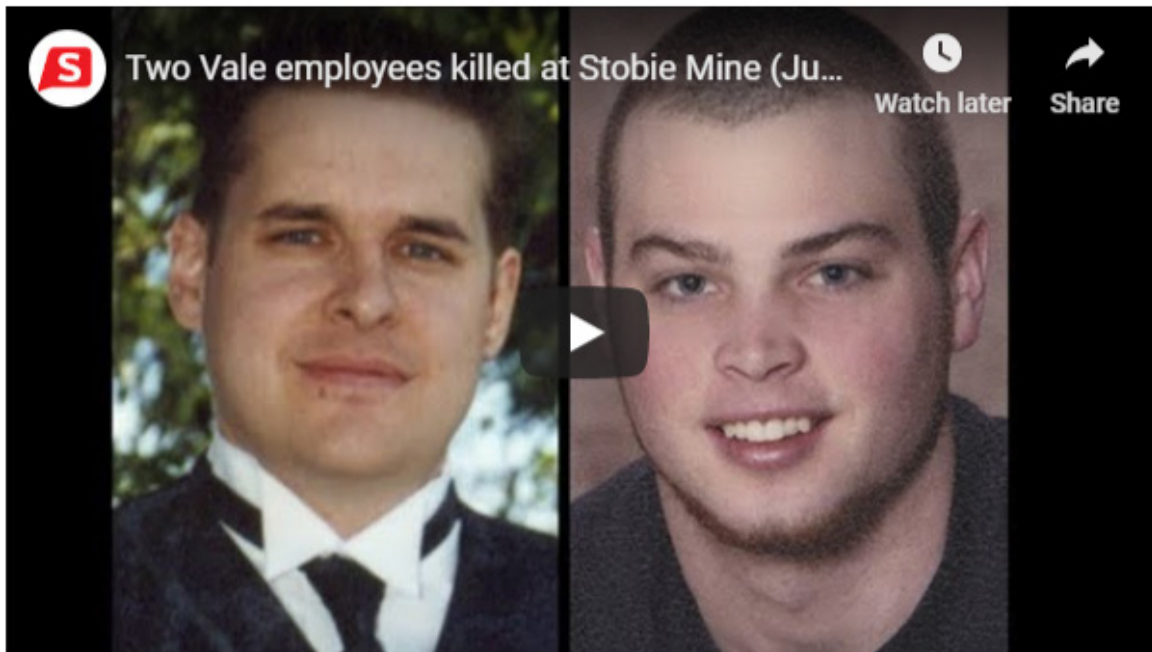
Nick Larochelle is today president of USW Local 6500, after being elected with a wide majority in April 2018. He was recording secretary of the local's executive when members returned to work in July 2010 with a five-year contract with Vale Ltd. (The company officially changed its name from Vale Inco Ltd. to Vale Ltd. on May 27, 2010, announcing it in a news release that made no mention of the strike.)

Members went back to encounter a company that continued “to push to try to break us,” said Laroche in an interview at his office at the Steelworkers’ Hall on Brady Street. Among other changes, they found their worker representatives’ offices had been emptied, their computers and files removed.

Mike Bond, chair of Local 6500’s health, safety and environment committee, and then USW Local 6500 president Rick Bertrand fought to have worker reps’ and committee offices restored. Some files were returned because of a Ministry of Labour order, said Laroche.

The relationship between company and union remained fractured. Dozens upon dozens of grievances were filed by the union against Vale, citing all manner of complaints. The company enforced the provisions of the collective agreement to the letter of the law, and then some.

Then tragedy befell workers at two Vale mines.



View the video at Sudbury.com/vale-strike

Multiple mining tragedies

Jason Chenier, 35, and Jordan Fram, 26, were killed by a run of muck at the 3,000-foot level of the Froid-Stobie Complex on June 8, 2011. It was tradition at Inco that the company and the union conduct joint investigations into the deaths of those killed on the job. So damaged was the relationship between Vale and Steel after the strike that the union decided to conduct its own investigation, claiming Vale was pressuring it to conform to the way it wanted it done.

USW completed its own exhaustive, independent investigation of the double fatality, a study that resulted in a 207-page report containing 165 recommendations to make Vale mines safer. USW alleged in the report that Chenier and Fram died because of ongoing, documented neglect of safety standards. It called on the Ministry of the Attorney General to consider laying criminal charges against Vale under the provisions of the Westray bill of the Criminal Code of Canada.

That would never happen, but Vale was charged by the Ministry of Labour under Ontario’s Occupational Health and Safety Act in the men’s deaths. In April 2014, Vale pleaded guilty to three charges and received the largest fine ever levied under the OHSA -- \$1.05 million plus a 25 per cent surcharge to a fund for victims of crime.

Vale was convicted of preventing the movement of ore through the ore pass when dangerous conditions existed; failing to maintain drain holes, leading to an accumulation of water in the mine; and failing to ensure water and other wet material were not dumped into the 2,600-foot level ore pass at Stobie.



View the video at Sudbury.com/vale-strike

A coroner's inquest conducted from April 20 to May 1, 2015 later produced 24 recommendations calling for better water management and enforcement of the internal responsibility system, and requiring a supervisor to attend workplaces every shift when high risk jobs such as ore handling and water management are performed.

Sadly, just seven months after the Chenier and Fram deaths -- before the inquest and OHSA charges were completed -- another miner died on the job, this time at Vale's Coleman Mine in Levack.

Experienced development miner Stephen Perry, 47, was killed Jan. 29, 2012, when a 14-ton piece of rock broke from the face he was working on at the 4,215-foot level of the main ore body. A visibly shaken Kelly Strong, by then manager of Vale's Ontario operations, spoke to reporters the day after the fatality, announcing Vale's five Sudbury mines would be closed while Perry's death was investigated. Local 6500 and Vale, which had released its investigation report on the Chenier and Fram fatalities a month before Perry's death, agreed to conduct a joint investigation this time.

Larochelle said the Chenier and Fram deaths were "life-altering" for both the union and the company, and said Vale "started to let up" on Steelworkers after them. After Perry was killed, "they started to let up a little bit more."

After the Stobie deaths, a community campaign, led by Jordan Fram's mother, Wendy, and sister Briana called on the province to conduct a full inquiry into mine safety in Ontario. The postcard campaign, backed by community activist Gerry Lougheed Jr., could not convince the province to conduct that inquiry, and instead it launched the Mining Health, Safety and Prevention Review, led by Ontario chief prevention officer George Gritzotis. The final report of the review committee was presented to the ministry in March 2015, with recommendations relating to health and safety hazards, the impact of new technology, emergency preparedness and mine rescue, and the internal responsibility system.

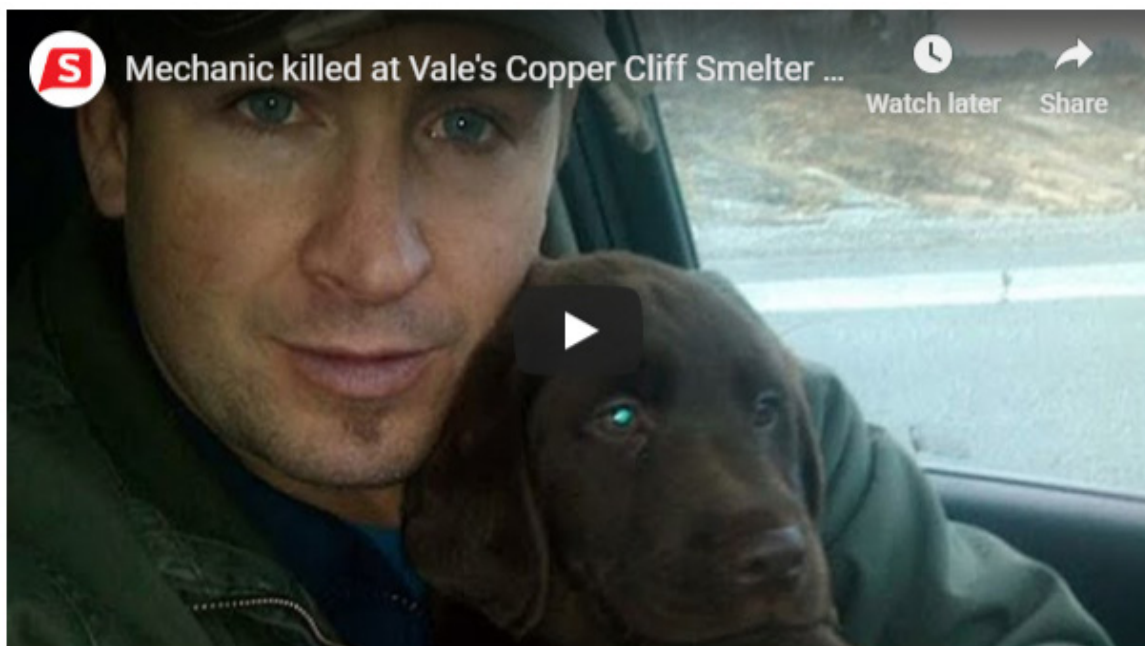


View the video at Sudbury.com/vale-strike

Larochelle said it was a shame it took the deaths of workers to get Vale to “peel back a little bit and start working with us,” adding: “That’s pretty much where the boat changed directions.”

Work to heal the relationship began in earnest. “We actually broke some serious ground and got a good enough relationship to get another five-year contract” in May 2015, said Larochelle.

(Another Vale worker lost his life April 6, 2014, this time at the casting and crushing plant at the Copper Cliff Smelter. Paul Rochette, 36, was killed when he suffered massive blunt trauma to the head. Another Steelworker was seriously injured in the incident. Vale would be fined another \$1 million after being convicted of OHS/A charges in the millwright’s death.)



View the video at Sudbury.com/vale-strike



Vale's manager of corporate affairs and sustainability for North Atlantic operations and Asian refineries. (File)

'Look forward and not backward'

Vale spokeswoman Angie Robson said the 2009-2010 strike was a difficult time for her company and its employees, the union and the community. There had been many strikes between Inco and USW, but it was the first between Local 6500 and Vale.

"Since then, we have continued to look forward and not backward, and we've worked hard at continuing to build a strong relationship with our employees and the USW," said Robson, Vale's manager of corporate affairs and sustainability for North Atlantic operations and Asian refineries.

"We have come a long way in terms of building a principled and respectful relationship with USW Local 6500," said Robson in a written statement.

"Our work over the last 10 years has taught us that we get much further when we talk about interests rather than assuming positions, and by seeking to understand each other to arrive at solutions."

Vale was pleased to make history in 2015 by settling a new five-year collective agreement early and before deadline, said Robson. "By the time the contract expires in 2020, we will have been operating continuously with no labour disruption for an entire decade. We know this matters not only to the company, but to employees and their families, and it is something we are proud of."

Vale has started to look forward to the next set of negotiations, as has USW Local 6500. For the first time, negotiations will be conducted in Sudbury rather than Toronto, something Larochelle and his members are pleased about.

Robson said Vale is optimistic it will reach another deal.

Vale senior leaders meet regularly with Larochelle and his executive, "and the lines of communication are open,"

“Maintaining this relationship will continue to be especially important as we continue to make many positive changes in our operations to transform our business through digital technology, reduce risk in our business to guarantee the safety of our people and build a strong and sustainable future in Sudbury,” said Robson.

Larochelle and his members approve of a move by Vale since the strike to split its human resources department in two – human resources and labour relations. Training is being done with superintendents and supervisors to teach them leadership skills and how to maintain a good working relationship with workers.

Larochelle said it bolsters the union’s strength that Local 6500 members are solidly behind their union executive. Larochelle and a slate of 13 officers overwhelmingly won members’ support in 2018 and the company knows it, he said.

‘The best and worst thing to ever happen to you’

Sudbury New Democrat MPP Jamie West has a unique perspective on the strike and its legacy. A former flash furnace operator at Vale’s Copper Cliff Smelter Complex, West was an activist with the union during the strike. Afterward he worked as a health and safety representative for Local 6500 before running provincially and being elected in June 2018.

West spoke recently with Steelworkers outside Sudbury who asked him what it was like to be on strike for almost a year. West told them, “It’s the best and it’s the worst thing to ever happen to you.”

The worst is not earning a pay cheque, coping with the stress and uncertainty, and suddenly being on the other side of a picket line from non-union employees with whom you are friends.

West recalls meeting some of these coworkers in grocery stores that year and seeing them abandon their grocery carts when they spied him, fearing they might be fired for talking with him. “It was completely unreal.”

Still, West has good memories of that time of connecting with Local 6500 members he wouldn’t have otherwise and sharing the strike experience with them.



NDPer Jamie West is the MPP for Sudbury. He was a striker during the 2009-2010 Vale strike. Prior to seeking public office, he was a health and safety rep for Local 6500. (File)

When members returned to work, the challenge was picking up the pieces and making the relationship with Vale work “so you end up with these weird allies who were on the other team.” Strikers had to learn again how to “trust each other after a year of publicly saying, ‘We’re right, they’re wrong.’”

West said he was surprised when bargaining broke down with Vale in 2009 because the union and the Brazilian owners of the mine they purchased in 2006 had been trying to get along. The relationship was relatively cordial in its early days so it was a shock when negotiations fell apart and Vale then hired replacement workers to do the job of its production and maintenance workers.

The attitude before that was, “We’re a team, let’s work together, we’ll survive, we’ll do well,” said West. Local 6500’s contract was expiring in 2009 and it asked Vale to extend the current collective agreement for a year “until the world (wasn’t) so topsy-turvy.” West recalled that nickel prices had plummeted from the \$20-plus a pound they were at when CVRD purchased Inco and 2008 when the economy tanked in a worldwide recession.

The union was also taken aback during the strike when Vale hired more than 200 third-party personnel from AFI International, a security company that specializes in what West and others call strike-busting. Officially they were hired to safeguard Vale’s operations and be the company’s eyes and ears at picket lines.

West said Local 6500 members were treated like villains by the out-of-town security force. While Inco and Local 6500 had endured several labour disputes over the years, strikes short and long, the relationship between the two was still relatively friendly.

“We knew we were successful together and all of a sudden it ... felt as if the company was saying, ‘These workers aren’t worth the money they’re paid. They’re lazy, they’re dangerous,’ and all these things, and that was surprising.”

Rise of replacement workers

In another first, the nickel giant resumed partial production by hiring replacement workers. West and other speculate it could not have been profitable for Vale to do so and say it was meant to give the company a psychological edge over strikers. Seeing smoke coming out of the Superstack was meant to instill fear, but in many ways it backfired, said West.

In a small city like Sudbury, “everybody knows everyone,” and neither labour nor the company had any secrets. When West saw smoke puffing out of the Superstack at the smelter only two hours a day, he knew it could not be profitable.

When people look back 10 years to that strike, West hopes they realize that nobody wins in a labour dispute, regardless of what side you’re on.

“You’re in a situation where, as a company you’re losing money and things are falling apart,” and your relationship with the union and the rest of the community starts to erode “because people are just fed up with it.”

While the strike dragged on until the first week of July 2010, West said it felt as if it was over in March. “We kept going, we’d lost so much.”

West and others believe the use of replacement workers by Vale during the strike prolonged the labour dispute. Ninety-five per cent of contracts between workers and employers in Ontario are settled without labour disruption, said West. When negotiations break down, the longest strikes are those in which replacement workers are brought in and “it’s just a starve-out.”

One of the replacement workers who did West's job during the Steelworkers' strike used West's locker while the union was out. West returned to find the worker had not removed the pictures of his children on the door of his locker.

"So some guy has to cross the picket line and feel kind of like garbage going in, and while he's working every day, when he" puts his stuff in West's locker, "he has to look at pictures of my kids. It's callous to the employees, the replacement employee, and I think you really cause damage in the community when you have replacement workers come in."

Governments who allow the hiring of replacement workers create situations where people desperate for work feel they have no choice but to cross picket lines.

"If you're crossing a picket line in tears, you don't feel good about what you're doing, but you're so desperate to make ends meet, you've got to feed your family," said West.

The fight to ban 'scabs'

Since 2007, France Gélinas has been the New Democrat MPP for Nickel Belt riding, an area in which several Vale operations are located. There wasn't a day during the year-long strike she didn't have contact with someone about the dispute. Often upset replacement workers visited her constituency office hoping she could act as a buffer between them and strikers furious they were doing their jobs.

In almost every instance, people took the work because they were financially strapped, said the MPP. She recalls one replacement worker had to pay an \$8,000 bill for assessment and treatment for his grandson's autism. Another man's wife had been diagnosed with Alzheimer's disease and he needed money to hire help to care for her at home.



The Nickel Belt MPP since 2007, France Gélinas continues to try to force her private member's bill to ban replacement workers during labour disputes through the legislature at Queen's Park. (File)

“They all had really good reasons why they needed the money,” said Gélinas.

She was not able to smooth over the waters between replacement workers and Steelworkers earning \$200 a week in strike pay. To this day, bitterness lingers between some who walked picket lines and those who crossed them to work.

Three months into the strike, Gélinas welcomed dozens of Steelworkers to Queen’s Park on Oct. 8, 2009, for the second reading of her private member’s bill banning the hiring of replacement workers during labour disputes.

The group lobbied every single MPP and politicians from all parties vowed to support Gélinas’ bill. Then some Liberal MPPs requested a recorded vote and the bill died. “But it came really close,” said Gélinas. She has reintroduced the bill five times, most recently on March 28 this year.

She has no doubt the use of replacement workers prolonged the Vale strike, and hurt the economic and social health of the entire community. “The tensions were real and affected all of us,” she said.

Some wounds never healed. “Some people can still rhyme off the names of five, six, 10, 12 scabs and they will never have coffee (with them) again,” said Gélinas.

“This is not a good legacy. When you have neighbours against neighbours, nothing good happens.”



View the video at Sudbury.com/vale-strike

Since the lengthy Steelworkers’ strike and the use of replacement workers during it, an industry has flourished in Ontario around supporting the use of so-called “scabs.” Firms offer companies whose collective agreements are nearing an end security personnel to guard buildings and picket lines, videotape strikers on picket lines and in the community, and cater to feed replacement who work long shifts and won’t cross picket lines to get a meal.

“They’ve seen that a lot of money could be made,” Gélinas said of these companies.

While Gélinas has reintroduced her anti-scab bill, she does not want to give people false hope it will pass “with the government we have in place now.”

Still, she has faint hope such legislation may one day be enacted. Some MPPs re-elected in June 2018 are starting to understand more fully what Gélinas calls “the devastating impact it has on the health of a community when replacement workers are used. Is it really worth it?”

Quebec and British Columbia have had anti-replacement worker legislation for decades and their economies haven't suffered, she says.

“You just go on strike and work doesn't get done, and that's the end of that. Even on the Conservative side, some of them understand that nothing good ever comes with the use of replacement workers.”

The use of replacement workers during strikes demoralizes workers and hurts the community at large.

“People will die still hating” replacement workers who crossed their picket lines, said Gélinas.

Since the strike ended, Gélinas has seen a positive change in the attitude of young people towards unions and how they benefit society, recognizing they help achieve good wages and benefits for members. Ten years after the strike, “kids” know this, said Gélinas. Regardless of whether they support unions or not, students tell her “unions get you better pay. I never heard that before the strike.”

Unique perspectives

Dr. Philip Hendel is a plastic surgeon from Paris who did several locums a year at Health Sciences North until two years ago. He is also a filmmaker. Hendel spent many weeks in Sudbury during the year-long strike, extensively filming the union's activities for a documentary.

Hendel grew up in Calgary where he learned about Inco nickel mines in Grade 6 social studies. They were “like a national icon,” said Hendel, “a great point of pride.

“But, when it came to the (2009-2010) strike, I would say it was totally unreported (nationally and internationally).” Hendel's mother lives in Saskatchewan and he said news about the strike was rarely reported there.

Hendel witnessed how the use of replacement workers prolonged the strike and heightened tensions. He and others claim AFI personnel, armed with video cameras, followed some strikers in the community to intimidate them and photographed their every move on picket lines.

Sadly, some of the concessions Steelworkers made during the strike are being reflected in labour relations in Europe, said Hendel.

He was particularly sorry to see USW lose its defined benefit pension for new hires. New employees receive a defined contribution pension, which is seen as less attractive because employees and employers contribute and invest the funds over time to save for retirement but there is no guarantee of what they will pay out. Defined benefit pensions provide a specified sum of money not tied to investments. A defined benefit pension was an attractive draw for young people entering the workforce, said Hendel.

Meanwhile, Local 6500 president Larochelle and the union's 2,400 members have no plans to mark the 10th anniversary of the start of the strike. A celebration to mark the 10th anniversary in September of the local's hall at 66 Brady St. is “more the stuff we're talking about.”

Retired Steelworker Hans Brasch is a photographer and the official chronicler of all things Steel. He compiled a book outlining events leading up to the historic strike and extensively covered the labour dispute. The forward to Brasch's 132-page account of the strike is a letter to members written by USW Local 6500 vice-president Patrick Veinot on Aug. 26, 2010.



Retired Steelworker Hans Brasch chronicled the year-long strike in a 152-page book, entitled “Winds of Change: The Local 6500 USW Strike of 2009 to 2010.” (File)

“The historic one-year strike of 2009 was, for most, ‘the battle of a lifetime,’” wrote Veinot. “After 12 months on the picket line, the highly skilled workers of USW Local 6500 voted to go back to work. And so the membership returned ... almost 700 less.

“Faced with this new Vale, many elected to retire early or simply quit and move to different employers. For the remaining 2,600 plus, although the strike was over, the struggle had just begun.

“This would be the foundation upon which we would build a movement, united in purpose, truly stronger for our experience,” wrote Veinot.

He is now working in Saskatchewan for United Steelworkers Canada.

The historic one-year strike of 2009 was, for most, ‘the battle of a lifetime.’ After 12 months on the picket line, the highly skilled workers of USW Local 6500 voted to go back to work. Faced with this new Vale, many elected to retire early or simply quit. For the remaining 2,600 plus, although the strike was over, the struggle had just begun.

Patrick Veinot, former Local 6500 vice-president



Where are they now?

We catch up with some of the main players from the 2009-2010 strike

By Heidi Ulrichsen

The USW-Vale strike of 2009-2010 here in Sudbury featured a number of major players who were constantly in the news locally. We tracked some of them down to find out what they're doing a decade later.



Leo Gerard

Gerard was elected Steelworkers International president in 2001, and announced last month he's retiring from the position as of this month. A Sudbury native who started his working life at the former Inco Ltd., Gerard was a central figure during the 2009-2010 USW-Vale strike. He told us he plans to retire here in Sudbury, where he still owns a home and a camp.



Wayne Fraser

Fraser was the director of Steelworkers District 6 during the year-long strike, as well as Local 6500's chief negotiator during the labour dispute. He retired from the union in January 2013.



John Fera

Fera was the president of Steelworkers Local 6500 during the year-long strike. He was first elected president of the local in 2003, and retired from both the union and Vale in July 2010, shortly after the strike ended.



Rick Bertrand

Bertrand was the vice-president of Steelworkers Local 6500 during the 2009-2010 strike, and after John Fera's retirement in July 2010, he automatically became the local's president. Bertrand led the union through the struggles that immediately followed the strike, including arbitration related to Local 6500 members fired during the labour dispute. In 2018, Bertrand was voted out by his members. Nick Larochelle is now the president of Local 6500. Bertrand said he's returned to work at Vale's North Mine.

The Fired 9

These were the nine Steelworkers Local 6500 members fired during the year-long Vale-USW strike due to incidents on the picket line and in the community. Their names are Patrick Veinot, Jason Patterson, Mike French, Brian Miller, John Landry, Adam Cowie, Dan Labelle, Mike Courchesne and Ron Breault. It was a couple of years after the strike ended before their fates became clear. Two of the workers — Breault and Courchesne — won their jobs back through arbitration. Miller, Cowie and Labelle all received financial payouts from Vale, and decided not to go back to their jobs there. Landry took his pension from Vale and was not involved in the arbitration process. Patrick Veinot, Jason Patterson and Mike French — who were all fired by Vale after a January 2010 incident in the community involving a confrontation with a Local 6500 member who crossed the picket line during the strike — did not get their jobs back through arbitration. French was convicted of assault after the incident. We were able to track down what a handful of these men are doing a decade later. Veinot, a former vice-president of Local 6500, is working as a Steelworkers staff representative in Regina, Saskatchewan. According to their Linked In pages, Labelle is a process plant maintenance supervisor with Detour Gold, while Cowie is a projects lead with Goldcorp.



Roger Agnelli

Agnelli was the president and CEO of Vale during its purchase of the former Inco Ltd. in 2006 and the 2009-2010 USW-Vale strike in Sudbury. He led the company from 2001 until he was ousted from the position in 2011. From 2012 until his death in 2016, Agnelli was the founding partner and CEO of the private Brazilian holding group AGN holding. Along with his wife and two children, Agnelli was among seven killed when their plane crashed into two homes on March 19, 2016, minutes after taking off from a Brazilian airport. He was 56 years old.



John Pollesel

Pollesel was Vale's vice-president of production services and support for Canada and the United Kingdom, and later the company's vice-president and chief operating officer of Vale base metals. He was ousted by Vale in 2012 during restructuring. According to his Linked In page, Pollesel is currently the CEO of Boreal Agrominerals Inc., and sits on the board of directors for a number of different companies.



Cory McPhee

McPhee was one of a couple of communications people that were the day-to-day faces, voices and names representing Vale during the year-long strike. During that period of time, McPhee was the vice-president of corporate affairs, working out of Toronto — he moved there from Sudbury in 2007. He is still working in communications with the company, although his title is now a bit longer — vice-president of corporate affairs, communications and sustainability for the base metals line of Vale.



Steve Ball

Ball was the manager of corporate affairs for Vale Inco during the 2009-2010 Vale-USW strike, working out of Sudbury. As a spokesperson for the company, his name was often in the news locally at that time. It seems that Ball has moved up in the mining industry, with recent job titles including mining project manager at Hatch and general manager of Harte Gold Corp.'s Sugar Zone mine.



Rick Bartolucci

Bartolucci was the Liberal MPP for Sudbury from 1995 to 2014, including during the year-long strike, and was a cabinet minister in Premier Dalton McGuinty's government. During the strike, in October 2009, he faced some criticism for avoiding a vote on an NDP private member's bill to ban the use of replacement workers during strikes — something Vale did here in Sudbury during the 2009-2010 USW strike. Bartolucci said he chose to remain neutral to encourage the two sides to return to the bargaining table, a stance he received some flak for from the strikers. While retired from politics himself, Bartolucci is now an unpaid advisor in Mayor Brian Bigger's office.



Tony Clement

Clement, currently MP for Parry-Sound Muskoka — a neighbouring riding to Sudbury — was a cabinet minister in both the Stephen Harper federal Conservative government and the Mike Harris and Ernie Eves Progressive Conservative Ontario governments. During the year-long Vale-USW strike in Sudbury, he became famous for comments he made in the local media that Sudbury would have become the “Valley of Death” — meaning mining operations would have been shut down — has Vale not purchased Inco Ltd. in 2006. Strikers even created a grim reaper “Vale of Death” mannequin after Clement's comments. Clement announced this spring he will not be running in this fall's federal election after a sexting scandal.



Jamie West

West was elected as the NDP MPP for Sudbury during the 2018 provincial election. A former smelter worker with Vale, it was thanks to the 2009-2010 Vale-USW strike that West was set on the path that led him to politics. The former Local 6500 activist and health and safety rep got involved with the Sudbury and District Labour Council during the strike, and was elected the group's president in 2013, a position he served in for five years until his election as MPP last year.