

RECESSION AND RESTRUCTURING IN PORT ALBERNI:
CORPORATE, HOUSEHOLD AND COMMUNITY COPING STRATEGIES

by

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Recession And Restructuring In Port Alberni: Corporate, Household And
Community Coping Strategies

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ABSTRACT

This thesis examines the impact of restructuring and recession on the City of Port Alberni, a mill town on Vancouver Island. Within the context of multiperspectivism, the objectives of this research are first, to assess the relevance of contemporary restructuring literature to the experience of Canadian single-industry communities, and second, to evaluate the effectiveness of the coping strategies that were undertaken by the firm, by individuals and by the community. Both qualitative and quantitative data were gathered from laid-off employees, their spouses, and key informants within the community and MacMillan Bloedel.

Findings indicate that the corporate strategies adopted at this time dealt a severe blow to the economic health of the city while achieving only modest success in stabilizing markets. At the level of the individual and household, laid-off employees experienced emotional distress; varied job search and job training processes; and modifications, that were usually temporary, in gender relations. No evidence of an informal economy emerged. At the level of the community, although some initiatives undertaken by local agencies were able to mitigate the negative effects of job loss in the short-term, the policies and programs implemented to reduce the level of dependence within the locality and diversify the economy were largely ineffective. It is suggested that more research effort be placed on understanding the need for economic development strategies that are pertinent to the particular experience of Canadian single-industry communities.

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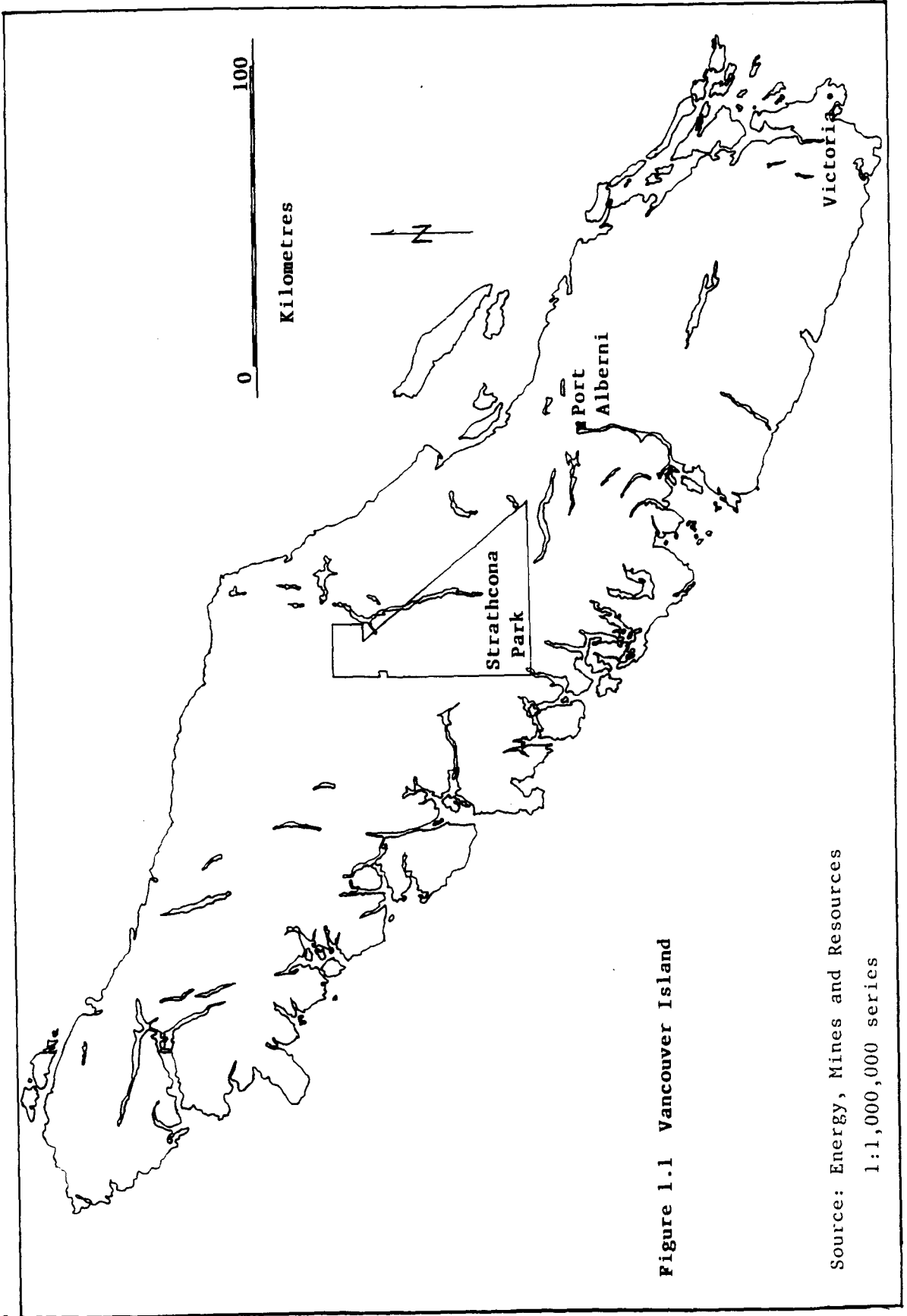


Figure 1.1 Vancouver Island

Source: Energy, Mines and Resources
1:1,000,000 series

CHAPTER ONE

RECESSION AND RESTRUCTURING IN PORT ALBERNI

INTRODUCTION

Throughout its history, Port Alberni (see Figure 1.1) has been a victim of the boom-and-bust cycle so common to single-industry communities in Canada. Beginning in 1861, when the first significant sawmill was constructed at the head of the Alberni Valley, the fortunes of the town have depended upon forces over which the local residents have had little or no control. The first mill was very successful during 1863 and 1864, and the local harbour was the scene of frequent comings and goings by many foreign ships carrying away the timber processed at the mill. In spite of this success, the mill was closed at the end of 1864 and the settlement was abandoned. The decision to close the mill was made by its owners in England, and the local residents had no prior knowledge of the impending closure (Bird, 1971). "The Alberni Mill was an early casualty of high tariffs in the United States, poorly organized markets, and inaccessibility of good timber because of primitive transportation" (MacKay, 1982, p. 6). For the next hundred years of Port Alberni's history, the fortunes of the town remained inextricably linked to the forest industry and vulnerable to the vagaries of market demand and other external forces.

The problems created by a boom-and-bust cycle are exacerbated in times of recession. This problem applied particularly during the recession of the early 1980s. Because of the nature of Canada's economic structure, specifically its reliance on the export of staple commodities, this country was

particularly vulnerable to the changes occurring at that time. However, the effect of the recession was not felt uniformly across Canada, neither in terms of magnitude nor of timing. Each region responded in different ways, depending upon the particular employment specializations of the area and foreign trade performance in those specializations. That is, factors both internal and external to each region affected the magnitude and timing of the reaction (Norcliffe and Featherstone, 1990).

The downswing that occurred at that time reflected major structural changes in the global economic system and the economic slump that resulted was felt around the world. The slump was characterized by a period of increasing internationalization of capital and a shift in major industrialized countries from heavy manufacturing to service-oriented, high-technology industries (Bradbury, 1987, Norcliffe and Featherstone, 1990). The forest industry in British Columbia was seriously affected by these changes. During that time over 23,000 people in British Columbia lost their jobs in the forest industry, and virtually all major companies operating in the forest-products sector experienced financial losses (Hayter and Barnes, 1992).

While it was suffering the impact of recession and the concomitant restructuring that was occurring at the global level, the forest industry in British Columbia was also experiencing an economic slump attributable to the nature of its employment base. Hayter and Barnes (1992) suggest three primary factors responsible for the downturn in the forest industry in British Columbia in the early 1980s. The first of these was the decline in the quantity and quality of timber available as old-growth forests were replaced with less-productive second-growth stands. The second was the decline in market demand, particularly in American demand for bulk commodities. The third factor was the

introduction of labour-saving technology, which increased labour productivity, thereby lessening the need for high labour inputs.

The restructuring undertaken by MacMillan Bloedel in reaction to the crisis resulting from these factors, and the changes taking place at the global level had a profound effect on the City of Port Alberni. Approximately 1700 forest industry workers in Port Alberni lost their jobs between 1980 and 1983. The number is approximate because some of the lay-offs were permanent and others were temporary (the total number of workers laid-off during this time was larger than 1700, but the net effect was closer to 1700). The nature of the restructuring undertaken, and its impact on the city, reveal that little had changed with regard to the amount of control the residents of the city had over the local industry since the first sawmill was established there in 1861.

The factors identified by Barnes and Hayter (1992) - that is, timber supply, declining market and technology - are similar to those responsible for the closure of the first mill in the Alberni Valley. Inaccessibility of adequate timber supplies and declining market demand caused the closure of the first mill. Technology was also a factor in the first case, but the lack of adequate technology to exploit less accessible timber, rather than the introduction of new technology, was partially responsible for the closure of the first mill.

Other similarities exist between the two cases of employment decline. The decisions affecting the workers were not made locally in either case. In the more recent example, ownership of the mills was centred in Vancouver at the beginning of the restructuring period and, following the takeover of MacMillan Bloedel by Noranda Corporation in 1982, based in Toronto. The lay-offs in Port Alberni were the result of a much larger scale

corporate restructuring within MacMillan Bloedel. And, once again, the local residents were surprised by these decisions and were unprepared for the resulting job loss. Interviews with many of the employees who were laid off at the beginning of the downturn indicate that they had no idea that their jobs were in jeopardy until the lay-off notices were posted.

The similarities between the downturn in the industry during the 1980s and the closure of the first mill highlight the deep-seated inability of Canadian resource-based communities to deal with the instability that this type of dependence creates. When this inherent weakness is coupled with the impact of a recession, the impact on a community can be devastating. Such was the case in Port Alberni.

The experience of Port Alberni is not unique. Its experience is familiar to many resource-based communities whose employment base has been seriously eroded, even eliminated, in recent years for a variety of reasons, and whose economical stability is predicated on decisions made elsewhere with little or no local input. Long histories of similar setbacks, and lack of local control, might have been expected to provide the impetus for such communities both to develop coping strategies for times of economic hardship and to attempt to diversify the economy to make it less vulnerable to external forces of control and market variation. Yet, the job losses and economic problems experienced by communities such as Port Alberni in the early 1980s seemed largely unanticipated. Moreover, the recession generated by the crisis of the 1980s was clearly more severe and qualitatively different from previous recessions since at least the Great Depression of the 1930s. Thus, in comparison to preceding recessions, at least since the 1930s, the number of people affected by the recessionary conditions of the 1980s was greater; the thirty years

preceding the recession had been ones of unprecedented prosperity; and the downsizing that occurred at that time was clearly permanent.

The recessionary conditions, which affected Canadian resource towns, were part of a large crisis which occurred throughout the industrialized world, particularly in the United States and Western Europe. Indeed, it has primarily been the experience of crisis in these countries that has given rise to an extensive geographical literature on the nature of restructuring. One important and emerging branch of this literature is referred to as "locality studies".

RESTRUCTURING AND THE LOCALITY APPROACH

The locality approach emerged as an attempt to highlight the perception that "space makes a difference" and to answer the question "what difference does space make?" While defying strict definition, this approach facilitates attempts to mediate between the abstract and the concrete, the contingent and the necessary, and the general and the specific. It incorporates analysis of the interaction between external and internal forces operating within a community from a perspective that acknowledges the fact that while the locality is not simply the passive recipient of external forces, nor is it immune to their power.

Duncan (1989, p. 221) suggests that the term locality "is sometimes used . . . as a shorthand for spatially affected social process - for 'place based relations between work and community', 'local stratification systems' or the 'key basis of collective identification in contemporary capitalism' ".

In the view of Bagguley et al. (1990), the locality perspective offers a complex and potentially valuable approach to studies of restructuring. They

suggest that locality studies can provide an enriched understanding of the nature and impact of restructuring by acknowledging its diversity and complexity and by adopting a multi-faceted approach. Bagguley et al. (1990) identify six elements which they refer to as the "roots and branches of the restructuring perspective". These are Marxism; realism; time, space and society; agency; flexible accumulation; and postmodernism. They identify the "fruit" of this perspective as locality studies.

The locality approach is valuable in studying the impact of recession and restructuring because it allows for the integration of corporate, family, and community issues, which are often analysed separately. An acknowledgement of the interrelatedness of these actors in their reaction to recession and restructuring, and an appreciation for the complexity of these reactions, when viewed within a framework that encompasses a wide range of perspectives, can contribute to a greater understanding of the changes that occur in a specific locality. Indeed, a number of studies suggest that certain responses are likely to be developed during times of economic hardship (Mackenzie, 1987 a&b; Redclift and Mingione, 1985; Pahl and Wallace, 1985; Cox and Mair, 1989). Bradbury (1989) refers to these responses as 'coping strategies'. Coping strategies refer to the responses undertaken to mitigate the negative impact of restructuring, as well as to attempts made to lessen the chance of a recurrence. This concept can be used to examine the immediate and long term responses by corporations, individuals, households, and communities to a sudden change in their circumstances. More generally this could be considered to be an examination of the role of agency in response to the impact of restructuring and recession. This thesis adopts a "locality perspective" in its study of the impact of these forces and the coping strategies adopted in response to them.

RESEARCH OBJECTIVES

The restructuring that occurred in the early 1980s created significant structural change in the industrial structure of North American and European countries. This structural change meant that this period was not just another temporary downswing in the fortunes of these communities but, in many cases, a permanent downsizing of their industrial base. Much of the literature resulting from the restructuring that occurred during that time was generated in the United States and Europe, particularly Great Britain, and involved analyses of secondary manufacturing. The question arises as to the relevance of this approach to the study of Canadian resource communities. The historical development of dependency in these communities and the nature of their fragile economic status, which is reliant on the export of staple commodities owned and controlled primarily by multinational corporations, introduces features not necessarily present in large communities involved in secondary manufacturing.

— The first general objective of the research undertaken for this thesis is to assess the relevance of this literature to the unique circumstances of single-industry resource-based communities in Canada, and to the specific attributes of one such community, Port Alberni, British Columbia.

— The second general objective of this thesis is to examine the coping strategies that were used by the people of Port Alberni in reaction to industrial restructuring and the local changes that these strategies generated. In particular this thesis examines the coping strategies used by three sets of actors within the city - the corporation, the households and individuals directly affected, and the community. Specifically, this entails a review of the strategies undertaken by MacMillan Bloedel to reorganize production and market

orientation in response to record losses generated during the recession. It also examines the individual and household coping strategies used by those directly affected by the lay-offs to deal with both the immediate and the long-term impact of job loss. This examination extends to an overview of any changes in the nature of gender relations or increased activity in the informal economy that might have occurred as a result of the coping strategies which were used by individuals and households. Finally, the coping strategies used by the community to mitigate the negative impact of restructuring and to stimulate alternative forms of employment in the city is explored. An evaluation of the effectiveness of some of these strategies is also explored.

RESEARCH DESIGN

The location and circumstances of Port Alberni are ideally suited to this type of study. The city shares many characteristics with other single-industry resource communities in Canada (Lucas, 1971; Bradbury, 1979; Bowles, 1982). It has experienced boom-and-bust cycles since the first mill was established in 1861. As with many resource towns in Canada, the major employer is a large multinational conglomerate with its head office located in central Canada; the city is therefore subject to decisions made thousands of miles away - decisions based on factors unrelated to the impact they will have on the local community. Although not as isolated as many resource towns in Canada, Port Alberni is not within commuting distance of any major urban centre that could provide employment for its residents. It shares with other communities the characteristic of dependency on a single resource for maintaining its economy. Port Alberni can therefore be regarded as a representative example of a single-industry resource-based Canadian community. This is not to say that because of their shared characteristics, all single-industry communities can be assumed to react

similarly to similar external forces. Each single-industry community exhibits unique responses to these changes, but the vulnerability that all these communities experience as a result of their dependence on external markets and external ownership of the resource base creates more similarities than differences.

As a multinational corporation operating in the international marketplace, MacMillan Bloedel was vulnerable to the effects of the downswing in prices and demand for its product, and consequently suffered significant losses. These losses necessitated large-scale restructuring by MacMillan Bloedel. Port Alberni, because it was dependent on MacMillan Bloedel for employment, was severely affected by these changes. The lay-offs at the local mills and logging operations precipitated lay-offs in related industries, such as trucking companies, which were on contract to MacMillan and Bloedel, as well as in local service industries. Because the lay-offs occurred almost ten years ago, a study of Port Alberni provides an opportunity to reflect upon the strategies adopted over those years to cope with the changes and to assess the effectiveness of the strategies.

The importance of understanding the impact of lay-offs in Port Alberni and an assessment of the effectiveness of various strategies to deal with this impact is particularly relevant to the present situation in Port Alberni. On April 25, 1991, MacMillan Bloedel closed down the Plywood Plant in Port Alberni laying off 370 workers and a sawmill (SOMASS A mill) has also been closed affecting 110 workers (Globe and Mail, June 8, 1991) . The threat to Port Alberni's paper mill workers continues as competition increases with lower cost U.S. producers. MacMillan Bloedel closed one of its newsprint machines at Powell River in April 1992, putting 200 people out of work, and is planning to

build a recycled-content newsprint operation in California in response to U.S. customers' demand for recycled content (Globe and Mail, April 10, 1992). Temporary closures for Alberni Specialties Limited have also been announced (Globe and Mail April 8, 1992). These examples indicate that the City of Port Alberni still operates in an atmosphere of uncertainty and instability. An assessment of the impact of layoffs and the effectiveness of coping strategies is a timely undertaking for Port Alberni; the need to diversify the economy has never been more compelling.

When looking at the strategies for coping with restructuring, it is important to understand the context within which the individuals and local organizations are operating. Chapter Three establishes this context. This chapter consists of an outline of the historical development of the City of Port Alberni and the forest industry in the Alberni Valley. An overview of the development of the forest industry in British Columbia is then presented. The role of the federal and provincial governments in establishing the nature of the forest industry in British Columbia and its impact on the development of dependency in Port Alberni is also examined. This examination includes an explanation of the significance of the role of the state in establishing the scale at which the industry would operate and their influence on the nature of the ownership of the industry. An explanation of the external factors and limitations imposed at the national and provincial level but worked out at the local level is provided. An analysis of the corporate restructuring that was undertaken by MacMillan Bloedel during the recession completes Chapter Three.

Chapters Four and Five look at the impact of restructuring on the City of Port Alberni and the reactions of those affected by the changes. Chapter Four examines the impact on, and coping strategies adopted by, individuals and

households. Chapter Five looks at the more general impact on the city and examines and evaluates some of the responses initiated by formal and informal organizations to mitigate the negative impact and lessen the dependence of the city on the fortunes of MacMillan Bloedel.

The preceding discussion covers a broad spectrum of issues relating to the restructuring that occurred during the recession of the early 1980s. These issues include the nature of restructuring at various levels, ranging from the global to the corporate and including the community. The impact of this multi-tiered restructuring is far reaching and necessitates responses at almost all levels of social and economic life. Because the scope of the research is broad, an approach using multiple methods and stressing multi-perspectivism is used. Such an approach, outlined by Shera and Gill (1990), stresses the importance of both quantitative and qualitative information. It can therefore increase validity by incorporating observations made from many vantage points. This method stresses "a holistic approach, the importance of perspectivism and an accent on the study of relationships and processes rather than entities and structures" (Ball, 1977, p.1). This approach complements the multi-faceted perspective offered by the restructuring theory of Bagguley et al.(1990).

The restructuring undertaken by MacMillan Bloedel is described using the framework outlined by Massey and Meegan (1982). Specifically, three processes are examined: rationalization, intensification, and technological change. This analysis is based primarily on secondary sources (MacMillan Bloedel Annual Reports; Forestry Canada Statistics; Grass and Hayter, 1989; Stanton, 1989; McQueen, 1990; Wood, 1991) but is supplemented by an extensive interview with the Manager of Human Resources for MacMillan Bloedel, Alberni Region. The importance of the corporate interview as a

research method in studies such as this is acknowledged by Schoenberger (1991, p. 181), who suggests that "the value of its qualitative and inductive aspects may be highest in periods of great economic and social change that pose new challenges to the analytical categories and theoretical principles underlying much quantitative research". Schoenberger also proposes the open-ended corporate interview as a qualitative research method because of instances when "statistical generalizability may usefully be sacrificed for the sake of an explanation that encompasses such factors as strategic maneuverings, conflicts, and tradeoffs, or historical contingencies that may be rendered opaque by aggregate statistical manipulations" (Schoenberger, 1991, p. 181). The corporate interview in this case is valuable as a complement to the information obtained through secondary sources. It also enhances the understanding of corporate restructuring that is explained using Massey and Meegan's (1982) framework.

The impact of restructuring on the individuals and households who were directly affected by it, and the responses and strategies they undertook to deal with it, form the empirical part of this research. This part takes the form of a questionnaire (Appendix A) that was completed by former employees of MacMillan Bloedel who were laid-off in the early 1980s, and a second questionnaire (Appendix B) which was completed by the spouses or former spouses of the respondents to the first questionnaire who were married at the time of lay-off.

One hundred former employees completed the questionnaire, but it was later discovered that one person had not been a MacMillan Bloedel employee but was employed by a company on contract to MacMillan Bloedel. This respondent's questionnaire was therefore dropped from the sample. Because

the seventeen hundred laid-off employees comprised various sub-populations (white and blue collar, male and female, wood and paper workers, for example), approximately one hundred respondents had to be contacted to elicit the full range of responses.

Fifty-four people responded to the questionnaire distributed to spouses and former spouses of laid-off workers. The purpose of this was to obtain a more complete picture of the impact of the lay-off on the household rather than just the individual.

A snowball sampling technique was chosen for this research because, due to concerns about confidentiality, neither MacMillan Bloedel nor the union would provide a list of laid-off employees. Because the number of people laid off was so great, it was virtually impossible to go anywhere in Port Alberni without encountering someone who had been laid off or someone who knew someone who had been laid off. Employees of local restaurants, hotels and shops were all willing to provide names of laid-off workers, as were officials such as the Chairman of the Organization of Unemployed Workers and the local Member of the Legislative Assembly.

The relatively small sample size and the non-random nature of sample selection restricted the nature of the statistical analysis that could be undertaken. The type of analysis used is primarily descriptive and is adequate for the purpose of this research, which is to provide an explorative and descriptive view of the impact of the lay-offs on the household and the individuals. Babbie (1989) suggests that the disadvantages of field research, which often make the results more suggestive than definitive because of problems of validity, reliability, and generalizability, are balanced by the

advantages it offers for studying trends over time and the flexibility it affords the researcher to adapt one's techniques and methods in response to knowledge gained throughout the process.

The questionnaire deals with the impact on the individual and the household, and the attempts of the people affected to mitigate the negative effects of their employment loss. The questionnaire was also designed to provide information relating to socio-economic status, employment, residential history, family status, education, and individual responses to employment loss. At the end of the questionnaire, respondents were asked for their comments about the impact of their job loss on their lives and on their families. This section was included so that respondents' insights and personal experiences which were not anticipated in the questionnaire design could be incorporated into the findings. This approach creates the opportunity for the choice of subject to be determined not by its objective importance but, as suggested by Andrew and Moore Milloy (1988, p.11), "because it is felt to represent the working out of specific problems and to contain the germ of things to come".

Analysis of the responses to this questionnaire is complemented by interviews with members of the community who dealt directly with some of the problems created by the lay-offs. This group includes a personal banking representative from one of the banks in the town, representatives from the Women's Centre and Transition House, and the co-ordinator of the Women's Job Re-entry Program offered by Canada Employment Centre. In-depth interviews were also carried out with some of the respondents to the questionnaire. These interviews supplement the information provided by the questionnaires and provide a perspective that is not presented in the responses to the questionnaire.

In keeping with the approach that stresses multi-perspectivism as a tool for understanding the impact of restructuring, the reaction of the community and the part played by the various levels of government were studied. This research was undertaken using a variety of primary and secondary sources. Broad-ranging interviews with a number of key informants in the locality were conducted. These informants include representatives from the banking industry, community development officials, political representatives, labour leaders, women's centre and transition house workers, and government program officers. Reports and statistics from various local and federal governmental organizations were used to assess the effectiveness of the programs and initiatives undertaken.

LIMITATIONS AND CONSTRAINTS

It has been necessary to impose limitations on the scope of this study because of the broad range of issues this subject entails. For example, many of the employees of MacMillan Bloedel who were laid-off were forced to leave Port Alberni to find employment. These people were not included in the study because the questionnaire was distributed only to former employees who were living in Port Alberni at the time of the study (1990). The impact of the recession on the people who left the city, although important and profound, is not reflected in this thesis.

The impact on the native community in the Alberni Valley is also beyond the scope of this study. The Nuu-Chah-Nulth band, whose existence in the valley pre-dates the construction of the first sawmill, was affected by the recession. However, because few natives were employed by the mills throughout the years, they were not directly affected by the lay-offs. The

economic slump that occurred during that time did have an impact on their community, but the nature of the impact is not considered in this thesis.

The history of Port Alberni, which is presented in Chapter 3, is necessarily somewhat sketchy. Apart from the details of the development of the forest industry in Port Alberni provided by MacKay (1982) in his history of MacMillan Bloedel, little recorded historical material is available about Port Alberni. What is available is limited to first-person accounts of personal experiences (Bird, 1971; Ford et al., 1988; Hill, 1952). This limitation makes it difficult to assemble a complete picture of the development of Port Alberni, which would include such issues as the historical development of agriculture and the fishing industry, and their relative importance through time.

A second constraint restricts the scope of the study. Because of MacMillan Bloedel's concerns about confidentiality, they were unwilling to provide a list of laid-off workers. The lack of such a list restricts the sampling method to that of a snowball survey, which may not produce as representative a sample as might have been possible if all laid-off workers could have formed the study population from which the sample was chosen. Had such a list been available, more detailed statistical analysis could have been undertaken of the whole population to provide a more complete profile of the employees affected by the lay-offs.

In spite of these limitations and constraints, some conclusions can be made about the impact of restructuring on the city of Port Alberni and the effectiveness of the strategies adopted in response to these changes. These conclusions are offered in Chapter Six, along with suggested areas for future research.

CHAPTER TWO

RESTRUCTURING, LOCALITY STUDIES AND RESOURCE COMMUNITIES

INTRODUCTION

Over the last decade, a wealth of literature has been produced relating to the nature and consequences of restructuring. This chapter reviews some of this literature, highlighting what is most pertinent to the type of restructuring that occurred during the recession that marked the beginning of the 1980s. The choice of literature is also influenced by how relevant it is to the changes that occurred in the forest industry in British Columbia in general and the impact the restructuring produced in single- industry communities in particular. This review is also oriented towards "radical" literature, which stresses the significance of a political economy approach in which motivations and strategies of agency partly overlap and partly conflict, and all interact with outside forces that they cannot control. The aim of this chapter is, therefore, not to review all the current literature relating to restructuring, but rather, to investigate in general terms the meaning of the word "restructuring" and to provide an overview of the contemporary literature relating to those issues addressed in this thesis. /

This chapter is organized in three sections. The first looks at what Bagguley et al. (1991) refer to as the "roots and branches of the restructuring perspective". This structure provides the framework for discussing some of the current issues concerning the most appropriate approaches to understanding restructuring and the impact it has on individual localities.

The second section examines the locality approach to restructuring studies. Many elements of the restructuring perspective attempt to mediate the conflict between the abstract and the concrete and to incorporate the idea that space matters. The locality perspective provides this opportunity by offering a perspective that examines not only the historical development of social and economic processes in a certain area but also the external structural forces being exerted upon it. The interaction of these forces and processes creates unique responses within each locality, and an understanding of the strategies that are developed to cope with the changes is enhanced by a perspective that recognizes these relationships.

The final section of the chapter looks at the nature of single-industry resource communities in Canada. The nature of restructuring in these communities can differ significantly from that in larger communities where manufacturing forms the economic basis of the economy. Although single-industry communities exist in which manufacturing is the main industrial base, in Canada they form a small percentage of the total number of single-industry communities. For example, of the 811 communities identified by the Department of Regional Economic Expansion as single industry communities in 1979, only 6.5% showed manufacturing as the industrial base. (Canadian Employment and Immigration Advisory Council, 1987). Therefore, in this thesis, the term single-industry community refers to a resource-based community. The final section looks at the development and nature of dependence in these communities and the role that their historical and geographical experiences in creating the unique circumstances with which they must cope when restructuring occurs.

RESTRUCTURING

The term restructuring encompasses a wide range of concepts and definitions. It can refer to fundamental changes in location, production, organization, and technology; to fundamental changes at global or local levels; and to changes in social, economic and political spheres. The constant in these definitions is the reference to change.

Restructuring, although its consequences reach far beyond the economic, is generally based at some level in economic change. Indeed, from Bradbury's Marxist perspective (1985, p.39):

restructuring is an embracing term coined to describe the empirical and theoretical experience in a mode of production during a crisis phase. . . .Restructuring is essentially a formal mechanism whereby the process of concentration and centralization of capital proceeds apace paralleling changes in the human condition and social division of labour associated with it.

This view suggests that the term "restructuring" refers to periods of crisis and emphasizes the role of broad structural forces. Although Warde (1988, p. 77) concurs with the importance of the relationship between restructuring and crisis, he suggests that the term should be restricted to a more specific definition. He states that

If one intends to explain significant changes in other institutions (social or political) one needs to reserve the term restructuring for periods or instances of severe and concentrated change of a kind consistent with the principal tenets of the industrial restructuring thesis. In effect, that means one has to be examining periods of new rounds of accumulation, and new strategies for the reorganisation of production, which bear upon the control of labour and the

search for spatial advantage. The key foci must then be the process of production and the character of labour markets.

Although this view recognizes the broad structural forces directing the process of restructuring, it suggests a role for agency within these structural forces with specific reference to labour processes.

Like Warde, Massey (1983) sees industrial restructuring as a component of class restructuring. Although she cautions that class restructuring is not totally determined by industrial restructuring and that these processes are not solely economic nor are they confined within production, Massey suggests that there are implications for class composition and recomposition that accompany industrial restructuring.

Beauregard (1989, p. 7) interprets restructuring in a different way suggesting that economic restructuring has two meanings: the first, he suggests, describes "broad change in the economy, extending beyond the sphere of production into distribution, finance, governmental relations and the labor process. The second, industrial restructuring, references transformations in the relative importance of industries, what has come to be termed the manufacturing-service shift" .

Although these diverse viewpoints, share some characteristics, they highlight the many facets of what could be termed the restructuring perspective. Consequently, it is helpful to examine the restructuring perspective within a conceptual framework that encompasses these many facets of restructuring within its boundaries. Such a framework is suggested by Bagguley et al. (1990), whose goal is to understand the background and commonality of restructuring literature and to analyse its usefulness in explaining the changes that are taking

place at all spatial scales, from the local to the global. The framework they suggest is composed of an examination of the "roots and branches of the restructuring perspective", which they consider to be Marxism; realism; time, space, and society; agency; flexible accumulation; and postmodernism. These "roots and branches" are now briefly reviewed, following Bagguley et al. (1990).

Accordingly to Bagguley et al. (1990, p. 2), Marxism is recognized as the most important root of restructuring theory. Marxism offers the concept of the space economy: -

the manner in which capital makes use of particular places for varieties of production in the pursuit of accumulation; and the way that, as production processes are transformed, these uses change and force corresponding changes on the places that 'host' them. The focus here, then, was on the way in which places become the *victims* of capital.

In their view, the contribution of Marxism to restructuring studies, is to provide a common context within which to interpret individual changes within local communities. Massey (1984) is among the first to demonstrate the effects on local areas of successive rounds of capital investment and disinvestment. However, she also recognizes the process as reciprocal and goes on to examine the ways in which geography is constitutive of social process.

Realism contributes another dimension to the restructuring perspective. Its contribution is twofold according to Bagguley et al. (1990, p. 4). They view it as providing "a methodological vehicle for extending the principal causal elements beyond class relations" and as introducing "a much greater sophistication in the way that causal relations and interactions are conceived, and hence in the way that socio-spatial relations can be 'modelled'". Realism introduces the concept of the necessary and the contingent. The necessary

refers to the causal powers that entities possess simply because of what they are. The realization of these causal powers is contingent upon their being activated. The introduction of the concept of necessity as an explanatory factor within theoretical analyses breaks with the theoretical perspective that limits interpretation to an analysis of cause and effect. As Sayer (1989, p. 258) points out,

theory is no longer associated with generality in the sense of repeated series of events but with determining the nature of things or structure, discovering which characteristics are necessary consequences of their being those kinds of objects. . . thus the hallmark of theory is not the formalisation of regularities in empirical events but conceptual analysis.

The concepts of time, space, and society as applied to the restructuring perspective indicate a coming together of the disciplines of geography and sociology. Urry (1981, p.455) advocates a realist perspective, which brings together the social and the spatial as "an adequate basis for understanding certain crucially significant changes which are occurring within contemporary class relations". He suggests that it is erroneous to develop a general science of the spatial, and he cautions that a realist perspective without this orientation toward the social as well as the spatial might lead to an interpretation that "the 'appearances' of each capitalist society. . .[are] the expressions of its real underlying relations".

The introduction of agency into the restructuring perspective is in reaction to the idea of places being portrayed solely as victims of the forces of restructuring. The argument is that there is a limit to the extent to which places are passive recipients of the forces unleashed by the restructuring process. Agency refers to the ability of communities, individuals, classes, business

coalitions to behave pro-actively rather than only reactively. Bagguley et al.(1990, p. 5) suggest that if they are victims, they are not "passive victims, and local struggles are also a key component of the particularities of place". These local struggles, influenced by the specific attributes of the locality in which they are undertaken, introduce an element of uncertainty to the predictability of outcomes, given the varied experiences of each community.

Flexible accumulation, which contrasts the shift from Fordist to non-Fordist modes of production, complements the restructuring perspective by "connecting the analysis of capital accumulation and labour process issues to the qualitative aspects of production and to consumption" (Bagguley et al., 1990, p. 6). Flexibility expresses itself at many levels and covers a wide range of activities. For example, at the global level, it represents a move from mass production for a mass market to more specialized production for niche markets. Within internal labour markets, flexibility can be approached in several ways. Atkinson (1987) suggests that employers can take three broad approaches to internal labour market flexibility. These are numerical flexibility, functional flexibility, and distancing, all of which have far-reaching implications in spatial and social terms. These two examples indicate the interplay at various levels of the forces initiated by flexible accumulation and, because the change in the qualitative aspects of production and consumption is one of the most significant aspects of the current round of restructuring, its nature and impact must form part of the restructuring perspective.

Finally, postmodernism is a theme incorporated within the restructuring perspective identified by Bagguley et al. (1990). Their acceptance of the tenets of this perspective is limited by their view that the postmodern is

despite some qualitative changes, an intensification and continuance of the modernist maelstrom in which there are very substantial remnants of "unfinished business. . . [including] the older imperatives of accumulation, and the social and spatial restructurings which they engender; and an agenda of liberation (Bagguley, 1990, p.7).

An interesting consequence of the intersection of these boundaries, in their view, is the creation of a renewal of the "literary approach to the particularities of place"(Bagguley, 1990, p. 7). This approach facilitates an understanding of the qualitative changes inherent in the process and is particularly useful in explaining individual experience.

Soja (1989, p. 159) views restructuring as fitting more comfortably within the postmodern perspective, indicating that it "evokes a sequential combination of falling apart and building up again, deconstruction and attempted reconstitution, arising from certain incapacities or perturbations in established systems of thought and action". He states that restructuring implies a "brake" in secular trends and a shift towards a "significantly different order and configuration of social, economic and political life". This view is in keeping with the emphasis on "crisis", which is highlighted in the previous discussion on restructuring.

Bagguley et al. (1990) refer to locality studies as the "fruit" of the restructuring perspective. Locality studies extend the structuralism of Marxism by incorporating a realist perspective. This "spatialised realism" (Bagguley et al., 1990), tempered by a consideration of the role of agency and an appreciation of social process, enhances the ability of locality studies to explain causal relationships at various scales and within different spheres of activity.

LOCALITY

The broad range of explanatory powers attributed to a locality approach to restructuring studies necessitates a clear understanding of the nature of the term. Locality research emerged in the 1980s in response to explanatory theories which gave little consideration to the unique ways in which various communities react to structural changes in the national and international economies. According to the locality approach, communities are not simply the passive recipients of externally imposed social and economic change; they also react to these changes in ways that reflect their individual circumstances and experience. This approach also recognizes the possibility that change is not necessarily unidirectional and that the community's response can have a more far-reaching effect. An analysis of corporate, household, and community responses to restructuring - their coping strategies - within a locality perspective would acknowledge the interrelationship of these external and internal forces and would provide a bridge between the specific and the general.

During periods of recession, individuals, households, corporations, and local governments must adopt coping strategies to deal with restructuring, which both provokes and reacts to this downturn in the economy. While sharing the common goal of withstanding the negative impact of the changes, each of these sets of actors has a different perspective on what the reaction should be. Bradbury (1989, p. 168) identifies these various perspectives as follows:

individuals and households attempt to retain their capacity to reproduce themselves and to retain a surplus; companies attempt to restructure to retain their production facilities, to modify their labour costs and inputs or to find alternative sources of

surplus value; (and) the local state attempts to retain the equanimity of the living and work space under its jurisdiction and to expand or retain its local tax base.

The perspectives represent the goals of each of the involved actors. However the strategies open to them and the responses that they make vary according to the specific circumstances of the locality in which they are operating.

The restructuring perspective provides a general, philosophical point of departure for investigating restructuring in localities. However, to guide empirical research, more concrete concepts are needed. Cox and Mair (1989) suggest that an approach which incorporates various levels of abstraction into locality approaches can alleviate some of the problems inherent in the dichotomy between the local and the global, the abstract and the concrete, and the necessary and the contingent. They suggest that rather than a dichotomy, these ideas represent a continuum from the most abstract ideas at one end to the most concrete at the other - hence a hierarchy of levels of abstraction. Sayer (1989, p. 259) concurs with this view, stating that "contextualising and law-seeking approaches should therefore be seen not as competing but as extremes of a continuum ranging across different kinds of object". The development of intermediate-level theories of abstraction can, according to Cox and Mair (1989, p.124), "successfully mediate between the more abstract elements of Marxist theory and explanations of geographical and historical variation". The term "coping strategies" could be used to bring together a group of more specific concepts or models at the level of the corporation, the household, and the community.

Corporate Coping Strategies

In dealing with the challenges of recession and restructuring, capital has the advantage of mobility. The mobility of capital poses a serious problem for communities losing or partly losing their industrial base. There are brakes on this mobility, however, which are especially important in the resource sector. The ability to relocate is limited by the availability of the resource that is being exploited. Although the option to move their operation to a secondary source is sometimes possible, the comparative quality and quantity of the secondary source resource is a fixed constraint. These corporations are not as footloose as those that do not depend on the proximity of a resource. Therefore they may be more likely than their counterparts operating in other sectors of the economy to undertake in situ changes.

The Production Context of Employment Re-organization

As well as the strategy of relocation, Massey and Meegan (1982) identify three strategies that provide the context for shifts in employment and unemployment. These are rationalisation, intensification, and technological change. Rationalisation refers simply to a loss of jobs resulting from a reduction of productive capacity. Intensification refers to the reorganization of existing production and labour processes, with a view to increasing productivity without any significant investment in technical change. Specifically, this involves greater output without significantly greater input of capital, resources, or labour, or the same output with less labour. Investment in technical change involves the purchase of new equipment or machinery and the consequent possible reduction in the need for labour.

This framework is particularly helpful when considering in situ restructuring strategies that result in employment decline. It recognizes the unique characteristics of single-industry communities in which the local corporation has restricted mobility options. Because of the nature of the restructuring, the spatial dimension is more contingent than in analyses stressing the spatial division of labour, in which the spatial dimension is a necessary factor. This results because the options available to corporations operating within the resource-extraction sector are more limited than, or at least different from, the options available to the manufacturing sector.

Alternative strategies

Although limited in many cases to in situ restructuring, corporations operating in single-industry communities are not limited to strategies that necessitate lay-offs, and when lay-offs are required, the community can mediate their impact by taking a proactive stance rather than simply waiting for the axe to fall and dealing with the consequences.

Ettlinger (1990) suggests that strategies for coping with employment loss tend to be developed after the crisis has occurred and proposes that a more appropriate approach would be to address the corporate strategies that lead to the unemployment. She emphasizes that this approach is more feasible in a non-Fordist context because of the flexibility of non-Fordist production. She suggests that the rigidities of Fordism inhibit the adoption of policies to mitigate the negative effects of production, such as job loss. The rigidities to which she refers in the Fordist context relate to the lack of flexibility within stages of

production which are usually characterized by rigid divisions of labour. However, within the non-Fordist context she identifies several potential strategies, one of which relates to the relaxation of traditional fixed schedules, which she suggests can result in temporary plant closures. Rather than continuing the cycle of full employment followed by unemployment, she suggests reducing the work time of all workers and supplementing their lost income with unemployment insurance. This strategy could be examined as a tool to lessen both short term lay-offs and permanent lay-offs. This alternative is one example of the policy advocated by Ettliger, which addresses the processes that render people unemployed rather than the groups of unemployed people after their job loss.

Van der Knaap and Linge (1989,) concur with the view that there are options other than plant closure and job loss in reaction to restructuring, pointing out that "the arguments in favour of a change in labour organization within a firm are based on the assumption that modern technology leaves no room for choice. Several authors have suggested that instead of a technological determinism, management is making the final choice"(Van der Knaap and Linge,1989, p.14). Van der Knaap and Linge (1989) propose that more subtle coping strategies should be considered by corporations - strategies that would show greater sensitivity to the nature of the impact they create.

It is important to note, however, that the adoption of many of these strategies, such as work sharing, require the co-operation of the labour unions operating within the corporations.

In many cases, the co-operation of unions likely would be forthcoming because one of the reactions to deindustrialization is the acquiescence on the

part of unions to corporate demands. Herod (1991) recognizes a shift in workplace politics from confrontation to consent. Following Burawoy (1985), Herod (1991) suggests that this shift away from labour militancy has two main causes. In the past, individual workers feared for their individual jobs, but in the current period of restructuring, entire plants face closure if their relative profitability vis-a-vis other locations and other ways of deploying assets prove to be less advantageous than those at other locations. Consequently, workers now have a collective fear of "capital flight, plant closure, transfer of operations and plant disinvestment" (Burawoy, 1985, p. 150). A second cause for the shift away from confrontation is the direct involvement of the state in the production process, which attempts to "institutionalize capital-labor conflict in the workplace by placing it in well-defined state-regulated grievance procedures" (Herod, 1991, p. 389). These two reasons have led to a less militant approach on the part of unions, since a co-operative approach is believed to be in their best interests.

Another strategy, proposed by Massey and Meegan (1985) and Leana and Feldman (1992), requires that a company involved in any closure decision be required to pay some of the social costs of the closure. In their view, costs such as unemployment benefits, lost tax revenue, multiplier effects on other parts of the local economy, and increased requirements for health care could all be taken into consideration. The costs could then be weighed against the benefits of plant closure or employment rationalization, which might encourage the corporation to consider other strategies available to it. Leana and Feldman (1992) also suggest that the corporation could explore alternatives to layoffs and closure - alternatives such as selling off a unit as a continuing enterprise - or donating some of their land or infrastructure to the community in

compensation for lost tax revenue and the social costs of lay-offs. Carroll (quoted in Leana and Feldman, 1992, p. 144) proposes that "corporations consider their social responsibilities in the lay-off process, not only for humanitarian reasons but also to avoid the costs of losing community goodwill".

Herod (1991) relates several instances of recourse to litigation that attempted to forestall plant closure. One of these was the delay of the closure of Chrysler's plant in Kenosha, Wisconsin, because of legal action initiated by the United Auto Workers and the Governor of Wisconsin. They were successful in requiring the corporation to donate almost \$20 million to a housing and education fund for laid-off workers. Another example was the action of the city of Norwood, Ohio, which sued General Motors for \$318 million because of their plans to close their local plant. Such action is only appropriate if the corporation can afford such fines. A plant closure resulting from bankruptcy is unaffected by such litigation. However, action such as this is significant because it introduces the concept of corporate liability for the social costs of its decisions and, as Herod (1991, p. 399) suggests,

this is an important development, for the genesis of such a claim may form a basis from which communities can begin to confront capital mobility and to challenge capital's prerogative over how the geography of capitalism is shaped.

It is difficult to predict what restructuring strategies will be adopted because it is not always clear in times of uncertainty which strategy will be most beneficial. Nevertheless, Bagguley et al. (1990, p. 212) point out that "it is possible, by isolating different kinds of strategy, to account retroductively for the decisions that managements have taken, and to show what local effects these will have".

Individual and Family Coping Strategies

When lay-offs occur as a result of a downturn in the economy, the impact is first felt at the level of the individual and the household. The medical, psychological, and emotional problems associated with redundancy are well documented (for example see Bluestone, 1982; Leana and Feldman, 1992; Kirsh, 1983). Leana and Feldman (1992, p.11) state that

on virtually every indicator of mental and physical health, job loss has a negative impact. . . the continuous stress created by job loss is seen as the agent that causes deteriorating psychological health and induces stress-related illnesses such as heart disease and ulcers.

Bluestone (1982) concurs, suggesting that where high unemployment persists it is often associated with serious social "pathologies". M. Harvey Brown calculates that every percentage point increase in the United States unemployment rate leads to "37,000 total additional deaths, 920 suicides, 650 homicides, 500 deaths due to cirrhosis of the liver, 4,000 state mental hospital admissions and 3,300 additional state prison admissions" (quoted in Bluestone, 1982, p.46)

A study undertaken for the Canadian Medical Health Association (Kirsh, 1983, p. 97-98) reports that paid work is essential for psychological survival. The study suggests that "when we are robbed of our jobs, we are robbed of our sense of self worth as contributing and productive adults... (and) for people who lose their jobs, both psychological and health consequences are almost inescapable".

Towards the Informal Economy

Many writers suggest that in times of restructuring an informal economy emerges to help people cope with their decrease in employment opportunities and sources of income (Mackenzie, 1987b; Redclift and Mingione, 1985; Gershuny, 1985; Didier and Duriez, 1985). It is suggested that there is a move away from the traditional formal economy to self-provisioning - a world outside of capitalist relations of production. It is suggested that individuals and households revert to alternative forms of exchange that are outside of fiscal control - so-called "extra-economic" areas. Gershuny (1985, p. 129) suggests that this "informal economy". . . is an integral part of the system by which work, paid and unpaid, satisfies human needs". These informal exchanges have a value beyond the level of providing goods: they also provide an element of cohesion within the community. Didier and Duriez (1985, p. 175) state that

they [informal exchanges] show the persistence, even predominance, of a type of social relation and form of social organization among the members of the collectivity which is distinct from the solidarity organized by the State and may even be opposed to it.

Redclift and Mingione (1985) suggest that there is disagreement as to the value of this type of work to those who perform it. They explain their view by stating that "these new structures of work and employment are seen by some as the vanguard of an alternative life-style and by others as exploited by and subordinated to capital" (Redclift and Mingione, 1985,p.4).

Pahl and Wallace (1985) undertook a study of the Isle of Sheppey in England, a community that is not unlike many resource-based communities in Canada. Its economy is dominated by multinational corporations, and it is

experiencing deindustrialization and the restructuring of capital. The results of their study indicate that their initial hypothesis that extra-household informal work would play an important part in household work strategies was incorrect. They discovered that very little work was done for others and that little independence was achieved from market services. Pahl and Wallace (1985, p. 224) found what they described as a

dependent domesticity: the more capital goods and equipment they own, the more they are dependent on market services to maintain them. The ontological security associated with home-ownership and a high commitment to work for self-provisioning can be shattered overnight with an unexpected redundancy.

Little agreement is therefore found on the extent and nature of work within what could be termed an "informal economy", as well as on the value of such work if it is indeed prevalent in societies undergoing restructuring. Pahl and Wallace (1985) indicate that what they refer to as the "hidden economy" might have passed its peak because, as O'Higgins (quoted in Pahl and Wallace, 1985, p. 194) suggests, "its size [was] associated with the amount of cash available for redistribution".

Changes in the Nature of Gender Relations

Gender relations is an area that can be affected by economic restructuring. A locality perspective can facilitate the study of gender relations. "Feminists have argued that economic restructuring has changed the kinds of activities women and men are carrying out, and thus changed the nature of gender relations" (Mackenzie, 1987b, p.82). It is important to distinguish between gender roles and gender relations. Bowlby (1986, p.328) emphasizes the importance of this

distinction in order to avoid the danger of analyses that are based on portraying men's lives as the standard against which women are presented. She sees gender relations as an "active social process . . . through which male power over women is established and maintained . . . and through (which) gender roles and identities are formed and reformed". She suggests "that an analysis of gender relations, not roles, and the concomitant establishment of male power, must form a key part of any explanation of the locally specific impacts and origins of economic and social change". Mackenzie (1987b) suggests that gender relations are formed at the intersection of the spheres of reproduction and production, and that in times of economic restructuring in resource communities the division becomes less clearly defined. Consequently, in times of economic restructuring, gender relations are more volatile and subject to change than in times of economic stability.

As men in single-industry communities withdraw from the "breadwinner" role during times of significant lay-offs, and households adopt coping strategies that involve full-time or part-time work for either or both spouses in the formal or informal economy, the clear distinction between the public and private realms and the demarcation of spheres of production and reproduction become muddled. This applies in particular to women who traditionally have been relegated to the reproductive sphere but who, in times of economic restructuring, become more active in the formal or informal economy, thereby assuming a dual role. This dual role has spatial implications as the boundaries between home and workplace become less distinct.

If gender relations are defined at the intersection of the spheres of production and reproduction, as suggested by Mackenzie (1987a), it is reasonable to expect that major changes are likely to occur during times of

economic restructuring. In Mackenzie's (1987a, p. 248) view, "restructuring implies . . . a change in people's relationship to wage work and the concomitant alteration of a pattern of life centred on full employment of men in permanent jobs supported by woman's dual roles". As gender relations are altered and gender roles redefined, the gender division of labour is significantly changed. Leana (1992, p. 7) concurs, suggesting that there is evidence "that major changes take place in the actual division of labour between spouses in unemployed families". It is therefore important to consider the changes in gender roles and gender relations that might arise from restructuring because, as Armstrong and Armstrong (1987, p. 225) state, "only an integrated and sex-conscious analysis can be the basis for the development of strategies for a future that will work for women and for men".

Changes in gender relations can be positive or negative. They may provide the basis for improving the relative position of women, as suggested by Mackenzie (1987a, p.256), who theorizes that "as the conditions for the old gender division of labour disappear 'women's sphere' expands from a basis of relative strength and may be providing the conditions for new forms of gender relations".

Restructuring can also have a negative impact on the nature of gender relations. As gender roles and relations change, a natural struggle emerges. The increase in domestic violence that often accompanies job loss can be exacerbated by gender role changes.

The changes in gender roles that might occur during times of restructuring and recession may be only temporary reactions to employment change, particularly in single-industry communities where cyclical swings are

common. Gender roles may revert to their previous state as the economy begins its recovery and employment stability returns to the community. Bradbury suggests that there is an "apparent 'natural' recognition and reshaping of the family division of labour which matches the boom and bust as well as the cyclical side of economic and social life" (1989, p.173).

It can therefore be suggested that coping strategies adopted in response to restructuring must be recognized as dynamic processes and consequently must be informed by case studies that allow for the local experience to be given consideration.

Community Coping Strategies

Although the immediate impact of job loss is felt at the level of the individual and household, the downward multiplier effect soon spreads throughout the economy of the community. As the income of the residents decreases, spending in local businesses decreases in an immediate way, often causing their closure and consequently increasing the unemployment of the region. As job opportunities decrease, people are encouraged to leave. Continuing out-migration and declining per capita income also reduce the demand for housing so that housing prices decline, often making it more advantageous to walk away from mortgages rather than take the loss incurred from trying to sell a house. As businesses close and people leave town, the tax base is eroded, thereby decreasing the level of services and the ability to pay for them. The city then must either reduce the level of services or look elsewhere for funding for the services (Canada Employment and Immigration Advisory Council, 1987.) These changes put pressure on communities and

their institutions to initiate programs which will mitigate the negative impacts of job loss and stimulate new investment in the locality.

In response to these challenges, contemporary theories of local development suggest that two new roles for the local state are emerging in terms of development strategy in response to restructuring. The local level of government is adopting an increasingly important role as entrepreneur, acting on its own behalf to attract business to its region, as Harvey (1989) and Leitner (1990) suggest, through the development of local boosterism and business coalitions. A second role is also suggested in this literature - one that encourages entrepreneurship among the local residents, enabling them to take advantage of the existing talents, resources and expertise within the community.

The Local State as Entrepreneur

Harvey (1989) suggests that a significant change has taken place in the role of urban government in response to restructuring. This involves a move from managerialism to entrepreneurship. He attributes this change to the failure of the nation state to control multinational money flows. This failure leaves the local government with the task of enticing international financial capital to recognize the attractiveness of their community as a place for investment. He suggests that "the new entrepreneurialism has, as its centrepiece, the notion of a 'public-private partnership' in which a traditional local boosterism is integrated with the use of local government powers to try and attract external sources of funding, new direct investment or new employment sources (Harvey, 1989, p.7)". Harvey (1989) refers to this activity as entrepreneurial because it is speculative; the risk is assumed by the state while the private sector reaps the

benefits. He contrasts this approach with previous types of civic boosterism in which private capital assumed more of the risk.

Leitner (1990) concurs with Harvey's assessment of the changing role of the local state. She recognizes the increasing emphasis on accelerating growth and the decreasing emphasis on providing public goods and social services. She identifies a trend toward the development of city agencies or local public and quasi-public development agencies whose mandate is to administer and organize private-sector investment and to provide developers and businesses with financial incentives such as low-interest loans, loan guarantees, equity-financing and tax abatements. Leitner (1990) suggests that these agencies have reduced the influence of conventional planning activities and of neighbourhood planners, who were traditionally required to consult with the community. Because the agencies are removed from direct public accountability, the impetus for consultation has been reduced.

According to Cox and Mair (1989) the development of local boosterism, manifested by a willingness to assume partnerships with businesses, is made possible by the suspension of class-based conflict which results from a shift from what they term "traditional" local dependence to "modern" local dependence.

Traditional local dependence relates to ties of family, religion, ethnicity, and workplace and, in their words, "presupposes the reproduction of 'traditional' social relations" Traditional local dependence is based on strong identification with a particular locality, which creates not only a "sphere of predictability and confidence but also sources of self-identification, means through which the individual achieves self-understanding" (Cox and Mair, 1989, p. 312). This

traditional local dependence has existed historically in one-industry towns and has provided not only a basis for self identification but also a basis for a strong identification with a particular locality.

Modern local dependence supplants traditional local dependence when the relations are displaced by state intervention (for example, welfare, payments, Unemployment Insurance benefits) and commodification. As reliance on the state increases and commodification becomes more prevalent, social relations are altered. "They have been replaced by new principles of organization and legitimation, particularly those of career and workplace stratification, material consumption and status in general, all of which are more compatible with the expansion of capitalism" (Cox and Mair, 1988, p. 313). According to Cox and Mair (1988), the breakdown of traditional class alliances, "provides a basis for the suspension of conflict in favor of a solidarity within each locality; a solidarity that can then be turned against the locally dependent in other localities". They suggest that where a "significant measure of traditional local dependence remains, a higher potential may exist for class-based conflict between business coalitions. The success of business coalition strategies is therefore dependent on a transition from traditional local dependence to modern local dependence" (Cox and Mair, 1988, p. 318).

Leitner (1990) suggests that the growth coalitions that are created when class conflicts are removed tend to focus local attention on the threat to their community imposed by forces external to the city, such as competition from other localities. She warns of the danger of these coalitions which are based on perceived threats to the community by other localities with which they are considered to be competing. She suggests that "such coalitions have manipulated loyalty to place in order to gain support from working people and

non-elite residents for development strategies which are not in their material interests" (Leitner, 1990, p. 161).

Herod (1991) concurs with the suggestion that it is dangerous to play off such place-based growth coalitions against each other. He goes on to warn that when private investment is seen to be in the public interest, a local economy's woes can be blamed on an unfavorable business climate or on militant labor, thereby wresting control of these sectors without any accompanying public accountability.

Beauregard (1989, p.14) concurs with Cox and Mair's (1988) view that restructuring alters traditional alliances and suggests that

while restructuring imposes burdens on labour and creates conditions that would seem to engender labor's political resistance, restructuring also unfolds in such a way as to undermine collective consciousness, mass mobilization and progressive political action. Fragmented and reactionary responses remain. They do little damage to capital's hegemony and provide minimal relief from the costs borne by labor.

These are some of the challenges facing the local state when it assumes its new role as entrepreneur.

In Search of Entrepreneurs

The second role undertaken by the local state is to identify and encourage entrepreneurship within the community. Coffey and Polèse (1985, p.86) suggest that local development should emphasize human resources and local control. They state that

local development policy . . . is necessarily based on the assumption that regions can develop comparative advantages

based upon indigenous enterprise and that their fate is not completely predetermined by locational, structural or resource characteristics, nor by fluctuations in external demand.

There are limitations, however, to the success of such strategies. One of these, identified by Coffey and Polèse (1985), is what they term the "external constraint restriction". This concept stresses the role of limited access to information and capital in small communities. Because of the distance from the centre, inhabitants in the periphery have more limited access to information; the costs of obtaining information are higher due to the distance. Access to capital is also more restricted, especially the type of capital required for small entrepreneurs, who often require only a small amount of working capital. Coffey and Polèse (1985) suggest that many established sources of financing often entail the risk of over-investment in physical capital rather than the moderate initial investment that new entrepreneurs generally require.

Coffey and Polèse (1985) go on to suggest that even given equal access to information and capital, the emergence of local entrepreneurship is not guaranteed. Altering the behaviour, motives, and perceptions of the residents is necessary in order to stimulate entrepreneurship. When a tradition of entrepreneurship does not exist within a community, Coffey and Polèse (1985, p. 89) suggest that "the element that may be seen as the principal virtue of a local development approach, its focus on the local population, may also be its greatest source of weakness"..

Sjoholt (1987, p. 281) concurs with the opinion that successful development strategies must encourage greater grassroots involvement and that "an active search process at the lower level is the hallmark of the new strategies". Unlike Coffey and Polèse (1985), however, he suggests that

successful enterprises are innovative rather than simply the result of exploitation of "traditional skills and what traditionally were believed to be comparative advantages" (Sjoholt, 1987, p. 290). He refers to "unruly" processes of local development and argues for flexibility in development strategies and greater grassroots political involvement as a means of problem solving. He suggests that "whereas the municipality and other local and regional governmental bodies were relatively inactive during the former period, municipal engagement, even enterprise, is a typical response in the present period of industrial and employment crisis" (Sjoholt, 1987, p. 281). He therefore sees merit in both the new roles of the local state. He emphasizes, however, that his research took place in an area in which a long tradition of local entrepreneurship and local government initiative have existed and that the success of these "unruly" processes of development might be predicated on similar experience. A long tradition of local entrepreneurship does not exist in many single industry communities in Canada; when lay-offs occur this sort of initiative is markedly absent..

SINGLE-INDUSTRY COMMUNITIES

As indicated previously, the term single-industry communities when used in this thesis refers to single-industry resource-based communities in Canada. It is important to recognize the ways in which single-industry communities differ from manufacturing communities in order to interpret the usefulness of various components of the locality perspective. To this end, an overview of the literature relating to the nature and development of single-industry communities in

Canada is presented, highlighting the differences as well as the uniqueness of the Canadian experience.

Single-industry communities are a common Canadian phenomenon. The focus on exporting of primary commodities, which has been the basis of Canada's economic history has created this unique economic geography in the country. Single-industry communities exist throughout Canada. They are usually small and are isolated from the economic and transportation mainstreams. In a 1979 study, the Canadian Department of Regional Economic Expansion (DREE) identified 811 single-industry communities in Canada; twelve percent of these were in British Columbia and forty percent were based on the exploitation of wood (Canada Employment and Immigration Advisory Council, 1987).

In Lucas' (1971) classic study of single industry communities in Canada, Minetown. Milltown. Railtown. he defines the single-industry community as one "with a population of less than 30,000 in which at least 75 percent of the working population serves the single industry and its supporting institutional services" (Lucas, 1971, p. 17). He eliminates communities that are

"characterized as agricultural, fishing, hunting or trapping, market towns, county seats, tourist resorts and the like because in these communities the working population is basically made up of small capitalists, entrepreneurs and government officers who carry on a particular and distinctive way of life that differentiates them from the population of a community with a single industrial base" (Lucas, 1971,p. 14).

Lucas also points out that Canadian single-industry communities are distinctly different from their American counterparts because of the nature of their historical development. He suggests that American studies stress that single-industry communities developed initially as agricultural or craft-based

centres that were autonomous until an external, impersonal force originating outside the community introduced the new industry and disrupted an idyllic way of life. In contrast to the American experience, he states that Canadian single-industry communities are 20th century products of an age of industry and technology whose existence depends upon "an advanced technology, a complex division of labour and a sophisticated system of exchange". Lucas (1971, p.20) explains their situation as follows:

[their inhabitants] know that their situation is bounded by bureaucracy and a precise division of labour which in turn depends on a complex national and international division of labour. They know that their future depends upon impersonal forces outside their community such as head office decisions, government policies and international trading agreements . . . These are empirical assumptions, implicit when families moved to communities of single industry, and part of the accepted fabric of life for those who are born there. Their behaviour cannot be interpreted on the basis of a nostalgic past. These are men, women, and children of the twentieth century.

Their newness also sets them apart from their British counterparts whose history dates farther back than that of American single-industry communities. These differences highlight the need for an examination of single-industry communities in a specifically Canadian context.

The men, women, and children of the 20th century to whom Lucas refers recognize the realities of Canada's economy, which is historically based on the export of staple commodities. This reality is responsible for the unique economic geography in Canada, which has created a hierarchical network of core/periphery relationships at various spatial scales which present Canada in a peripheral relationship to the global economy, and resource-extracting regions in a peripheral relationship to the core area that controls the extraction and marketing of these resources.

Hayter and Barnes (1990) suggest that this staple theory offers significant insights into the uniquely Canadian experience that has created these communities. They suggest that the historical development of Canada's economy, based as it was on staples export, was responsible for the development of peripheral resource-extraction regions, which exist in a subordinate relationship to the core area. Their research suggests that this relationship still exists and is even more significant now than it was before the 1980s recession began. They discovered that exporters are still to a small number of externally-controlled corporations, the result of which is "a truncated branch-plant economy where control and R&D functions are carried out far from the staples region . . . and where the region is ensnared in a staples trap, thus making it very vulnerable to outside change"(1990, p.171).

The nature of this relationship affects the nature and impact of restructuring within the community. Restructuring can affect regions in various ways, depending on their industrial base. Beauregard (1989, p. 12) suggests that "regions with an aging industrial complex, where the profit squeeze has produced wholesale plant shutdowns face one set of problems, while those with rapid growth from high-tech defence industries or relocating mature industries confront another". The impact of restructuring in single industry communities is complicated by several features, which are not necessarily present in manufacturing communities. Bradbury and Sendbuehler (1988, p. 298) detail some of these features as follows:

there are few alternative employment opportunities in remote resource towns; there is little potential for diversification of the economic base; market swings can lead to abrupt changes in production and employment; and social disruption can lead to out-migration or other, more personal social dislocation.

A long tradition of local entrepreneurship does not exist in many single-industry communities in Canada. This applies particularly to resource-based communities, where the history of the city has been tied to resource-extraction and where the main employer is a large multinational corporation. Large corporations tend to remove the need for entrepreneurial activity during boom periods and absorb into their corporate structure those most likely to initiate entrepreneurial activity .

Bradbury (1979) suggests that the process common to most resource-based town development is one of dependency and uneven development. He argues that the circumstances of these towns must not be considered unique to local situations, but rather that they reflect the general conditions of dependence in the resource-extractive sector. In his view, uneven development results from various processes that are at work in resource-export dependent economies. These processes include the draining of resources - human, capital and financial - from the hinterland region to the heartland, as well as variations in the level of production, which are affected by "a combination of different levels of international manipulation of price structures, on different levels of requirements of raw commodities, and on variations introduced by substitutions of commodities from different suppliers and sources, or from substitutions of other natural or artificial commodities in intermediary production processes" (Bradbury, 1979, p. 148). These processes, coupled with cyclical patterns in the economy, create the variations in stability of employment and production which characterize patterns of uneven development and dependence.

Bowles (1982) concurs with Bradbury's emphasis on dependence as the central characteristic of single-industry communities. While recognizing three main features which he identifies as most characteristic of single industry communities - small size, dependence on the decisions by and fate of one company, and geographic isolation - like Bradbury, he suggests that the central feature of these communities is dependence. Their economic well-being is dependent upon outside factors such as commodity markets, the availability of capital, and decisions made in distant, often foreign cities. He goes on to suggest that "not only does the single industry - the company - determine, to a great extent, the economic and social well-being of the members of the community, it also shapes their view of the world" (Bowles,1982, p.17).

Because of the nature of dependency and uneven development, Bradbury (1979) stresses the need for theory associated with resource towns which recognizes their situation to be an exaggerated form of the national and international economy and which does not treat them as isolated company towns.

SUMMARY COMMENTS

Cooke (1989) cautions against viewing localities simply as the recipients of good or bad fortune from external sources. He argues that each locality plays an active role in its transformation, influenced by local traditions and priorities. While recognizing how important shifts in the global economy can be for individual communities, he suggests that these communities are not passive recipients of the effects of change but react in keeping with their unique local

characteristics. He therefore argues for a locality perspective that emphasizes both the impact of external forces on the locality and the interplay of these forces with the unique responses each locality adopts to cope with restructuring. It is therefore from this perspective that the nature and impact of restructuring in Port Alberni will be examined. An understanding of the effectiveness of coping strategies adopted in response to restructuring is enhanced by integrating its component features into the analysis.

CHAPTER 3

COPING WITH RECESSION AND RESTRUCTURING: JOB LOSS IN PORT ALBERNI

INTRODUCTION

The early 1980s created a crisis in the British Columbia forest sector - well exemplified by the experience of MacMillan Bloedel, the province's largest forest product corporation. In this chapter, how MacMillan Bloedel adjusted to this crisis at Port Alberni is examined, especially with regard to employment and production change. To help analyze plant-level changes, the Massey and Meegan (1982) framework has been adopted (see Chapter Two). This framework links production and employment changes at the plant level.

To provide a more complete understanding of change, however, Port Alberni must be placed in a provincial forest industry context and a specific corporate context. Thus, this chapter first summarizes briefly the evolution of the provincial forest economy, with particular reference to the significant role played by company towns such as Port Alberni. Then the corporate context is examined in an outline of the evolution of MacMillan Bloedel and, in more detail, in an examination of the corporation's response to the 1980s crisis. Consideration of these two issues allows a more effective interpretation of the changes that occurred and continue to occur in Port Alberni.

COMPANY TOWNS AND THE BRITISH COLUMBIA FOREST SECTOR

Evolution of the British Columbia Forest Industry

The forest industry in British Columbia, because it operates primarily on Crown Land, has emerged in its present form largely because of government policies that have regulated its activities over the past century. The historical role of the state in the management of British Columbia's forests, specifically through its policies regarding allocation of the forest resources, has been responsible for setting the scale at which forestry operations take place within the province. This was not necessarily the intended outcome of the policy, but the result has been that large scale forest industries have been favoured and encouraged at the expense of small-scale operations. This development has been one of the root causes of the current state of economic dependence of small towns on large multinational corporations, and therefore one of the root causes of the problems now being experienced by Port Alberni.

At the end of the 19th century some of the harvestable provincial timber land in British Columbia was sold to forest operators and some was granted to the Esquimalt and Nanaimo Railway which was later acquired by Canadian Pacific. This acquisition accounted for a small percentage of the harvestable forest land; ninety-four percent of British Columbia's timber base remained as Crown land and is still owned and controlled by the province. It has therefore been the responsibility of the provincial government to determine the basis upon which the resources would be allocated and to regulate the nature of the exploitation.

By the beginning of the twentieth century, renewable timber leases and licenses, which had twenty-one year terms, were being granted (Vance, 1990). At this time, the government's primary goal regarding their large timber holdings was to use them to generate as much revenue as possible, with little concern for long-term forest management. This goal was achieved by this system of "temporary tenures"; the leasee had no obligation to replant in the areas where they cut (Marchak, 1983).

The Forest Act of 1907 introduced Timber Sale Licences which called for competitive bidding for the right to harvest specific timber stands on Crown lands. This bidding was open both to individuals and to companies, but the larger companies with their established markets, better established export facilities, and greater capital were at an advantage at public auctions (Marchak, 1983). These advantages helped the larger companies to increase their hold on the forest industry in British Columbia. For example, by 1940, of the 2,858 companies involved in licensing arrangements, fifty-eight controlled approximately fifty-two percent of the timberland (Marchak, 1983).

The companies still had no obligation to replant after harvesting. The money generated from timber leases and from rent was added to the general revenue of the province and was often used to build roads and railways. Very little was directed toward forest management. For example, a regeneration study of areas logged between 1921 and 1938 indicated that only 5.4 percent were satisfactorily restocked (Swift, 1983, p. 78).

The Sloan Commission of 1943 was established to address the fears that overcutting was threatening the long-term viability of the industry and the concerns of the companies involved that the length of their leases did not

ensure stability of supply sufficient to justify capital expenditure on infrastructure. The large companies argued for longer tenure over larger timber holdings to facilitate a sustained-yield policy; the British Columbia Forest Service supported them in their submissions. A second Sloan Commission, thirteen years later, was still analysing the most appropriate system of tenure and forest management. At this time H.R. MacMillan (quoted in Schwindt, 1977, p. viii) argued against favouring large companies at the expense of small operators:

It will be a sorry day for the eastern division or elsewhere in British Columbia when the forest industry here consists chiefly of a very few big companies, holding most of the good timber - or pretty nearly all of it - and good growing sites to the disadvantage and early extermination of the most hard working, virile, versatile, and ingenious element of our population, the independent market logger and the small mill man. . . .

Our forest industry is healthier if it consists of as many independent units as can be supported.

In spite of such advice which favoured the small operator, the Sloan Commission's work resulted in the establishment of Tree Forest Licences (TFLs) and Public Sustained Yield Units (PSYUs). The Tree Forest Licence granted the licensee exclusive use of the timber of a large area of land. The rationale for the length of tenure was that it would give the company security of supply for a period of time that would allow capital investment for infrastructure and would provide incentive for long-term forest management in order to sustain the security of supply. The PSYU allows competitive bidding for harvesting rights to publicly owned land. PSYUs were established to allow independent operators access to harvesting rights on Crown land. Because these rights are offered at public auction, at which anyone can bid, larger

companies compete with individual operators. This system tends to favour the larger companies because of the greater financial resources available to them.

A third commission, the Pearse Commission, was appointed in 1975 to deal with problems relating to the forms of tenure, their disposition to licencees, and problems in the Forest Service in administering a confusing and changeable policy (Marchak 1983). The results of the Pearse commission suggest that negative consequences resulted from the degree of corporate concentration and integration of the forest industry in British Columbia, and that the tenure system had facilitated and promoted this trend (Vance, 1990). At the time of the Pearse report,

between 70 and 90 percent of all timber licences in the six forestry districts were held by the ten largest companies; the same companies also owned about 35 percent of the lumber facilities, 74 percent of the plywood and veneer facilities, 90 percent of the pulp facilities, and all of the paper facilities (Marchak, 1983, p. 30).

As a result of the findings of this commission, a new Forest Act was enacted in 1978. In spite of the recognition that a few large companies dominated the industry, Tree Forest Licences would still be granted for twenty-five years with a replacement clause after ten years for another twenty-five years. The large companies were therefore able to maintain their hold on a significant percentage of the harvestable timber in British Columbia into the next century.

Historically, then, the role of the state has been to encourage large, integrated corporations to operate in the forestry industry. It has, in fact, acted as a legitimator of corporate activity in this sector of the economy. These corporations have been assured security of supply without any requirement to guarantee security of employment to local residents. The state did not encourage small local operators - in fact, state policy acted against them.

Marchak (1983, p. 30) suggests that the rationale for favouring large companies is that

they are believed to be more reliable (less likely to close down during a recession), more responsible (they have a long-term interest in the resource and the labour force), and more profitable (economies of scale produce higher returns to this economy as well as to the producer). In line with those beliefs, governments have channelled public funds toward the provision of an infrastructure of roads, company towns, and a public service concerned with servicing the industry.

The state therefore established the scale at which the forest industry would operate within the province. The problems that large multinational corporations encountered during the recession marking the beginning of the 1980s, and the devastating effect these problems had on communities such as Port Alberni at that time, indicate that the size of the corporations did not make them immune to the effects of recession and that they were unable to maintain the community stability expected in these circumstances.

The Evolution of Port Alberni as a Company Town

Port Alberni is located at the head of the Alberni Inlet on Vancouver Island (Figure 1.1). It was first settled by Europeans in 1861 when a sawmill was built at the head of the Alberni Inlet displacing an Indian village which had been located on the site. This mill, that was originally called The Stamp Mill and later the Anderson Mill, was started by a British company, Anderson, Anderson & Company, represented by Captain Edward Stamp (Hill, 1952, p.14). The company had acquired 2500 acres of land in the Alberni Valley and had built the mill to process the accessible timber.

As mentioned previously, the mill was very successful during 1863 and 1864, but it was closed (with no advance notice) at the end of 1864 and the settlement was abandoned. Newspapers of the day gave no indication of any local knowledge of the impending closure of the mill (Bird, 1971). One of the major reasons for the closure was the lack of accessible good timber. The technology was not available to exploit the more distant stands of timber and transporting the logs was too difficult. These problems, coupled with changing market demand and high tariffs in the United States (MacKay, 1982, p. 6) gave Port Alberni its first taste of the impact of dependency upon the vagaries of the forest economy. Thus began the boom-and-bust cycle so prevalent to this day in the Alberni Valley.

The towns of Alberni and New Alberni were established on the 2500 acres of land previously owned by the Anderson Company. Alberni emerged primarily as a residential town, and New Alberni, later called Port Alberni, developed as an industrial town. By 1921, their combined population was 1596 (Dominion Bureau of Statistics, 1951)

The excellent location of these towns, which were surrounded by rich forest land at the head of a deep water inlet, ensured that further attempts would be made to exploit these advantages after the closing of the first mill. Several small mills were built in the late 1800s, the most ambitious of which was The Barclay Sound Cedar Company build in 1905 and leased in 1915 to H.A. Dent. This mill later became the Alberni Pacific Lumber Company and is now Alberni Pacific Division (MacKay, 1982).

The next impetus to development in the Alberni Valley was the extension of the Canadian Pacific Rail line from Port Alberni to Sproat Lake and Great

Central Lake in the early 1920s. This extension made accessible the vast stands of Douglas fir in the area. Bloedel, Stewart & Welch and the King-Farris Lumber Company joined forces to buy two hundred million feet of timber in this location and formed the Great Central Sawmills Ltd., sixty percent of which was controlled by Bloedel, Stewart & Welch (MacKay, 1982, p.76).

Over the next fifteen years, Bloedel, Stewart & Welch continued to accumulate timber resources on the west coast of Vancouver Island. A major acquisition occurred in 1927 with the purchase of 35,000 acres between Great Central Lake and Alberni and along the Alberni Inlet to Franklin River (MacKay, 1982). This acquisition presented a problem to Bloedel Stewart & Welch because there was no processing facility on the west coast of Vancouver Island capable of preparing this timber for market. To meet this need, the Somass mill was built in Port Alberni in 1935. It was capable of producing 200,000 board feet per eight-hour shift, rendering Port Alberni the second largest lumber exporter in British Columbia at that time, second only to Vancouver (MacKay, 1982).

The last major investment undertaken by Bloedel, Stewart & Welch in Port Alberni was the construction of a pulp mill. The purpose of this mill was twofold: to take advantage of the large amounts of company-owned timber that was more suitable to pulp (these trees were primarily hemlock); and to use the waste from the Somass Sawmill, thereby making better use of each log. To this end, the pulp mill was constructed in 1947 at a cost of nearly \$10 million. The mill created one of the first integrated sawmill-pulp mill operations in North America and employed one hundred and fifty men. By 1948 the combined population of Port Alberni and Alberni was 7,000. Bloedel, Stewart & Welch

employed 2300 people in the Alberni Valley; eighty-five percent of the income of the residents came from forest products (MacKay, 1982, p. 90).

The other major presence in the forest industry in the Alberni Valley at this time was the H.R. MacMillan Company which in 1936 purchased the Alberni Pacific mill (MacKay, 1982, p.132). By the time that the H.R. MacMillan Export Company merged with Bloedel, Stewart & Welch in 1951 to become MacMillan and Bloedel Limited, H.R. MacMillan was operating lumber, plywood, and shingle mills in Port Alberni. These mills, together with the pulp and sawmills of Bloedel, Stewart & Welch and the newsprint and paperboard plants added in the 1950s, created in Port Alberni one of the most diversified and perhaps lowest cost forest product sites in the province (Hardwick, 1964). The local mills were the recipients of millions of dollars of investment by MacMillan and Bloedel Limited. As the need for less accessible timber was created, new technology was introduced to ensure a constant source of supply to the local mills.

By 1961 the combined population of Alberni and Port Alberni had reached over 16,000 (Dominion Bureau of Statistics, 1961). In 1967 the two towns amalgamated to form Port Alberni. Since the time of the merger of the H.R. MacMillan Export Company and Bloedel, Stewart & Welch, MacMillan Bloedel has been the major employer in Port Alberni and consequently plays the dominant role in the economic health of the city. How MacMillan Bloedel came to have such control of the forest industry of this region was largely a function the state establishing the scale at which the forest industry would operate in the Province of British Columbia, and the advantages that accrued to large companies as a result of the policies and regulations that the government established for the industry. The ability of these large corporations to provide

stability to the single-industry communities in which they operated was drawn into question by the recession of the early 1980s.

MACMILLAN BLOEDEL: B.C.'S FOREST GIANT

Foundations and Growth

In the previous section, the development of Port Alberni as a single-industry community was shown to have occurred apace with the development of what was to become the MacMillan Bloedel Corporation. The merger of the local operations of Bloedel, Stewart & Welch and the H.R. MacMillan Export Company resulted in an integrated forest-industry operation within the city. This overview, however, provides only a partial picture of the historical development of MacMillan Bloedel which is limited to its activities in Port Alberni. There was a third participant in the corporate development of the company - the Powell River Company. The Powell River Company, established in 1910 to manufacture newsprint, joined with MacMillan and Bloedel in 1959 creating the MacMillan Bloedel and Powell River Company, which was changed to MacMillan Bloedel in 1976 (Hayter, 1976).

Hayter (1976) suggests that the postwar expansion of MacMillan Bloedel can be characterized as falling within three broad strategies. The first involves vertical integration, culminating in the merger of the three companies; the second involves a consolidation or expansion strategy of existing facilities in British Columbia; and the third is the pursuit of a multinational expansion strategy. Following Hayter, each of these is considered in turn.

The goal of the initial strategy of vertical integration, which led to the mergers, was to combine resources, both administrative and locational, to limit competition between themselves and to assume a more competitive stance in pursuit of foreign markets. Although the vertical integration strategies pursued after the mergers included some investment activity in new sites, most of the investment occurred at sites that had existed before the merger, thereby increasing the growth and employment potential of the towns and cities within which they were located.

During the consolidation period between 1960 and 1968, the activities of the corporation were directed primarily toward developing the manufacturing potential of individual manufacturing sites and increasing efficiencies within the corporate system. During this time investment was made in new transportation technology and wood utilization technology, and new timber reserves were acquired to provide the resources necessary to service the ever-expanding production capability. This period of consolidation, which targeted individual sites for investment and expansion, led to the continued growth of the single-industry communities where they operated and provided continuing employment for an every increasing number of workers.

Hayter suggests that the competitive advantage which MacMillan Bloedel came to enjoy during this period was largely the result of its tidewater-based operations, which "have allowed intersite as well as on-site integration, important flexibility advantages in supplying geographically separate markets and access to a large resource hinterland" (Hayter, 1967, p. 223). The preference for these locations is the legacy of the trading activities of the MacMillan Export Company. The result of this preference is the concentration of

MacMillan Bloedel operations in the coastal regions of British Columbia rather than the interior of the province.

The period of consolidation was followed by a period of multinational expansion. The strategy for expansion was to find new locations in which to produce existing product line. The largest expansion took place in Eastern Canada, the United States, and Europe, although acquisitions of operations in Southeast Asia were also undertaken. By the mid 1960s, MacMillan Bloedel was one of the largest forest-product companies in the province and, through joint ventures as well as direct investment, was able to develop into one of the largest multinational corporations in North America.

The Early 1980s: MacMillan Bloedel in Crisis

Despite a slump in the mid 1970s, the forest industry in British Columbia recovered to post record profits in the late 1970s. MacMillan Bloedel was one of the main beneficiaries of the strong upturn in the fortunes of the industry. In 1979 it recorded net earnings of \$155 million, an increase of fifty-four percent, and undertook a major five-year \$1.5 billion capital expenditure program. Two-thirds of this capital expenditure was to be spent in British Columbia and \$54 million of it was to be spent modernizing the Alberni Pacific sawmill in Port Alberni (MacKay, 1982, p.333).

MacMillan Bloedel was not alone in planning increased investment in capital and repair expenditures in the forest industries. Table 3.1 shows the total expenditure in these areas for British Columbia from 1977 to 1983 for the forest industry. Like MacMillan Bloedel, these companies had to plan on a long-term basis for capital expenditures of this magnitude. The initial commitment of funds was made during the successful days of the late 1970s,

but the actual outlay of the funds came during the early 1980s. These optimistic long-term plans indicate that industry officials did not anticipate the severe recession that was to befall the economy and their corporations in the near future.

Table 3.1 Capital and Repair Expenditures of Forest Industries 1977-1983 in British Columbia

YEAR	(\$000,000)
1977	868.6
1978	1037.3
1979	1200.2
1980	1601.6
1981	1729.3
1982	1175.5
1983	910.0

Source: Forestry Canada, Selected Forestry Statistics Canada 1990. p. 181

The impact of the the recession that marked the beginning of the 1980s in Canada was "a wave of redundancies, plant closures, work-force reductions and rationalizations on a scale not witnessed since the 1930s" (Norcliffe, 1987, p.150). In Canada the effect was felt nationwide and was marked by high unemployment rates.

The recession began earlier in British Columbia than in the rest of Canada and lasted longer than it did in most of the other regions of Canada. Norcliffe and Featherstone (1990) suggest the degree to which an economy was affected by the recession and the speed with which a region recovered was related to the region's employment specializations and to foreign trade

performance in those specializations. British Columbia's dependence on the forest industry and, in turn, the industry's dependence on international markets for its product made the provincial economy particularly vulnerable to the recession which marked this period.

The recession had a devastating impact on the forest industry all across Canada but employment in the industry in British Columbia was more seriously affected than it was in other parts of the country. Table 3.2 describes the effect the recession had on forest-related employment in British Columbia and across Canada. As the table indicates, lay-offs in the industry came sooner to British Columbia, and even as they increased across Canada, the percentage of job loss never equalled that of British Columbia.

Table 3.2 : Employment Decline in Forest Industries in British Columbia and Canada 1980-1982

	British Columbia	Canada
1980	95518	301987
1981	86848	291996
1982	75138	291996
% change 1980-1981	9.00%	3.30%
% change 1980-1982	21.30%	17.90%

Source: Forestry Canada, Selected Forestry Statistics Canada 1990. p. 167

Table 3.3 illustrates the extent of job loss, by sector, for British Columbia forest industry. This table indicates that employment within the wood industries was severely curtailed, whereas the impact on the paper and allied industries was less severe.

Table 3.3 Employment Change in the Forest Product Industries of British Columbia 1979-1982

	1979	1982	Job Change
Logging	24,474	18,000	-6,474
Wood Industries	51,369	39,500	-11,869
Paper and Allied	20,998	18,000	-2,998

Source: Grass and Hayter (1989)

A study undertaken by Grass and Hayter (1989) determined that coastal company towns suffered greater job loss at this time than did interior towns (Table 3.4).

Table 3.4 Employment Change by Region 1981-1985

Region	1981	1982	1985	% change 1981-1982	% change 1981-1985
Coast	10,298	8,141	7,515	-20.9	-26.9
Interior	8,904	8,858	8,664	-0.5	-2.6
Total	19,202	16,999	16,189	-11.5	-15.7

Source: Grass and Hayter, 1989

The overview that the previous discussion and tables present can be summarized as follows. Canada was particularly hard hit by the recession of the early 1980s. The recession dealt a more severe blow to British Columbia than to any other region of the country, both in intensity and in duration. The forest industry was particularly hard hit by the effects of the recession, particularly those companies operating in the coastal regions of the province.

As the largest forest company in British Columbia, and based primarily in the coastal areas of the province, MacMillan Bloedel was therefore particularly vulnerable to the recessionary conditions existing at this time. The falling markets, coupled with the major outlay in capital expenditure during this time and a prolonged strike in late 1981, dealt a severe blow to the economic health of the corporation.

Table 3.5: Earnings from MacMillan Bloedel operations and MacMillan Bloedel's net earnings 1979-1984

Year	Operating Earnings (loss) \$ millions	Net earnings (loss) \$millions
1979	258.0	154.9
1980	246.0	113.2
1981	7.2	3.3
1982	(66.8)	(57.3)
1983	40.5	23.9
1984	67.2	19.3

Source: Stanton, 1989, p.98

In response to the losses incurred during this time, MacMillan Bloedel undertook a program of plant and machine closures and sale of corporate assets. Table 3.6 outlines some of these actions.

Table 3.6 MacMillan Bloedel: Plant and Machine Closures and Sales of Corporate Assets 1981-1984

LOCATION	YEAR	ACTIVITY	COMMENT
<u>Closures</u>			
Chemainus	1982	Lumber	Mill closed. 682 jobs lost. Replaced by new mill in 1985 with 125 jobs
Port Alberni	1982	Paper-board	Permanent closure of machine with annual capacity of 110,000 tonnes
Powell River	1982	News-print	Closure of machines 5 and 8 with loss of about 400 jobs
Vancouver	1984	Plywood	Mill closure with loss of 400 jobs
<u>Sales of Assets</u>			
Vancouver	1983	Head Office	Received \$62 then rented part of space for much downsized staff
St. John, N.B.	1981	Newsprint mill	Received \$36 million
Vancouver	1983	Fine paper mill	Sold 50% of shares for \$26 million
Pine Hills, Alabama	1982	Forest product complex	Sold future tax benefits associated with mill expansion for immediate pre-tax gain of \$63 million

Source: MacMillan Bloedel Annual Reports

The sale of the headquarters of MacMillan Bloedel in Vancouver was undertaken as part of the restructuring strategy that established three regional centres to oversee the coastal operations of the corporation. These regional centres were Alberni, Powell River, and Nanaimo. Vancouver therefore reduced its dominance as a centre of power within the corporation, with part of this role diverted to the regions. A more significant impact on the concentration of power in Vancouver, however, was the change in corporate ownership that took place at this time.

Concurrent with the economic problems that MacMillan Bloedel was undergoing during the early 1980s were several take-over attempts culminating in the purchase of MacMillan Bloedel by Noranda Corporation in April of 1981. This take-over signalled the end of provincially-based ownership of the corporation. Noranda Corporation's headquarters were then, and continue to be, located in Toronto. Noranda Corporation then became part of a larger group of companies when Brascade Resources acquired forty-two percent of Noranda's shares. As a result, control of MacMillan Bloedel was no longer based in British Columbia because the corporation was only one of a large conglomerate of interests held by Edper Investments, a holding company with no particular ties to the industry or to the province (MacKay, 1982). This change represented a significant break in the traditional management orientation of that very large proportion of British Columbia's forest industry that was controlled by MacMillan Bloedel Corporation. The impact of this change was far-reaching.

As a result of this change in ownership, the major decision-making power was transferred to Toronto where the headquarters of Noranda Corporation are located. This shift became particularly evident when major decisions were made regarding capital expenditure or lay-offs and Adam Zimmerman, Chairman of the Board of Noranda Forest Incorporated, became the spokesperson for MacMillan Bloedel, justifying the decisions on the basis of what was best for the economic health of the corporation - that is, what had the most beneficial effect on the corporation as a whole rather than its constituent parts. The regional centres were not prominent players in the dissemination of information and in the public promotion of the new policies.

**PRODUCTION AND EMPLOYMENT CHANGE IN PORT ALBERNI
1980-1984**

At the beginning of the 1980s, Port Alberni was a totally integrated forestry operation. MacMillan Bloedel operated (and continues to operate) Tree Forest Licence (TFL) 44 on Vancouver Island (see Figure 3.1). This area provides the timber to service the mills in Port Alberni. It covers approximately 450,000 hectares on the west coast of Vancouver Island. Each year approximately 2.8 million cubic board feet of timber are harvested from TFL 44 to feed the mills in Port Alberni (McQueen, 1990).

At the time of the recession in the early 1980s, two sawmills, a pulp and paper mill, a plywood mill and several logging operations were located in Port Alberni. Each of these operations were affected by the restructuring that occurred at this time (Table 3.7).

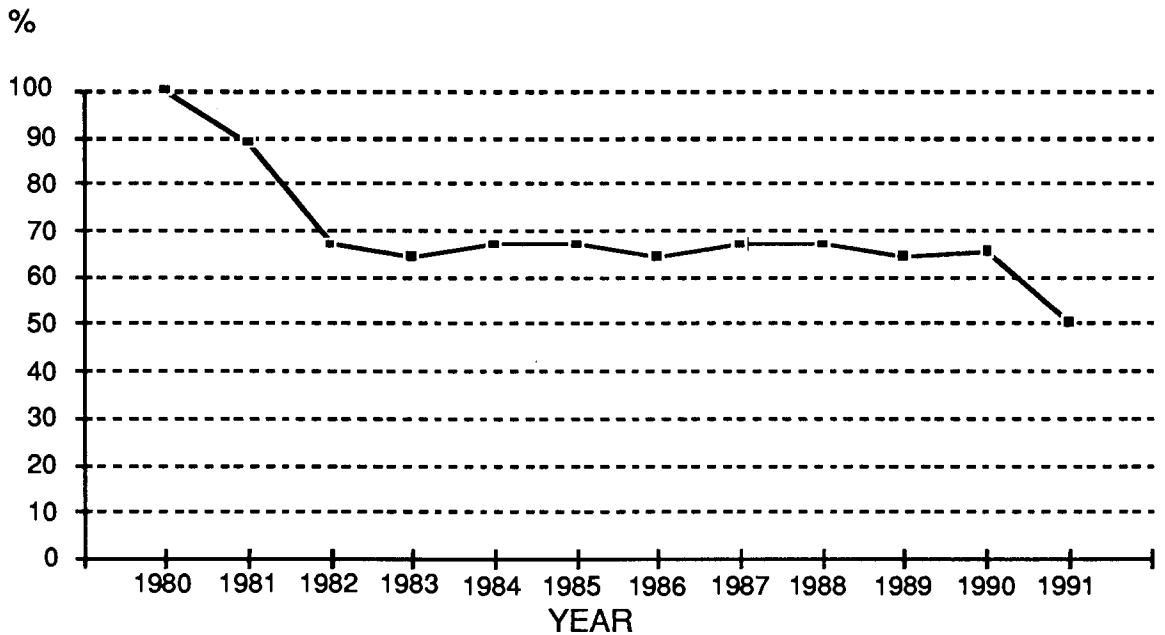
Table 3.7 Port Alberni: Production Figures 1980-1992

	'000s of tonnes			MMBF Lumber	MMSq' Plywood
	Groundwood Specialties and News-print	Market Pulp	Paper- board		
1980	371	56	96	372	150
1981	283	44	52 closed	256	115
1982	256	47	-	229	63
1983	289	61	-	307	104
1984	287	58	-	304	111
1985	330	71	-	276	130
1986	292	48	-	194	97
1987	353	74	-	314	159
1988	352	78	-	271	117
1989	355	77	-	253	108
1990	350	74	-	236	93
1991	249	67	-	226	21 closed
1992	239	50	-	236	-

Source: MacMillan Bloedel Annual Reports

The reductions in production resulted in significant loss in employment. Figure 3.2 shows job loss in the IWA in the Alberni region from 1980 to 1991.

Figure 3.2 Employment Levels - IWA Alberni Region - Percent of Jobs Compared to 1980 Base



Source: Wood, 1991, p. 11

It is significant to note that the employment of IWA members in the Alberni Region was reduced by fifty percent during this eleven-year period. This figure indicates that the employment downsizing which was undertaken during the recession of the early 1980s was not in response to a temporary downswing in the economy but rather long-lasting change in the ability of the industry to maintain high employment levels in this region.

It is important to note that the employment offered by MacMillan Bloedel in its mills and logging operations was restricted largely to men. Therefore,

suggestions that MacMillan Bloedel has traditionally provided full employment for the City of Port Alberni refers to full employment solely for the male population. The employment of women in the mills in Port Alberni has been negligible. The only mill in which there was a significant number of women during the early 1980s was the plywood mill, which, as Table 3.7 illustrates, was one of the more serious victims of the recession of the early 1980s; it closed in 1992. MacMillan Bloedel does not keep statistics regarding the number of women employed at their mills, but interviews with representatives of several of the mills indicate that the average was one or two women per mill and, in some cases, no women at all were employed in the mills. In the Hi-Val mill in 1990, for example, two women were employed at the time of the interview. Therefore, in terms of job loss, the direct impact of downsizing on women was negligible, except in the plywood mill.

Rationalization, Technological Change and Intensification

The nature of the resource that MacMillan Bloedel was exploiting in Port Alberni was site specific; hence, the restructuring undertaken was in situ. The changes that occurred in Port Alberni involve all three processes that Massey and Meegan (1982) suggest are the main components of economic restructuring: rationalization, technological change, and intensification. Restructuring at the MacMillan Bloedel operations in Port Alberni are examined using this framework.

The most immediate change that occurred with the onset of the recession was the lay-off of approximately seventeen hundred employees at the mills. Hourly employees were laid off according to seniority, but the firing of salaried

employees was not as systematic. Many of the salaried employees who were fired had been with the corporation for decades. The nature of these lay-offs is discussed in greater detail in Chapter Four. The rationalization took place over a period of approximately two-and-a-half years, with lay-offs reaching as high as two thousand at times but with call-backs levelled off at about seventeen hundred.

The second type of restructuring undertaken at this time was high capital investment in new technology. As was indicated earlier, this course of action was planned in the late 1970s but most of the expenditure occurred during the time of recession. Much of the capital expenditure was put toward the purchase of labour-saving technology to increase productivity. The result of this was twofold: it decreased the need for labour and it required ever-increasing inputs of timber to ensure levels of production sufficient to recoup these high capital costs. An example of this type of large capital expenditure is the CTMP plant which was built at a cost of \$100 million and which employs three to four people per shift (Ritchie, Personal Communication, 1990). Large capital investment in technology continued throughout the 1980s, with approximately \$500 million spent in the last half of the 1980s (Hutcheson, Personal Communication, 1990).

A second major investment in technological change occurred with the building of the Hi-Val plant associated with the SOMASS mill. This plant introduced flexible technology to the operations at Port Alberni and initiated the concept of work teams. Employees involved in work teams became familiar with all the jobs of the team members. No one member was essential to the efficient completion of the task, and each was therefore more expendable than he had been when he was the only one with expertise in his job. As discussed

in Chapter Two, the introduction of work teams, although sometimes providing the advantage of broadening the base of skills of the employees, does not enhance job security, nor does it necessarily provide the control over the work environment that it was originally conceived to do. The employees assume responsibility for their productivity but do not have power over capital expenditure and management decisions. These decision, which reflect overall corporate strategy, are made in the corporate boardroom.

New technology was introduced to replace the jobs of skilled workers, many of whom had acquired their skills through years of experience in the mills. The sawer was traditionally a highly skilled employee whose experience was valuable to the efficient operation of the sawmill. It was his ability to scan quickly the incoming logs and determine the most cost-efficient way to cut them to produce the greatest value per log. This job was replaced by a laser scanner, which the sawer was retrained to operate and whose operation the sawer oversaw. His job now is to monitor the laser scanner and intervene only when he deems it appropriate. His formerly valuable skills acquired through years of experience are no longer essential to the efficient operation of the mill.

Another impact of the introduction of technological innovation was the upgrading of educational requirements for employment at MacMillan Bloedel in the Alberni Region. Because new employees must be retrained to operate the more complex machinery, completion of Grade 12 is now required of new employees, which was not the case in the past. This requirement has eliminated the possibility of employment for those who have been unable to complete their high-school education. Those already employed in the mill who wish to be retrained to operate the new technology must demonstrate their ability to

undertake such training; their opportunities for job advancement without academic ability are limited.

A third form of restructuring undertaken by MacMillan Bloedel in the Alberni regions was intensification. As mentioned earlier, Massey and Meegan (1982) define intensification as the reorganization of existing production and labour processes without significant new investment. Intensification took many forms. One of the most ambitious was the attempt to save the plywood mill from closing. The mill operated at a significant loss for many years. It was profitable for only three years in the last twenty, and in the last ten years it lost thirty six million dollars. In the early 1980s, twenty five million dollars was invested in the mill. A spokesperson for MacMillan Bloedel, Alberni Region, stated that the only reason it was not closed down in 1990 is that it would have such a profound impact on employment in the city (Hastings, Personal Communication, 1990).

Employees were given the opportunity to try to save the mill. They were given control of the operation, with the requirement that they produce a profit of \$100,000 per month. The debt was written off, and they were to start with a clean slate. No new capital investment was to be undertaken, however. The employees were required to initiate a plan for the profitable operation of the mill. Not surprisingly, given the historical inability of the mill to be profitable and the lack of any new capital investment to increase profitability, the employees were unable to generate a profit and the plywood plant eventually closed in 1991. This attempt at intensification put the onus for profitability and viability entirely on the employees. They had all the responsibility but none of the control over such variables as log prices which were controlled by MacMillan Bloedel. The shift of responsibility for employee downsizing to the employees themselves by

requiring intensification could be considered an intermediate step in the rationalization process.

The three strategies of rationalization, technological change, and intensification form the main processes of restructuring undertaken at the local level by MacMillan Bloedel during the recession of the early 1980s.

Alternative Strategies

These three strategies were not the only ones available to MacMillan Bloedel. As Barnes et al. (1990) suggest, another strategy that can be adopted to cope with recession involves changes in marketing. Such an approach was undertaken by MacMillan Bloedel at this time. An example of this was their entry into the production of specialty paper.

As the United States moved toward greater self sufficiency in newsprint, the market for newsprint produced in Port Alberni became smaller and less stable. Hence, the decision was made to undertake the capital expenditure necessary to acquire new machines capable of producing fine, specialized paper. This is the type of paper used in telephone directories and airline schedules. In 1982 no specialty paper was produced in Port Alberni, but by 1990 over two-thirds of their paper production was specialty paper (Hastings, Personal Communication, 1990). This change in production has two advantages: it provides a more stable market; and, it requires less fibre because it is lightweight. In 1990 Port Alberni was the world's largest producer of lightweight paper.

This change has also altered the nature of Alpulp's contracts. Before this initiative, Alpulp dealt primarily in large, long-term contracts. Now they have more customers, smaller orders, and they review their production annually on the basis of performance. It is their belief that a reliance on more customers and smaller markets eliminates or minimizes the large swings in market demand that reliance on newsprint had imposed.

A second example of changing marketing strategy was that adopted by the Port Alberni Pacific. MacMillan Bloedel invested in new equipment, which would create a higher grade lumber more suitable for the Japanese market. The re-orientation of the market for the output of this plant is evidenced by the use of Japanese names to identify its principal products (Barnes et al., 1990). This approach had implications for employment within this mill. Although the number of production workers increased, the number of administrative and trades workers decreased. Therefore there was a change in the occupational structure of the workplace but not a significant change in the number of workers employed.

Other strategies available to corporations coping with the impact of recession were suggested in the Chapter Two (Ettliger, 1990; Van der Knaap and Linge, 1989; Herod, 1991; Leana and Feldman, 1992). It is not evident that any of these strategies were undertaken by MacMillan Bloedel in its Port Alberni operations. The strategies include the introduction of work sharing, a decrease in wages, and a more consultative process of restructuring involving participation from the community.

The lack of warning of impending lay-offs by MacMillan Bloedel prevented the community from undertaking the sort of 'proactive' strategies

suggested by Ettliger (1990). The rigidity of existing labour relations and agreements also limited the options available to the corporation. Corporate strategies involving community participation to implement change in a consultative way, with a view to mitigating the devastating impact of massive lay-offs, were not undertaken at this time. The various strategies adopted by the community are discussed further in Chapter Five.

Labour Relations

The MacMillan Bloedel workers in Port Alberni are represented by the International Woodworkers Union (IWA) and the Canadian Paperworkers Union (CPU). Because the majority of the lay-offs affected IWA workers, it is the response of this union that is considered.

The options open to the the union at this time were limited because of the real threat of plant closure. That is not to say that the militancy of the unions was effected by this concern. Strikes continued throughout the 1980s, and the fact that the union was unwilling to accept a \$2.00 per hour wage decrease to forestall the closure of Alply indicates that they were not cowed by the power of the corporation. This could also be interpreted as an indication of greater concern on the part of the union for those who continued to be employed by MacMillan Bloedel than for those who jobs would be lost by the closure of the mill. When threatened with the closure of Alply, a union official stated that the continued leasing of TFL 44 to MacMillan Bloedel should depend on the continued operation of the plywood mill (Haggard, Personal Communication, 1990). However, since that time, Alply has closed and MacMillan Bloedel continues to exploit the resources of TFL 44.

The options available to MacMillan Bloedel were limited by the strong position taken by the IWA representing the workers of the region. The IWA's priority was maintaining wage levels - that is, ensuring the continuing existence of a family wage, rather than maintaining jobs. Because employment in the mills has been traditionally available only to men, the idea of the necessity of a family wage has become ingrained in the philosophy of the IWA. It was believed that the wage of the IWA member must be maintained at a level high enough to support a single-income family at all costs - even at the cost of job loss.

This attitude made any attempts at job-sharing, decrease in hours, or salary cuts difficult to introduce. The same reluctance on the part of the IWA to consider employment at lower levels of hourly wage has limited attempts by government and community officials to mitigate the impact of employment loss and to introduce smaller scale operations to the region. This problem is explored further in Chapter Five.

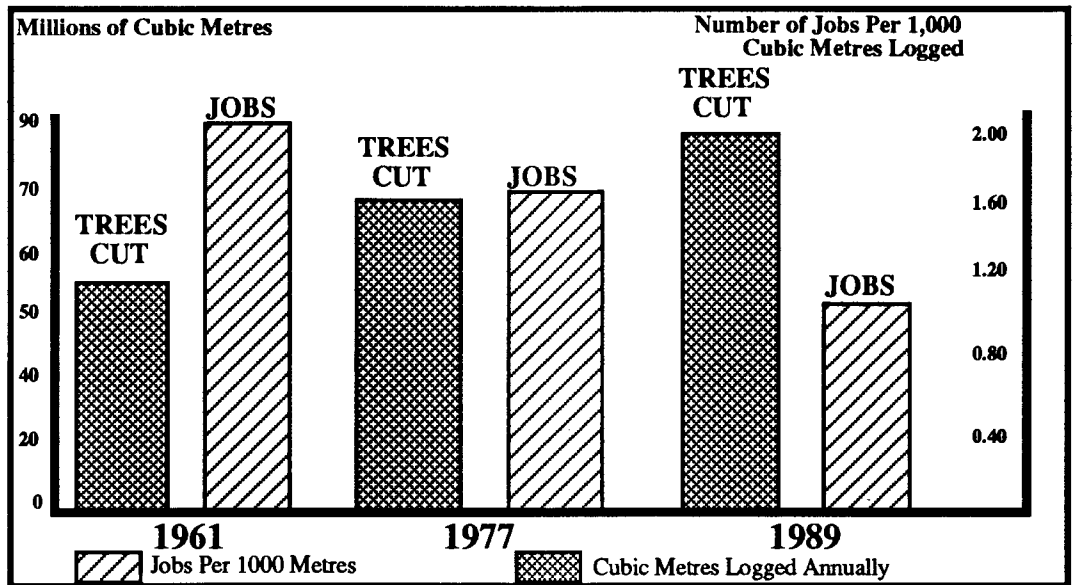
Employment/Environment Conflicts

At the time of the recession of the early 1980s, environmental concerns did not pose a significant threat to the forest industry in British Columbia. This has not been the case in the intervening years. As the amount of old-growth forest is diminished, the conflicting demands of the forest industry and those wishing to preserve this remaining forest are highlighted. The environmental issues concerning the forest industry are varied and complex. One issue, however, than can be addressed within the corporate context is the effect that changes in production have on resource demands. The changing nature of

production in the forest industry, specifically the ever-increasing level of capital investment, creates a demand for ever-increasing amounts of timber to maximize production and recoup investment costs. It can be suggested that the employment/environment conflict might more appropriately be labelled a return on capital investment/environment conflict.

Figure 3.3, indicates the decrease in the number of jobs generated per 1,000 cubic metres logged, illustrating the impact of increased capital investment on technology in relation to both employment and the environment.

Figure 3.3 Number of Jobs per 1,000 Cubic Metres Logged



Source: Western Canada Wilderness Committee Educational Report
Vol 10 No. 7, 1991

Port Alberni is particularly vulnerable to the problems inherent in this conflict. The most recent example of this is the current debate over the most appropriate use of the resources of Clayoquot Sound. The continued viability of employment in the forest industry in this locality continues to be challenged by

environmental pressures. As the resource base is eroded, it becomes increasingly important to the stability of this community to maximize the amount of employment generated per unit of timber harvested. Perhaps the undertaking of less capital-intensive and more employment-intensive production methods would be a strategy that could be considered by MacMillan Bloedel to reduce the trend toward employment downsizing. The co-operation of the unions involved would be required to ensure that the cost of such a strategy would not be prohibitive.

SUMMARY COMMENTS

The development of Port Alberni has proceeded hand-in-hand with the development of the forest industry in general and MacMillan Bloedel in particular. This intertwined development is one of the features identified by Lucas (1971) as differing from the experience of American and British single-industry communities whose industrial base had previously been based on agricultural or small business activity until the arrival of an outside corporation that took over control of the local economy. As mentioned in Chapter Two, Lucas (1971, p.20) also suggests that because of the nature of their historical development these communities are products of the twentieth century, which depend on "advanced technology, a complex division of labour and a sophisticated system of exchange".

Port Alberni shares the three main features identified by Bowles (1982) as being most characteristic of single-industry communities, specifically, small size, dependence on the decisions by and fate of one company, and geographic isolation. The central feature of this community is dependence and,

in keeping with the suggestions of Bradbury (1982) regarding these communities, its economic well-being depends upon outside factors, such as commodity markets, the availability of capital, and decisions made in distant cities. This feature has created a situation in which the community is "ensnared in the staples trap" identified by Hayter and Barnes (1990).

The recession that marked the beginning of the early 1980s was especially devastating for the forest economy of British Columbia and, because MacMillan Bloedel was the largest forest company operating in the province at that time, it was particularly vulnerable to the downturn in the economy. The losses it incurred at this time, coupled with the change in ownership of the company, caused significant restructuring which was carried out within the integrated mill operations in Port Alberni. MacMillan Bloedel chose three strategies: rationalisation, intensification, and technological change for restructuring. They also chose a re-orientation of marketing strategy to help alleviate the impact of the recession. Some of the more subtle strategies that might have been available to them, suggested by Ettliger (1990), Van der Knaap and Linge (1989), Massey and Meegan (1985), and Herod (1991) were not undertaken. Some reasons for this might have been an inflexibility on the part of the union to any change in the concept of the "family wage", the absence on the part of the government of any policy to require the corporation to assume some of the cost of employment loss, and the unilateral way in which the lay-offs were managed by the corporation. The viability of these strategies will be discussed further in Chapter Five.

The implications of this restructuring were far-reaching for the City of Port Alberni. Although few women were directly affected because of their low employment levels at the mills, any gains they might have made in employment

in the recent past were lost because of the seniority rules applied to lay-offs. That is not to say, however, that women were unaffected by the lay-offs in general. Because MacMillan Bloedel was the major employer in the city, all the residents felt the impact of the job losses incurred at this time. The most immediate impact was felt by the individuals and households directly involved, and it is this issue that the following chapter addresses.

CHAPTER FOUR

LAY-OFFS: HOUSEHOLD COPING STRATEGIES

INTRODUCTION

Many families in Port Alberni relate stories of returning from their summer vacations in 1980 with a feeling of economic well-being - confident in the knowledge that their continued employment at MacMillan Bloedel was secure. By the end of the summer, they realized that their confidence had been misplaced. Employees were beginning to be laid-off at the mills and logging camps at this time and these lay-offs continued for the next two years. Before the cut-backs stopped, approximately 2000 people had lost their jobs. This chapter provides an account of the impact of job loss on individuals and households and the coping strategies that these people undertook in response to the lay-offs.

Although this research was primarily exploratory it was informed by the relevant literature discussed in Chapter Two which suggests that there have been common responses to restructuring among individuals and families affected. These responses include the development of an 'informal' or 'hidden' economy and the idea of an increase in 'self-provisioning (Redclift and Mingione, 1985; Pahl and Wallace, 1985; Mackenzie, 1987b); and the theory that a change in gender relations might be an outcome of the strategies which those affected undertake (Armstrong and Armstrong, 1987; Mackenzie, 1987a; Bowlby, 1986).

The specific attributes of this locality will influence the relevance of this literature to the experience of Port Alberni. One of the major attributes of this single-industry community is dependence, and attempts to generalize from the experience examined here will be enhanced by an understanding of this and other shared characteristics of these communities in Canada. For example, Bradbury (1989) suggests that any social changes which occur at this time might be only temporary and coincident with the cyclical swings common to this type of resource-dependent communities. This historical dependence on the single industry can also have a dampening effect on the development of entrepreneurialism because of the strong belief among local residents that the corporation will rebound from each downswing and once again provide full employment for the community. The corporation has taken over the role of entrepreneur and assimilated potential entrepreneurs within its corporate structure. This influences the choices that individuals feel are open to them in times of restructuring and limits the effectiveness of local development strategies which attempt to encourage entrepreneurialism (Coffey & Polèse, 1985; Sjöholt, 1987). The effect of this attitude on individuals will be touched upon in this chapter and explored further in relation to local development strategies in the following chapter.

THE SURVEY

At the time the survey was conducted (1990) the experience of the layoffs was still very much alive in the memories of those who were affected by it. Of the one hundred and six potential respondents who were requested to complete the questionnaire, ninety-nine agreed. The questionnaires were dropped off and picked up at the respondents' homes. Very few people refused

to participate. Most respondents were very eager to explain what a devastating impact that period of time had on their lives and were anxious to take part in any process which would document their experiences. In spite of the length of time which had passed, the experience had not been forgotten and, because of the threat of impending job loss, their concerns about employment stability were uppermost in their minds. For some of them it had been one of the most devastating events of their lives. It was referred to as "worse than a death in the family" by several respondents.

This research was undertaken approximately ten years after the lay-offs occurred. Although some of the laid-off employees were able to find employment soon after leaving MacMillan Bloedel, the majority found that it took years to re-establish themselves and to recoup the losses they incurred in the early 1980s. While there are some obvious disadvantages of relying on memory over such a long period, one of the benefits of looking at the impact of the lay-offs and the coping strategies undertaken by those affected over a ten year period is the ability to evaluate the effectiveness of some of these longer term strategies as well as to recognize that the social as well as the economic impact was very long lasting and, in some cases, lifelong.

As noted in Chapter One, ninety-nine laid-off workers completed the questionnaire. These former workers were identified using a snowball sampling technique. A significant number of the people whose names were provided by the various sources contacted had left town permanently. As one of the parameters of this study was to limit the sample to those who were living in Port Alberni ten years after the lay-offs, these people were not included in the sample. Approximately sixty percent of the names provided by this sampling technique were those of employees who were no longer living in Port Alberni

which suggests that it was the choice of more than half of these former employees to make a permanent move away from the valley.

As well as the practical considerations involved in locating laid-off employees, there are at least two benefits to limiting the sample to those laid-off workers who stayed in Port Alberni. One of these is that it provides an opportunity to explore the concepts of changing gender roles within households affected by the lay-offs without the introduction of a secondary factor, that is, relocation; and a second benefit is the chance to explore the possibility of alternative work strategies emerging within the community, either through increased self-provisioning, or through involvement in an 'informal' economy.

This chapter will explore four main themes. The first deals with the various intangible, emotional and private problems created by job loss - the "indignities of job loss"; the second examines the search for work undertaken by the laid-off workers and their spouses; the third explores the concept of the emergence of an 'informal economy'; and the fourth looks for evidence of changing gender relations which might have resulted from the lay-offs. These four themes will be placed in context by a brief discussion of selected characteristics of the laid-off workers.

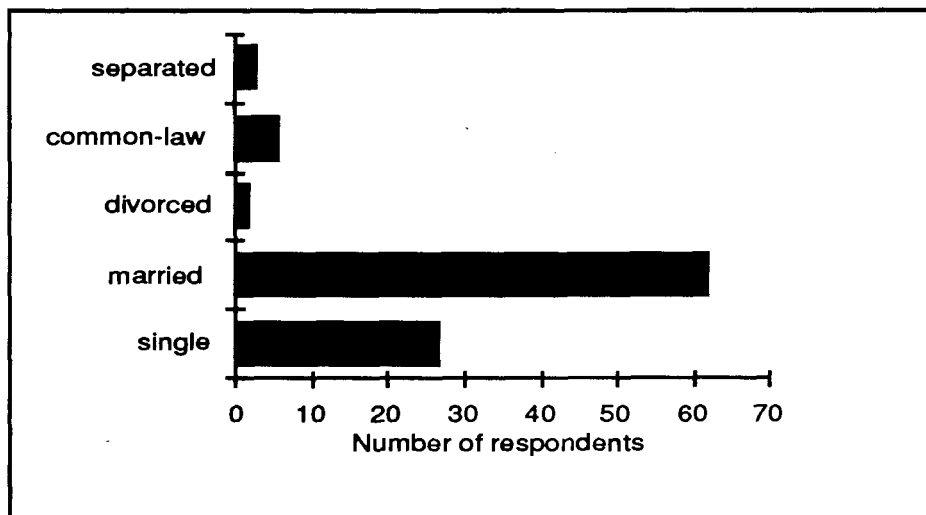
SELECTED CHARACTERISTICS OF LAID-OFF WORKERS

The majority of the lay-offs occurred during 1981 and 1982. Ninety-one percent of the respondents were laid-off during this time. Ninety-four percent of the respondents were male and six percent were female. All of the female respondents had been employed at Alply which was severely affected by the

lay-offs. This was the mill with the most female workers. This high representation of female workers in Alply was explained by the former chairman of the Organization of Unemployed Workers as "because the work is so menial and repetitive they thought women would like it" (Barber, Personal Communication, 1990). Representation of women in the other mills and logging camps was negligible. The trend toward hiring more female workers was relatively recent so that they had the least seniority and, hence, were the first let go. Any gains that women had made in securing employment at MacMillan Bloedel in the 1970s were erased by the lay-offs of the 1980s.

The majority of the respondents (62%) were married at the time of the lay-off. Figure 4.1 indicates the marital status of employees at the time they were laid-off.

Figure 4.1 Marital Status of Respondents at Time of Lay-Off

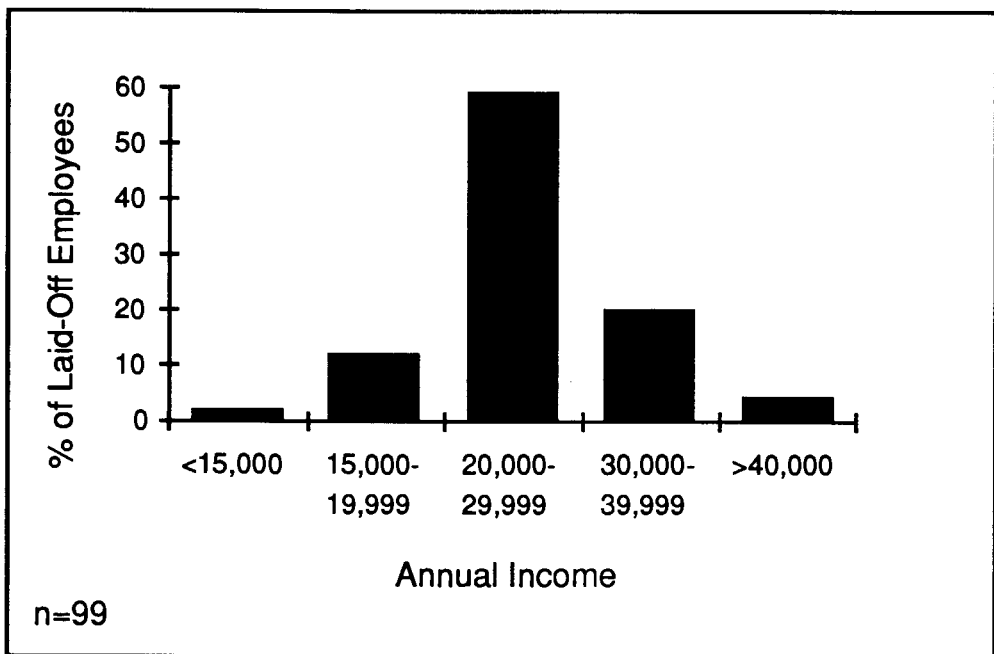


Source: Survey Data

The high proportion of married employees suggests that the immediate impact of job loss was not restricted to the individuals laid-off but also had an immediate effect on a significant number of other people.

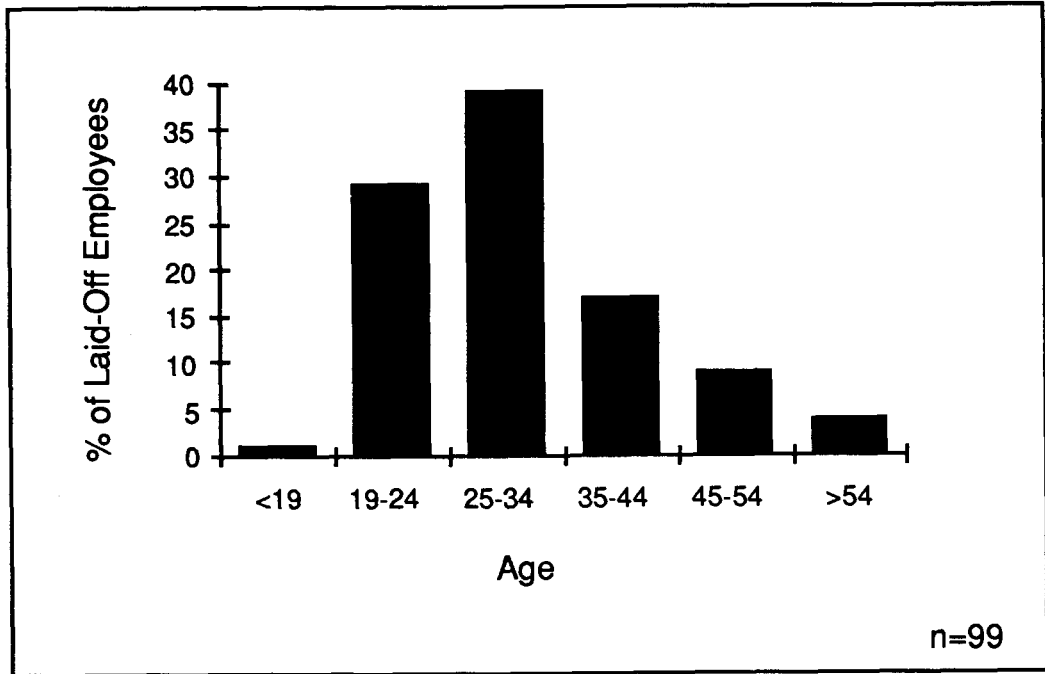
Figure 4.2 indicates the annual income of the employees at the time of the lay-offs. Eighty-six percent of the employees were making more than \$20,000 annually; twenty-five percent were making more than \$30,000 annually. Eighty-six percent of the respondents reported that they turned to Unemployment Insurance immediately after being laid-off. This would represent a significant drop in their standard of living, given the high annual wage to which they were accustomed.

Figure 4.2 Annual Income of Employees at Time of Lay-Off



Source: Survey Data

Because the lay-offs of hourly workers were done by seniority, the majority of those who lost their job were under the age of 35. The four respondents who were over the age of 54 were all salaried employees. Figure 4.3 shows the ages of the employees at the time they were laid-off.

Figure 4.3: Age of Employee at Time of Lay-Off

Source: Survey Data

As suggested earlier, through MacMillan Bloedel's early years in Port Alberni, the major obstacle to MacMillan Bloedel's operations was not over-employment but the inability to produce enough to meet its ever expanding market. This meant that the company had been able to ensure full and continuing employment for all those in Port Alberni who were willing to seek work. The educational requirement for employment with the company was not demanding and, because of this, many of the workers who were laid-off had not attained high levels of academic training. Table 4.1 indicates the education level the respondents had attained at the time of the lay-off. Twenty-seven percent of these employees had acquired some type of vocational certification as well.

Table 4.1: Level of Education Attained by Respondents at Time of Lay-Off.

EDUCATION	NUMBER OF RESPONDENTS
< Grade 9	7
Grade 9-12 w/o certificate	40
Grade 12 with certificate	42
Some University	8
University with degree	2

Source: Survey Data

The level of education attained by the spouses of laid-off employees was similar and is shown in Table 4.2.

Table 4.2: Level of Education Attained by Spouses at Time of Lay-Off

EDUCATION	NUMBER OF RESPONDENTS
< Grade 9	4
Grade 9-12 w/o certificate	16
Grade 12 with certificate	28
Some university	4
University with degree	1

Source: Survey Data

THE INDIGNITY OF JOB LOSS

It is widely accepted that permanent lay-offs create deep-seated emotional scars in individuals and their families. Job loss creates stress. The lay-offs at Port Alberni proved to be no exception. The indignities of this job loss affected both salaried and hourly workers, sometimes in ways which were sometimes similar and sometimes different.

Eleven percent of the respondents were former salaried employees. The hourly workers were subject to lay-offs according to seniority. The management lay-offs were more arbitrary, so that unlike union workers who could anticipate being laid-off, managers were not able to predict their employment loss with the same certainty. Managers could be fired at any time. Some of the managers were in their thirties when they lost their jobs and some were just a few years away from retirement. Some had been with MacMillan Bloedel for over twenty-five years. The indignity associated with job loss for salaried employees is exacerbated by the fact that they are chosen for redundancy rather than victims of the more impersonal system of "last in first out" dictated by the seniority system.

All of the respondents who had been salaried employees who chose to comment on their lay-offs indicated dissatisfaction with the way in which they were fired. They were called away from their office, given the news that they were to be let go, and either prohibited from returning to their office or escorted to their office to collect their personal belongings. They were immediately driven away from the mill or office where they worked and taken to an office in town that MacMillan Bloedel had set up for the purpose of counselling and advising these employees. To this day, these former employees and their spouses harbour much resentment against MacMillan Bloedel for the lack of trust which was exhibited at the time of dismissal.

The spouse of one laid-off manager expressed her displeasure as follows:

it was devastating.. the manner in which it was done (procedure set down by so-called experts) was inhuman. After 25 years of service, my husband, a respected employee was called into the personnel office and told his job was redundant, to leave all keys, told not to return to his office, to leave the plant immediately and go to a counselling office set up at another location and headed by strangers (two terminated employees from MB Head Office) - the ultimate humiliation. Resentment and bitterness still lingers, not only by those affected but throughout the community. I personally was able to accept the company's valid economic reasons and justification for the downsizing but to this day consider the procedures employed at that time totally unacceptable.

One of the salaried employees offered these thoughts on what he termed his "forced early retirement"

The method was rather crude. I arrived at work on the last day, early, as was my custom. I had coffee and was called into the manager's office, where I was read the terms. I was told to put my keys on the desk and was driven home...They told me to go to a reception centre at noon. They gave me two days to make up my mind. The company twists the facts to make it look like you volunteer to take early retirement. You are really forced to take early retirement.

The majority of the respondents who were laid-off from their salaried employment were nearing retirement age and had planned to take early retirement or would be reaching retirement age very soon after they were laid-off. For them, the loss of their jobs did not have severe financial repercussions. In order to qualify for full pension the employee's age and years of service had to total 80. For those who were just short of this number, the financial burden was significant.

Twenty percent of the respondents who were former salaried employees expressed concern about the manner in which pensions were handled. The retirement plans of these workers was significantly altered because of their reduced income. For example, one of these employees who had worked for MacMillan Bloedel for twenty-seven years was seven years away from retirement when he lost his job. He thought he would be eligible for a full pension because his age and his years of service totalled over eighty, which was the requirement for full pension. However, he was not aware that in order to qualify he must be at least sixty years of age at the time of lay-off. He was unable to find another job and now receives a monthly pension of \$312.14 from MacMillan Bloedel. As a result of this employee's lay-off and his misunderstanding of pension regulations, his retirement is much more restricted than had been anticipated. At the time of the lay-off he and his spouse were given only a few days to make their decision as to which of the options offered by MacMillan Bloedel they would accept. Two of the options available to them were monthly payments from MacMillan Bloedel until they reached the age of retirement and became eligible for Canada Pension Plan and Old Age Pension, and, a decreased pension paid for life. This employee and his spouse were not provided with counselling to advise them on the advantages and disadvantages of each option and, in the absence of such professional advice, they made the decision which was the least financially advantageous for them. They did not understand that having accepted a reduced pension prior to retirement age, that their company pension after retirement age would be discontinued. It was the view of the respondents so affected that MacMillan Bloedel should have provided financial counselling for their former employees who were faced with complex pension decisions.

Some concerns of the hourly employees immediately following lay-off were different from those of the salaried employees. For example, although they could anticipate their lay-off because it was done according to seniority, there was some possibility of a callback for these employees. This introduced an element of uncertainty into planning and contributed to the emotional hardship which these former employees experienced. Many of the respondents indicated that they stayed in Port Alberni because they felt that eventually they would get hired back at MacMillan Bloedel. This was true for many of them but the uncertainty during the waiting period, sometimes as long as five years, (and sometimes never) did take a toll on their lives and was one of the most difficult aspects of the period before they were rehired. This belief that MacMillan Bloedel would once again rebound from its financial difficulties to assume its traditional role as the instrument of full employment in the community is the legacy of the historical dependence of the city of Port Alberni on MacMillan Bloedel for employment - dependency so common in single-industry communities.

Adding to the feelings of uncertainty accompanying the lay-offs was the method by which severance was paid to former MacMillan Bloedel employees. In order to receive severance benefits, it was necessary for workers to be laid-off for eighteen consecutive months. Once severance pay was accepted, seniority was lost. The experience of one respondent illustrates the difficult decisions which this system requires. This respondent told of being recalled after 17 and 3/4 months. The dilemma that this represented was very difficult for his family. If the worker returned to his job and it lasted only one day, he would be required to wait 18 more months for severance pay. If he did not answer the callback, he would lose his position in the union and forfeit his chances to be

taken back on at the mill full time. The company gave no indication of the length of the call back and his family needed the severance pay. However, by accepting severance pay he would have lost seniority and forfeited any realistic chance of being re-employed at the mill. He chose to return to work and was still working at MacMillan Bloedel in the fall of 1990. Although no other respondents reported having been placed in a situation as extreme as this, it is a good illustration of the stressful decisions which had to be made without any control over the outcome. This uncertainty was expressed as follows by another of the respondents: "Unemployment is a never ending black tunnel with no light at the end. People's lives are put on hold because one has absolutely no idea how or what to plan for the future"

The sporadic nature of call backs was particularly difficult for people with child care responsibilities. One respondent speaks of being on call for almost ten years with months here and there of steady work. "I have to pay the babysitters dearly to keep them available for any shift that I get called for at a moment's notice." For one spouse who was working full-time, child care was very difficult given the uncertainty of call backs for her husband. "We were constantly looking for babysitters because during periods when my husband was out of work he would look after our son and we would lose the sitter we had when he found work again". This was a common concern offered by the majority of respondents whose chose to comment on childcare arrangements and whose spouses were working outside the home.

The most significant effect of the lay-offs which was reported both by respondents to the questionnaire and in informal interviews with Port Alberni residents was the emotional impact. Over 90 percent of those who elected to comment on the impact of job loss mentioned the emotional impact as having

greatest significance. As indicated earlier it was often compared to a death in the family. For many employees it was a blow to their self esteem and an indication of their lack of control. Comments such as "it gave me a total sense of helplessness", "it was the worst time of my life" and "it was truly a mind shattering experience and one from which none of us has yet completely recovered" were very common. One respondent expressed her frustration as follows

you can't imagine the desperate feelings, the helplessness, the anxiety of each day. Hoping and praying that each day maybe, just maybe your husband would get called to work, and each day you get more and more frustrated. Then the bickering about money starts. It never gives up and it doesn't get better. You start to wonder if this hell hole of a town, or jobs that you try to get is worth all the disappointments. You wonder how on earth you can keep going, trying to be in a somewhat decent frame of mind if not for yourself for your kids.

Other comments indicated the sense of helplessness and powerlessness the former employees felt. For example, one respondent stated "the hardest thing for me to accept about my job loss was that I had done nothing wrong to lose my job...to lose your job over something that I had absolutely no control over just gave me a total sense of helplessness. Another former employee responded "as some operations got hit harder than others I found myself bitter if not jealous, that even though I had a good reputation as a worker, some people, who I knew and was told were poor workers, sustained their jobs". This criticism of the seniority system is indicative of displeasure with the union - an attitude very uncommon among respondents. Only two other respondents were critical of the union. One attributed his job loss to lack of union protection, and the other felt that "union officials are self-serving and only worried about the next election".

This powerlessness and alienation was expressed by another respondent as follows:

First of all, I never thought that I would be out of work for long. Maybe somebody else, but not me. However after checking dozens of job sites I realized that no work was to be found. It was then that I knew I was a government statistic and that nobody really gave a God Damn. Tough Luck Buddy! Depression set in. I felt helpless... just depression...The Sally Ann Store and the Food Bank became a reality. It was humiliating and degrading.

One respondent stated "when you are out of work for a considerable time like I was you feel very bad. Your self esteem erodes and you wonder if you are a useful member of society anymore or just a bum looking for a handout." This feeling was echoed by another respondent who said "when you get laid off you feel degraded, lower than everyone else. When you look for work and you can't find it, you feel incompetent, like you have let down your family, your integrity and anyone who is associated with you."

The emotional impact of job loss can instigate social disruption. One respondent explained the change that came over him in this way:

the one thing that surprised me was how my values changed when living in the city making just enough to pay bills - making a quarter of the money in Port Alberni Mill. My mind was always looking for ideas to make money. Ripping off government, theft, crime, fast money, high risk schemes, legal and illegal. Although I didn't pursue any of these ideas, I think I would have if steered in that direction by someone.

Another respondent directed his resentment toward immigrants. He stated "I think that if less people were let into Canada, there would have been less people laid off from logging and mills". This respondent was the only one to express this view. Others responded in different ways. "I turned to alcohol and

eventually became an alcoholic and then to drugs". "When I didn't work I drank more, got bitchier, fights happened". "We all became depressed and sick". Even those for whom job loss meant severe financial hardship, identified the emotional impact as being the most difficult aspect of the lay-off. "To lose one's job while raising four teenagers is in itself a financial shock but more important (it) is a real blow to a person's self esteem." The emotional impact is the most difficult to quantify but is the one most remembered by the individuals and families affected by the lay-offs.

The emotional impact was not felt only by the laid-off worker but also by the spouse and children in the household. One respondent reported that their children "felt very sick for their father and so helpless". Another stated "the downturn affected our children in such a way as to instill a hopelessness in them. They also felt they were a burden to us". This emotional strain suffered by the children was identified by four of the respondents.

Three of the respondents indicated that the loss of income in some cases meant that their children would not be able to go to college. "They too now are shuffled into the 'mill' routine. It would have been much more fashionable to have helped them become money-hungry dentists, doctors, lawyers, etc. or cost cutting engineers, architects or the likes of that lot, instead of the honest workers they are now".

It is difficult to assess whether there was an increase in domestic violence during this time. Interviews were conducted with an in-take worker at Transition House and an employee of the Women's Centre which suggested that incidents of violence did increase, but this is difficult to document.

Occupancy rates at Transition House, the local shelter for battered women,

went down during the period of lay-offs and increased when the employees were rehired. It was suggested by these employees that there could be several explanations for this unexpected trend. When the husbands are home full-time it is more difficult for the wife and children to escape to Transition House and they must wait until he returns to work to make a break. It is not suggested that the lay-offs caused new incidents of violence where they had not occurred before, but only that the frequency of violence in already violent households increased at this time.

Another possible explanation for the decrease in occupancy during the time of lay-offs was suggested to be the desire for the wife to stay with her husband and support him during this difficult time and to excuse his violent behaviour because of his disappointment over his job loss. Once he was rehired, the abused wife felt freer to escape to Transition House without experiencing guilt over abandoning him while he was unemployed.

One of the first things that people spoke of when asked about the impact of job loss was the number of marriage break-ups which occurred. They referred frequently to their many friends whose marriages failed because of the stress within the family resulting from job loss. Although this was a frequently reported phenomenon, most people were unable to give names of any of these families who were still in Port Alberni.

Among the respondents to the questionnaire, only six divorces had occurred in the ten year period following the lay-offs. Of those respondents who have become divorced, four attribute the change either directly or indirectly to the lay-off. Of those former employees who stayed in Port Alberni, therefore, divorce was not a significant factor resulting from job loss, although for those

who did experience divorce, job loss played a role in two-thirds of the cases. It could be suggested that this low divorce rate was another reason that these employees stayed in Port Alberni or, put another way, that people were less likely to leave the city if their marriages remained intact. Those whose marriages broke up, and anecdotal reports indicate that there were very many, had fewer ties to the city and were therefore more inclined to look elsewhere for employment.

A more quantifiable impact on the lives of people affected by lay-offs is its effect on the housing status of those affected. Forty percent of the mortgages initiated in the first six months of 1981 by one of the main banks in Port Alberni were repossessed (Coffey, Personal Communication, 1990). The courts were so backlogged that repossessions took 18 months for processing. The bank owned so many houses that they were reluctant to evict the former owners because they did not want to leave so many houses vacant. Eviction was unnecessary in many of the cases because those who were unable to continue making payments and unable to sell their homes, simply walked away from their homes, forfeiting any equity they may have accrued during their time of ownership. Because these cases were considered by the bank to be repossessions, statistics are not available enumerating their particular frequency. However, a representative of one of the major banks in the city suggested that this was a common occurrence at the time of lay-offs. (Coffey, Personal Communication, 1990).

Seventy-five percent of the respondents to the questionnaire owned single family dwellings at the time of the lay-offs. Most of the home owners in this survey were able to keep their homes after the lay-offs, but almost 30% of the respondents were forced to move as a result of job loss. This created

significant hardship for these former employees. Some of the respondents lost their homes, were unable to pay rent and one ended up living in the cab of his truck. Three quarters of the people who moved directly after the lay-off indicated that they downgraded their living conditions because of reduced income resulting from employment loss. Although a minority continued to move in the following five years and continued to downgrade their accommodation, the majority of respondents maintained their standard of housing which they had at the time of lay-off or upgraded as the years went by. Five years after the lay-offs, 94 percent of those changing their principal residence did so to upgrade the standard of accommodation.

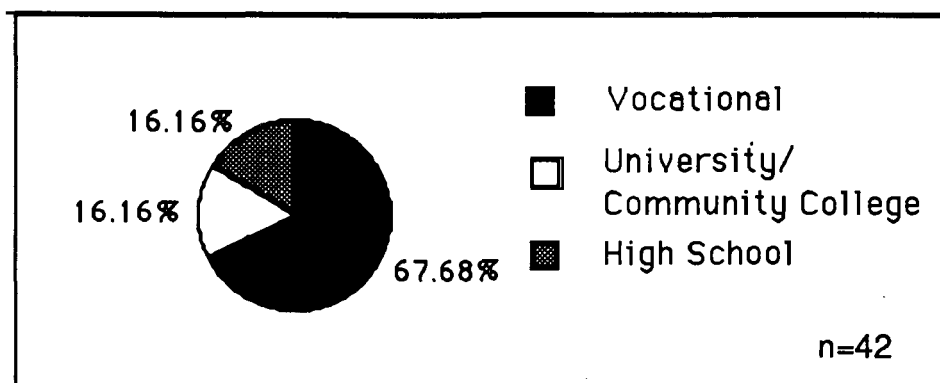
The fact that the majority of those still in Port Alberni at the time of the research were those who were able to maintain their housing, in spite of their job loss, suggests that this was one of the reasons that these people chose to stay in the city. People without housing in the area were less likely to remain in Port Alberni waiting for MacMillan Bloedel to rehire.

The indignities of job loss are difficult to quantify but the comments offered by the vast majority of workers who cared to discuss this issue indicate that the impact was profound and long lasting. The decrease in self-esteem resulting from redundancy, and the changes that job loss can invoke on the values and attitudes of those affected, has potential to disrupt both traditional family relations and established social behaviour. The powerlessness, uncertainty and worthlessness which were felt by these workers highlights the importance of a job not only to their financial stability but also to their emotional well-being. Therefore, one of the immediate concerns of the laid-off worker was to find new employment

THE SEARCH FOR WORK

A variety of strategies were undertaken by the laid-off workers in pursuit of employment. In an attempt to enhance their employment opportunities some of the laid-off workers upgraded their educational qualifications. In the ten years following the lay-offs just under half of the respondents had upgraded their education. In approximately one third of the cases, this retraining was undertaken at government expense. The type of educational institutions they attended is indicated in Figure 4.4.

Figure 4.4 Type of Educational Institution Attended



Source: Survey Data

In response to the question as to whether their improved educational qualification helped them to secure improved employment, almost seventy percent of them responded that it did not.

The experience of the spouses of laid-off employees was similar. Since the early 1980s, twenty-two percent of the spouses have upgraded their education (one of them at government expense). Thirteen percent of them indicated that this was in direct response to their spouse's lay-off. However, only

two of the respondents who upgraded their education reported that this was helpful in securing employment.

The experience of both the laid-off employees and their spouses were similar therefore. Some upgraded their educational qualifications with a view to improving their employment potential but, in all but three cases, this effort proved futile. Very few were able to meet the requirements for government funding for retraining and several expressed their frustration with the stringent requirements for financial assistance. Educational upgrading, therefore, was either an incorrect response to this type of employment loss, or the type of retraining undertaken was inappropriate. In either case, counselling as to the value of upgrading education for enhancing employment opportunities and the type of education most appropriate for this purpose would have been useful.

Over ninety percent of the lay-offs which occurred at this time involved men. The impact of this on families was that the husband was unemployed and there was an increasing trend for wives who had hitherto been unemployed outside the home to undertake a job search in order to re-enter the workforce or to enter it for the first time. Fifty percent of the fifty-four respondents to the questionnaire distributed to spouses and former spouses of laid-off workers were employed at the time of the lay-offs. Of the remaining respondents, twenty-six percent had been looking for work when their spouse was laid off. By 1984, many women who had never worked outside the home, or who had not done so for an extended period of time, were registering with Canada Employment (Dolan, Personal Communication, 1990). They did not have the skills and were not sufficiently familiar with the new technology to secure jobs. In response, Canada Manpower introduced a Job Re-Entry Program for Women at this time. It is the view of the instructor of the Job Re-entry Program that

motivation was particularly strong during periods of lay-off at MacMillan Bloedel. For example, during a lay-off period from September to December 1985, of 16 people taking the course, ten students were the wives of laid-off workers. At times, as many as fifty woman have applied for the sixteen positions in the program (Dolan, Personal Communication, 1990). It was the experience of the instructor that once the husbands were rehired at the plant, motivation to continue with the course weakened. One explanation for this could be that childcare responsibilities reverted back to the wife at this time thereby making continuation in a job training program more difficult.

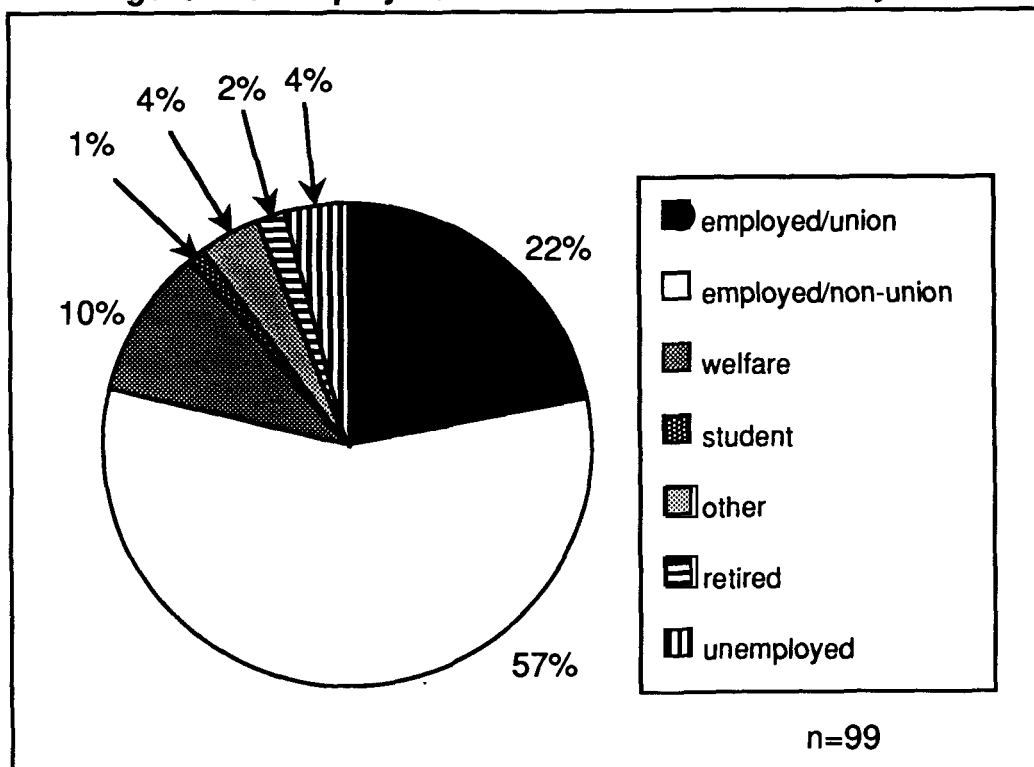
Another strategy undertaken by some of the residents was to leave Port Alberni in search of employment. In spite of strong ties to the community - sixty-two percent had spend all their working lives in Port Alberni - forty percent of the respondents looked elsewhere. Over half of those who left restricted their job search to other sites in British Columbia, twenty-nine percent went to Alberta, eleven percent to other places in Canada and three percent looked outside of Canada. In only one quarter of the cases did their families accompany them. This indicates that those who did leave searching for employment still had strong ties to Port Alberni. Of those who left in search of employment elsewhere, sixty-five percent of them returned within the first year and only five percent stayed away more than five years. Strong family ties were identified as one of the reasons people returned to Port Alberni or that they stayed in Port Alberni rather than making a permanent move. Of those who stayed, fifty percent gave ties to family as their major reason for staying in Port Alberni.

Following the lay-offs, there was a desire on the part of some of the former employees to attempt to break their dependence for employment on MacMillan Bloedel. One third of the respondents indicated that they

considered starting a new business in order to give themselves more control over their employment stability. Most of the respondents who expressed an interest in this option were deterred by a lack of funds. Of the respondents who had considered the possibility of starting a new business only one third actually took up this option and started their own business. Few of these would-be entrepreneurs were aware of programs in existence to help new businesses. Only thirteen of them were aware of these programs and only four of those who were aware applied for start-up money. These applicants were frustrated by the requirement that they contribute substantial start-up money which most of them did not possess. Only one of the respondents was successful in acquiring funds from the government to start a business.

As stated previously the immediate response of most (86%) of the respondents to being laid-off was to turn to Unemployment Insurance (UI). After the benefits ran out, however, the participation in the work force was more varied for the respondents. Figure 4.5 indicates the employment status of the respondents after their UI benefits ran out, or, for those who did not turn to UI, their employment status immediately after the lay-offs.

Figure 4.5 Employment Status after UIC or Lay-Off

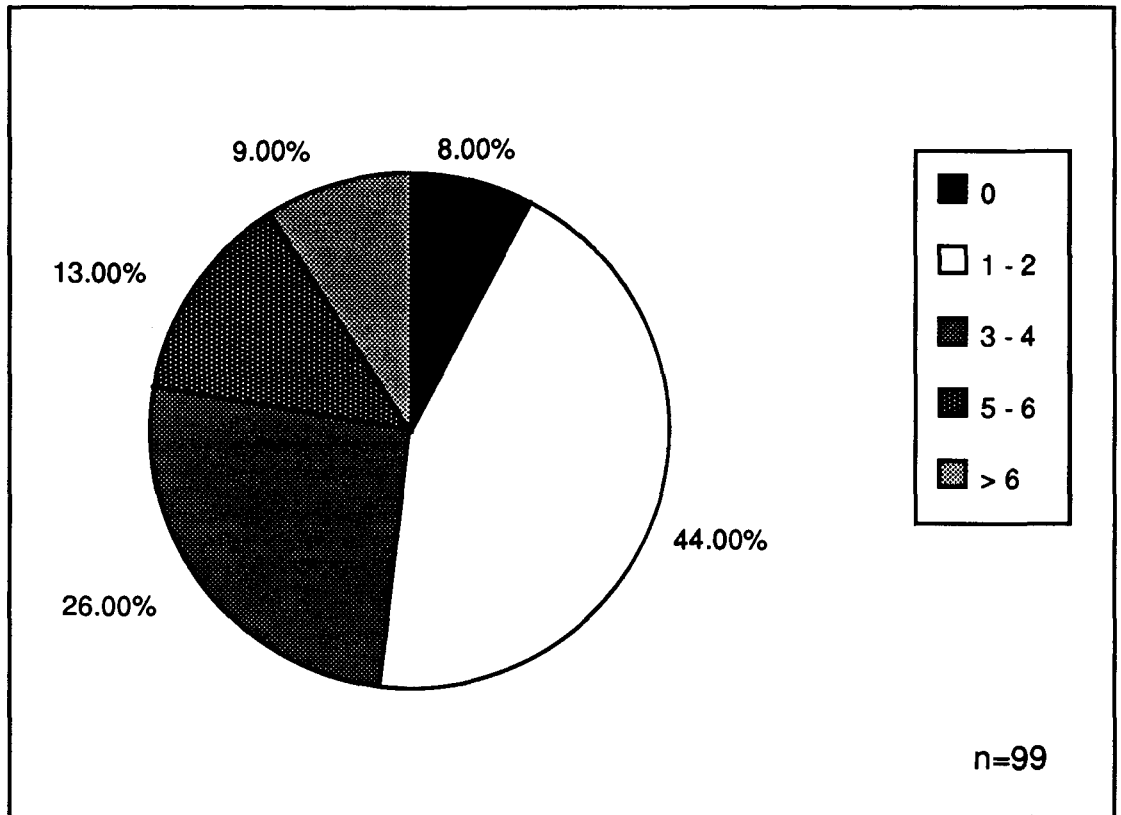


Source: Survey Data

Most of the respondents reported that the work they did immediately following the lay-off or after their UIC expired was very often short-term and directed toward requalifying them for Unemployment Insurance benefits. The fact that 57 percent of those who were employed at that time were involved in non-union activity - traditionally not as high paying as union activity - indicates that when they did requalify for benefits they would have been paid at a lower rate.

The employment experience following lay-off was more varied for some of those affected than others. Figure 4.6 indicates the number of jobs which the respondents held from the time of the lay-offs until the present.

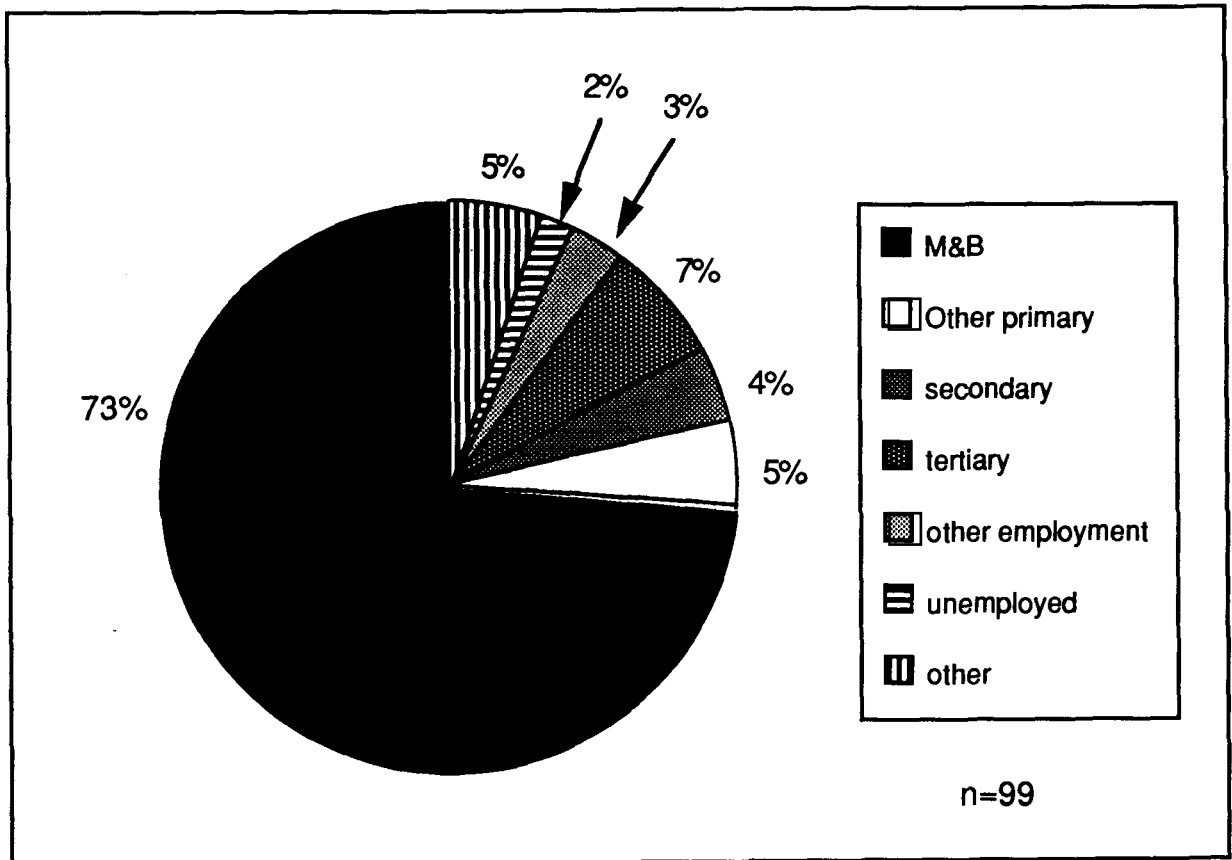
Figure 4.6 Number of Jobs Held by Respondent from Time of Lay-off until 1990



Source: Survey Data

At the time the questionnaire was circulated in the fall of 1990, the majority of the respondents (73%) were back at MacMillan Bloedel. Figure 4.7 shows the employment status of the respondents at the time the questionnaire was circulated in the fall of 1990.

Figure 4.7 Employment Status of Respondents in Fall of 1990



Source: Survey Data

Although seventy-three percent of the respondents had regained full-time employment at MacMillan Bloedel at the time of the interviews in 1990, the progress of their job searches in the interim took many different paths. Three individual job search profiles will be presented to illustrate this point. Employee 'A' was one of the nine percent of respondents who held more than six jobs between the time he was laid-off and the time he returned to full-time employment with MacMillan Bloedel.

Table 4.3 Employment Profile of Employee 'A'

DATES MY-MY	EMPLOYMENT STATUS	OCCUPATION	NATURE	REMUNERATION
6/82-7/82	Unemployed	UIC		\$200/week
7/82-9/82	Employed	Labourer	temporary	\$300/week
9/82-3/83	Employed	Logger	full-time	\$500/week
4/83-7/83	Unemployed	UIC		\$200/week
8/83-10/83	Employed	Firefighter	temporary	\$250/week
11/83-4/84	Unemployed	UIC		\$200/week
5/84-11/84	Employed	Fire fighter/tree planter/tree spacer	seasonal	\$250-\$500/week
11/84-1/85	Unemployed	UIC		\$200/week
2/85-11/85	Employed	fire fighter/ tree planter/ tree spacer	seasonal	\$250-\$500/week
12/85-3/86	Unemployed	UIC		\$200/week
4/86-10/86	Employed/M&B	forestry/mill worker	Seasonal part- time	\$250-\$500/week
11/86-2/87	Employed	Labourer	temporary	\$350/week
3/87-present	Employed/M&B	Mill worker	full-time	\$700/week

Source: Survey Data

This profile illustrates some of the issues which have been considered in this chapter. In the five year period between the lay-off and the time at which this employee was rehired by MacMillan Bloedel, he was only able to acquire seven months of full-time employment. The wages that he was paid in the interim were significantly lower than those which he eventually was paid at MacMillan Bloedel. The way in which Unemployment Insurance was able to bridge the gap between periods of seasonal and part-time employment is illustrated in this job profile.

A completely different experience was had by eight percent of the laid-off employees - those who held no jobs between the time of lay-off and the time that they were rehired by MacMillan Bloedel. Employee 'B's profile illustrates the experience of one such worker.

Table 4.4 Employment Profile of Employee 'B'

DATES M/Y-M/Y	EMPLOYMENT STATUS	OCCUPATION	NATURE	REMUNERATION
5/82-5/83	Unemployed	UIC/GAIN		\$920/month
5/83-1/84	Unemployed	Welfare		\$965/month
1/84-6/88	Employed/M&B	Millworker	full-time	\$2,500/month
7/88-present	Employed/M&B	Supervisor	full-time	\$3,600/month

Source: Survey Data

This employee was unemployed for just nineteen months before being rehired by MacMillan Bloedel. He did not take part in the short-term projects which some of his fellow workers did which would have requalified him for UIC benefits. However, if his lay-off had been longer he might have altered his job search strategy to encompass a wider variety of options.

Employee 'C' shared the experience of twenty-six percent of the respondents who reported having 3-4 jobs from the time of lay-off until the time of the interviews in 1990.

Table 4.5 Employment Profile of Employee 'C'

DATES M/Y-M/Y	EMPLOYMENT STATUS	OCCUPATION	NATURE	REMUNERATION
9/81-1/82	Employed	welder/Alberta	full-time	\$450/week
1/82-4/82	Employed	welder/Alberta	full-time	\$450/week
5/82-8/83	Unemployed	UIC		
8/83-12/83	Employed	welder	full-time	\$1100/month
1/84-5/85	Unemployed	UIC		
6/85-present	Employed/M&B	Millworker/	full-time	\$1700/month

Source: Survey Data

This employee chose to leave Port Alberni in search of work. He was away from Port Alberni for less than a year and his family did not accompany him. He chose to return to Port Alberni without having a job because of strong family ties here. It was approximately three years before he was rehired at the mill and for almost a year and a half of this time he was unemployed. However, he was able to secure sufficient employment in the interim to qualify for UIC benefits.

These three profiles are illustrative of the range of responses and job search strategies which were undertaken by some of the employees who were laid-off.

THE ROLE OF THE INFORMAL ECONOMY

During times of restructuring, it is often suggested that there is a move away from the traditional formal economy to self-provisioning and the development of an informal economy (Gershuny, 1985; Mackenzie, 1987b; Redclift and Mingione, 1985; Didier and Duriez, 1985). These concepts relate to

a lessening of reliance on traditional market services and an increase in the use of barter, as well as a widening of the range of goods and services provided within the home by the individual household members.

In their study on the Isle of Sheppey, Pahl and Wallace (1985) anticipated a similar reaction to restructuring within this community, however they were unable to uncover any evidence to support the existence of such changes. Similarly, in Port Alberni there is little evidence in support of this trend in the reactions of individuals and households. Respondents indicated that they were primarily dependent on government programs such as Unemployment Insurance, Social Security and short term government projects which provided only sufficient employment to reinstate the UI benefits. Not a single respondent indicated that he or she had undertaken activity in the informal economy or had undertaken any self-provisioning activities other than increasing the size of their garden. Similar to the results of Pahl and Wallace's study, there was little evidence of work done for others and of any independence from market services being achieved. Cox and Mair (1989) suggest that reliance on market services and services of the state indicate a high level of modern local dependence. The impact of this type of dependence on the actions of individuals within the community will be explored in the following chapter as will the issue of entrepreneurial activity and attempts to generate and encourage such activity.

CHANGING GENDER ROLES AND GENDER RELATIONS

Within many families, the activity of spouses in the work force appears to rise and fall according to employment prospects at MacMillan Bloedel. In many

families, women entered or re-entered the paid workforce and men took over child care responsibilities. As women re-entered the paid workforce, childcare responsibilities reverted to the father in many households. In several cases this initiated a change in the gender roles of the couple and in the gender relations within the household. One woman stated that her husband had brought up their children and the close relationship maintained between the father and the children is one of the best things about the lay-offs. Reports of any longstanding change in the nature of gender relations within the family were very few, but those which were reported in interviews suggested that they were based on the change in gender roles initiated by the strengthening of women's position in the paid workforce.

Other families in which a change in gender roles was imposed by the lay-offs were ashamed of the fact that the father had to assume childcare responsibilities and, as soon as he was rehired, gender roles reverted back to their pre-unemployment state. This was a much more common reaction to temporary changes in gender roles.

One spouse explains her attitude this way "My husband's job loss caused him to take over the babysitting while I worked full time. Babysitting made him feel useless and he had to get out and look for work." Her husband did find work in Calgary and left her with full-time child care responsibilities and a full-time job which she indicated that she found very difficult. Another woman shares this concern about changing gender roles. "Instead of me being home with the kids, my husband became Mr. Mom. I never gave my husband a hard time about not working and would get angry with people if I thought they thought he was lazy". This suggests that the change in the traditional division of labour was temporary and did not represent a change in gender relations but only a

temporary change in gender roles. In only two cases was there mention of any significant change in gender roles which in turn lead to long term changes in gender relations within the household.

It is difficult to determine the changes in participation in domestic work which the job loss initiated because, in the majority of cases, the laid-off worker reported that his or her participation in domestic work had increased significantly since his employment loss, and his or her spouse reported that, in fact, this was not the case and no significant changes had occurred.

The impact on households was varied, therefore. It affected spouses and children and the relations between them. In some cases, long term gender relations were changed as a result of women's role being strengthened as her importance to the family's financial security increased. This change follows Mackenzie's (1986) suggestion, that during times of restructuring the division between the roles of production and reproduction become less clearly defined and hence gender relations become more volatile and subject to change. However, there was no clear evidence of significant change in the nature of these relations in the comments given by the respondents. The nature of the change and its permanence varied with the individuals and households involved. For a few it involved changing gender relations which were long term and significant but for the majority it involved only a change in the division of labour which reverted back to its former state when the employee was rehired.

SUMMARY COMMENTS

One of the most interesting results of this research into the impact of the lay-offs on individuals and households was the discrepancy between the anecdotal reports of former and present MacMillan Bloedel employees, other Port Alberni residents, community officials and business people and the specific information provided by the respondents to the questionnaire. Evaluation of these differing accounts leads to the conclusion that the experience of those who left Port Alberni and those who stayed was markedly different.

Bank officials speak of record foreclosures, yet most of those who stayed in Port Alberni did not change their principal residence or significantly downgrade their living accommodation. Friends of former employees speak of marriage breakdown as having been very prevalent at the time, yet only six divorces were recorded among the respondents. Lay-offs were done according to seniority yet the majority of those who remained in Port Alberni had more than five years seniority. These discrepancies suggest that the older, more established employee who was not in immediate danger of losing his home and whose marriage did not fail as a result of job loss would be less likely to leave his or her community in search of employment. These characteristics, coupled with the strong family ties which many of the respondents reported having in Port Alberni, offers a partial profile of the type of employees who were most likely to be able to withstand extended periods of lay-off and most likely to do so within their own community.

In spite of various individual responses to employment loss, most of these employees returned to full time employment at MacMillan Bloedel. Upgrading of educational qualifications did not seem to be effective in

improving employment opportunities and in only one case did government attempts to stimulate creation of new business provide start-up funding for the respondents. This suggests that there is difficulty involved in identifying and encouraging potential entrepreneurs within communities such as these and highlights the inexperience that these communities have with this type of activity. This is in keeping with the suggestions of Coffey and Polèse (1985) and Sjöholt (1987) who warn against the potential difficulties involved in encouraging entrepreneurialism in communities in which there is little or no history of such activity. This problem will be explored in greater detail in the following chapter.

The impact of the lay-offs considered most significant by all respondents was the emotional impact. In comments offered on the questionnaire and in interviews, it is this aspect of the lay-offs which individuals stress as being the most important. Their concern for their physical well-being was secondary to their concern for their mental and emotional well-being in almost all cases. Their emotional well-being was furthered hindered by the element of uncertainty surrounding future employment opportunities with MacMillan Bloedel. It is a clear indication of the devastating impact of job loss on the lives of the individuals and families concerned that after ten years, many people had difficulty discussing this issue without responding emotionally.

There was some indication of changing gender roles resulting from job loss. As the laid-off worker (almost always the husband) was spending more time at home, there was some evidence that he undertook a greater degree of childcare responsibilities and household chores in some households. The reaction to this was varied. Some saw it as a valuable experience allowing them to become closer to their children and thus increased responsibility for

child care responsibilities continued after they were rehired. This change in gender roles was reflected in a long-term restructuring of gender relations which continued after the employment crisis was over - a change similar to that suggested by Mackenzie (1987a) and Bowlby (1986). More common, however, was the reaction of other households in which both spouses expressed embarrassment about the nature of gender roles changes. These changes did not result in long term restructuring of gender relations and, in fact, the members of the household reverted back to what they considered to be the more appropriate gender roles when the husband regained employment. This suggests that the "reshaping of the family division of labour which matches the boom and bust as well as the cyclical side of economic and social life" suggested by Bradbury (1989, p.173) was one of the responses adopted by the families in Port Alberni.

Contrary to the strategies identified by Redclift and Mingione (1985) adopted elsewhere in reaction to restructuring, there was no evidence of the development of self-provisioning strategies or the emergence of an "informal" economy in reaction to employment loss. In keeping with the findings of Pahl and Wallace (1985), there was increased reliance on the state to provide financial assistance and employment opportunities to replace lost income and jobs resulting from the lay-offs - a move which Cox and Mair (1989) might identify as evidence of a move from traditional local dependence to modern local dependence.

A second interpretation is possible, however. It could be suggested that because of the nature of these communities, it was less likely that such an economy would emerge or that one that was already in existence would be strengthened. As Lucas (1971, p.20) points out these twentieth century

communities are products of an age of industry and technology whose existence is based upon "an advanced technology, a complex division of labour and a sophisticated system of exchange". Unlike their counterparts in the Europe and Great Britain, the history of these communities does not involve a period of self-provisioning and communal exchange. Communities in which there is this sort of tradition in the historical development of their economic lives might be more likely to revert back to this type of exchange in times of hardship than communities with no such experience in their backgrounds would be to develop such an "extra-economic" system.

The impact of the lay-offs was not restricted to the individuals directly involved and their households. The whole city of Port Alberni was affected by this significant loss of employment. The impact on the city and the attempts made to ameliorate this impact and forestall its repetition will be considered in the following chapter.

CHAPTER FIVE

COMMUNITY COPING STRATEGIES

INTRODUCTION

Many of the elements of the restructuring perspective attempt to mediate the conflict between the abstract and the concrete and to incorporate the idea that space matters. This chapter looks at the responses to restructuring which were undertaken in Port Alberni by the community and the limitations which the specificities of the locality imposed on their success.

It has been suggested that one of the responses to restructuring which occurs in affected communities is the development of place-based coalitions and the emergence of public or quasi-public development agencies which are often removed from direct public accountability (Leitner, 1990; Herod, 1991). It was also suggested that, during these times, the municipality tends to move from a managerial role to an entrepreneurial role and undertakes a greater degree of risk in development - risk which had formerly been assumed by the private sector (Harvey, 1989). Cox and Mair (1989) state that the success of these coalitions and municipal initiatives requires a move from traditional to modern local dependence. They also state that a shift to modern local dependence increases inter-locality conflict and creates local hegemonies. This shift in the nature of dependence, which breaks down class alliances in favour of place-based coalitions, would enhance the ability to adopt some of the more untraditional, proactive responses suggested by Ettliger (1990) which require corporate-union co-operation. The inclusion of labour and corporate

representation and co-operation within these coalitions would also create opportunities for discussing the full range of options open to a community facing the impact of corporate restructuring on their economic health - issues such as those suggested by Massey and Meegan(1985) and Leana and Feldman (1992) which include, among others, requiring the corporation to pay the social cost of downsizing

These theories must be considered within the context of single industry communities however. As discussed in Chapter Two, the distinctive characteristics of these communities influence the types of responses which are undertaken and the outcome of such initiatives. Dependence is recognized as being the primary characteristic of these towns (Bradbury,1979; Bowles, 1982). Reliance on a large corporation for continued employment oftentimes stifles entrepreneurialism, and this historical absence of entrepreneurial activity affects the success of bottom-up strategies which, it has been suggested, have been effective in stimulating development in communities suffering the effects of restructuring (Sjoholt,1987; Coffey & Polèse,1985).

A distinction can be made between the models of development proposed by Sjoholt (1987), and Coffey and Polèse (1985), and the models proposed by Cox and Mair (1989), and Harvey (1989). Sjoholt's 'unruly' model, and Coffey and Polèse's 'entrepreneurial' model, suggest that development can flow from the bottom up - that human agency plays a pivotal role in successful development strategies. Cox and Mair, and Harvey, however, state that structural change is a necessary precondition for such success. Within both these models, when one imposes the limitations to development inherent in the nature of single-industry towns, the result can be what Beauregard (1989) refers to as 'fragmented and reactionary responses' to restructuring which do little to

change the historical patterns of dependency and capital hegemony within the locality.

The impact of the restructuring which occurred in the early 1980s is difficult to measure comprehensively because of its complexity. The responses to it were varied, numerous and sometimes subtle. It is not the purpose of this chapter, therefore, to give a precise outline of every strategy undertaken within the community to deal with the difficult times which the lay-offs created. This chapter will be restricted to an examination of some of the organizations which emerged in reaction to restructuring and recession and some of the strategies which they undertook to ameliorate this impact. One of the projects that was undertaken by a coalition of local development organizations will then be examined in detail, specifically, the Alberni Enterprise Project. Before undertaking this review of organizations and projects, a brief overview of some of the specific impacts which these lay-offs had on the City of Alberni will be offered.

IMPACT OF RESTRUCTURING ON CITY OF PORT ALBERNI

The impact of the lay-offs which occurred during the early 1980s reverberated throughout the community of Port Alberni. The loss of 1700 jobs at MacMillan Bloedel dealt a devastating blow to the economic health of the city - a blow from which the city has never recovered. For example, in the summer of 1990, the growth rate of the City of Port Alberni was -8.3 percent in spite of years of attempts to stimulate the economy through a myriad of organizations and governmental programs. (EDC, Regional District of Alberni-Clayoquot, July 27, 1990). The total population of the city decreased from 19,892 in 1981 to 18,241 in 1986 (Statistics Canada, 1986).

For every year in the 1970s except 1972, Port Alberni was rated among the top ten cities in Canada in per capita income. By 1980, Port Alberni was rated sixth in Canada in per capita income. Because of the prosperity which the city had experienced during the preceding decade, the lay-offs which started in 1980 and continued for the next three years were particularly shocking to the region and had a significant impact on both the personal income of the residents and the economic health of the city (see Table 5.1). These figures also suggest that the recession had a much more significant effect on the City of Alberni than on other cities of its size in Canada.

Table 5.1: Port Alberni Ranking in Per Capita Income of One Hundred Largest Cities in Canada

<u>Date</u>	<u>Rank</u>	<u>Date</u>	<u>Rank</u>
1970	7th	1979	8th
1971	8th	1980	6th
1972	16th	1981	40th
1973	10th	1982	47th
1974	3rd	1983	36th
1975	8th	1984	33rd
1976	5th	1985	39th
1977	4th	1986	72nd
1978	4th	1987	89th

Source: Figures compiled from taxation statistics provided by Revenue Canada.

Each of the jobs lost in the early 1980s stimulated a multiplier effect within the city not only in terms of loss of employment but also in terms of loss of revenue for the city and a decrease in confidence of potential investors. Consequently, the loss of each of these jobs produced a negative reaction which created significant economic hardship for Port Alberni as a whole as well

as for the individuals and households directly affected. Although estimates vary of the multiplier effect in terms of employment that each job at MacMillan Bloedel generates, it has been suggested that an appropriate figure would be between 2 and 2.5. That is, for every one job generated within the forest industry, 1.0 to 1.5 indirect plus induced jobs are generated within the region (H.A. Simons Ltd. 1990). The loss of 2,000 jobs, therefore represents a significant loss in related employment and potential employment for the residents of the city. It is estimated by the Economic Development Commission of Port Alberni that 800 jobs in the service retail sector were lost as a direct result of the employment lay-offs at MacMillan Bloedel (EDC,RDA-C, 1990).

The impact was also felt in the housing market. As mentioned in the previous chapter many of the mortgages granted in 1981 were recalled. Those homeowners who were able to maintain their homes were also negatively affected by the impact of restructuring on the housing market. For example, one of the people interviewed purchased a home in 1975 for \$34,000. He spent \$7,000 in renovations for the home and sold it in the spring of 1989 for \$21,000 - a loss of \$13,000 over a 14 year period, not including inflation or operating costs. This drop in the housing market makes it easier to understand why people were willing to walk away from their homes when they were unable to meet their mortgage payments. Equity which they had accumulated over the years might have been completely wiped out by the drop in the price of their homes.

As discussed in the previous chapter these changes had a significant direct impact on the lives of households and individuals who were victims of the lay-offs. However, the impact was not limited to individuals and households. The loss of jobs both direct and indirect related to the lay-offs at MacMillan

Bloedel, and the resultant drop in the housing market, are only two examples of the far-reaching effect this restructuring had on the city of Port Alberni. The social and economic change which was generated was widespread and profound and demanded some response on the part of elected officials, community leaders and local businesses. A myriad of organizations were set up to deal with the impact of the changed employment situation at MacMillan Bloedel, to stimulate diversity within the community and to encourage entrepreneurialism among the local residents. Attempts were made by community and government-funded organizations to stimulate local entrepreneurialism and political change which would ameliorate the immediate problems created by the lay-offs and which would lessen the dependence of the community on employment at MacMillan Bloedel. Some of these responses will be examined in this chapter. An evaluation of their effectiveness will be undertaken with a view to determining the relative success of these various strategies.

COMMUNITY ORGANIZATIONS RESPONDING TO LAY-OFFS

The severity of the impact of recession and restructuring in Port Alberni initiated reaction by governments at all levels as well as within individual community groups. Beginning shortly before the recession and continuing to the present day, community, government and business organizations have endeavoured to assist laid-off workers and to diversify the employment base of Port Alberni thereby lessening the dependence on MacMillan Bloedel. The result of these reactions has been the establishment of many organizations with similar mandates and overlapping responsibilities. A partial list of some of the

organizations which assisted laid-off workers and/or attempted to stimulate economic growth is provided in Table 5.2

Table 5.2 Local Organizations in Port Alberni Assisting Laid-Off Workers and/or Stimulating Economic Growth

Organization	Mandate and Funding
Churches	Broad range of initiatives ranging from political activism to provision of food baskets
Organization of Unemployed Workers, 1982	Assist laid-off workers and initiate political change to increase voice of labour in political process. Funded by IWA and fund-raising ventures
Alberni Valley Cottage Industry Society, 1986	Voluntary society to help those on social assistance and unemployment insurance get temporary job experience.
Port Alberni Development Society, 1981	Provide short-term employment for laid-off workers. Federal and provincial government grants
Community Adjustment Committee, 1983	Funded by federal government under Industry and Labour Adjustment Program (ILAP), Mandate was to help laid-off workers get jobs and to create new jobs
Economic Development Commission, 1978	Promote and coordinate economic development. Initially funded jointly by federal and provincial governments. Now largely municipally funded (80%).
West Coast Research and Information Co-operative	Workers collective involved in community economic development
Alberni-Clayoquot Development Society, 1984	Federally funded organization to promote economic development
Port Alberni Harbour Commission	Federal Government commission to manage harbour facilities. Has been very active in community economic development projects in Port Alberni

Churches

The reaction of the local churches to the lay-offs depended on the minister or priest who was at the church at the time. Their responses covered a broad range. For example, at the time of the initial lay-offs, the Roman Catholic Church was very vocal. The priest who was there at the time of the lay-offs used to have workshops on poverty in the basement of the church and bring in political speakers. After he left, the new priest did not continue these activities and the church was no longer vocal in its opposition to the lay-offs. (Barber, Personal Communication, 1990).

The reaction by other churches was to help the laid-off workers within the community through the provision of food baskets and other aid. Another response taken by one of the churches was to provide MacMillan Bloedel a platform to explain its strategy. This church brought in a forester from MacMillan Bloedel to talk to the members about the future of MacMillan Bloedel operations in the Alberni Valley. When discussing the situation in logging, he suggested that MacMillan Bloedel would now be able to operate more efficiently because it had rid itself of all the "dead wood". Some of the members of this church had been laid-off and resented the implication that they were part of the "dead wood" which was creating inefficiency in the logging operations. Through its actions, this church was acting as an intermediary between the company and the workers and was giving a voice to MacMillan Bloedel to justify its strategy and to malign laid-off workers. The reactions of the churches therefore depended largely on the attitude of the minister or priest of each particular church.

The other organizations listed in Table 5.2 represent a more formal response to the lay-offs. These organizations operated within a complex web of federal/provincial and local funding. Many of them also administered and sponsored programs which are funded by one or more of these levels of government. Each organization will now be discussed in turn and some of the programs which they sponsored will be examined. This discussion will be limited to the activities of these organizations in the years immediately following the lay-offs. Many of the organizations continue to operate today in one form or another and continue to organize programs to stimulate employment opportunities, however, the focus of this study is to examine responses taken within five or six years of the lay-offs and which were in direct response to them.

The Organization of Unemployed Workers

Shortly after the lay-offs began, the Organization of Unemployed Workers (OUW) was formed. It started in the basement of the International Woodworkers Association (IWA) hall in 1982. It was started by a politically active group of workers who had been laid-off from MacMillan Bloedel, as well as other workers who were interested in working together to help those in financial need. The former group had been active in the mills before the lay-offs occurred. They organized for the Communist Party of Canada and the Maoist Party of Canada within the mills and within the OUW, and were considered by many workers to be "the communists". Their goal was to establish an organization which would initiate political change which would increase the power of the workers within the political system. It was considered by many to be an organizing tool for the Communist Party (Barber, 1990). Some of the activities which members

undertook is indicative of the nature of their political focus. For example, members travelled to the Philippines and Nicaragua to observe the political changes which were occurring in these countries at the time. They were particularly interested in the struggles of the movements considered to be on the left of the political spectrum. Local activities included study groups, monthly speakers and films relating to topics such as Nelson and Winnie Mandela and the struggle in South Africa.

Within the OUW was another group whose goals were more short term and locally-based. They established food kitchens, clothing exchanges, advocacy groups and committees to intervene in individual cases of perceived injustice in dealing with government programs such as Unemployment Insurance and Social Assistance. Although their primary focus was on laid-off workers they were willing to help any member of the community and intervene on their behalf if necessary. For example, the chief advocate of the OUW intervened in a case which involved a handicapped person who was not given a Christmas bonus while on social assistance. It was suggested that this was discriminatory because able-bodied people were given Christmas bonuses. The rationale for denying the bonus to the handicapped person was that he was given more assistance on a regular basis than an able-bodied person so he did not need a bonus. The judgment was that this was discriminatory and the OUW advocate was successful in acquiring the bonus for the handicapped person. This type of advocacy case was typical of the intermediary role the OUW played between the individual and the government.

There was a constant struggle within the organization between those who felt it should be a political entity and those who felt their role was to help the laid-off workers to meet their immediate needs and respond to their specific

problems. Eventually those whose goal was political change became frustrated with the unwillingness of those using the OUW services to become involved in struggling for political change and most of the original organizers left town. The co-ordinator of the OUW at that time expressed their frustration as follows:

When these people came to the realization that the effort was over, they left. "I'm going to make my life better. I'm not going to sit around here." When they saw the people in the organization coming in - we found out they didn't care about political issues. They just cared about the food hamper, the soup kitchen, the clothing exchange. When it became clear to those people that these people weren't going to become political - that they weren't going to organize them, they weren't going to get off their butt and get out there and picket, they said "to hell with this, I'm getting out of here". (Barber, 1990)

It is the opinion of the former Co-ordinator of the OUW, who has maintained contact with many of these organizers, that the majority of those who left town undertook retraining and were able to find stable employment in the forest industry elsewhere. Although a few continue to be active in the Communist Party, most of them do not.

With the departure of this core group of workers who advocated political action, the activities of the OUW reverted to the provisioning of basic services for members of the community. It became a drop-in centre for people in need - not only laid-off workers but anyone in the city who wanted to take advantage of the soup kitchen and the clothing exchange. This led to the eventual demise of the OUW in the mid 1980s. The absence of these committed political and community activists who had advocated the strengthening of traditional class alliances, and the death of the OUW which had encouraged an interdependence within the community, could be interpreted as indicative of a transition from traditional local dependence to modern local dependence.

When the core group of workers who were responsible for the organization of the OUW left the city, an equivalent group of committed organizers did not emerge within the mills to replace this original group. With the current round of lay-offs which have occurred in the early 1990s, a reaction similar to that of ten years ago is unlikely to occur. As Barber (Personal Communication, 1990) states, "You won't see what happened in '82 happen now. That core isn't there." . In fact, Barber's prediction has been proven correct in that there is no evidence of such a group forming in response to the lay-offs of the early 1990s (Gunn, Personal Communication, 1993). The absence of such an employee-based organization increases the reliance of laid-off employees on government programs and community-sponsored organizations for financial assistance and, without such an organization as the OUW to act as an intermediary, lessens the ability of workers to address grievances with the system.

Alberni Valley Cottage Industry Society (AVCIS)

This voluntary society was started in 1987 by Cecile McKinley and friends who felt they needed to do something for young people. The name "cottage industries" implies a recognition that new businesses often start at home and require learning. However, the Society is really trying to get people on Social Assistance and Unemployment Insurance back into the workforce.

The AVCIS has a committee of mostly retired people who develop ideas for temporary job programs for people on Social Assistance and UI and co-ordinate funding from wherever they can find it. Originally they acquired funds from the Provincial government. This lasted only two years. They now receive no funding from the provincial government. The majority of their funding now

comes from Social Assistance and Unemployment Insurance under their Employment Plus program. They also run a bingo game to pay for their administrative expenses. They have also received support from MacMillan Bloedel and the unions.

The short-term jobs which this society has provided covers a wide range of activities. Their first job was the renovation of the old firehall. MacMillan Bloedel provided the plywood for this project. Another example of the types of jobs provided by this society is trail clearing. They cleared forty trails in the Alberni region, providing signs and mapping. They also assisted at the British Columbia Summer Games by picking up 2500 bags of garbage.

Port Alberni Development Society

The Port Alberni Development Society was created by several directors of the Chamber of Commerce. A program to provide short term employment for laid-off workers was begun by the Chamber of Commerce immediately following the lay-offs in the early 1980s but, because the existing staff was insufficient to undertake such a venture, the Port Alberni Development Society was formed to administer the program. This purpose of this group was to acquire government grants for short-term work projects which would provide people whose unemployment insurance benefits had run out with just enough work to requalify them for benefits.

This organization co-ordinated the acquisition of grants and, rather than administering each one individually, attempted to make the most efficient use of available funds to employ as many people as possible according to the individual needs of the worker. For example, although conditions of the grants required that equipment was to be rented for each individual project, it was

more efficient to buy equipment which would then be used for each project and in the long run money would be saved. This was the strategy that the Development Society undertook which enabled them to play a co-ordinating role for various local organizations which had acquired short term grants.

Most of the people hired were employed for very short periods of time. Jobs such as trail clearing and thinning trees were provided through this organization. Jobs were assigned according to how many weeks of work each worker needed to requalify for UIC. For example, if a twelve week job became available and a worker only needed four weeks, he or she would not be given this job. Decisions as to who would get the available jobs were often based on need. For example, according to one of the administrators of the program there were cases where people would say "Well, listen, you know I'm single and I've got a friend who is married and got two kids and really has a problem. Do you mind if you hire him instead?" (Janssen, 1990)

At this early stage in the recession, people were still very much concerned about their neighbours and friends. The small scale at which the Development Society operated and the local control which was exercised therein enabled the administrators of the program to direct short-term assistance to those most in need. However, it was not able to provide any long term solution to the problem of employment insecurity and financial instability. The Port Alberni Development Society was disbanded in 1984 with the election of the Social Credit government which ended funding for the type of short-term projects which the society had administered.

Community Adjustment Committee

The Community Adjustment Committee was formed to administer the Industry and Labour Adjustment Program which was the major federal government response to the lay-offs in Port Alberni. It was started in 1983 and, at that time, Port Alberni was the only city in western Canada to acquire funds through this program. The ILAP program was directed to communities which had a very narrow economic base in order to encourage diversification in the manufacturing sector, or to initiate new manufacturing activity in the region. The mandate of this organization was to help workers get jobs and to create new jobs. Up to \$14 million was available if appropriate investment projects could be identified. Approximately \$5 million was used.

Training was one aspect of the ILAP program. For example people were trained in the use of power saws and in intensive forestry. Assistance was also given with job search strategies such as resume preparation and interview techniques. These training projects did not have the support of the unions who felt that the wages paid to the employees while training were too low. The unions did not encourage their members to take part in these training projects. The local newspaper was also critical of the low wages paid through this program (Stanhope, Personal Communication, 1990).

ILAP money was available to individuals to start new businesses provided that they had some capital of their own to invest. This was an important restriction because many of the people affected by the lay-offs did not have capital to invest in new businesses. There were two major investments of this type made by ILAP. One was to provide a \$230,000 granted to a German entrepreneur who proposed to start a pewter factory in Port Alberni (Hutcheson,

Personal Communication, 1990). He began production, but after falsifying his books was convicted of fraud and sent to jail. The "pewter factory story" has become a local legend which was recounted many times during the course of this research.

The only other beneficiary of ILAP funds was MacMillan Bloedel. They were granted between \$2.5 and \$3 million to renovate the SOMASS division in order to facilitate the manufacture of bevelled cedar siding (Hutcheson, Personal Communication, 1990). MacMillan Bloedel was considering closing part of its SOMASS division because it did not have the necessary capital to re-equip and change their product direction. The Economic Development Commissioner at that time relates the situation as follows:

They were a very large corporation and were very reluctant to tap into government programs (particularly in the west) but their backs were against the wall and there was going to be another massive layoff on top of what had already happened and so in the latter days of ILAP the decision was made to make an application to get some dollars to redo the SOMASS division. Well, that pulled the fat out of the fire and got them on a new product line and saved the day (Hutcheson, 1990).

Of the two projects which the federal government funded from their major policy initiative to diversify manufacturing in the region, one resulted in a fraud conviction and the other directed over half the total amount of funds used in the program to MacMillan Bloedel, the corporation upon which the community was trying to lessen dependence for employment.

Economic Development Commission

The Economic Development Commission was established as a result of the Industrial Development Agreement between the provinces and the federal government in 1978. Its mandate is to stimulate economic development in the

region. During the first year of operation, ninety percent of the budget was shared 50-50 by the federal and provincial governments, with the community paying the other ten percent. The second year the federal and provincial governments paid seventy-five percent with the community paying twenty-five percent. The third year, half the cost was funded by the provincial and federal governments and the other half by the community. Eighty percent of the program is now municipally funded.

The Commission employs a full-time Economic Development Commissioner who, in the early years of the program, undertook both to encourage businesses to locate in Port Alberni and to create new employment opportunities in the city. Although it was established in 1978, the crisis of the early 1980s highlighted the importance of its mandate and increased the urgency of its goals. Some of the initiatives undertaken by the commission received supplementary funding by various levels of government. For example, the province cost-shared a project called Sports Tourism which was to promote the holding of major sporting events in Port Alberni. The EDC also assisted in the administration of the federally-funded ILAP program. It is also involved in a partnership with other municipalities under COED (Community Opportunities for Economic Development). COED is an organization which encourages development within the member municipalities on Vancouver Island. One of the projects promoted through the COED program is to encourage organizations to hold their meetings and conventions in the member municipalities.

The focus of the EDC in the years since its inception has been on attracting business to the community rather than in stimulating the evolution of indigenous business. However, it was a participant in the Alberni Enterprise Project which will be discussed later.

West Coast Research and Information Co-operative (WCRIC)

The West Coast Research and Information Co-operative was a workers co-operative involved in consulting and research work oriented toward community economic development. Their approach was to encourage proactive programs in distressed regions. They promoted community-based and local, values-oriented development which aimed to integrate entrepreneurial interest to community interest (Lewis, Personal Communication, 1993). Although based in Port Alberni, the WCRIC was involved in projects across Canada as well as internationally. They played an important role in the Alberni Enterprise Project as contractors for the Entrepreneur Training Program to be discussed later.

Alberni Clayoquot Development Society (A-CDS)

The ACDS was formed in 1984 to promote economic development. This was a federally funded organization which obtained its financing through LEAD (Local Employment Assistance Development) under the Liberal government of the time, and later was funded by the Community Futures program initiated by the Conservative government. Unlike the Economic Development Commission (EDC), it was not a regionally based organization but was the creation of federal government programs. Also unlike the EDC its focus was not in attracting new business to the community but rather stimulating the community to generate its own new employment opportunities (Olsen, Personal Communication, 1993). The ACDS was formed in direct response to the job loss which occurred in Port Alberni in the early 1980s. Their first major undertaking was the Alberni Enterprise Project which will be discussed later.

Port Alberni Harbour Commission

The Port Alberni Harbour Commission is a federal agency charged with the responsibility of administering the harbour facilities. It has been very active in community economic development projects. It is one of the major land-owners in the city and controls much of the waterfront. Because it is to the advantage of the Harbour Commission to generate trade and increase the growth of the harbour, it has re-invested its revenue from shipping in ventures aimed at stimulating economic growth. Some of the projects in which it has been involved include the building of marinas and campgrounds, and the subsidizing of fish processing plants. It was also one of the sponsoring organizations of the Alberni Enterprise Project which will now be discussed.

THE ALBERNI ENTERPRISE PROJECT

The Alberni Enterprise Project (AEP), also known as the Port Alberni Innovations Project and FutureWork was created in the spring of 1986 as a result of discussions between the Innovations Secretariat in Vancouver and the West Coast Research and Information Co-operative (WCRIC) of Port Alberni. It was a three year project funded by the National Labour Market Innovations Program. It was "an experiment in community economic development in a single-industry community grappling with economic instability" (Clague and Flavelle, 1989). It had five sponsoring organizations: the Alberni-Clayoquot Development Society, the City of Port Alberni, the Economic Development Commission of Alberni-Clayoquot, West Coast Research and Information Co-operative, and the Port Alberni Harbour Commission. The project was intended to stimulate entrepreneurial activity in the Alberni Valley and facilitate economic development. It was a multi-element approach which consisted of four

initiatives: the Entrepreneur Training Project (ETP); a small business incubator; a seed capital fund (JOBS); and a management and networking component. Representatives of the local community were to oversee this project until such time as a "Local Development Council was in place to manage it (Clague and Flavelle, 1989).

The Entrepreneur Training Project (ETP)

The Entrepreneur Training Project (ETP) took place November-December 1986. It was modelled after a program developed by the Hawaiian Entrepreneur Training and Development Institute (HETADI), which is a residential, community based approach to entrepreneur training. This program had been successfully used in New Zealand to encourage entrepreneurialism among the Maori population - a much larger population than that upon which the administrators of this program had to draw. The cost of the ETP was \$156,000. Twenty-one people graduated from this program. At the time of the final evaluation of the program (three years after its inception) it was determined that twelve of the twenty-one graduates were running full-time, seasonal or part-time businesses. Of these twelve, ten were interviewed for the final report (Clague and Flavelle, 1989). The details of these businesses are taken from that report.

Table 5.3 Number of ETP Graduates Taking a Wage from Business

	Have other financial support		Total
	Yes	No	
Take a living wage some of the time; otherwise, profits re-invested in business	4	1	5
Take a living wage almost all the time	0	4	4
Never take a wage; all profits reinvested in business or used to pay debt	1	0	1
Total	5	5	10

Source: Clague and Flavelle, 1989.

As Table 5.3 indicates only four of these graduates takes a living wage almost all the time from their businesses. These graduates indicated that a living wage was between \$800 and \$1,000 per month. The other graduates have other means of financial support and are unable to support themselves from their businesses. The ETP did not therefore create a single employment opportunity for its graduates which provided an income similar to that which former employees of MacMillan Bloedel were enjoying prior to their lay-offs.

Table 5.4 Number, Type and Wage Rates of Employees who have Worked in ETP Graduates' Businesses in Past Year

	Wage Rates (\$s)							Total
	4.25	6.0 0	6.50	7.0 0	9.0 0	13.0 0	15.0 0	
Full-time year round				1		1		2
Full-time seasonal		3	4		2		3	12
Part-time year round			1					1
Part-time seasonal	4	2			1		1	8
Pieceworkers (wage rate n/a)								5
Total								28

Source: Clague and Flavelle, 1989

As Table 5.4 indicates, only two full-time year round jobs have been created for employees who have worked in graduates' businesses in the last year of the program. Of the twenty seasonal jobs created 60 percent pay less than \$7.00 per hour. Therefore, not only were the graduates of the ETP unable to earn other than a low income from their businesses for themselves, their activities were unable to generate significant employment opportunities for others in the city.

It is important to note, however, that the evaluation of this program was completed only three years after the ETP was completed. A later study might indicate greater success for the students. For example, Sarita Furniture, which was started by one of the former students, has become a successful enterprise

employing 6-7 full time workers and exporting furniture to Europe and Japan* . Nevertheless, the ETP component of the AEP does not seem to have created the entrepreneurial base which it was hoped would develop from this project.

Small Business Incubator

The role of the Incubator was to provide a location for new businesses to develop at very low cost thereby increasing the likelihood of their survival. The City of Port Alberni received a loan from the Provincial government for the Industrial Mall in which the Incubator was housed. The initial rent for the first year was \$1.00 after which it was scaled over five years to reach market levels.

The incubator project was plagued by problems from its inception. It required extensive, costly renovations which were delayed until funding could be approved. One of its three occupants left because of a lack of heat and other amenities which made the facility impractical (Clague and Flavelle, 1989). The city underwrote the expenses for the renovation but would not exempt the A-CDS from taxes on the facility. This led to the eventual closure of the facility as an incubator. The Incubator Component of the AEP used approximately \$70,000 of the available funds. Its original objectives were "to create 17 new jobs, generate \$595,000 in one-time new investment and generate annual revenue of \$550,000" (Clague and Flavelle, 1989). These objectives were not met at the time of its closing in 1989.

* Information which was acquired after the research for this thesis was completed (Lewis, Personal Communication, July, 1993) indicates that several other businesses which were started by graduates of the ETP have become self-supporting in the years since the evaluation, although most have located in towns other than Port Alberni, primarily Tofino.

The rationale for development of the Incubator was questioned from its inception. A feasibility study which was undertaken during the original planning suggested that Port Alberni was not large enough to undertake a project of this size. The study stated that a "service area of 650,000 is required to generate and support fledgling enterprises" but went on to suggest that this was not necessarily so "if entrepreneurs can be locally developed" (Clague and Flavelle, 1989). It could be assumed that the belief that the development of the Entrepreneur Training Program would create enough new entrepreneurs to fill an incubator was the rationale for its creation. However, the absence of entrepreneurs, the extensive renovations required for the facility and the necessity for the AEP to pay municipal taxes on the incubator led to its demise and the failure of this component of the project.

Seed Capital Fund (J.O.B.S.)

The objective of the Seed Capital Fund was to raise \$250,000 from the community to provide start-up capital for locally-based business initiatives. Once again the AEP adopted a strategy which had been successful elsewhere and tried to adapt it to the situation in Port Alberni. Like the HITADI project which had been successful in New Zealand and the incubator project which had been successful in large metropolitan areas with a large pool of entrepreneurs upon which to draw as tenants, a fund-raising campaign styled on one used successfully in Monmouth, Illinois was initiated in Port Alberni. This approach solicited donations to the Join Our Business Search (J.O.B.S.) Fund. Unlike the campaign in Monmouth which raised over \$200,000, at the time of the suspension of the plan in Port Alberni only \$6,140. had been raised.

Four reasons for its failure have been suggested in the final evaluation of the project.

- a) two developments that drew attention and resources away from the project: a long labour dispute in the forest industry, and a provincial election;
- b) lack of support and leadership from established political and economic interests in the community: City Hall, other local economic bodies, the major unions in the area and MacMillan Bloedel;
- c) a public awareness and education program that did not succeed in preparing the community for the campaign;
- d) the planning, organization and administration of the campaign was more ambitious than the community was prepared to support (Clague and Flavelle, 1989)

The evaluation also suggested that even if different strategies had been adopted to raise seed capital the program would have been unsuccessful. It was suggested that "it was a change of attitude that was needed within Port Alberni" (Clague and Flavelle, 1989). Given the failure of the other aspects of the AEP, it could be suggested that failure to contribute to this project simply indicated recognition that the expenditure of the funds was not necessarily going to contribute to economic growth in the city and that a different approach, more suitable to the locality, was what was required. Its failure could indicate a lack of confidence in the many organizations involved in community economic development in the city. This perception could have been reinforced by the activities of the fourth component of the AEP, that is, the proposed development of a "Local Development Council (LDC)

Local Development Council

The purpose of this component of the project was to provide a management role for the three other components and to address the problem of a lack of co-ordination between parties with a role or interest in community economic development. This was to be accomplished through the establishment of a Local Development Council (LDC). Until such time as the LDC could be established, a working group composed of representatives of the various organizations sponsoring the project was formed. This group consisted of representatives of the Alberni-Clayoquot Development Society (A-CDS), the City of Port Alberni, the Economic Development Commission of Alberni-Clayoquot, West Coast Research and Information Co-operative, the Port Alberni Harbour Commission and the J.O.B.S. Campaign Committee.

The LDC never materialized and in the short-term the Alberni Clayoquot Development Society assumed management responsibility. The many organizations involved within the working group, all of which laid claim to some responsibility for co-ordination of overall local economic development interests were unwilling to delegate responsibility to the A-CDS to oversee this project and were unable to establish a co-operative working relationship among themselves which would be capable of managing the project. As a result the fourth component of the AEP, specifically the evolution of a Local Development Council did not come to fruition.

Except for the somewhat modest success of the Entrepreneur Training Project which was responsible for the initiation of twelve small businesses which by the end of the three year project had produced only two full-time jobs, the Alberni Enterprise Project fell far short of its goals. The adoption of

programs which had been successful in areas of larger populations did not prove to be a viable solution to the specific challenges facing Port Alberni. The specificities of this particular locality were not given adequate consideration in the development of these programs.

The Executive Director of A-CDS at the time attributes the failure of this program to several things (Olsen, Personal Communication, 1993). It was his belief that the community did not understand that the lay-offs which occurred in the early 1980s were not just another downswing in the forest industry's fortunes. It is his view that the residents of the city saw this situation as just another phase of the boom and bust cycle to which they had become accustomed. Because of this they were not ready to undertake the sort of commitment to change that the AEP required.

He also suggested that the program was far too ambitious for Port Alberni at the time. One of the reasons for undertaking such an ambitious project at this time, however, was the nature of funding which was available under the Innovations Project. Because this project was federally funded and available to communities throughout Canada, the terms of reference were not necessarily appropriate to the individual circumstances of each locality. The necessity to structure one's development strategy within the framework required by the Innovations Project in order to acquire funding did not encourage the development of the most appropriate strategy for the particular circumstances of Port Alberni (Olsen, Personal Communication, 1993).

One of the interesting features of the various organizations which were involved in economic development in Port Alberni is the narrowness of their representation. There was little input from labour, little representation from

MacMillan Bloedel, and no representation from those whom these policies were designed to help, such as the unemployed or marginally employed in the city. These organizations did not capitalize on the breakdown of traditional local dependence which could have facilitated coalitions among previously opposing groups which could have produced a more powerful consensus for change within the community.

SUMMARY COMMENTS

An overview of the responses to restructuring which occurred in Port Alberni is illustrative of the fact that space matters. The wholesale adoption of strategies which have been effective in ameliorating negative results of restructuring in other localities have proven unsuccessful in this city. The HETADI model of stimulating entrepreneurship which was successful in New Zealand met with no success in Port Alberni. The strategy used to develop a seed capital fund in Monmouth, Illinois was ineffective in Port Alberni. The incubator project, which was intended for very large American cities, failed in Port Alberni. The particular circumstances of this locality inhibited the success of these projects which had worked well elsewhere.

The overview of the development of Port Alberni provided in Chapter Three illustrates that the central characteristic of the city's historical development is one of dependency. Evidence that this trend continued throughout the 1980s is the fact that the majority of the ILAP funds made available to the community to diversify the economy were given to MacMillan Bloedel. The granting of this money to MacMillan Bloedel highlights the very strong dependence the community has on MacMillan Bloedel and the confidence that it continued to place in the corporation in spite of the massive

lay-offs. This misplaced confidence in the ability of the corporation to continue to provide full employment for the city's residents is the legacy of MacMillan Bloedel's historical involvement in the community and an indication of the unswerving faith, at least on the part of the administrators of this program, in their ability to rebound from each crisis to fulfill their traditional responsibility for maintaining full employment and ensuring the continued economic stability of the city.

As illustrated in this chapter, many organizations were formed in response to the lay-offs of the early 1980s. They had overlapping mandates and responsibilities and were funded through a myriad of complex federal/provincial/municipal/union/private arrangements. The development of these agencies is in keeping with the trend identified by Leitner (1990) and Herod (1991) toward the development of city agencies or local public and quasi-public development agencies during times of restructuring. However they differ in nature from the place-based growth coalitions described by Leitner and Herod which focus attention on the external threats to the local community, particularly by other communities. There was no evidence of such inter-community competition, in fact, the existence of COED implies that there was a significant degree of inter-community co-operation.

Similar to many resource-based communities in Canada, there has been no long tradition of local entrepreneurship in Port Alberni. In keeping with modern theories of local economic development discussed in earlier chapters, local development agencies attempted to stimulate bottom-up development by encouraging and initiating activities to create new entrepreneurs. However, the caveat that these strategies might be affected by the particularities of the places in which they were being implemented was not heeded.

Coffey and Polèse (1985) suggested that, historically, there has been little entrepreneurial activity in single industry communities in times of economic downturn and the tendency has been to turn to local development organizations to encourage this behaviour. This is what happened in Port Alberni. Many agencies were formed whose mandates were to stimulate development and entrepreneurialism. However, the results indicate that the creation of such agencies does not necessarily lead to development and, given the large number of agencies with overlapping responsibilities which were formed in Port Alberni, it could be suggested that funds targeted for development might have been better spent on activities other than organizing and administering these agencies. However, there appeared to be little public accountability for the activities of these agencies. This is in keeping with the trend identified by Leitner (1990) who found that these development agencies are often removed from direct public accountability and consequently the impetus for consultation is reduced.

Sjoholt (1987) also warned of the dangers of ignoring the attributes of the place within which development was being encouraged. The results of his research indicated that "unruly" processes of local development and an active search process at the lower level should be the hallmark of new strategies. However, he also suggested that these results should be interpreted with care because this research took place within an area which had a long tradition of local entrepreneurship and local government initiative, something which had not been present in Port Alberni. The suggestion of Coffey and Polèse that the principal virtue of the local development approach - i.e. its focus on the local population - may also be its greatest source of weakness, may have been shown to have some validity in the situation in Port Alberni.

A further reason why attempts to stimulate entrepreneurialism among MacMillan Bloedel employees failed was offered by the Economic Development Commissioner. He related the experience of some employees who had left the mill and experienced animosity from their fellow workers.

People who have gone through this process have told me that when they made a decision to leave the company they were ostracized by their fellow workers. They were treated almost like outcasts and deserters. They left that enclave that people have when they work together and they really got a lot of flack. Maybe if people were trying to make a decision - should I stay or should I strike out on my own - that might be an influencing factor (Hutcheson, Personal Communication, 1990).

This explanation would apply only to employees who had not been laid-off from MacMillan Bloedel and would not explain the reluctance of laid-off workers to undertake entrepreneurial activity.

The failure of the J.O.B.S. component of the AES is indicative of the reluctance on the part of private capital to assume the role of entrepreneur and risk taker. The failure of this attempt to solicit funds from the community highlights the validity of the suggestion by Harvey (1989) that the role of entrepreneur and risk taker is now being assumed by the state, although private capital will reap the benefits which any such investment might generate.

Another reason cited for the failure of J.O.B.S. was the lack of support of the residents of the city for the program as a whole. One reason for this could have been that make-up of the agency was not representative of the local population. Although these agencies focussed on the local population they did not always include the local population in their planning strategies. For example, representatives of the IWA did not support the agencies' encouragement of local entrepreneurialism as a viable goal of local economic

development. As suggested in the previous chapter, the IWA local I-85 was unwilling to consider any options for restructuring within MacMillan Bloedel which would decrease their wages in an effort to diminish lay-offs. Similarly, they were unwilling to co-operative in any venture which encouraged the development of industry or business which would pay significantly less than the wages earned at MacMillan Bloedel. This was made clear by Dave Haggard in a speech to the Tin Wis Conference in Port Alberni in the fall of 1990. At that time he was the first vice president of local I-85 of the IWA and he is now the president of the local. He indicated at that time that what was important to the union was attracting new large industry which would be able to pay their employees wages similar to those paid by MacMillan Bloedel and maintain the standard of living which its members were able to sustain while employed at MacMillan Bloedel. Port Alberni has a long history of militant unionization and, as Hayter and Barnes state "the suggestion that organized labour can be easily co-opted under hegemonic regime in such communities seems unrealistic" (1993, p.10)

Similarly, the absence of representation from MacMillan Bloedel on many of these local development agencies limited the options available to them in their strategies to cope with restructuring. For example, lack of participation by MacMillan Bloedel negated the possibility of adopting some of the strategies suggested by Ettlenger(1990), Herod (1991) and Leana and Feldman (1992) who advocated a pro-active rather than a reactive response to lay-offs and plants closures. Their participation in these local agencies, which would indicate an appreciation of their role in the economic health of the community, might encourage some public participation in the strategies which the corporation undertakes in times of restructuring - particularly strategies which

affect employment stability. This sort of consultation between the corporation and the development agencies might encourage the adoption of some of the alternative and more subtle corporate restructuring strategies available to them. This type of association would also provide a forum for introducing discussion of some of the social costs of job loss which Massey and Meegan(1985) suggest that the company might be required to pay when downsizing. These costs include lost tax revenue, unemployment benefits and increased requirements for health care.

It has suggested that in times of restructuring there is a breakdown of traditional class alliances in favour of solidarity within each locality (Cox and Mair, 1988; Beaugard, 1989; Harvey, 1989; Leitner, 1990). Cox and Mair identify this as a change from traditional local dependence to modern local dependence. There is some evidence of such a shift in Port Alberni. For example, the activities of the OUW could be interpreted as indicative of a change from traditional local dependence to modern local dependence. It signalled a move from dependence on group provisioning and advocacy for mutually advantageous change to a greater dependence on governmental programs for assistance and support. Their greatest success appears to have been as an intermediary between the individual and the various governmental programs upon which these individuals depended. It could be suggested that this organization could be seen, therefore, as easing the transition from traditional to local modern dependence.

This view that dependence on government assistance rather than self-provisioning indicates a change in the nature of dependence must be tempered by the understanding that this type of dependence is not new in single industry communities in Canada. The dependence on these programs has been an

integral part of the development of these communities because of the boom and bust cycles which have characterized their historical development. Therefore the nature of traditional local dependence has been somewhat different in Port Alberni. Although there has always been a strong identification with the particular locality there has always been a dependence on government programs in times of economic hardship.

Similarly, as noted above, the resolution of class conflict which is expected to accompany the shift in the nature of dependence did not occur in Port Alberni. The militancy of the unions continued in the years following the lay-offs. Strikes continued to be a part of every contract negotiation and there were no wage concessions made by the union in order to save jobs. The history of union militancy in single industry communities in Canada is strong and the recessionary conditions of the early 1980s did little to change this in Port Alberni.

It could be suggested, therefore, that because there was not a total shift from traditional local dependence to modern local dependence, it was not possible for business coalitions to achieve their goals of economic diversification and the creation of new employment opportunities. Because this shift did not occur, it is not possible to predict the likelihood of success which these programs might have achieved had there been broad based support for them. However, the suggestion of the Executive Director of the Alberni-Clayoquot Development Society that the city did not recognize that this downswing was different from those of the past, and that significant change was needed in recognition of this fact, also provides an explanation for the lack of support and consequent lack of success of these programs.

The strategies undertaken in Port Alberni in response to the restructuring which occurred were very much in keeping with the "fragmented and reactionary responses" discussed by Beauregard (1989) which, in his view, do little damage to capital's hegemony and which, in fact, did little to alter the dependence of Port Alberni on MacMillan Bloedel for its economic well-being.

CHAPTER SIX

CONCLUSION

INTRODUCTION

The complexity of the events leading to and resulting from the lay-offs that occurred in Port Alberni in the early 1980s highlights the necessity for a theoretical framework that recognizes the diversity of forces acting upon the locality and that offers an approach that can help to interpret the success and failure of various strategies adopted in response to the restructuring that occurred. The restructuring perspective offered by Bagguley et al. (1990) provides such a framework. This multi-faceted approach is complemented by a methodology that stresses the importance of multi-perspectivism, allowing an examination of the experience of Port Alberni that incorporates such diverse views as those of individuals and households directly affected by the lay-offs, corporate representatives, small business owners, social service workers, and individuals working in economic development agencies. The view offered from these various vantage points complements and enriches quantitative information acquired through secondary sources and questionnaire responses.

As emphasized within the "restructuring perspective", external forces acting upon the locality and internal forces acting within the locality combine to create an impact that is in some ways similar to the experience of other communities and in other ways unique. One of the primary defining characteristics of Port Alberni's experience is its status as a single-industry resource-based Canadian city. As such, it shares with other similar cities and towns in Canada the characteristic of dependency . This feature must be

considered in any attempt to understand change within this locality and it must be considered when examining strategies for economic development in response to restructuring. This chapter looks at the contribution that the restructuring perspective has made to the examination of restructuring and recession in Port Alberni. Within this framework, an assessment of the relevance to this research of the restructuring literature reviewed in Chapter Two is offered. Also considered within this framework is an evaluation of the coping strategies undertaken at both the individual/household level and the community level.

RESTRUCTURING AND THE LOCALITY PERSPECTIVE

Marxism

The contribution of a Marxist perspective to the research undertaken for this thesis is to highlight the structural forces embedded within the economy and the underlying constraints they impose on local development. Bradbury's view of restructuring as a formal mechanism in which the strategies of capital parallel social changes indicates such a perspective. The experience of Port Alberni during the recession of the early 1980s illustrates the extent to which this community is vulnerable to capital's pursuit of accumulation and how places can become victims of capital. The corporate reaction to the impact of the recession, which involved reorganizing in order to minimize loss, restructuring the nature of production, and the creating new markets, left no room to implement more subtle changes, which might have had a less harmful impact on the community.

A Marxist perspective dictates that economic development must involve structural change. Within local development literature, Cox and Mair's (1988) theory of local dependence is an example of the idea that structural change must occur if local development strategies are to be successful. This idea involves the shift from traditional local dependence to modern local dependence discussed previously. In Port Alberni, there is evidence of a strong identification with a particular locality which Cox and Mair (1988) suggest is the basis for traditional social relations. This identification is manifested by the strong ties that held so many of the laid-off workers to the city. Many of those who were able to maintain their homes, whose marriages remained intact, and who had strong family ties chose to stay in the city. Even those who left in search of work maintained contact with residents of the city and returned when MacMillan Bloedel began to rehire.

It is not clear, however, that there was a shift from traditional local dependence to modern local dependence. Cox and Mair (1988) suggest that such a shift occurs when traditional relations are displaced by state intervention (e.g. welfare, Unemployment Insurance). The nature of single- industry communities is such that a reliance on state intervention has always existed. The boom-and-bust cycle common to these communities has generated a dependence on state intervention to bridge the periods of downsizing. This dependence has not been accompanied by a breaking down of traditional class alliances.

There is a history of union militancy in single-industry communities in Canada. The continuing resistance of the unions to any sort of acquiescence with corporate strategies and their continued militancy indicates that conflict has

not been suspended in favour of solidarity within the locality. The union's unwillingness to accept a pay cut in order to forestall closure of a mill is evidence of their militancy. Their unwillingness to encourage development of small business, which could not sustain the high wage rates paid by MacMillan Bloedel, is further evidence of the lack of solidarity within this locality.

Cox and Mair (1988) suggest that the success of business coalitions strategies depends upon the transition from traditional to modern local dependence. The absence of such a shift could explain the failure of many of the local development strategies undertaken in Port Alberni, particularly the total lack of success of the J.O.B.S. Fund, which depended completely on the support of the community for its success.

This could also explain the lack of inter-locality competition which was predicted to occur as local growth coalitions were formed within these communities. Leitner (1990) and Herod (1991) warn of communities being played off against one another by various place-based coalitions. This situation did not occur in Port Alberni, in fact, the Local Development Commissioner indicated that he and his counterparts in other Vancouver Island communities worked together to encourage investment in each other's communities on the Island (Hutcheson, Personal Communication, 1990).

The assumptions that can be made from an examination of the experience of Port Alberni vis-à-vis Cox and Mair's (1988) theory that structural change, specifically the change from traditional to modern dependence, is essential for local development are unclear. It could be suggested that because the shift did not occur within this locality, the various business coalitions were

doomed to failure. However, it could also be suggested that the strategies of the business coalitions were inappropriate and hence unsuccessful.

One conclusion is clear, however. Port Alberni was a victim of capital's strategies during the recessionary period of the early 1980s and the class conflict inherent in the capitalist system inhibited the effectiveness of the development of strategies that would mitigate the negative impacts of this period.

Realism

To an appreciation of the impact of structural forces, realism introduces the concept of causal or necessary entities, which may or may not be stimulated within a particular locality to introduce variations in the nature of reaction to structural changes. This concept is referred to in Sayer's remarks concerning the nature of restructuring which suggests, but does not expand upon, the role of agency. As Bagguley et al. (1990) note, an appreciation of the realist perspective allows for the extension of the principal causal elements beyond class relations.

The example of Port Alberni and MacMillan Bloedel illustrates the way in which spatial variations can influence Marxist analysis of capital's strategies of location. For example, the mobility granted to capital in Marxist theory is somewhat impeded for corporations that are based upon resource-extraction. The causal entity put into play here is the nature of the resource base. Capital is not free to seek out the area with the lowest labour costs in this type of industry and, although secondary sources can be exploited, the quantity and quality of the resource can place restrictions on mobility. This feature therefore

alters the strategies available to capital in its search for greater profits and mediates the role of the locality as solely the victim of capital.

The other features of the restructuring perspective, discussed below, introduce concepts that operate at a smaller scale than those provided by Marxism and realism. They also offer insights into the particular experience of Port Alberni with reference to the specific characteristics of the locality.

Time, Space and Society

At a less general level of abstraction than the more encompassing theories of Marxism and realism, the concepts of time, space and society highlight three features which can influence the realization or non-realization of the causal entities identified above. For example, an overview of the historical development of single-industry communities in Canada highlights the development of dependency - an understanding of which is essential to the analysis of the particular experience of Port Alberni during the early 1980s.

An examination of the coping strategies adopted in Port Alberni gives credence to Lucas' (1971) view that communities such as this are products of the twentieth century - that they cannot revert to a nostalgic past of self-provisioning in times of hardship, because there is no history of such activity within the community. The history of the community is based not on an informal system of exchange but on a sophisticated hierarchical structure that has been, since its inception, totally integrated into the complex network of core/periphery relationships. Within these relationships, Canada plays a peripheral role in the global economy and single-industry towns play a peripheral role to the core area of Canada. In this way they differ from their American and British counterparts, many of which began as agricultural communities and

consequently experienced a greater degree of independence. The "staples trap" (Hayter and Barnes, 1990) that ensnares many Canadian single-industry communities, seriously limits the opportunities available to them in their search for strategies to cope with the effects of recession and restructuring.

The nature of these communities as products of the twentieth century could explain why no indication of an increase in self-provisioning could be found among the respondents. Unlike the experience identified by Redclift and Mingione (1985) and Mackenzie (1987b) in other single-industry communities undergoing restructuring, the primary response to job loss in Port Alberni was reliance on government programs for financial assistance and short-term employment to carry them over until they were rehired by MacMillan Bloedel. There was also no evidence of the development of alternative forms of exchange outside of fiscal control - an informal economy - as suggested by studies by Redclift and Mingione (1985). Responses to the questionnaires and to interviews concur with the evidence presented by Pahl and Wallace (1985) showing that little independence was achieved from market services.

A consideration of restructuring that incorporates time, space and society also enhances an appreciation for the social changes that occur in a specific locality in response to economic change. These changes cover a broad spectrum of social phenomena. One such change which was explored in this thesis was the potential for change in the nature of gender relations. Unlike the pattern found in some other single-industry communities in Canada (see Mackenzie, 1987a) no significant change in the nature of gender relations was evident in the research undertaken for this thesis. Any shifts that did occur involved temporary changes in gender roles rather than permanent changes in gender relations. This finding is in keeping with the suggestion by Bradbury

(1989) that adjustments in the family division of labour in single-industry communities match the boom-and-bust cycles common to the economic life of these communities.

Agency

The causal entities identified in conventional notions of realism can be stimulated by, among other things, the introduction of human agency. An examination of the reaction of individuals, households, and the community affected by the lay-offs is instructive in this instance because it highlights the relative ineffectiveness of human agency in this particular locality's experience. The responses adopted by the individuals, households, and community were ineffective in introducing change, and their major role was to bridge the gap until the former employees were re-hired by MacMillan Bloedel.

Some of the laid-off workers responded by leaving Port Alberni permanently and seeking their fortune elsewhere. A profile of those who chose to stay indicates that their choice was predicated on factors such as home ownership, family ties, and length of employment at MacMillan Bloedel. Some former employees upgraded their education in the hope that improved qualifications would help them in their job search, a strategy that was ineffective. The most effective strategy undertaken by the respondents was to wait until they were rehired by MacMillan Bloedel which is what most of them did. Given the current round of closures and lay-offs, this strategy may not prove to be the most useful at this time.

The strategies adopted by various community agencies were also relatively unsuccessful in mediating the effects of recession and restructuring in Port Alberni. The community had no influence in the way in which lay-offs were

undertaken. There was no consultation with the community or individuals who would be affected prior to the announcements of downsizing. The lack of community involvement and the implied position of the community as nothing more than a passive recipient of the lay-offs announced by MacMillan Bloedel negated the possibility of introducing more subtle strategies. To introduce some measure of control to the communities, more active responses to corporate policies - responses such as litigation, and imposing on the corporation the responsibility for part of the costs of downsizing - could be explored (see Ettliger, 1990; Van der Knaap and Linge, 1989; Massey and Meegan, 1985; Leana and Feldman, 1992). In the absence of these external pressures, MacMillan Bloedel was free to undertake restructuring strategies that were most beneficial to the corporation, without having to consider the social costs.

The coping strategies adopted by the community in response to this restructuring can be characterized as fragmented and reactionary - responses that Beauregard suggests "do little damage to capital's hegemony and provide minimal relief from the costs borne by labor" (1989, p.14). The warnings of local development theorists (Coffey and Polèse, 1985; Sjøholt, 1987), who stress the importance of agency and bottom-up, grassroots involvement, that the emergence of local entrepreneurship is not guaranteed given equal access to information and capital, must be heeded. The experience of Port Alberni, where local development organizations were formed to encourage this behaviour, indicates that changes in the underlying structure of the community formed by years of dependence must be altered before such activities are successful. The wholesale adoption of programs such as HETADI and Join Our Business Search (J.O.B.S.) Fund which had achieved success elsewhere proved to be

unsuccessful in Port Alberni because the communities in which they had achieved success were significantly different from Port Alberni.

The introduction of agency into the analysis was in reaction to the idea of places being victims of the forces of restructuring. In the case of Port Alberni, the city was a victim of restructuring - not a passive victim - but because of the ineffectiveness of their coping strategies, a hapless victim. Unlike other communities that experienced the same downswing in response to restructuring and recession (for example, Chemainus, see Hayter et al., 1993), Port Alberni was unable to influence the course of events that downsizing precipitated, to create alternative employment opportunities for the laid-off workers, or to decrease the level of dependence that has been its historical legacy. The consideration of agency in this analysis, however, highlights the degree of dependence that characterizes this community and the strength of the underlying social and economic structures. Human action was unable to influence the nature, timing, and extent of the lay-offs. Attempts to mitigate the negative impact of employment loss on both individuals and the community were largely ineffective. The current round of closures and lay-offs may generate more aggressive strategies, as the community's confidence in the corporation's ability to regain its historical role as a provider of full employment for the community is eroded.

Flexible Accumulation

Flexible accumulation refers to a shift from a Fordist mode of production to a post-Fordism mode which involves "specialised production for differentiated 'niche' markets, but with a 'flexible', multi-skilled workforce" (Bagguley et al.,

1990, p. 5). MacMillan Bloedel undertook these changes in reaction to recession and restructuring in the forest industry. In Port Alberni, this involved in situ change in keeping with the three strategies identified by Massey and Meegan (1982): rationalisation, intensification, and technological change. These changes had an immediate impact on the workforce, the most serious of which was the lay-off of approximately seventeen hundred people. The development of flexibility within the mills, introduced by both increased use of technology and the use of work teams, changed both working conditions and job opportunities. The threat to job security is clear. As Leontieff (quoted in Drache, 1989, p. 34). suggests, "it seems that the displacement of labour by increasingly efficient machines has no identifiable limit. If this is true, technological employment will increasingly devastate the ranks of the industrial working class".

Although it is suggested that increased flexibility and improved skills associated with these changes create greater opportunities for worker input and hence greater worker control over their workplace, it could be argued, as Drache (1989, p.36) does, that

the need for flexibility has been made to appear inevitable and is often sold to the labour movement as a way to broaden the scope of individual freedom on the job... But many of these schemes have little to do with extending worker control over the workplace. Overall, economic restructuring resulting from the introduction of the microchip, robots and the like are the means by which capital, harshly and often brutally, seeks to maintain and even expand its control over the workplace.

A characteristic common to changes in the mode of production associated with flexible accumulation is orientation toward niche markets. There are limitations to this approach within the operations of MacMillan Bloedel in Port Alberni, particularly relating to scale. The most important of

these, identified by Frank Hastings, Director of Human Resources for the Alberni Region (Hastings, Personal Communications, 1990), is the inability of the corporation to compete at this more specialized level with smaller, non-union operations, which have lower wage rates and consequently can produce smaller volumes at lower costs. Mr. Hastings sees this as the greatest impediment to increasing their orientation toward value-added and, in this light, suggests that "we had better stay in the primary forest business. It's the one we know, it's the one we're organized to run, [and] it's the one that can stand the high costs we have negotiated".

An exception to this is the move to fine-paper production from standard newsprint. MacMillan Bloedel can compete in this market because the very high start-up cost prohibits the entry of small operators into the market. Consequently MacMillan Bloedel can afford to compete in this market in spite of an average cost per employee of \$53,047.82 in 1990 (Hastings, Personal Communication, 1990). MacMillan Bloedel has concentrated its specialty paper operations in Port Alberni anticipating that specialty paper is a greater hedge against recession than newsprint which is subject to more volatile markets. In 1990 they were the world's largest producer of specialty grade light weight paper. Concentration in this niche of the market will ultimately affect the economic well-being of Port Alberni, depending upon how wise the decision proves to be.

The move to flexible accumulation therefore has significant implications for employees of the mill and consequently the City of Port Alberni. The changes in the mode of production affect employment opportunities and working conditions. Changes in market orientation have longer term implications for the stability of employment within the corporation and hence for

the economic stability of the community. A consideration of the role of flexible accumulation is therefore essential to an understanding of the nature and impact of restructuring.

Postmodernism

The restructuring that occurred during the recession of the early 1980s in the forest industry in British Columbia, and in Port Alberni in particular, was significantly different from the historical experiences of boom and bust within this industry and its communities. It was more severe than previous experiences of downsizing; it was preceded by a period of unmatched prosperity; and employment in the industry never returned to its pre-recessionary level. The current round of lay-offs and closures indicates that this decade of restructuring, without a related upswing in the economic fortunes of the industry, signals a break with historical patterns rather than another phase of the boom-and-bust that had been common in this and in other forestry communities. Soja (1989) sees this breaking down of previous patterns and struggle to discover effective strategies to build a new order as fitting within the postmodern perspective.

The renewal of the "literary approach to the particularities of place", identified by Bagguley et al. (1990) as a component of the postmodern perspective, is a valuable tool for identifying and presenting aspects of the impact of restructuring that are difficult to quantify. This approach was particularly valuable in the discussion of the emotional impact of employment loss. The experience of individuals, expressed through narrative, illustrates the psychological cost of job loss, the potential for social disruption, the impact on the children of laid-off workers, the toll exacted on self-esteem, and many other

aspects of emotional upheaval experienced by these workers and their families. Although unquantifiable, these reactions were devastating to those affected and were expressed as the most severe consequence of job loss.

Locality

The locality approach to the study of recession and restructuring in Port Alberni, using the 'roots and branches' of the restructuring perspective, provides a vehicle for documenting the particular experience of this community during the early 1980s. This study highlights the necessity for theories which address the unique circumstances of Canadian single industry communities during times of recession and restructuring. These circumstances are unique for many reasons. Their relatively short history, the nature of their employment base, their integration as a fundamental participant in the export-based economy of Canada, all contribute to a situation that differs significantly from their American and British counterparts.

The strategies undertaken by the corporation in response to recession have not ensured long-term stability for the locality. Lay-offs and closures continue to erode the economic base. The strategies undertaken by the individuals were primarily focussed on efforts to bridge the gap until a new opportunity arose for employment at MacMillan Bloedel. The strategies undertaken by the community did not take into account the unique characteristics of the locality and assumed that wholesale adoption of strategies effective elsewhere could be transferred to Port Alberni. Port Alberni was a victim of the recession and restructuring, and, although not entirely passive, it was largely ineffective in its response.

SUMMARY COMMENTS

The challenges facing Port Alberni are unlike those facing single-industry communities in other parts of the western world. Increased study of these particular communities would enrich local development literature and perhaps bring to light more effective strategies that these communities could adopt to lessen their economic dependence on a single corporation.

The restructuring perspective offered by Bagguley et al. (1990) provides a valuable framework for examining the nature and impact of recession and restructuring in Port Alberni during the early 1980s. Locality studies, which they identify as the "fruit" of such a perspective, provides the researcher with a wide variety of approaches to bring to her study. The complexity and scope of restructuring, however, inhibits a comprehensive analysis. For this reason many issues are omitted or are explored in less detail. For example, it would have been interesting to explore in greater detail the impact of changing gender roles on gender relations. The questionnaire did not provide enough information to establish an understanding of the nature or frequency of such changes.

During the course of this study, it has become obvious that many areas of study require further research to more fully understand the nature of the change that many single industry communities in Canada are undergoing. In Port Alberni alone, many issues are left unresolved. One such issue relates to examining more closely the actual cause of employment downsizing. Current environmental pressures are often cited as one of the primary causes of job loss, particularly true in light of the recent decision to prevent logging in part of the Clayoquot Sound region. The constantly decreasing number of jobs per cubic metres logged indicates that the changing nature of production has had a

significant impact on employment. It might be instructive to compare the relative impact on employment of the changing nature of production with respect to increased capital expenditure on improved technology at the expense of labour and environmental pressures such as the removal of land from TFL 44 and increasingly more stringent environmental regulations.

A second issue relates to the scale of forestry operations. The state established the scale at which forestry would operate in British Columbia, believing large corporations to be more reliable, more responsible, and more profitable than small companies, as well as more able to withstand recession (Marchak, 1983). The experience of Port Alberni shows that they were not able to withstand the pressures of the recession, that they were not responsible in continuing to employ their labour force, and that they have historically not been diligent in regenerating the areas which they have harvested. It would be interesting to explore the viability of reversing the historical trend toward larger and larger forestry operations while heeding the words of H.R. MacMillan, who suggested that the independent market logger and the small mill man were "the most hard working, virile, versatile and ingenious element of our population" and the forest industry is healthier if "it consists of as many independent units as can be supported" (Schwindt, 1977, viii).

A third area of research that follows from this study is the nature of decision making in times of recession and restructuring. Traditionally corporations have been given free rein to undertake lay-offs and downsizing as they see fit. It would be interesting to explore the feasibility of requiring a more consultative approach to these issues and to examine the possibility of requiring corporations to adopt some of the social costs of downsizing.

Each of these ideas offers potential for a greater understanding of the impact of recession and restructuring on single-industry communities such as Port Alberni. As the economic health of Port Alberni and many similar communities continues to be threatened by external forces such as fluctuating world markets, environmental pressures, and corporate agendas, it is increasingly important to widen the range of opportunities available to these communities in dealing with these changes. Equally urgent is the need to explore strategies that will lessen the dependent nature of these communities which makes them so vulnerable to these forces. Such strategies must initiate greater diversification in the local economy and increased local control over their economic health. The absence of such initiatives destines these communities to continued vulnerability to corporate strategies that serve the head office rather than the employees and residents of the city . The experience of the last decade has shown that it can no longer be assumed that what is best for the corporation is best for the community.

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PERSONAL COMMUNICATIONS

Doug Barber	Co-ordinator, Organization of Unemployed Workers
E.W. Coffey	Personal Banking Representative, Loans and Mortgages, Canadian Imperial Bank of Commerce
Helga Crosby	Social Worker, Ministry of Social Services and Housing, Port Alberni, spouse of terminated employee
Mary Dolan	Teacher, Job Re-entry Program for Women, Canada Employment Centre
Robert Gunn	Member, West Coast Research and Information Co-operative.
Dave Haggard	1st Vice President, IWA, local I-85.
Peggy Hartman	Manager, Alberni Clayoquot Development Society.
Frank Hastings	General, Manager, Human Resources, MacMillan Bloedel Limited, Alberni Region.
Ken Hutcheson	Economic Development Commissioner, Alberni-Clayoquot Region.
Gerard Jansen,	MLA, Port Alberni. President of Chamber of Commerce and owner of two jewellery stores in Port Alberni during recession.
Jim Lockhart	Canada Employment Centre, Port Alberni.
Michael Lewis	Founding Member, West Coast Research and Information Co-operative
Heather Nelson	Employee, Port Alberni Women's Centre.
John Olsen	First Executive Director, Alberni-Clayoquot Development Society.
Joe Stanhope	Chair of Community Adjustment Committee which administered Industry and Labour Adjustment Program.

APPENDIX AIMPACT OF THE 1980'S RECESSION ON THE COMMUNITY OF PORT ALBERNI

As indicated in the covering letter, the objective of this survey is to help assess the impact of the 1980s recession on the community of Port Alberni especially with respect to how individual households responded to redundancy. The results will be analysed for a Master's thesis in Geography at Simon Fraser University. All responses will be kept confidential. Thank you for your co-operation. This survey concerns only those people who were laid-off or given early retirement during the recession of the early 1980s.

1. WHEN DID YOU LOSE YOUR JOB? _____ MONTH _____ YEAR

THE FOLLOWING QUESTIONS REFER TO YOUR SITUATION AT THE TIME YOU WERE LAID OFF OR GIVEN EARLY RETIREMENT

2. GENDER ___ male ___ female

3. IN WHAT AGE CATEGORY WERE YOU?

___ <19 ___ 19-24 ___ 25-34 ___ 35-44 ___ 45-54 ___ 55-64 ___ >65

4. WHAT WAS YOUR MARITAL STATUS?

___ single ___ married ___ separated ___ divorced ___ widowed ___ common-law

5. WHAT WAS YOUR OCCUPATION? _____

6. FOR WHICH DIVISION DID YOU WORK?

___ woodlands ___ sawmills ___ plywoods ___ pulp and paper ___ administration

a. ___ union ___ non-union

7. HOW LONG HAD YOU WORKED FOR MACMILLAN BLOEDEL?

___ < 1 year ___ 1-3 yrs ___ 3-5 yrs ___ 5-10 yrs ___ 10-20 yrs ___ >20 yrs.

8. WHAT WAS YOUR ANNUAL INCOME FROM MACMILLAN BLOEDEL?

___ less than \$6,000	___ \$20,000 - \$29,999
___ \$6,000 - \$9,999	___ \$30,000 - \$39,999
___ \$10,000 - \$14,999	___ \$40,000 - \$49,999
___ \$15,000 - \$19,999	___ more than \$50,000

9. DID YOU PERSONALLY RECEIVE ANY OTHER INCOME WHILE YOU WERE EMPLOYED BY MACMILLAN BLOEDEL? ___ yes ___ no (*If no proceed to question 10*)

a. IF YES, WHAT WAS THE SOURCE OF THIS INCOME?

___ self employment, please explain _____
 ___ government sources, please explain _____
 ___ other, please specify _____

10. WHAT WAS YOUR APPROXIMATE TOTAL ANNUAL HOUSEHOLD INCOME PRIOR TO YOUR LOSS OF EMPLOYMENT?

___ less than \$6,000	___ \$20,000 - \$29,999
___ \$6,000 - \$9,999	___ \$30,000 - \$39,999
___ \$10,000 - \$14,999	___ \$40,000 - \$49,999
___ \$15,000 - \$19,999	___ more than \$50,000

11. UNTIL THIS TIME HAD YOU SPENT ALL YOUR WORKING LIFE IN PORT ALBERNI?
 yes no (IF YES, PROCEED TO QUESTION 12)

IF NO a. WHY DID YOU COME TO PORT ALBERNI?
 to work for MacMillan Bloedel
 government employment
 other employment
 family reasons _____
 other, please specify _____

b. HOW LONG HAD YOU LIVED IN PORT ALBERNI BEFORE YOUR LAY-OFF/RETIREMENT? _____ years

12. WAS YOUR PRINCIPAL RESIDENCE
 a single family home
 an apartment
 semi-detached home?
 other, please specify _____

13. DID YOU RENT OR OWN THIS ACCOMMODATION
 own rent other, please specify _____

14. a. WHAT EDUCATION LEVEL HAD YOU
 ATTAINED PRIOR TO YOUR JOB LOSS?
 less than grade 9
 grade 9-12 without certificate
 grade 9-12 with certificate
 university without degree
 university with degree

b. DID YOU HAVE ANY
 VOCATIONAL CERTIFICATES
 OR DIPLOMAS
 yes no
 IF YES PLEASE SPECIFY

HOUSEHOLD CHARACTERISTICS AT TIME OF LAY-OFF/RETIREMENT

15. HOUSEHOLD MEMBERS
Please indicate age, sex and relationship to respondent of all household members at the time you were laid off or given early retirement.

	AGE	SEX	RELATIONSHIP TO RESPONDENT
a.			
b.			
c.			
d.			
e.			
f.			
g.			

THIS PART OF THE QUESTIONNAIRE DEALS WITH CHANGES THAT HAVE OCCURRED FROM THE TIME YOU WERE LAID OFF OR GIVEN EARLY RETIREMENT TO THE PRESENT

16. DID YOU MOVE AWAY FROM PORT ALBERNI ANYTIME AFTER YOUR JOB LOSS
 yes no (IF NO, PROCEED TO QUESTION 17)

- IF YES
- WHERE DID YOU GO? _____
 - DID YOU FIND A JOB THERE? yes no
 - DID YOUR FAMILY ACCOMPANY YOU? yes no
 - WHY DID YOU LEAVE PORT ALBERNI? _____

 - HOW LONG WERE YOU AWAY FROM PORT ALBERNI?
 < 1 year 1-3 years 3-5 years >5 years
 - WHY DID YOU RETURN TO PORT ALBERNI? _____

17. IF NO,
- WHY DID YOU NOT LEAVE PORT ALBERNI? _____

 - IN YOUR OPINION, WAS YOUR DECISION TO STAY IN PORT ALBERNI
 A GOOD ONE? yes no
 PLEASE ELABORATE _____

EDUCATION

18. HAVE YOU UPGRADED YOUR EDUCATION SINCE YOUR LAY-OFF/EARLY
 RETIREMENT yes no (IF NO PROCEED TO QUESTION 20)

19. IF YES,
- PLEASE SPECIFY _____

 - WAS ANY TRAINING/EDUCATION UNDERTAKEN AT GOVERNMENT
 EXPENSE OR PARTIALLY FUNDED BY THE GOVERNMENT?
 yes no
 IF YES, PLEASE SPECIFY _____
 - WOULD YOU ATTRIBUTE ANY CHANGES IN QUALIFICATIONS
 DIRECTLY OR INDIRECTLY TO YOUR LAY-OFF yes no
 IF YES, PLEASE EXPLAIN _____
 - DID YOUR IMPROVED QUALIFICATIONS HELP YOU TO ACQUIRE
 EMPLOYMENT? yes no
 PLEASE ELABORATE _____

20. EMPLOYMENT HISTORY SINCE LAY-OFF/EARLY RETIREMENT

The purpose of this section is to provide a profile of your job-related activities from the time you lost your job at MacMillan Bloedel until the present. Starting with the period immediately following your lay-off or early retirement please list what activities you were involved in (including periods of unemployment or self-employment). Please list all income-generating activities, even those which were infrequent or informal (e.g. home carpentry, craft work, car repair) AND all periods of unemployment. Please see the example which follows.

	DATES M/Y - M/Y	EMPLOYMENT STATUS*	OCCUPATION	ORGANISATION	NATURE ^o	REMUNERATION	UNION (Y/N)
a.							
b.							
c.							
d.							
e.							
f.							
g.							
h.							
i.							
j.							
k.							

* Employed, self-employed, unemployed
 o Part-time, full-time, seasonal, temporary

21. DID YOU AT ANY TIME THINK OF STARTING A NEW BUSINESS? yes no
(IF NO PROCEED TO QUESTION 26)

22. IF YES, DID YOU START A NEW BUSINESS yes no

IF NO, WHY NOT? _____

_____ (PROCEED TO QUESTION 23)

IF YES, WHAT TYPE OF BUSINESS WAS IT? _____

PLEASE GIVE A BRIEF OUTLINE OF THE HISTORY OF THE BUSINESS

23. WERE YOU AWARE OF ANY PROGRAMS DESIGNED TO ASSIST THE START UP OF NEW BUSINESSES? yes no

24. DURING THI TIME DID YOU APPLY TO ANY LEVEL OF GOVERNMENT FOR FINANCING TO START UP A NEW BUSINESS? yes no (IF NO, PROCEED TO QUESTION 26)

25. IF YES, a. TO WHICH LEVELS DID YOU APPLY?
 federal provincial federal other, please specify

b. WERE YOU SUCCESSFUL IN YOUR APPLICATION? yes no
PLEASE ELABORATE

26. WERE YOU INVOLVED IN THE ORGANIZATION OF UNEMPLOYED WORKERS?
 yes no

27. DID YOU USE THE SERVICES OF ANY ORGANIZATIONS (PUBLIC OR PRIVATE) IN YOUR ATTEMPTS TO FIND NEW EMPLOYMENT? yes no.

IF YES, WHICH ONES _____

28. WHAT ORGANIZATIONS (IF ANY) WERE PARTICULARLY HELPFUL TO YOU IN YOUR JOB SEARCH?

PLEASE ELABORATE

29. WHAT SERVICE THAT WAS NOT AVAILABLE TO YOU WOULD HAVE BEEN HELPFUL IN ADJUSTING TO YOUR LOSS OF EMPLOYMENT?

HOUSEHOLD CHANGES

30. HAS YOUR MARITAL STATUS CHANGED SINCE 1982? yes no (IF NO PROCEED TO QUESTION 31)

31. IF YES a. HAVE YOU BECOME
 married divorced separated widowed common-law

b. WOULD YOU ATTRIBUTE ANY CHANGE EITHER DIRECTLY OR INDIRECTLY TO YOUR LAY-OFF? yes no
PLEASE ELABORATE _____

32. HAS CHILDCARE EVER PLAYED A LIMITING ROLE IN YOUR ABILITY TO UNDERTAKE PAID EMPLOYMENT? yes no

IF YES, PLEASE ELABORATE _____

33. SINCE 1982, HAS YOUR PARTICIPATION IN DOMESTIC WORK¹ increased decreased stayed about the same

34. HOW MUCH TIME PER DAY WOULD YOU SAY THAT YOU SPEND ON THESE ACTIVITIES?
 < 1 hour 1-2 hrs. 2-3 hrs 3-4 hrs 4-5 hrs >5 hrs

35. HOW MUCH TIME PER DAY WOULD YOU SAY THAT YOUR SPOUSE SPENDS ON THESE ACTIVITIES?
 < 1 hour 1-2 hrs 2-3 hrs 3-4 hrs 4-5 hrs > 5 hrs
 not applicable

36. HOUSING CHANGES
Starting at the time you were laid off, please list any changes in housing that have occurred until the present

	Date of Move	Type of Housing ²	Reason for Move ³	Tenure ⁴
a.				
b.				
c.				
d.				
e.				

¹ domestic work includes childcare, shopping, cleaning, food preparation, etc.

² e.g. single family, apartment, semi-detached

³ e.g. upgrading due to improved financial condition, downgrade due to worsening financial condition, increased family size, etc.

⁴ e.g. rent, own, board

APPENDIX BSPOUSES' QUESTIONNAIREIMPACT OF THE 1980'S RECESSION ON THE COMMUNITY OF PORT ALBERNI

As indicated on the covering letter, the objective of this survey is to help assess the impact of the 1980s recession on the community of Port Alberni, especially with respect to how individuals and their families responded to job loss. The results of this survey will be analysed for a Master's thesis in Geography at Simon Fraser University. All responses will be kept strictly confidential. Thank you for your co-operation.

1. IN WHAT AGE CATEGORY WERE YOU AT THE TIME OF YOUR SPOUSE'S LAY-OFF?
 < 19 19-24 25-34 35-44 45-54 55-64 >65

2. WHAT IS YOUR PRESENT MARITAL STATUS?
 single married divorced separated widowed common-law

3. HAS YOUR MARITAL STATUS CHANGED SINCE 1982?
 yes no (IF NO PROCEED TO QUESTION 4)

a. IF YES, WOULD YOU ATTRIBUTE THIS CHANGE IN MARITAL STATUS EITHER DIRECTLY OR INDIRECTLY TO YOUR SPOUSE'S LOSS OF EMPLOYMENT?

yes no

IF YES, PLEASE EXPLAIN _____

EDUCATION

4. a. WHAT EDUCATION LEVEL HAD YOU ATTAINED PRIOR TO YOUR SPOUSE'S JOB LOSS?

less than grade 9
 grade 9-12 without certificate
 grade 9-12 with certificate
 university
 with degree
 without degree

b. DID YOU HAVE ANY VOCATIONAL CERTIFICATES OR DIPLOMAS?

yes no

IF YES, PLEASE SPECIFY _____

5. HAVE YOU UPGRADED YOUR QUALIFICATIONS SINCE THE LAY-OFF/RETIREMENT?
 yes no (IF NO, PROCEED TO QUESTION 6)

IF YES, a. PLEASE ELABORATE _____

b. WOULD YOU ATTRIBUTE ANY CHANGE EITHER DIRECTLY OR INDIRECTLY TO YOUR SPOUSE'S JOB LOSS IN THE EARLY 1980S?

yes no

c. DID YOUR IMPROVED QUALIFICATIONS HELP YOU TO ACQUIRE EMPLOYMENT?

yes no

d. WAS ANY EDUCATION UNDERTAKEN AT GOVERNMENT EXPENSE OR PARTIALLY FUNDED BY THE GOVERNMENT? yes no

IF YES, PLEASE EXPLAIN _____

EMPLOYMENT HISTORY

6. WERE YOU EMPLOYED WHEN YOUR SPOUSE LOST HIS/HER JOB ___ yes ___ no
(IF NO PROCEED TO QUESTION 8)

7. a. IF YES, WERE YOU
 ___ self-employed?
 ___ In what type of work were you engaged _____
 ___ inside the home
 ___ outside the home
 ___ salaried or hourly employment by outside employer
 ___ What was your occupation? _____
 ___ other, please specify _____

b. WHAT WAS YOUR APPROXIMATE PERSONAL MONTHLY INCOME?

___ less than \$500 ___ \$2000 - \$2499
 ___ \$500 - \$999 ___ \$2500 - \$2999
 ___ \$1000 - \$1499 ___ more than \$3000
 ___ \$1500 - \$1999

8. IF NO, WERE YOU LOOKING FOR WORK? ___ yes ___ no

9. HAS YOUR JOB ACTIVITY CHANGED SIGNIFICANTLY SINCE THE TIME OF YOUR SPOUSE'S LAY-OFF/RETIREMENT FROM MACMILLAN BLOEDEL?
 ___ yes ___ no

a. IF YES WOULD YOU ATTRIBUTE THIS TO
 ___ financial need as a result of your spouse's job loss
 ___ change in family responsibilities which enabled you to work
 ___ desire to enter the workforce, or
 ___ other, please explain

10. DID YOU AT ANY TIME THINK OF STARTING A NEW BUSINESS? ___ yes ___ no
(IF NO PROCEED TO QUESTION 12)

11. DID YOU START A BUSINESS? ___ yes ___ no

a. IF NO, WHY NOT _____

b. IF YES, WHAT TYPE OF BUSINESS WAS IT? _____

PLEASE GIVE A BRIEF OUTLINE OF THE HISTORY OF THE BUSINESS

12. WERE YOU AWARE OF ANY NEW PROGRAMS DESIGNED TO ASSIST THE START UP OF NEW BUSINESSES IN THE REGION? ___ yes ___ no

13. DURING THIS TIME DID YOU APPLY TO ANY LEVEL OF GOVERNMENT FOR FINANCING TO START A NEW BUSINESS? ___ yes ___ no

a. IF YES, i. TO WHICH LEVELS DID YOU APPLY?
 ___ regional district ___ federal ___ provincial ___ other _____

ii. WERE YOU SUCCESSFUL IN YOUR APPLICATION? ___ yes ___ no
 Please elaborate _____

14. EMPLOYMENT HISTORY SINCE SPOUSE'S LAY-OFF/EARLY RETIREMENT

The purpose of this section is to provide a profile of your job-related activities from the time your spouse lost his/her job at MacMillan Bloedel until the present. Starting with the period immediately after his/her lay-off or early retirement please list what activities you were involved in (including periods of unemployment or self-employment). Please list all income-generating activities, even those which were infrequent or informal (e.g. home carpentry, craft work, car repair) AND all periods of unemployment. Please see the example which follows.

	DATES M/Y - M/Y	EMPLOYMENT STATUS*	OCCUPATION	ORGANISATION	NATURE ^o	REMUNERATION	UNION (Y/N)
a.							
b.							
c.							
d.							
e.							
f.							
g.							
h.							
i.							
j.							
k.							

* Employed, self-employed, unemployed

^o Part-time, full-time, seasonal, temporary

15. WOULD YOU SAY THAT YOUR CONTRIBUTION TO THE OVERALL HOUSEHOLD INCOME HAS INCREASED, DECREASED OR STAYED ABOUT THE SAME SINCE YOUR SPOUSE'S LAYOFF IN THE EARLY 1980S?
 increased
 decreased
 stayed the same

16. HAVE YOU USED THE SERVICES OF ANY ORGANIZATIONS (PUBLIC OR PRIVATE) TO HELP YOU FIND EMPLOYMENT?
 yes no (*IF NO PROCEED TO QUESTION 17*)

IF YES, a. WHICH ONES _____

b. WHAT ORGANIZATIONS WERE PARTICULARLY HELPFUL TO YOU IN YOUR JOB SEARCH? _____

PLEASE ELABORATE _____

17. WHAT SERVICES THAT WERE NOT AVAILABLE TO YOU WOULD HAVE BEEN HELPFUL IN ADJUSTING TO YOUR SPOUSE'S LOSS OF EMPLOYMENT?

18. HAS CHILDCARE EVER PLAYED A LIMITING ROLE IN YOUR ABILITY TO UNDERTAKE PAID EMPLOYMENT? yes no not applicable

IF YES, PLEASE ELABORATE _____

19. IF CHILDCARE FACILITIES WERE AVAILABLE FOR YOU AT A REASONABLE PRICE WOULD YOU WANT TO WORK FULL TIME OR PART TIME, OR WOULD YOU CHOSE TO STAY HOME WITH YOUR CHILDREN?

full-time
 part-time
 stay home
 not applicable

20. SINCE YOUR SPOUSE'S LOSS OF EMPLOYMENT HAS HIS/HER PARTICIPATION IN DOMESTIC ACTIVITIES¹

increased?
 decreased? or
 stayed about the same?

21. HOW MUCH TIME PER DAY WOULD YOU SAY YOU SPEND ON THESE ACTIVITIES?

less than one hour
 1-2 hours
 2-3 hours
 3-4 hours
 more than 4 hours

¹ domestic work includes childcare, shopping, cleaning, cooking, etc.

22. HOW MUCH TIME WOULD YOU SAY THAT YOUR SPOUSE SPENDS ON THESE ACTIVITIES?

- less than one hour
- 1-2 hours
- 2 -3 hours
- 3-4 hours
- more than 4 hours

23. WHAT DO YOU CONSIDER TO BE THE MAIN BENEFITS TO LIVING IN PORT ALBERNI? (CHECK AS MANY AS ARE APPROPRIATE)

- good job
- recreation opportunities
- good place to bring up children
- other, please specify \ _____
- friends and relatives
- community services

24. HOW DO YOU SEE THE ECONOMIC HEALTH OF PORT ALBERNI CHANGING IN THE NEXT FEW YEARS? DO YOU THINK

- it will improve
- it will deteriorate
- things will stay pretty much the same

25. WHAT DO YOU SEE AS BEING THE GREATEST THREAT TO THE ECONOMIC STABILITY OF THE REGION? _____

FOR SPOUSES WHO HAVE SEPARATED SINCE LAY-OFF

26. STARTING AT THE TIME YOUR SPOUSE WAS LAID OFF, PLEASE LIST ANY CHANGES IN HOUSING THAT HAVE OCCURRED FROM THAT TIME UNTIL THE PRESENT.

	Date of Move	Type of Housing ²	Reason for Move ³	Tenure ⁴
a.				
b.				
c.				
d.				
e.				

² e.g. single family, apartment, semi-detached,

³ e.g. upgrading due to improved financial condition, downgrade due to worsened financial condition , increased family size, etc.

⁴e.g. rent, own, board

