

**Class, Agency and Action: The Class Distortion in Public Policy Formulation
Respecting Worker's Compensation and the St. Lawrence Fluorspar Mines**
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Abstract

The workers' compensation policies for the mine workers of St. Lawrence have received considerable attention with regards to the vast social repercussions. Little emphasis has been placed on how these inadequate policies were generated. This paper thus focuses on the public policy processes that shaped the worker's compensation policy with regards to the St. Lawrence fluorspar mines. Through outlining how class shaped the early stages of the policy process, it is argued that class was a primary force that fundamentally determined the policy response.

This paper will seek to analyze the impact of class relations on the policy making processes from 1949 to 1978 regarding worker's compensation for the fluorspar mines in St. Lawrence. Using theories of power relations and class, this paper aims to clarify the exact role played by class as a determinant of policy influence in St. Lawrence, Newfoundland. This paper will focus primarily on the agenda-setting stage of the policy cycle, as this stage is the one that most readily incorporates the interest articulation and interest aggregation that occurs within the policy universe. The theoretical scope and framework will outline class analysis theory, which will then be applied to the fluorspar mines case through examining the key actors and their role in agenda setting. The paper will outline how the class relations characterizing the agenda-setting stage ultimately determined the fate of the policies of worker's compensation as being consistently inadequate.

The legacy of the fluorspar mines in St. Lawrence are known as a great industrial disaster in Newfoundland. There is no doubt that the total lack of mining regulations and standards permitted the workers of St. Lawrence to be blatantly exploited and endangered by the mining company (Leyton, 1975: 1-5). The moral and ethical implications of the public policies influencing the operation of the mine will not be outlined in this paper. While these implications are crucial to understanding the industrial disaster in St. Lawrence, this paper seeks rather to explain how the policy making process itself was inherently unjust based on class inequalities, and therefore the generation of inadequate policy was inevitable. This paper will begin with a theoretical analysis of class dimensions in public policy, and will then apply and interpret the meaning of this theory with regards to the St. Lawrence fluorspar mines and worker's compensation in particular.

Theoretical Scope

As previously mentioned, this paper employs class analysis as a theoretical framework. Class analysis is often seen solely as a Marxist perspective, which does not adequately reflect the evolution of class theory in the twentieth century in particular.

There is no doubt that Marx's work was integral in the generation and development of class analysis as a theory. However, the theory of class analysis has since expanded considerably, and has moved away from the traditional Marxist interpretations. This paper will thus follow more current progressions of class theory. The class analysis applied in this paper will incorporate Marxist theories on the social relations of production, the superstructure and labour struggles. However, through the practical analysis the paper will address the limitations of some of Marx's work in its present application to public policy in modern society. This paper will also incorporate other approaches more prominent in modern theories of class analysis, but often overlooked when applied to public policy analysis.

The theoretical analysis will begin with broad concepts of class relationships, and then focus these concepts on particular stages of the policy cycle to gain a greater understanding of the practical impact of class conflict on the creation and implications of public policy.

Class Dimensions in the Policy Universe

The social relations of production are a fundamental construction in determining influence within the policy universe. The fundamental assertion of class analysis is that public policies that are generated will operate to benefit the owners of the means of production, since they are dominated by processes and institutions that systematically undermine the interests of the working class. Inherent in this assertion is therefore that the owners of the means of production dominate each stage of the policy process through complex power structures (Marx, 1963). There are several dimensions of this dominance apparent throughout the policy cycle that must be address.

One of the primary considerations to understand the ground work for the policy constellations and communities involved in policy formulation is the underlying social relations and institutionalized power relationships between several key actors and groups. In terms of the policy community, this paper will outline the relationship between the government, the workers and their union, the mining corporations, and the families and other elements of the superstructure prominent in the small community of St. Lawrence. Class theory maintains that the dimensions within the policy community are fundamentally determined by the social relations of production. Class to Marx is determined by one's relationship to be means of production, with regards to whether they are an owner or a non-owner of the means (Marx, 1963). To Marx, the class relations characterizing any stage in human history comprise the social relations of production. These social relations are not only unequal but inherently exploitative. Owners must have labour power to produce material goods, to take up the means of production and make products and so, they compel non-owners who require access to the means to work for them at low cost.

This is the inherently antagonistic and hostile social relationship that to Marx characterized capitalism. The importance of this relationship in the context of public

policy analysis is found in how this relationship is extended to the policy networks and policy communities. In order for the owners of the means of production to maximize their capital, the public policies relating to their enterprise must allow for the unhindered exploitation of the working class. This means that public policy operates as an element of the superstructure.

Marx uses the term superstructure to define all of the institutions operating within a society. Marx sees these institutions as somehow relating to the productive realm where material needs are produced, and as a result all social institutions will operate to *sustain unequal relationships* (Whetherly, 2005: 27-34). The superstructure acquires its character through the base. All institutions will operate to maintain the class inequalities characterizing the productive realm. A commonly cited idea is the operation of religion as an element of the superstructure, through Marx's characterization of religion as "the opium of the people" (Marx, 1970: 131). He saw religion as acting as a mask or drug that was concealing the real reasons behind repression of the masses (exploitation by the dominant owners of the means of production), and so provided a docile and pliable working class for exploitation by the dominant class. The catholic religion in particular did this by promoting the idea that mortal suffering is justified through achieving eternal salvation. The dominant ideas of every age are the ideas of the dominant class, which Marx referred to as the dominant ideology. The example of a dominant ideological that will be examined in this paper is the idea that the world operates as a meritocracy. This idea generates an immiseration of the working class, which will be examined later. This idea was further expanded on in the work of Gramsci, who coined the term *ideological hegemony* as a capitalist means of manufacturing consent (Gramsci, 1992).

The asserted impact the dominant ideology and other institutions within the superstructure imposed on the agenda-setting process in the policy cycle is that it generates imperfect information for policy makers by systemically ensuring that the ideas within a policy arena are confined by the interests of the dominant class. This is not to say, however, that other ideas cannot surface. In fact, in the case of the fluorspar mine workers of St. Lawrence, the agency of the workers and the class consciousness was truly formidable for the industrial and capitalist circumstances and contexts. The interest articulation and interest aggregation of this agency is a key component of the practical analysis of this paper, and will be examined more closely when applying the literature to the case of the St. Lawrence fluorspar mines.

The theory examined thus far has focused on how workers are conditioned by the superstructure to accept their conditions, and for the dominant ideology to govern the interests articulated by the working class. This is a thorough but basic interpretation of class analysis theory. The remainder of the theoretical analysis will focus on the interest articulation and interest aggregation of the working class, and how the power structures fundamentally limited the abilities of the working class to exercise any control of the policies that would have a profound impact on their lives.

Interest Articulation

The channels of political influence ultimately determine how a group approaches articulating their interests. While most scholars agree that “corporations have unusual resources for political action,” (Salamon and Sigfried, 1977: 1026) there is ongoing contention about how these resources are used within the policy making process. In Truman’s work examining the governmental process, he holds that there are third parties in a society that can absorb the undue influence of corporations (Salamon and Sigfried, 1977). This leads to the conclusion that there is also variety in the degree of influence held by corporations.

According to Salamon and Sigfried, there are two realities that shape this degree of influence: the nature of the political system, and the structure of the economic sector (1977). The process includes not only understanding the abilities of industries, but also the susceptibility of the system to corporate interests. This is outlined by three potential problems. First, the free rider problem as outlined by Mancur Olson emphasizes that corporations have more at stake due to the larger size of collective groups, and corporations are more likely to pursue political interests because the individuals within these groups have more to gain from the process if the group is smaller (Olson, 1965). This also lends to reason that the economic structure and the corporate structures also have an impact on the degree of influence in public policy.

Theories of Power in the Executive: Interest Aggregation

In terms of the power and duties of the political executive, these main duties include developing and agreeing upon policies and government decisions. At this point in the paper, we will examine how the internal structures of the political executive can render the system more susceptible to the monopoly of corporate interests present at the agenda-setting stage of the cycle. Bailey outlines three ideal types of relationships between a leader and his or her supporters that can be applied to the relationships between the first minister and Cabinet Ministers in the Canadian political executive (Bailey, 1969). The three types of relationships are transactional, bureaucratic, and moral. The transactional model is a model in which profit or expected profit, notably including resources such as money, power, or prestige, act as justifications for a minister to promote the leader. Beyond this, individual ministers and supporters have their own political capital, which manifests in their political support mechanism that are separate from those gained vicariously from the leader, as well as their regional representation. This political capital enables Ministers to offer or withhold profit from the Premier. This means that the Premier and Ministers have an interdependent relationship that can be defined by political capital. The implications of a transactional leadership model are mainly that the degree of power of the Premier and the Ministers can be defined by the extent of political capital the individual holds. Therefore, if the political capital is concentrated within one member of the political executive such as the Premier, the power is equally concentrated in the Premier. This translates into the policy realm as channels of political access are rendered considerably smaller; if the decision making is more

concentrated, the agenda-setting process is considerably more focused. Additionally, corporate interests are most likely to be heard by higher powers of government, while individual and collective interests of the working class tend to be met by through patron-client networks with the lower political powers.

Policy Subsystems, Communities, and Class

Due to the nature of policy systems and networks, effective political influence requires intense comprehension and access to a variety of political resources. As outlined by Salamon and Sigfried, “instead of an integrated policy process (...) there is a policy subsystem. The key to policy making power is therefore not to access to the political system generally, but to the policy subsystems.” (1977: 1030) Effective access to subsystems is typically confined to those with expertise. Corporations have an undeniable premium on this technical expertise. Therefore, even if the working class are acting collectively to influence public policy, their ability to influence policy processes from the top is insufficient, and therefore the adopted policy alternatives even if they are in the interest of the working class, are inadequate.

Practical Analysis

The St. Lawrence Fluorspar Mines

The majority of analysis of the public policies surrounding the mine workers of the fluorspar mines in St. Lawrence has focused on the social implications of these policies. While this paper does not ignore these devastating realities, the focus is primarily surrounding the interaction among the various actors within the policy community, and how interests were articulated and aggregated throughout the policy cycle. A preliminary step must therefore be to provide a brief overview of the fluorspar mines, as well as an outline of the key policy actors within the policy community.

A Brief History

Prior to the opening of the mine in St. Lawrence, the community economy had been dominated by traditional industry including fishing and small-scale farming. Fluorspar deposits in St. Lawrence had been lauded to be some of the largest of their kind in the world, and Walter Seibert purchased the mines and began his company, the St. Lawrence Corporation of Newfoundland. The work on the mines began in 1933. In 1937, the second company the American Newfoundland Fluorspar Company was sold out to the Aluminum Company of Canada (ALCAN) that formed the Newfoundland Fluorspar Company, referred to as Newfluor. Newfluor and the Corporation expanded operations following the prosperous years generated by the demand from the Second World War. Shortly after the mines open, workers noted common illness and a characteristic shortness of breath amongst themselves, and after a few short years it became evident to the workers that their work in the fluorspar mines was hazardous to

their health. The first union of the miners was formed in 1939. The union organized a strike in 1941, that was ‘resolved’ by the state. The degree of reliance of the St. Lawrence workers was “paralleled and reinforced by the government’s reliance on foreign developers.” (Summers, 1994). From Confederation in 1949 until the mine closed in 1978 was a period characterized by ongoing debate and dialogue regarding the mining safety and compensation regulations (Rennie, 2005).

Key Actors

Before we outline the social relations of production that permeated the policy process, we must first identify the most prominent actors in the policy community and their influences and constraints with regard to the policy process. For the sake of this paper, we will take particular consideration in examining the function of four primary actors: the St. Lawrence Worker’s Protective Union (SLWPU), The Corporation and Newflor, and the Provincial Government.

The St. Lawrence Worker’s Protective Union was initially formed in 1937 as the St. Lawrence Miners and Labourers Protective Union, led by the local merchant Patrick Aylward (Rennie, 2005). The union operated through generating a list of demands presented to the St. Lawrence Corporation. When Newflor opened in 1939, this increased the membership of the union by 240 members. The union pushed for their benefits through traditional means for labour unions: through walk outs, strikes, and the perceived threat of disturbances. The goals of the union were to improve the lives of men “morally, socially, and physically,” and securing worker’s compensation (Rennie, 2005). While the union was both active and representative of it’s members and the mine workers in St. Lawrence, both Newflor and the St. Lawrence Corporation refused to recognize the union, or even communicate with the union, insisting that any workers issue should be dealt with on an individual basis. This is characteristic of the relationship between workers and owners that Marx envisioned as a principle characteristic of capitalism. The collective action of the union workers was crucial in the interest articulation of the mine workers. Since the community had few other industrial enterprises for family breadwinners to seek employment through, virtually every family in St. Lawrence had a family member as a miner and member of the union (Leyton, 1976). In this regard, the union was sanctioned by the community as a legitimate organization with legitimate aims and entitled to equal recognition from both government and the corporations. This community support was integral in mobilizing province wide public support throughout the 1960s and 1970s, specifically with regards to the media coverage (Burt, 2008). In 1962 the SLWPU opted to join the Confederation of National Trade Unions. Even the town council supported the union. Throughout the Royal Commission, the town mayor Fabian Aylward presented a submission that was heavily critical of the provincial government (Burt, 2008). This action secured further legitimacy and public support for the union.

The role of Newflour and “the corporation” are perhaps closest of all the key policy actors to what class analysis theorists would predict in a capitalist society. The corporations exploited the workers and failed to recognize the legitimacy of the union of workers (Rennie, 2008). Essentially, the corporations were maximizing utility at the costs of the workers. The corporations were operating to systematically further their own interests. Their attempts to quell the union organization and intimidation techniques illustrate the archetypal corporation tactics expected in class analysis theories.

Perhaps the actor of most interest in this study is the government. Since this study focuses specifically on the public policy formulation, the actions of the government ultimately defined how the articulated interests of the working class were aggregated and implemented into a policy agenda. The overpowering and overbearing political style of Joey Smallwood was crucial to the interest aggregation in the public policy formulation. Since Smallwood himself would determine the agenda of cabinet meetings, and would dominate the “discussion” at the meetings of the executive (McQuorcodale, 1989). Further, it has been stated that the Liberal party structures were basically all controlled completely by Joey Smallwood (Wolinetz, 1998). This totally undermined the ability of individual workers or the union to establish patron-client networks, which is one of the primary political channels that can be accessed by citizens with fewer financial resources. Further, Smallwood had stated on numerous occasions that he wished his primary legacy as a premier to be seen as his success in industrializing and modernizing the province of Newfoundland (Pottle, 1979). This is crucial to the understanding of Smallwood’s reaction to the public policy with regards to industrial corporations. Smallwood publicly lauded that the primary indicator of his success be measured by the economic growth and success of the province- this means that Smallwood therefore had a vested interest in insuring the employment rates of the province were maintained and kept Smallwood operating in the interests of corporations rather than the working class. In addition, the mining operation was considered a substantial source of “mineral royalty revenue” for the provincial government (Rennie, 2001). This qualifies the motivation of the Smallwood government to avoid any particular decision making on the issues of worker’s compensation.

Fragmented Policy Formulation

The policy response of the Smallwood government to the outcries of workers and the public regarding the necessity of worker’s compensation for the miners has been characterized as a fifteen year process of “patching legislation.” Government was responsible for the regulation of health and safety standards at the mining operations. These responsibilities were overlooked by the government, in order to allow the economic growth brought to the province by the mining operations to continue unfettered.

One of the most significant milestones in the policy history regarding the mines was the Workmen’s Compensation Act in 1951. This policy marked a crucial turning

point in the approach of the provincial government. It is hypothesized that the community pressure was one of the greatest influences on the generation of the Workmen's Compensation Act (Aylward, 1969). The crucial turning point was that the provincial government had been reluctant to engage in developing any policies that interfered with the operation of the mining corporations. Until this point the provincial government had taken the position that any of the conflict that arose between the SLWPU and Newfluor should be resolved between the groups and without any intervention from the government. This was the beginning of the years of "patching legislation." The WCA was widely regarded as wholly insufficient- the union opted to take money from the Disaster Reserve Fund in order to generate enough compensation for the workers (Burt, 2008). From 1963-1964 the unions presented claims regarding health and safety in the mines to the provincial government (Aylward, 1969). However, opting to adopt their position prior to the WCA, the Department of Mines, Agriculture and Resources expressed that the government did not have an interest in getting involved. Following this, however, there was a Report of the Review Committee. This report marked the provincial government as officially and publicly recognizing the macabre conditions of the fluorspar mines. This does not mean however that this was translated into the policy field however. Smallwood maintained the media was "greatly exaggerating" the situation of the mines (Burt, 2008).

The Royal Commission was established to clarify the conditions of the mines and to outline recommendations for the government. The Royal Commission conducted extensive review of the conditions of the mines and the impact on the health of the miners. While the government had expected the Royal Commission to legitimize their position of non-interference, this was not realized by the Royal Commission (cite). In the Report of the Royal Commission Respecting Radiation, Compensation and Safety at the Fluorspar Mines, St. Lawrence Nfld. On the contrary, the Royal Commission was excessively critical of the provincial government. This provided more momentum for the case of the miners, and with the politicization and the attention of the media, the government felt increasing pressure from the general public. As Leyton describes, this was what finally pushed the government to take action. Leyton also theorizes that because this process was a grassroots movement, or a bottom-up process, this was what caused the development of the policy to be such a fragmented process, outlined by the process of slow progress through constant amendments (Leyton, 1977).

Conclusion

There is no doubt that the working class and the corporations were operating with different advantages and constraints. The constraints on the working class imposed by the superstructure were numerous, and the relationship was inherently antagonistic. Based on the analysis of the policy community involved in the policy processes, the inequality of interest aggregation based on class was realized through the insufficient approach to policy amendment, such that it is only in the past few months that surface workers have received worker's compensation. This paper has outlined the policy

community and networks relating to the fluorspar mines, and through employing a class analysis theoretical framework, the paper has highlighted the class dimensions evident in these policy networks and their differential impact on the policies. These slow progressions are the realities of the “politics of injustice” (Burt, 2008) and class distortion, as regardless of the overwhelming agency of the union and the community of St. Lawrence, the policy response was slow and utterly inadequate.

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