

Celanese

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Q: Tell me a bit about your background.

DM: I came to Celanese as a summer student, is how I got at Celanese. There's a little bit of a group of folks at Celanese that were summer students. When I was going to university and college, just at that period of time, around '89 or '90, it was very difficult to get a job in any field. I had worked a number of summers at Celanese and I decided to stay on. I stayed on as a permanent fill-in temporary position. I was an operator. I started out first though as a summer student in cig tow. I don't think I was liked there, so they decided to move me over to cellulose acetate, which the next summer I thought, that's great, because I got paid more money. So I got moved over and the job was basically making the cellulose acetate for cig tow so they could make it into bales to eventually put onto the cigarettes. I felt very fortunate to get a job at Celanese. I had an uncle working there and it was a good place, good pay, to be. Maybe not necessarily a good place to work, but good pay so you could get through university.

Q: Tell us about the work in the cig tow area.

DM: It was just more or less manual labor. I was very happy to get to the cellulose acetate area, which was an operating area of monitoring and mixing chemicals to make sure the batches went through. At times it was a lot of physical labour if it went wrong. The cellulose acetate process was a batch process, so it's like making cookies. Even though everything is measured out in very similar way, if something isn't right it could all go awry. As long as everything was kept within order and within sequence, then it worked out. But sometimes equipment failed or there's other issues, and then that would be in a batch process not the most enviable position to be in.

Q: As an operator, what was your job?

DM: Just monitoring and making sure the equipment and the process was functioning properly. So over the years that I was there, they were always trying to automate it. I was on a couple of those committees, and basically they were always trying to get capital from Germany at the time, and they would put it under the guise of a safety issue. That's how they would be able to get some money. But they never really fixed the safety issue

or the other issue at the time, it was just sort of a way that they'd be able to get some money. When I had just started there at the cellulose acetate, it was just coming through a modernization of more computer control. If you can imagine all the processes before that, everything related to making the cellulose acetate was all done via an operator manually hitting a switch and going to the vessel and hitting a switch. A recipe for disaster, and that's why CA had a reputation of not being a good place to be. There was lots of acid trims from just the process, but a lot of times from the spills. A lot of people liked the cig tow side of things because it was a lot more sweeter smelling and there would never be the huge messes when there'd be a mess, to the extent that there would be in our department.

Q: When you started in CA, had they already started the computerization?

DM: Ya, they had done computerization, and it was all on their first automation of the first board. They were still doing some tweaking of it; it had just gone through a computer upgrade. But it wasn't that long since it was actually all via computer and monitoring and not all on charts and whatnot. You get the sense that it was starting to be more closely monitored via computer and computer technology. There'd be automation of the valve to open to let the material go in. The material was already measured, so instead of having the person manually open the valve or close the valve.

Q: During the time you worked there, were there any chemical spills?

DM: We had our fair share. Just because it's automated, it still has someone saying open or close on it. It just moves it from maybe outside to inside a control panel.

Q: How much protection did you have against chemical spills?

DM: One of the first things I brought up was the noise level. Being a summer student, I asked that the noise level in the control room be measured. That's how I got first involved within the union, was via the safety aspect. The control room, there was always more protection for the computers than there was for the people. The only reason why there was air conditioning in the control room was not because it made it more comfortable for the guys to work, it was because if it wasn't, the computer would overheat and there wouldn't be any production. That was one of my first things. As I recall the safety meetings at the time, there was a lot more, and maybe it was just the crew I was on, a lot more openness or debate about safety issues within reason. Or maybe I was just young and naïve and didn't necessarily understand it. But we always had really healthy debates in safety meetings, and that's where I learned some stuff about the process and about safety. Whether some things got solved out of that or not is probably open to debate, but the safety meetings were healthy and a place for debate. Some people didn't necessarily like those things. I can recall one safety meeting they said, you guys have to take on some of these actions yourself, you can't just be putting it out on the table and letting us do it. You've got to show some initiative too to get it done. It was the end of the safety meeting and I was going to bring up a few points. I was doing a job where I had a bit of time and I thought, I'll phone Alberta Occupational Health and Safety. We only had one locker – it was over trying to get two lockers. We're an acid environment so I wanted to have one locker for a change of clothes and one locker for work clothes. So I did some phoning

around and connected with some people in the government. I was aware of not saying who I was calling about, just saying the environment. So did all this leg work, and I come up at lunchtime to talk to my supervisor. I made the mistake-- there were also some area supervisors and others there. I said, because of the safety meeting, we should try to get some things done. I go, well I phoned Alberta Occupational Health and Safety. All of a sudden, that's where things went awry. I got one guy was frothing at the mouth saying, who gave you the right to phone Alberta Occupational Health and Safety? My supervisor, we got along well at the time. He said, get out of here, or we'll deal with it, or whatnot. I said, they don't say that we require two lockers, it would just be nice if we could have two lockers. For the amount of space that we have and the amount of people working here, what's wrong with getting an extra locker? That's how I got involved. When people had some issues I was the conduit to attempt to get them done to some extent.

Q: How many years did you work in the Celanese plant?

DM: I worked there approximately 20 years, if you count summer student, so probably 16 actual years.

Q: Was most of that time in the cellulose acetate?

DM: Ya, 99% of the time was in the cellulose acetate area.

Q: When did you get involved in the union?

DM: How I got involved in the union, Amal Nypiak had stepped down as an area steward, and Paul Fleming had stepped into the position of steward but I think he had grander aspirations of being involved in management, so he had stepped down. There was an opening for a CA area steward. How it all came about is one person with similar stature as mine as a permanent fill-in temporary position wanted to run for the position. I didn't think he had enough experience, so I went around to all the shifts and all the people and solicited some of the folks that had been there for awhile and said, why don't you be steward? You have more experience and knowledge of this area and the people. Because we had such a bad department manager, no one wanted to get involved. I didn't think the person that was going to run had enough experience, so I put my name in there. We had an election and I won the election. That's how I got involved as CA area steward. You got involved in all the steward things, going to the various union meetings and whatnot. I don't know if I was necessarily in tune to the union meetings at the time as much as would be in tune to union meetings and whatnot now. We used to have extraordinarily long union meetings. From 2 o'clock until 5 o'clock we'd be debating the various issues of the day, what was going on at the various different areas. We'd have these super long executive meetings. It was always interesting debates on the various things. I wasn't as much involved in the higher end politics, but I was involved at the first merger convention between ACW and CEP when we became one big union. So that was when myself, Don McNeil and some others went to Carol Stuart, and I forget our president at the time. We went to the founding convention of CEP.

Q: Did that have any impact within the plant?

DM: I don't know if Carol Stuart would have really good, I think she was against the merger at the time. She was one of the few that was against the merger at the time. They were allowing me to come for the learning experience, but not allowing you into the back room for what was going on. Within Celanese, the Celanese part were not necessarily sold, the Celanese bargaining unit of local 777 weren't necessarily sold on the merger, but the merger came through without too many major things.

Q: As a steward, what kinds of issues were you dealing with? Were they mainly related to health and safety?

DM: Or wages or overtime, or why didn't I get called in for overtime for this, or I should've got paid for that.

Q: Was there a feeling of favoritism of some workers?

DM: I don't think you can get away from that; there's always a little bit of politics in some of the people that got called or didn't get called for overtime. I didn't have too many major grievances. It's just that it always seemed like a butting head competition with management. When they changed over management to a different individual, that's when I took a step back. It was like I was being targeted. He took special delight in targeting people that were involved in the union. So I took a step back from being on the union executive to kind of not be involved as much as I was, but still involved in the floor or for giving the issues to the stewards. You need all kinds of people to make it go. It's like anything else, it's about respect. The guys working in the fields know how things operate and how best to get production. But whether we got listened to by management or not was an open debate. I remember near the end, we'd been making cellulose acetate for over 50 years and they didn't have a clue how much poundage was coming out of each charge. We've been doing this for 50 years and you don't have an idea of what the weight is? We all know, with what the chemicals and everything should add up to, that we should have a reasonable idea of how much production you get out of what you do. Probably starting in 1950 there'd be a cycling of issues every, the same issues having to be dealt. If a new guy came in, there'd be the same issues over and over and over again.

Q: Every time management changed you'd start over again.

DM: Over some of the issues, maybe not the ones that were hot issues at the time, over issues that were dealt with previously in the past.

Q: Was it adequately staffed?

DM: It depended on how well the place was running. There was lots of, I know at the beginning I did tremendous amount of overtime. There always seemed to be overtime, and it seemed to fluctuate. The company didn't seem to buy into the fact that if you had more people on that you would have less overtime. For the most part, it was staffed reasonably. It was just sort of near the end or near the last 5 years or 7 years where it was run with way less people than would normally have been there. It was just lucky that we never killed or hurt anyone too severely. Safety was always my big issue. Some of the things that we did and that management never really were held accountable, as far as I

could see, in that time we must've had 5 or 6 explosions/fires. I was on the fire crew. It was always interesting that management always thought they were invincible in those situations. I had my fire gear on, my bunker gear on, and smoke would be gradually be going lower and lower or down and down. They'd be there just taking it all in, sucking in all the great chemicals. We got better over a period of time of how we operated to a certain extent, but there's always an inherent risk when you're in a chemical plant or manufacturing facility with various chemicals, pressures, that things happen. There always seems to be that inherent thing of management always wanting to get it up and running right now instead of, well maybe we should think about this first. Depending on who you had as a supervisor, you could tell certain supervisors, hold on, we should do it this way or that way. Or you could talk to management to say, we should think this through before going ahead and doing stuff. It always seemed to be from one crisis to the next crisis, to some extent. There was one individual plant manager, Abriellis, who some would say was bad or some would say was good. He always had a thing, we always had to deal with Americans. America was our big controlling interest. He always ran his department underneath the Americans, not letting them know everything. So we always ran at a very high rate under him, 95 or 96% production rates. The Americans would say, oh we got an order here for so much, can anyone supply it? He'd go, oh ya I can supply it. They'd always be amazed because they'd look at their things and there'd be no way – where was he putting all these things? He kind of shuffled the numbers to make it more efficient. We're a small batch plant, originally designated just for the Canadian market, not meant for export. But because of the way we changed things around we were mostly exporting to China and doing the very high value added production. We were really diversifying the economy, we were really adding value to products, bringing in Alberta wood pulp and using Alberta chemicals to make a product that would then be sold to China or the rest of the world, really diversifying. But the biggest thing that Alberta has going against it is being landlocked and not having adequate or cheap shipping or being close to big markets. So there was always sort of that doom and gloom from management. I always remember management saying, bad year, bad year, it's going to be a bad year. I don't know how many years in a row they said that, and we always had record profits. There'd be record profits. Can't you hire some more guys and cut down on the overtime? It would always be record profits up to a certain point.

Q: Could you trace the changes in management during your time there?

DM: At the beginning there was a labour shortage way back when, in '87 or '89. Well there was a shortage in '78, but the folks that they got there were from England, Welsh. There was a lot of English right from a period of time that were still there. The person that I had was first area manager or CA manager was Glen Thomas. He was a Welsh person who was very class-based. He didn't understand, he always thought everyone should be bowing to him. He was very concerned that the workers like him. He must've seen the writing on the wall coming. The next guy we got was an engineer named Aubrey Ellis. I don't know how to explain it. Celanese always attracted a certain type of person, or there was a certain type of person that was always there – a get things done type of guy, but they also had a certain mentality. Then over the years the education requirements got a little higher that things were gradually changing where you needed a power engineer ticket to be there. So on the workers they were hiring there was a slight change in mentality as well as getting older. So in those years previous, the plant site in general

was known as you worked hard but you played harder mentality. There was a lot of camaraderie and when things went down everyone went and got it done as required. Management would, on the maintenance side of things, they'd put in big parties and make sure guys had a good time. There was sort of that sense of family, but there was that dynamic changing a bit, of age and education and some things. So CA always had very firm, authoritarian management to try to keep the play hard attitude in check. There was still a lot of remnants of this management, and that sort of Glen Thomas model, and then Aubrey Ellis comes in. He's an engineer, that's nothing new, but he had a bit more of a listening style. Whether he accepted what you were saying or not, he always seemed like he listened – a very good quality to have. I wish I could have that sometimes too. But he listened, he actually listened to the floor and to the workers. A lot of changes happened that were sort of more on the positive side of things. But we were also going through a dynamic of always competing with the world as well. So you always had the underlying competition of there's many different plants out there; you always have to be aware of competing with the rest of the world.

Q: But the company wasn't willing at a certain point to invest in that.

DM: No, they basically took billions of dollars out of Alberta and that plant without reinvesting it. It was only out of sheer luck that they put most of their eggs in the cig tow basket and were able to make a highly value added product for so long. When it came to, they reinvested in some stuff but they never put into researching how we made our product, of how we could've tweaked things or to understand it better. We just kind of made it, and that administrative stuff, that stuff is easy to get rid of and cost you money. So there was a bit of dynamics of talking about possible expansion, because it was always set up to double up. But it never really got the capital there to double up. Some things were streamlined but not some other things. One aspect that I will always remember and take with me is some of the things on efficiency. If the government didn't put down some laws of how things get done, the company would have never done it, never in a million years. If it wasn't legislated to do, they would never do it. But if it became a money issue and they could make some money off of it, then they would think about doing it.

Q: So this was not a company that took much initiative?

DM: No, they always, like most companies, say they want to be in the middle of the pack. They don't want to be the ones taking the leading role.

Q: Was it that way with health and safety issues as well?

DM: Ya, the only way you ever go the company's attention would be externally. So when the prices of gas were getting high, that's when they thought about putting more efficient stuff on. They never thought about putting more efficient stuff on beforehand, because gas was cheap. They never thought, well all the CO from the methanol production would go out the stack. But because of legislation, they then recaptured it and cleaned it up and sent it away. We were a branch plant, and we only had a certain amount of control. If we were a Canadian plant ... I don't have all the timelines on there, but we got bought out... I remember as a union executive, and I'll always remember this, we wanted to, not the union but the company wanted to put an investment into making acid.

The way we were making acid was old fashioned and supposedly not efficient, even though there's still one plant running down in the States the way it's being made. It's all a matter of the cost of the material. So we're still a Canadian entity with a Canadian board of directors at that time. The Canadian board of directors were pushing to build an acetic acid plant. It would be about \$150 million and 150 tons. What I remember is going into these meetings with management, sitting at the table and they'd say, we're telling you guys that we're just going to put orifices in all these things. We're only telling Americans it's a certain amount of the plant, but we're actually building it a little bit bigger than what they actually think, because they're not going to give us the money. I thought at the time, do you think the Americans are that stupid that they wouldn't figure out? Why couldn't you tell the truth? Why are you telling us, the union executive, that you're planning on saying that it was one production, but actually building it for a higher production? So there was that mentality that they had to deal with in the States. They were actually thinking that they knew they had to get to a certain level to be efficient.

Q: So you were often dealing with managers who were on a very short string.

DM: Well they had to make a case for it, right? They had to make a good case for the investment. They decided to invest in a plant, or they had invested previously in a plant in Singapore. It would be great to know how many millions of dollars it took them and many years before it was actually running efficiently. We had the experience and the knowledge and the people capable of running it, that we would've been able to do it in supposedly a lot less time to be able to run it effective and efficiently. But the powers that be decided that investment was to go elsewhere.

Q: Why was that? Because of cheaper labor?

DM: Probably cheaper labor, closer to market. Who knows whether, it's still running, I guess it's making some sort of money. I know it had many issues with the way it was operated there for a while. So here you have the plant site coming near to its end of efficiency, so some management are seeing this and they're trying to make a pitch to get some capital investment. So in the meantime we're a Canadian entity, we have \$1 billion in the bank, but not more than 50% out on the stock market. The vast majority was held by Hoechst, maybe 60 or 70%, and Hoechst was owned 20 some percent by the Kuwaitis. So they tried to make this pitch to the American headquarters. American headquarters says no. Canadian board of directors says, oh ya, we're going to go ahead. Next week we're bought out, and they shut it down. They bought it out for a whole bunch of money. For the amount of money that we had in the bank, we were saddled with another \$2 billion of debt. We took ourselves over, and then they saddled us with \$200 billion of debt. That would be probably '95 or '92 or somewhere around there. That was the writing on the wall, where you couldn't get the \$150 million investment for an acetic acid plant. ... Maybe it was '97.

Q: When it was bought out...

DM: Then it gradually, then there was a shutdown of the PE plant. PE plant made stuff that would be used in explosives and whatnot. You probably have some people that have told you how the plant operates. It was basically a circle; everything was interrelated.

Everything there was all interrelated, except maybe for the methanol plant, but methanol was the building block of the petrochemical industry. Because we had a methanol plant, we could've flipped it into. Methanol is easily made with that new technology into acetic acid. To make cig tow, all that plant revolved around was making cig tow and yarn at the time. It was all interrelated, all the departments were interrelated. That was just for efficiency purposes, makes sense. You just don't put an acetic acid plant or cellulose acid plant on its own. Some of that is done in Europe, but because of European laws that require manufacturing to be in Europe, that's how they get around it. They bring in the high value added product and then manufacture it for European market. But the Europeans protected themselves from that because of their legislation and whatnot.

Q: It's interesting that the Canadian directors were actually trying to open this new addition, and they were in a sense shut down by foreign ownership.

DM: That was the first buyout, that was the first one, when we became Hoechst. Then Hoechst spun it out as a separate entity. It was still run out of the States but it was separate. It was like Celanese on its own. That's when Blackstone came in with its reverse takeover and, if you read some of the things, highly suspect way of taking over a plant. They used high leverage and basically in a matter of 18 months got back their investment and more by cutting jobs, cutting things down. Stuff that maybe the Hoechst mentality or some of the mentalities there weren't willing to do, but then allow these corporate shysters to come in and do the dirty work. Once Blackstone... There was always a little bit of sense of competition between the various plants, basically too small. Some American parts shut down first, but then it was just a matter of time. The Americans look after Americans, they don't look after Canadians. That's what we lost when we lost that independence of the Canadian board, in legal terms anyway. Then we went through a series of, I don't know all the plant managers, but we had one guy from Texas and his basic job was to do the downsizing of the one side so none of the other managers would be tainted with that. I think Bill Saul was still here, based out of Sherwood Park. He didn't last too long in the position because he was basically too honest of an individual. That's what we were told. It was probably a classic textbook case of how you destroy a value added economy, when someone looks at it or whatever. How we were based, and I say that in the past because there was a concerted effort by Lougheed and other governments in the past to encourage value added products and to have places like Celanese operating. Petrochemical has its own cycle, but it's not exactly the same as the up and downs of drilling and oil and gas. It provided a certain stability and expertise and all those services and logistics that you're able to get out of having a big chemical plant here. It was basically the Alliance Pipeline which started the demise of the petrochemical industry in general, and not just Celanese. I was just out at Dow; one of the bargaining units here does some work at the Dow site. I was shocked at the parking lot; there were no vehicles in the parking lot. I asked the guys, where are all the vehicles? This parking lot should be full. No, it's 5 o'clock, everyone's gone. Everyone's gone? Where are the operators? Oh well everyone now parks their cars close to where they work now. Then they were telling me they just shut down a plant there for probably 800 Dow workers or probably 1500 workers in total on the petrochemical side. They're just in the process of demolishing or taking it down at that site.

Q: These manufacturing firms were quite important to the communities.

DM: Celanese always was strong with the stuff that it did within the community. It was highly regarded within the community. I know the plant manager was heavily into the arts and other stuff. The workers were very active in the community. In Beverly, a number of employees were involved in the community leagues. Ed Ewasiuk was elected out of Beverly. That's where most people when they came originally here, they purchased houses in Beverly and they developed the community and whatnot close to where they worked. There was always a strong sense of family within Celanese. A lot of fathers' sons grew up that way or knew each other from the Celanese picnic or fishing derbies or other things. But over time, a lot less people, they moved to Mill Woods or other places. Celanese had a definite impact on the Beverly or the northeast area. It maybe wasn't thought of as a desirable area; folks moved to what they thought were more desirable areas, like Sherwood Park or whatnot. But Celanese always had a big sense of community. I think part of it is when you have your basic needs looked after, your food, shelter and whatnot, a person can, 99% of the folks working in Celanese were very grateful for the jobs that were given. Always would have record donations to the United Way and be involved in many different aspects of the community. It's just my personal opinion, when you have those basic things looked after then you can go out and be more looking at external things instead of being internal. There was always a heavy involvement in the United Way and being involved there. If we weren't going through this boom right now you would see much more of an impact than there actually is, because the boom is taking up a lot of the slack of the impact that the community has felt. Even though the boom has probably caused a lot of the aspects too.

Q: The Celanese workers were more rooted in the community.

DM: Yes, because it was a plant making something. Celanese was the first investment in value added by the, or the first part of doing the petrochemical industry in Alberta. It's very rooted within the community. But it's the people that made up Celanese.

Q: What about your own community involvement?

DM: It's mostly on the union side is my community involvement. I know that I tried when I was on the executive I tried to encourage involvement in community projects outside of Celanese, or outside of I don't know if it would be normally classified as community, but trying to get the bargaining unit involved with the Aspen Foundation or ALHI or Parkland. I don't know if I necessarily consider those community things. I know I consider those extremely, they're extremely passionate in my heart for getting involved in those types of things. One thing about the Celanese bargaining unit was that there was only one real vote lost in my time of involvement as secretary treasurer. That was the one vote lost over sending people to Quebec City. The reasoning of the loss of the vote for Quebec City is they didn't want us to get thrown in jail.

Q: What steps can the provincial government take to keep our natural resources here?

DM: Legislate it. Legislate that value added needs to be done in this province. We're basically only a one trick pony more and more. We've hooked ourselves onto the tar sands bandwagon and we have no diversity other than the tar sands. The boom that we're

experiencing right now is only in construction. It's not jobs that are lasting in the end. This tar sands boom has basically wiped out the petrochemical manufacturing side of Edmonton and Alberta. I think there's been a change in who actually, the corporations have run this government. It's been a change in which corporations are being listened to in this government. It's the resource American-based corporations that are being listened to more and more. Unless we have a true change of government, and the Liberals would not be a change of government, in my mind, and just eeny meeny miny moe. Unless we have a real change in government and a real change of getting what's actually ours back in the mindset of running as that we actually own this resource, not something for Americans or other foreign companies to extract and to get back to us. We need to put value even more so now that the Canadian dollar has gone even higher. Our products have to be higher and higher value. That's the type of business and that's the type of things we should be going after. Unless you have some sort of government involvement via legislation or via something... The Alberta government owned part of the petrochemical industry when it first... Alberta Energy Company invested in Syncrude. That's how it got things started now. Now we've just basically hitched ourselves onto processing the tar sands, be it bitumen shipped out on pipeline or bitumen refined here.

Q: Like a third world country.

DM: Eventually it will be, if we don't change it in some measurable fashion. I don't think the politicians, some politicians have got it in the past, but I don't think the politicians that we have in place here on the Tory side at all get it. They're just about the profit bottom line of the corporation for right now, not looking into the future. What we have here and what we've been blessed here with, it's non-renewable. It won't go on forever. To only have so much saved up in the Heritage Savings Fund is an injustice and is appalling. More people should be totally upset about this. Then to have to be the supposed richest province in this dominion, and to have the worst social safety networks and the worst infrastructure, it's shocking that the government has gotten away with this for so long.

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