

## Trouble in the Hives of Industry: The Cotton Industry Comes to Milltown, New Brunswick, 1879-1892

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### Résumé de l'article

En 1880, quelques hommes d'affaires de Milltown, au Nouveau-Brunswick, décident de profiter de la politique nationale de restrictions tarifaires sur les produits de coton pour implanter une manufacture dans leur ville. À la lumière de cet exemple, l'auteur se penche ici sur l'impact des conditions du marché national sur une petite localité et sur les répercussions qui s'observent au niveau des rapports communautaires qui y existent.

Trois étapes de l'histoire de Milltown sont étudiées. Dans un premier temps, on rappelle brièvement l'histoire de la localité avant l'arrivée de la manufacture de coton en prenant soin de démontrer l'intérêt grandissant des gens du milieu vis-à-vis du projet. Dans un deuxième, on établit le rapport qui existe entre ce que les gens attendaient de la manufacture et ce qu'ils en ont reçu. Enfin, dans un dernier temps, on repère les événements — grèves, poursuites judiciaires, pollution de l'environnement — qui ont marqué les diverses étapes du changement d'attitude de la population locale face à la manufacture.

Somme toute, l'expérience de Milltown entre 1880 et 1892 permet de constater que l'industrialisation crée parfois autant de problèmes qu'elle n'en règle. Toutefois, cette expérience démontre également que, d'une part, l'élite locale peut exercer une influence considérable sur les changements d'attitude dans une population donnée et que, d'autre part, les gens d'une localité peuvent considérer que leur communauté a préséance sur l'industrie.

## *Trouble in the Hives of Industry: The Cotton Industry Comes to Milltown, New Brunswick, 1879-1892<sup>1</sup>*

**PETER DeLOTTINVILLE**

The National Policy of John A. Macdonald was the most significant economic strategy in nineteenth-century Canadian history. Not only did it stimulate industrial growth in the fledgling Dominion but, with the construction of a national railway and settlement of the West, it shaped Canadian society into its regional economic zones. The folly or wisdom of the National Policy has been vigorously debated ever since 1879.<sup>2</sup> A prosperous, powerful Central Canada feeding on a dependent West while ignoring Maritime protests for a fair deal have become common themes in Canadian historical writing. For the most part, these national and regional studies have concentrated upon the general impact of tariff reforms on single industries or regional economies. The large scale of such studies, however, sometimes forces historians to overlook the specific impact that industrial change has upon social structure. While census returns may accurately portray the increases in invested capital, consumption of raw materials, and the value of finished products, such information does little to explain the effects of industrialization in human terms.

This paper attempts to illustrate the impact of one National Policy industry upon a single community. The St. Croix Cotton Manufacturing Company, situated along the Maine-New Brunswick border in the town of Milltown, New Brunswick, operated as an independent company from 1880 until 1892. In many ways, the St. Croix company typified the intentions of the National Policy. Milltown was a lumber town whose timber resources had been largely depleted by the late 1870s. Its young residents were migrating to the United States in search of

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1. This paper is based upon research undertaken for my Master's thesis, "The St. Croix Cotton Manufacturing Company and Its Influence on the St. Croix Community, 1880-1892", (Dalhousie University, 1979). Acknowledgements for my thesis also extend to this paper and I would specifically like to credit my thesis supervisor, Gregory S. Kealey, for his valuable advice and assistance.
  2. A complete list of such works is unnecessary here, but my research was influenced by T.W. Acheson's "The National Policy and the Industrialization of the Maritimes, 1880-1910", *Acadiensis*, (Spring 1972), pp. 3-28; John Dales, *The Protective Tariff in Canada's Development* (Toronto, 1966); V.C. Fowke, "The National Policy — Old and New", *Approaches to Canadian Economic History*, W.T. Easterbrook and M.H. Watkins, eds., (Toronto, 1967); and Simon J. McLean, *The Tariff History of Canada* (Toronto, 1895).

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employment. Using foreign capital, local entrepreneurs built the cotton mill to ensure that their community would have an economic future. Since the factory continued to manufacture cotton until the 1950s, Milltown appeared to be one of the successes of the National Policy. On closer examination, however, the history of the St. Croix mill was less impressive. The first twelve years of Milltown's industrial transformation illustrated a community struggling with the disruption of established economic and social structures. The local business elite was replaced by outside directors and managers. Industrial unrest pitted worker against manager, and neighbour against neighbour. Local politicians found they had little influence over their town's economic affairs. Everyone in Milltown had to adjust to living in the shadow of the St. Croix mill. In one sense, Milltown can be seen as a microcosm of the cotton industry and perhaps other single industry towns as well. The general problems which confront a community trying to preserve its traditional social values and still adjust to current economic realities has relevance to all Canadian communities.

In order to appreciate the significance of the St. Croix mill's history, one must remember that this cotton factory was a single example of the transformation of the Maritimes from a staple to an industrial economy. The 1880s saw Saint John grow faster than the industrial centre of Hamilton, Ontario. New Glasgow, Moncton, Marysville, and Halifax, all witnessed dramatic growth in their industrial sectors as the eastern provinces equipped themselves to battle with the manufacturing power of Ontario and Quebec.<sup>3</sup> When looking at Canadian industry as a whole, it should be stressed that by 1890 there were over one hundred villages comparable to Milltown. These small towns contained over 4,500 industrial establishments representing over \$2.5 million of invested capital and almost 25,000 jobs. While this was only one fourteenth of the industrial capacity of the forty-six major Canadian cities, the social transformation of such villages deserves consideration.<sup>4</sup>

The Milltown experience may be presented in three general stages. Brief background sketches of Milltown before the cotton mill and of the national developments in the cotton industry show the merging of local and national interests. The original expectations about the mill will be compared to the actual conditions to show the general scale of community disappointment. Finally, a bitter strike, law suits, and environmental pollution provide benchmarks to gauge the shifts in local attitudes.

Milltown was a community of sixteen hundred settled on the banks of the St. Croix River which served as the international boundary between Canada and the United States. Over one-half of the inhabitants of this tightly knit community were of Irish origin, with another 30 per cent of English and 13 per cent of

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3. T.W. Acheson, "National Policy and the Industrialization of the Maritimes", *Acadiensis*, pp. 4-5.

4. *Census of Canada*, (1891), IV, pp. 368-75.

Scottish origins.<sup>5</sup> The excellent water power of the river at Milltown provided power for its saw mills which processed the timber harvested in the St. Croix valley. Directly across the river from Milltown, New Brunswick, the clutter of saw mills and small wooden houses continued, forming the aptly — but unimaginatively — named community of Milltown, Maine. Common ethnic backgrounds, family ties, and mutual interests made the local acknowledgement of border restrictions rather carefree, much to the vexation of customs officials.

Neither of the two Milltowns were self-contained communities. The New Brunswick town relied upon the neighbouring settlement of St. Stephen, one mile downstream at the head of navigation. With a population twenty-three hundred, St. Stephen acted as a shipping point for the St. Croix timber as well as a retail and financial centre for upriver communities. Calais, Maine, directly across the river from St. Stephen, fulfilled a similar function for American timber, and maintained a small shipbuilding industry. Although locally thought of as two separate communities, Calais and Milltown, Maine, shared a common municipal government. Together the two Milltowns, Calais, and St. Stephen made a comfortable, if not prosperous, living on the local timber and maritime trade. The working men of the two Milltowns allowed the middle class residents of St. Stephen and Calais to enjoy their more picturesque neighbourhoods, far from the sawdust and lumberyards.

Considering the location of Milltown, the prosperity of the New England textile centres naturally attracted interest and admiration. Like those towns, Milltown possessed good water power, a tolerable climate, transportation links by rail and sea, and an available source of labour. The selection of a suitable new industry was made easier with the National Policy tariff changes introduced in 1879. Almost overnight, the small domestic cotton industry looked ripe for expansion as Canadian producers tried to fill the gap made by the higher tariff on imported cottons. What looked like a good investment to the St. Croix entrepreneurs, however, appeared equally lucrative to several other Canadian investors. The resulting expansion in cotton manufacturing was dramatic. In 1879 there were only seven Canadian cotton mills, but by 1881 there were four more in operation and another nine mills under construction. Between 1879 and 1883, capital invested in cotton mills jumped from \$2.1 million to \$8.5 million. Cloth production increased from 38 million yards to 115 million yards.<sup>6</sup>

This rapid increase in industrial capacity was due almost entirely to the tariff restrictions. During the early 1880s, cotton mills became symbols of the new, prosperous, industrial Canada. Unfortunately, once all the production came on the market, the bubble burst. The orders were cancelled, prices slashed, and cotton stocks plummeted. With the October 1883 failure of Montreal's David Morrice and Sons, which acted as distributing agent for most of the Canadian

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5. *Census of Canada*, (1881), I, pp. 222-3. For additional information on the St. Croix valley economy and social history, see Harold A. Davis' excellent local study, *An International Community on the St. Croix* (Orono, 1950).

6. *Monetary Times*, 31 August 1883, p. 235.

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cotton factories, a sense of panic ensued. Cut-throat competition became the hallmark of the cotton market. These acute problems prompted leading cotton manufacturers to form voluntary associations in an effort to regulate market practices, prices, and production. The Canadian Cotton Manufacturers Association formed in 1883, and its successor the Dominion Cotton Manufacturers Association established three years later, both had very short term influence. Member companies frequently broke the Associations' regulations to gain a temporary advantage over their competitors. Stock prices remained low throughout the 1880s. As it became clear that the industry could not continue in this way, the largest cotton manufacturers, A.F. Gault and David Morrice of Montreal, bought out almost all of their competitors. Using English capital, Gault and Morrice created the Dominion Cotton Company in 1889 from all the grey cotton mills. Three years later, they organized all coloured cotton mills into the Canadian Coloured Cotton Company.<sup>7</sup> Between them, Dominion Cottons and Canadian Coloured Cottons monopolized the industry. While they could not immediately solve the problem of over-production, these companies did maintain better control on prices and distribution.

The 1880s had witnessed so many changes in the Canadian cotton industry that Liberal critic, James D. Edgar, MP, remarked that the industry, "has been the most spoilt, it is the most saucy and it is certainly the most dangerous"<sup>8</sup> of all the new "infant" industries. Critics charged that the National Policy, rather than creating a healthy domestic cotton industry, had allowed the manufacture of cotton goods to fall into the hands of a few Montreal monopolists. In the process, the hopes of the Milltown entrepreneurs and other investors for a share in the new industrial future had been shattered.

In light of these national developments, the transformation of Milltown's economy from timber to cotton was not an easy one, particularly when none of the local major capitalists had the slightest knowledge of the textile trade. The local lumber economy was almost exclusively under the control of four local families — the Eatons, the Todds, the Chipmans, and the Murchies. These families were related by marriage and common business ventures and possessed much of the wealth made from the exploitation of the only major natural resource. The leading men of these families controlled not only their own personal fortunes, but the economic future of the entire St. Croix valley as well. An inability to transfer the capital made from the timber industry into more profitable channels would

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7. The Dominion Cotton Company included the Hudon, Coaticooke, Craven, Kingston, Chambly, Moncton, Nova Scotia, Windsor, Ste. Anne, Merchants and Magog cotton mills, all of which specialized in the production of grey and uncoloured cottons. The Canadian Coloured Cotton Company included the Lybster, Dundas, Canada, Stormont, Hamilton, Ontario, Merriton and Gibson mills. The only remaining independent mills were the Montreal, Yarmouth, Cornwall, Montmorency, New Brunswick, and Saint John mills. See *Monetary Times*, 9 September 1892, pp. 277-9.

8. *House of Commons Debates*, 17 February 1893, p. 807. Edgar's speech details the Liberal charges that the National Policy was responsible for the monopolization of the cotton industry.

permanently cripple the local economy. There was a considerable amount at stake, therefore, when the lumber barons, Henry F. Eaton, James Murchie, and Freeman H. Todd, showed interest in an article published in the local Conservative organ, *The St. Croix Courier*, about the activity in A.F. Gault's Montreal cotton factories. At a private meeting on 1 February 1880, these three men, along with the local shipper, Zechariah Chipman, and several other community leaders, decided to build a twenty-thousand-spindle cotton mill at a cost of \$300,000. Technical aspects of the business would be handled by an experienced manager and outside capital gladly accepted once local investors had a chance to get in on the enterprise.<sup>9</sup>

During the following months these leading capitalists waged a public-stock campaign, aided by the talents of the *Courier's* editor, David Main, who saw the erection of a cotton mill as concrete proof for the merit of the Conservative's tariff policy. Public meetings were held in Milltown, St. Stephen, and Calais where the proposal was outlined with references to the prosperous nature of the New England cotton centres. The campaigners stressed that the new mill would be a secure place for local capital, provide jobs for local workers, increase the trade of merchants, and create healthy rises in real estate values. They painted a picture of the best of all possible worlds. Several commentators were adamant that the plan could not possibly fail. After receiving a petition from many of the town's property holders, the Milltown Town Council bought \$30,000 stock in the venture.<sup>10</sup> By May local stock subscriptions had reached \$80,000. While much of the risk was taken by the leading capitalists, many residents bought small amounts of stock. For them, the cotton factory was a public project designed to launch their community into a new era of prosperity. If the community's improvement also meant private gain, then the small stockholder was doubly glad to contribute. When total subscriptions reached \$90,000 in July, the local organizers decided to look outside the St. Croix valley for additional support.

Inquiries to Saint John capitalists and the famous lumber baron of Marysville, Alexander Gibson, received attention but no firm commitments since new cotton mills were also being talked about in those communities. The first definite proposal for additional capital came from a Waterville, Maine, cotton manufacturer, Amos D. Lockwood. Lockwood promised \$200,000 and also put the Milltown organizers in touch with Lewis Dexter of Providence, Rhode Island. Both Dexter and Lockwood had considerable experience in the American cotton industry and no doubt eyed the protected Canadian market with interest. The local

9. *St. Croix Courier*, 5 February 1880, p. 2.

10. Public Archives of New Brunswick, Fredericton, New Brunswick (hereafter PANB), Hill Collection, George F. Hill Political Correspondence, 1880, folder 522-71. When the 126 petitioners were traced through local business directories and assessment books, it was discovered that all were property holders and 10 per cent merchants, 14 per cent professionals, 4 per cent lumber mill owners, 33 per cent artisans, 18 per cent saw mill employees, 9 per cent labourers and 6 per cent farmers, with 6 per cent of the petitioners unidentified.

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enthusiasm for a cotton factory, combined with the technical knowledge and financial connections of the Americans, appeared to be mutually advantageous.<sup>11</sup>

The involvement of Lewis Dexter and Amos Lockwood, however, greatly increased the scale of the project. In finalizing the initial Act of Incorporation for the St. Croix Cotton Manufacturing Company, local capitalists had called for a total capitalization of \$400,000, which was an unprecedented amount in local terms.<sup>12</sup> Dexter and Lockwood insisted that the capitalization for the mill be increased to one million dollars. In return, the Americans asked for the ten-year tax exemption previously granted to local investors plus a \$30,000 bonus. In March 1881, the Milltown Town Council showed their approval of the deal by offering half of their \$30,000 stock to the American investors. This move was unanimously endorsed by local property holders. The remaining \$15,000 of the bonus was collected privately from both Canadian and American residents of the St. Croix towns.<sup>13</sup> Once negotiations were completed in May 1881, local stock subscriptions jumped to \$200,000.

Despite the success of the local organizers in raising the capital for the cotton mill, the eventual structure of the St. Croix company was radically altered from the original idea. Instead of being a locally controlled company, only 20 per cent of the stock was held by St. Croix residents. The lumber barons of the valley were very much junior partners in the operation. With no technical knowledge of cotton manufacture, the local investors, who were represented by James Murchie on the Board of Directors, were simply expected to maintain good relations with the local community. This alteration in plans, however, did not dampen local enthusiasm. If a large factory would ensure future prosperity, then many residents felt that the larger the factory, the greater the prosperity. Construction of the mill got underway quickly. The cornerstone ceremony took place in June 1881 with full Masonic ritual. Large crowds attended the ceremony and several received half holidays to celebrate the event.<sup>14</sup> Local eagerness to have the mill in production prompted Milltown's mayor, James Murchie, to read the riot act to construction workers who downed tools to protest a cut in wages.<sup>15</sup> Such municipal interference in private disputes was uncommon on the St. Croix and certainly indicated a darker side to local enthusiasm.

When the thirty-four thousand spindles of the St. Croix mill began to turn in June 1882, the rhythms of factory life slowly became the rhythms of Milltown.

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11. *St. Croix Courier*, 30 September 1880, p. 2; 25 November 1880, p. 2; 28 October 1880, p. 2.

12. *Ibid.*, 4 March 1880, p. 2.

13. PANB, Milltown Council Minutes, 16 March 1881, pp. 250-1; 18 March 1881, p. 281; *Calais Advertiser*, 23 March 1881, p. 2. The *Advertiser's* list of private contributors revealed that of the \$15,000 bonus, 38 per cent came from merchants and grocers, 20 per cent from professionals, 10 per cent from lumber mill owners and manufacturers, 7 per cent from artisans, and 1 per cent from labourers. The remaining 24 per cent came from unidentified sources.

14. *St. Croix Courier*, 30 June 1881, p. 2.

15. *Calais Times*, 3 February 1882, p. 2; *St. Croix Courier*, 2 February 1882, p. 2.

The symmetry of the four-storey, red brick factory located next to Salmon Falls dwarfed all other buildings in the valley town. The size of the factory was so novel that during its erection a police constable had to keep curious onlookers from interfering with construction. For most residents, the change in the landscape was a source of pride. One observer wrote that the new mill "will convert one of the lowest, most squalid parts of the village into a neat and tidy hive of industry."<sup>16</sup> When the mill's bell summoned workers to the factory at 6:00 a.m., some residents complained at being awakened at such an early hour, but the community soon grew accustomed to the regularity of the shift changes. The mill's bell became a familiar time check for all residents as they began to assess the changes this new enterprise had upon community living.

The new mill affected most residents by offering a new place of employment. With five hundred new jobs, the pattern of emigration among the young residents was temporarily reversed. The lack of a skilled labour force, however, meant that initially most of the skilled jobs went to outsiders. All the managers, overseers, and second hands were imported from the New England mills, particularly from those around Waterville, Maine, where Amos Lockwood had his factories. Several skilled workers were local residents who had spent years in the New England mills and took this opportunity to find work closer to home. This group of new residents did not include any of the numerous French Canadians working in the American textile centres. R.E. Patterson, contractor for the St. Croix mill, refused to hire French Canadians whom he described as "a very inferior class of men"<sup>17</sup> and this policy was continued by the mill superintendent, J.W. Brown. Such discrimination drew no complaints from local observers who regarded the new jobs as a return on their bonuses and tax exemptions.

Those residents who did find work in the mill had to adjust to long, monotonous hours in hot, noisy, gas-lit rooms. Along with learning how to spin, weave, and dye cotton, the mill hands had to contend with fines for substandard work and the discipline imposed by the overseers. For most hands it was their first experience with industrial conditions. Two-thirds of the positions were filled by women who had had few employment opportunities in the old lumber economy. In 1891, 371 women and 31 girls under sixteen years of age were employed at the St. Croix mill. Some were employed in the relatively easy job of ring spinning, others in the finishing rooms or as unskilled workers. A few women, however, became weavers and in this job female workers could make a wage comparable with their male counterparts. The low wages paid to women was a crucial factor in remaining competitive on the depressed Canadian market. Daily wages of 65 to 80 cents for female ring spinners compared very favourably, in the eyes of cost-conscious managers, to the \$1.25 to \$1.50 paid to male mule spinners.<sup>18</sup>

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16. *Canadian Biographical Dictionary and Portrait Gallery of Eminent and Self Made Men* (Chicago, 1881), p. 674.

17. *Calais Times*, 20 January 1880, p. 1; 10 February 1880, p. 2.

18. *Census of Canada*, (1891), IV, p. 119; *Report of the Royal Commission on the Relations of Capital and Labour* (Ottawa, 1889), New Brunswick Evidence, p. 178.



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Work at the St. Croix mill continued uninterrupted throughout the 1880s. While its managers avoided the temporary shut downs which occurred at many of the Canadian mills, the St. Croix's production did fluctuate with market conditions. As a result the total number of workers needed in the mill varied from month to month. Slow periods inevitably caused the dismissal of employees. Young female hands returned to their families in town or surrounding countryside to await better times. The uncertainty of steady employment, however, also created a very mobile labour force. Statistical information on this question for the St. Croix mill is limited, but it appeared that over 27 per cent of male employees stayed only a year or two in the mill.<sup>19</sup> The new mill did not, therefore, permanently stop the emigration of young locals, but rather taught these residents a marketable skill to take to other cotton centres.

Outside the factory, the mill hands' lives were still closely involved with the company. The large increase in the local work force created severe pressures on the housing market. In part, this problem was alleviated by company houses. Eight houses were built for the mill's supervisory staff and a boarding establishment, known as Corporation House, provided accommodation for eighty workers.<sup>20</sup> These measures still left a good deal of the housing demands to be filled by local property owners. In a few years, land prices rose dramatically and in some cases sold from five to ten times above 1880 prices. Two commercial boarding houses were started and several householders took in one or two boarders. While such a development pleased local landowners, a shortage of housing continued throughout the 1880s. The lack of adequate working class housing pushed the percentage of propertyless residents from 38.4 in 1880 to 46.8 in 1890. Most of those without property were cotton mill workers. In 1886, almost 70 per cent of male cotton mill workers did not own property. Among saw mill employees, who were long time residents, only one-third did not own property. Three years later, however, the percentage of propertyless male mill hands dropped to 46.7 suggesting that the highly mobile, propertyless worker was more common to the early years of the mill.<sup>21</sup> By 1889, almost all of the workers came from within twenty miles of the factory.

Indeed, the gradual integration of the cotton mill workers with other segments of the community can be seen throughout the 1880s. Early references to the "cotton mill folk" were soon replaced by individual names. The St. Croix mill superintendent, Lewis Dexter, sat on the local schoolboard towards the end of the

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19. Data on mobility was obtained by comparing the seventy-two employees listed in the *1886 McAlpine Charlotte County Directory* (St. John, 1886); and the fifty-four employees listed in the *1889 McAlpine New Brunswick Directory* (St. John, 1889); with the Milltown Assessment Books for the 1880s. Assessment Books listed all property owners and British males over twenty-one years of age.

20. PANB, Milltown Valuation and Assessment Book, 1883, Ward 2, n.p.; *Calais Times*, 11 May 1883, p. 2.

21. Figures on home ownership were obtained by comparing residents listed in the local directories for 1886 and 1889 (see note 19) with the Milltown Assessment Books from 1880 to 1892.

decade. The loom-fixers' ball became a social highlight of the year. Baseball games between the weavers and the mulers were a popular summer-night entertainment. These minor items knit together the everyday lives of the mill workers and the townsmen. This growing familiarity with life in a cotton mill town, however, made residents aware that many of the predictions made by the original supporters of the mill were not coming true.

The St. Croix mill did bring a great deal of money into town. Average monthly wages totalled approximately \$18,000, but this could fluctuate from \$10,000 during a slow month to \$30,000 during peak periods.<sup>22</sup> These wages, of course, kept many of the local retailers in business. Not only the Milltown merchants, but those of St. Stephen and Calais as well, were heavily dependent upon the patronage of the mill's workers. For them, the local bonuses had been justified, as they had been for the local property owners. There was a key group within the community, however, whose initial investments did not pay off — the local stockholder.

Because the St. Croix's managers and overseers were not from the Milltown community, the local stockholders were needed to keep alive that cooperative spirit prominent during the first year of the company's existence. The owners of the major lumber mills, such as James Murchie, Freeman Todd, or Henry Eaton, were well qualified to deal with any local problems because of their intimate knowledge of the community and its members. Events soon transpired, however, which made these men less than eager for such a task. Large dividends are the quickest way to a stockholder's heart, but unfortunately the St. Croix mill never paid anything upon its stock. As soon as the mill opened, the Canadian market showed signs of being overstocked. In October 1883, David Morrice and Son, a large Montreal dry goods firm and selling agent for most of the Canadian cotton mills, failed. By giving generous financing to Canadian mills during 1882, the Morrice firm accumulated \$1.75 million in unsecured liabilities. When the 1883 fall season proved very sluggish, Morrice and Son defaulted on its payments and was ordered to stop lending money to cotton mills. Among these mills was the St. Croix factory.<sup>23</sup> When the Morrice failure was announced, the St. Croix directors were selling company stock in Providence, Rhode Island. The panic which followed the Morrice failure halted these stock sales and the St. Croix mill found itself short of funds. Since most of the money advanced to the mill came from Rhode Island banks, these banks issued strict financial guidelines in order to protect their investment. The St. Croix operation was thought to have a good long-term future, and the creditors pressured the mill's management to increase production and reduce operating costs to meet payments on their debts.<sup>24</sup>

Such matters were handled exclusively by the American textile experts and the local directors soon found themselves cut off from most management decisions. Many measures taken to increase production, such as reductions in wages

22. *Calais Times*, 2 March 1883, p. 2; 20 October 1884, p. 2; *St. Croix Courier*, 9 June 1892, p. 3.

23. *St. Croix Courier*, 25 October 1883, p. 2.

24. *Ibid.*, 15 November 1883, p. 2.

and speed-ups of machinery, drew increasing criticism from local employees. In the face of such complaints many smaller stockholders became less vocal in their support of the mill. Still, local lumber mill owner, James Murchie, remained active on the mill's behalf, possibly because his other business interests declined. The *St. Croix Courier's* editor, David Main, also remained faithful to the only example of National Policy effectiveness in his constituency. Most other stockholders, however, regarded the local money invested in the mill either as a bad debt or a public-spirited investment which would never be personally rewarding.

The cooling of relations between the American managers and the local business elite was accelerated by lawsuits over the water power of the St. Croix River. In 1885, John D. Andrews, a local axe manufacturer, successfully took the cotton mill to court for interfering with his water power.<sup>25</sup> In August 1888, the St. Croix managers launched an action against F.H. Todd and Sons' lumber mills for the obstruction of water power. Freeman Todd found himself in the odd position of being sued by a company which he had helped to create.<sup>26</sup> In both cases, the St. Croix's managers made the most of their economic muscle by arguing that the older, but smaller, companies had no right to jeopardize such a large investment. This line of reasoning won few allies among local manufacturers.

The deterioration of good will between the local elite and the mill managers was not in itself the critical factor in reversing community support. Yet once these influential citizens no longer saw their interests as identical to those of the cotton mill, they looked much more sympathetically upon complaints of the local mill hands. It was among the mill workers that the first signs of discontent appeared. The attitude of the mill hands was important because Milltown residents were predominantly working class people. As one prominent citizen remarked, "A man who wears a clean collar in Milltown is taking upon himself undue dignity."<sup>27</sup> In an open clash between mill hand and manager, the Milltown community would naturally side with the workers.

The discontent of the St. Croix mill hands finally erupted in late January 1886. Four years after the mill started production, it was evident to all workers that the promises made to them during the stock campaign of good, permanent jobs would remain simply promises unless they took action. In early January, Superintendent Lewis Dexter announced a 5 to 10 per cent reduction on the piece rate paid to mule spinners and weavers. No previous notice of this reduction was made and the customary price lists, which allowed workers to see the extent of the wage cut, were not posted. The highly skilled mule spinners gave their two week's notice. Failure to do so could have resulted in a heavy fine. The weavers took no action, but two weeks later they received a second reduction and immediately left their looms. The mule spinners joined them. On the following day three hundred strikers met in Milltown's People's Hall to plan strategy. The strikers, headed by

25. *Calais Times*, 26 November 1885, p. 2; 3 December 1885, p. 2; *St. Croix Courier*, 8 September 1887, p. 3.

26. *St. Croix Courier*, 9 August 1888, p. 3; 30 May 1889, p. 2.

27. *Calais Times*, 27 August 1885, p. 2.

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the Milltown band, marched on the St. Croix offices and demanded their pay. The company paid them off the next day.<sup>28</sup> Milltown was about to experience its first cotton mill strike.

Initially, local reaction to the strike was one of surprise and unease. The community newspapers had frequently reported on New England strikes and lamented these unprofitable clashes between capital and labour. These distant disputes did not really prepare the local residents for the confrontation between the only major source of income and the welfare of their friends and neighbours. In taking advantage of the fruits of industrial development, Milltown now had to come to terms with its antagonistic elements. Rumours circulated that the strikers had smashed machinery and many wondered if a long strike would be the final blow which closed the St. Croix mill.

Confident in his power to make workers return to work without granting any concessions, Superintendent Dexter refused to hear the strikers' demands. Undaunted, the striking hands continued to meet daily. By the weekend, their number increased to seven hundred. Committees were formed to raise funds, distribute relief, and organize the strikers. The female hands took an active part in these committees and all other strike activities. On Saturday afternoon, all strikers assembled at the People's Hall in Milltown. Once again led by the Milltown band, the strikers marched through the streets of Calais where they reassembled at the local skating rink. The strikers' position was explained to those in attendance. The marchers then crossed the bridge to St. Stephen and returned to Milltown. This demonstration of strength and organization, "elected the sympathy of the entire community",<sup>29</sup> according to one commentator. Another witness wrote,

We doubt if ever a prettier scene ever gladdened the eyes of any people than the handsome girls and boys who paraded Saturday afternoon and asked by their presence in the streets of Calais and St. Stephen that all fair-minded people would hasten the day when justice would come to all alike and labor troubles and strikes would be unnecessary and gladly forgotten by poor and rich.<sup>30</sup>

The local residents gave more than sympathy. Aid in money and favours came from several influential citizens and even some of the St. Croix mill's stockholders contributed to the strike fund.

Surprised at the strikers' ability to rally community support, Superintendent Dexter agreed to meet with the strikers on Monday morning. They had four demands: a ten-hour day, a 10 per cent wage increase, a standardization of piece work to prevent further speed-ups of machinery, and the right for all strikers to return to work.<sup>31</sup> Along with the well-organized nature of the strikers, these

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28. *Calais Advertiser*, 3 February 1886, p. 3; *Calais Times*, 4 February 1886, p. 2.

29. *Calais Advertiser*, 3 February 1886, p. 2.

30. *St. Croix Courier*, 11 February 1886, p. 2.

31. *Ibid.*, 4 February 1886, p. 2.

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demands prompted Dexter to complain that the strike was being fermented by a "foreign element" engaged in similar disturbances in the United States.<sup>32</sup> The strike leader, John Danily, had indeed only been in town two weeks before the strike. He spoke highly of the efforts of the Knights of Labor to improve the condition of the working man. During the strike, two Knights' locals were formed in Calais and Milltown, Maine, and the Knights' philosophy cleared showed its influence during the dispute.<sup>33</sup> But there were no direct links between the strikers and the Knights of Labor; the local mill hands were simply responding to the harsh treatment they had received at the factory. On Monday afternoon, the superintendent rejected all of the strikers' demands.

Even as Dexter was meeting with the strikers, his supervisor, H.H. Shumway, was searching Milltown, St. Stephen, and Calais for workers to replace the strikers. Shumway found no volunteers among local residents and eventually had to travel to Eastport, Maine, to find new hands. Word of the importation of strike-breakers soon leaked out. The section hands, who helped oversee the looms, refused to teach "nobsticks" how to weave and joined the strikers. This walkout forced the mill to close completely. On 9 February, the mill's representative began his journey back to Milltown and the strikers took to the streets to show their strength. The Milltown Town Council, fearing a confrontation between the strike-breakers and the mill hands, summoned seventy-six special constables from among the local residents. Billie clubs were turned out on the mill's lathes for the men, but when the time came to swear in the constables only ten appeared.<sup>34</sup> Most of these were employed by the mill. As far as the Milltown residents were concerned, the strike-breakers did not deserve protection.

On Tuesday night, the train carrying the new hands arrived. The company's representative had managed to hire only forty girls from the Eastport sardine factories. They were accommodated in the company boarding house and on their daily journeys to the mill were protected by armed guards. Strikers continually harassed and ridiculed the strike-breakers, but carefully remained within the law. The mill windows were boarded up and armed guards posted at entrances. Such measures by the management alarmed local residents who expected a violent confrontation any day. To head off the threat of violence, three respected citizens tried to arbitrate the dispute.

Calais mayor, George M. Hanson, and two Milltown residents, barrister W.J. Fowler and general dealer S.D. Pineo, worked for four days before they persuaded Dexter to submit a proposal to the strikers. According to this agreement, the piece rate would be standardized and the increase in wages and reduction of hours referred to the Rhode Island creditors.<sup>35</sup> On the twentieth day of the strike, the mill hands decided to return to work under these conditions. The speed-up of

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32. *Ibid.*

33. *Ibid.*, 18 February 1886, p. 2; *Calais Times*, 25 February 1886, p. 3.

34. *Calais Advertiser*, 17 February 1886, p. 3; PANB, Milltown Town Council Minute Book, 10 February 1886, pp. 452-3.

35. *St. Croix Courier*, 18 February 1886, p. 2.

machinery, which had triggered the strike, had been resolved and the other matters postponed until later. It was a modest victory for the strikers. The local press was highly laudatory over the results of the arbitration proceedings. Such positive action seemed to indicate that Milltown could settle industrial disputes reasonably and avoid the constant struggle between capital and labour which characterized larger cities.

This hopeful illusion was destroyed once the hands returned to work. A few months after the strike, one-third of the work force was fired. Those dismissed included the hands active in the strike.<sup>36</sup> Such actions suggest that the superintendent's acceptance of the arbitration proceedings was merely a pretext to resume production. Community influence in regulating matters of mill production was non-existent. Market conditions would not allow the managers to improve working conditions and still pay their creditors, and the creditors came first. The dismissal of so many employees, however, left the mill short of skilled workers. To solve this problem, the St. Croix managers imported 116 Scottish textile workers in September. Though powerless to save the jobs of the strikers, Milltown residents did their best to make the new arrivals uncomfortable. The Scots were ostracized from the normal social functions of the mill hands.<sup>37</sup> This type of community pressure proved so effective that most of the Scots left by late November. This incident signalled the changed attitude of local residents and indicated an awareness that the St. Croix managers were more interested in their investment than the Milltown community.

By the end of 1886, the community's attitude towards the St. Croix mill was one of restrained hostility. Despite its indifference to local sensibilities, however, the cotton mill was still the only major industry in town. Its wages paid the bills and kept the merchants solvent. Even its most vocal critics respected the economic importance of the mill in the local economy. Although none of the promises made during the original stock campaign had materialized in an agreeable form, local residents shouldered part of the blame by inviting the Rhode Island investors into the project. This realization, however, did not prevent periodic outbursts of anger towards the St. Croix mill.

The cotton factory had given the Milltown community a secure economic base, but in the process divided that community as never before along class lines. Direct confrontations did not occur after the 1886 strike, but one incident did reveal the suspicions that management had towards local workers. In 1889 a series of unexplained fires broke out at the factory and Superintendent Dexter suspected arson. He hired a Boston detective to pose as a mill hand and discover the incendiary. The detective singled out seventeen-year-old Henry McIntee and eventually persuaded the boy to burn down the mill. One night, the detective and McIntee started some cotton waste on fire and, by a prearranged signal, McIntee was caught in the act. During the trial in late October, the detective presented his evidence, but the jury remained undecided with six voting for conviction and six

36. *Calais Advertiser*, 30 June 1886, p. 3; *St. Croix Courier*, 1 July 1886, p. 2.

37. *St. Croix Courier*, 9 September 1886, p. 3; *Calais Times*, 25 November 1886, p. 2.

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for acquittal. At a second trial, the judge told the jury that the McIntee case was the strongest case of circumstantial evidence he had ever seen. The *Calais Times* reported the trial's outcome with obvious approval.

In the Country Court in St. Andrews, last week, [the St. Croix cotton mill] failed to secure a conviction of Henry McIntee of Milltown, who was tempted by a hired detective to pretend to commit a crime. After three days trial the verdict was 'not guilty', and the boy's acquittal causes almost universal pleasure in the community.<sup>38</sup>

There was certainly nothing surprising about the community's joy in the acquittal of a seventeen-year-old native. Still, the suspicions of the mill superintendent were never really resolved. If McIntee was innocent, was there someone else with a grudge to settle?

The sharpest criticism of the St. Croix mill was touched off by damage to the local environment. Nineteenth-century lumber towns such as Milltown could hardly be described as clean places to live, but whatever unspoiled nature remained in the area was highly valued by local residents. The St. Croix River's salmon population received careful assistance from local conservationists. The St. Croix mill was not the neat and tidy hive of industry originally envisioned, since the waste water from its dyeing process proved fatal to local fish. Periodic complaints about the destruction of the local fish population had no effect upon the mill's operation. In August 1887, the *Calais Advertiser* grew tired of the constant criticism and asked, "Would it not be just as judicious to look after the sporting fraternity and let the mill grind cotton?"<sup>39</sup> The economics of the situation made the *Advertiser's* comment a reasonable one, but the *Calais Times* took this opportunity to let off some steam. In a long editorial, the *Times* reviewed the "extraordinary license" allowed the mill and pointed out the paltry returns on the investments in the factory.

When the St. Croix Cotton Mill Company serves notice that it will treat with contempt all complaints against its illegal measures, and will denounce as 'irresponsible' all those who oppose its high handed proceedings, then the time has come to remove its conceit through vigorous fight.<sup>40</sup>

This outburst was the first unqualified attack upon the St. Croix mill for its disregard of community values, but no action followed these words. The mill continued to pollute the St. Croix River. Only after repeated complaints by Dominion Fisheries Inspector Pratt and the insistence of the Fisheries Department did the factory reduce its pollution.<sup>41</sup>

These incidents demonstrated the growing disillusionment of certain segments of the local community. It was not until December 1891, however, that the

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38. *Calais Times*, 31 October 1889, p. 2; *St. Croix Courier*, 20 June 1889, p. 2; 14 July 1889, p. 2; 31 October 1889, p. 2.

39. *Calais Advertiser*, 31 August 1887, p. 2.

40. *Calais Times*, 1 September 1887, p. 2.

41. *Ibid.*, 2 October 1890, p. 2.

full extent of the community's dissatisfaction became evident. In December the ten-year tax exemption granted the cotton mill expired. Directors of the company asked for a continuation of the exemption since other mills across Canada enjoyed similar privileges. In order to remain competitive, the St. Croix mill needed the same advantage. This was a common plea of local industries dealing on the national market and usually the local government agreed readily to the exemption, expecting indirect benefits to offset lost tax dollars. In January 1892, a public meeting was held in Milltown, but no decision was reached. The company directors sent circulars to each ratepayer asking for their support. Because of the local feeling about the mill, the Town Council refused to make the decision. It decided to canvass the ratepayers and agreed to abide by the consensus. Once the ballots were counted, the decision was very clear. No one voted to renew the exemption. Ballots fixed the average assessment for the mill at \$225,000. Considering the depressed state of the cotton market and the local assessed value on other properties, this figure represented a fair tax burden on the factory. On that assessment, the company would pay \$5,000 annually in taxes.<sup>42</sup>

This refusal to extend special privileges to the St. Croix mill was not in itself a great blow to the company. The significance of this decision has more to do with community values than economics. During the 1886 strike, in the law suits over water rights, and throughout the pollution of the St. Croix River, Milltown found itself unable to effect any changes in the mill's operation. The cotton factory was simply too powerful to be influenced by community pressure. Taxes, however, were entirely within the community's power. This was perhaps the only channel through which the local residents could express their hostility towards the mill. As "Milltownner" explained the tax question to the *St. Croix Courier*,

Milltown has about paid dollar for dollar what it has received during the past ten years of exemption . . . if the mill needs any further fostering care as an infant industry, then let Calais and St. Stephen which receive three quarters of the benefit, come forward with a helping hand and not ask Milltown to beat the bush and catch the bird any longer. It looks like too much crow to Milltown.<sup>43</sup>

After ten years of difficulty between the company and the community, Milltown residents decided that the community came first.

If the Milltown residents had come to terms with their own "infant industry", national opinion still remained uncommitted. The "infant" cotton mills proved unprofitable as single companies but, with the merging of these mills into the Montreal combinations, renewed hopes were expressed about the future. One month after the Milltown tax issue, the owners of the St. Croix mill sold out to the Canadian Coloured Cotton Company. This company combined almost all of the independent mills which were still outside the Dominion Cotton Company. These two combinations gave the Montreal manufacturers an undisputed monopoly over the industry. Questions of production, price, and marketing

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42. *St. Croix Courier*, 14 January 1892, p. 3; *Calais Advertiser*, 17 February 1892, p. 2.

43. *St. Croix Courier*, 31 December 1891, p. 2.



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affecting the St. Croix mill would now be decided in Montreal. For Milltown, the rules of the game had changed overnight. In future, if Milltown did not want to give concessions to the company, new production and jobs could be located in Marysville or Cornwall. The contest between community and company was one-sided while the St. Croix mill was an independent concern, but the Montreal directors could play one town against another in a never-ending shell game to decide which community prospered and which declined.

Milltown's experiences with the St. Croix mill between 1880 and 1892 clearly demonstrated that industrial growth created as many problems as it solved. There was more money in town, but housing prices soared. There were more jobs, but the working conditions created dissatisfaction among local workers. Those characteristics of single industry communities present during the lumber economy actually intensified with the increased scale of the cotton factory. The new mill marked the end of an economy controlled by local businessmen. Decisions affecting Milltown were increasingly made in Rhode Island and later Montreal. And just as residents disliked the American management, they would grow to mistrust the Montreal directors who made decisions on a national scale without much consideration of local impact.

By focusing on the dynamics of the community itself, one can see in Milltown's history an illustration of the local elite's role in shaping the attitudes of residents. At first, its cooperation made the company's position an easy one but, once community leaders became detached from the day-to-day operations of the mill, problems occurred. In the end, the conciliatory role of the local elite between the community and the company was futile, since the company would not compromise its competitive position to placate local sensibilities. The main-spring of local discontent was the community's working class. The mill hands had first-hand knowledge of the mill, and the realities of cotton manufacture forced them to attempt improvements. The behaviour of the mill hands can be partially linked to the working class tradition of Milltown. As a lumber town, Milltown was no stranger to strikes and work stoppages. Local experience, however, was only part of the situation. When the New England textile workers taught locals to weave cotton, they also gave them a familiarity with the opinions and character of American cotton hands. The 1886 strike and the formation of Knights of Labor locals under the Maine District Assembly illustrated the influence of outside forces. Taking their tactics from other places, but preserving the local spirit, the mill hands forced all local residents to face realities.

For the St. Croix mill, these realities were harsh and community influence over them very slight. Still, within these limitations, the local residents asserted their own community values. They refused to be cowed by the managers' economic strength. In this attempt to bite the hand that fed them, Milltown residents were not displaying any conservative, backwoods fear of change. Their decision to end the tax exemption was a practical assessment of their situation. In 1892, it was too early to feel nostalgic over the rough and hard life in the saw mills. For all its shortcomings, locals accepted the fact that cotton had come to Milltown.