Communities in Crisis

Miramichi, New Brunswick

Introduction

At the centre of every hurricane, there is generally a relatively calm area referred to as the "eye of the storm," where the sky is clear and the winds are calm, creating the impression that the hurricane has come to an end. But around the eye of the storm, there is a wall, a circle of dense cumulonimbus clouds, where strong winds are raging, where warm and humid air is accumulating and strengthening the storm.

At the end of summer 2009, Miramichi, a community of approximately 25,000 located in northeastern New Brunswick, truly seems to be in the eye of an economic hurricane that has been ravaging everything for many months and that is sweeping up everything in its path, leaving thousands of working men and women and their families in uncertainty, and leading to a great deal of upheaval in the community. Several residents have survived until now thanks to severance payments, unemployment compensation, occupational training assistance, their savings or else income earned at jobs outside the region. For many of these people, the end of these various modes of survival in the months ahead combined with the effects of the global recession that has been ongoing for a year signal the arrival of a second wave of what appears to have become the worst economic hurricane to have hit the region for several decades.

The story told here is about people—courageous, hard-working, and devoted to their community—who are holding fast during this storm, and who are looking forward to better days for themselves and their community. Following a brief description of Miramichi and its economy, we will explain how these people are

surviving the storm, and how they foresee the future of their community based on their own experience and in their own words.

This profile was prepared based on a review of news stories in the print media concerning economic developments in Miramichi over the past five years, an analysis of the available statistical data, a review of various Miramichi-related websites, and above all, about twenty semi-directed interviews conducted in Miramichi during the last week of August 2009 with socio-economic stakeholders (for example, labour representatives, economic development officials, self-employed workers, unemployed people, social services managers, community organization leaders, and politicians). Though not a comprehensive portrait, this report seeks to look beyond the statistics to shed light on the effects of the economic crisis on working men and women, their families, and their community.

Miramichi before the storm

Miramichi is a community in northeastern New Brunswick, about 90 minutes north of Moncton by car, and about twelve hours east of Ottawa. The centre of this community, the City of Miramichi, has about 18,000 inhabitants, and was founded in 1995 through the merger of two towns, Chatham and Newcastle, and three villages, Loggieville, Douglastown, and Nelson-Miramichi.

Miramichi is a small city by Canadian standards, but it is one of the main cities in New Brunswick. It is the economic and administrative hub of the Northumberland region. Before the storm, this economic hub was home to over sixty medium- to large -sized companies and government establishments whose products

and services were exported, thus contributing to economic development and the expansion of employment in the community.

Economic activity before the storm

The development and processing of natural resources, particularly forest resources, were central to economic development and employment in Miramichi. Prior to the currently raging economic storm, Miramichi had about a half-dozen medium- to large-sized companies that were involved in developing and processing the natural resources of the community. For example, the UPM-Kymmenne pulp and paper mill, with its 1,300 employees, was once one of the largest pulp and paper mills in Canada. With its 130 employees, the Weyerhaeuser board mill was part of the economic base of the community, and the efforts to save it are ongoing as these lines are being written. There were also a number of sawmills and other companies that were directly dependent on logging in the forest around Miramichi.

In addition to logging-related industry, the community had a number of manufacturing and construction companies, such as Sunny Corner Enterprises Inc. and Atcon Construction Inc., which directly and indirectly employed at least 1,000 people before the crisis and, though still present on the community, now have fewer employees.

Beyond the manufacturing industry, the resources of the region also provide seasonal jobs in fields such as agriculture and fisheries. For generations, coastal fishers along the Northumberland Strait have earned a living from lobster and other fisheries, but they are being hurt by declining stocks and falling prices, particularly for lobster, since the beginning of the global economic crisis. Other residents are involved in the development of

peat bogs or in the harvesting of small fruits, such as blueberries. The local cooperative processes and distributes dairy products throughout New Brunswick, thus providing several jobs in the community. Lastly, the Miramichi River, known all over the world for its Atlantic salmon, annually attracts high-end tourism, which creates a number of seasonal jobs for community residents.

Miramichi also counts on the presence of numerous public services to provide jobs in the community and services to all residents of the province and country. The regional health care institution, the health authority (Region B), the provincial highways department, municipal services, education and community services in both official languages, and employees assigned to the firearms registry program represent a significant proportion of the jobs with the three levels of government.

Lastly, approximately 1,000 people work in a number of call centres located in Miramichi, earning an hourly wage of about $12. The city also has some small shopping centres and a few large retail stores that provide several hundred jobs, often at the minimum wage, for community residents.

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With its natural resources and large industrial base, Miramichi was, for a long time, a relatively prosperous city compared with the rest of northeastern New Brunswick. For several years, Miramichi experienced continuous economic expansion, with highs and lows, and significant challenges such as the diversification of its economy and the creation of good jobs for the greatest possible number of community residents. Between the mid-1980s and the mid-2000s, the size of the workforce doubled in the City of Miramichi, and the unemployment rate fell from 19.3% in 1987 to 9.5% in 2005.

In 2005, the median after-tax income of Miramichi households was slightly lower than that of New Brunswick as a whole. Located in what is considered to be one of the poorest parts of the province, Miramichi had a

median after-tax income—i.e. the level of income at which Miramichi households are split into two groups of equal size—of $38,167 in 2005 compared with $39,984 for the entire province. As for the median income of people employed full-time for 12 months a year in Miramichi, it was $34,894 compared with $35,288 in New Brunswick.

Among the other characteristics of the community, the residents of Miramichi are older than the population of the province as a whole. The exodus of young people combined with the return of former residents who are nearing or who have reached retirement age has increased the average age in the community to 43.1 years compared with 41.5 years in New Brunswick.

The ethnic and linguistic profile of the City of Miramichi is quite homogenous. According to the latest Census data, 1.7% of the population of Miramichi was Aboriginal, 1.5% were members of visible minorities, and approximately 90% of the population was unilingual anglophone in 2006. In New Brunswick, the proportion of Aboriginal people is 2.4%, the proportion belonging to a visible minority is 1.8%, and 68% of the population is unilingual anglophone. Miramichi is nevertheless surrounded by francophone communities, and the Beausoleil community centre in Miramichi offers community and educational services to francophones throughout community.

The educational level of residents of the City of Miramichi, to some extent, reflects Miramichi's traditionally manufacturing-based economy and the importance of public services. The proportion of residents without high school diplomas is lower in Miramichi (25%) than in the province as a whole (30%). The proportion of residents with a certificate or diploma from an apprenticeship program or trade school, or with a college certificate or diploma, is higher in Miramichi (32%) than in the province as a whole (28%). And the proportion of university graduates in Miramichi (15.7%) is only slightly lower than that for New Brunswick as a whole (16.2%).

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We were decimated

For more than a century, the forest has been the primary economic and employment driver in Miramichi. However, the

number of companies and the level of employment in forestry and the production of wood products have been in decline across the country for a number of years, just as they have in Miramichi. A combination of factors that contribute to economic and political decisions—such as technological changes, the globalization of production, transfers of ownership through sales, mergers and acquisitions, and unfavourable trade agreements like the 2001 Softwood Lumber Agreement between Canada and the United States—account for these major upheavals. In Miramichi, nearly a half-dozen medium- and large-sized employers in this sector have closed their doors permanently in recent years, including the UPM mill, the Blackville sawmill, the Weyerhaeuser mill, Atcon Plywood, and Newcastle Lumber.

The strong winds of this economic hurricane hit Miramichi several months before the beginning of the economic crisis that is currently raging all over the world. In this initial phase of the hurricane did major damage on the labour market. It is estimated that during only the 24 to 36 months before the global crisis, approximately 2,000 direct jobs were eliminated in the forest development and processing industry in the Miramichi region. To this number, an equivalent number of indirect jobs in the community can undoubtedly be added, attributable to the decline in the demand for products and services associated with these mills, as well as the decline in economic activity and employment. Several of these employers offered jobs that were often well-paid, thus contributing to the creation and maintenance of jobs in other sectors, such as retail business and public services.

The available Statistics Canada employment data demonstrates the extent to which the initial phase of this economic storm adversely affected the working men and women of Miramichi. Between 2004 and 2008, the number of people occupying a job in Miramichi fell from 17,600 to 10,300, a 40%

decline in employment in less than five years. The employment rate —i.e. the proportion of the population of labour force age occupying a job—fell from 56.2% to 50.7%. In other words, employment in the community declined by 40% in less than five years, and only half of the population of labour force age occupied a job in Miramichi in 2008.

These job losses are considerable for a community of the size of Miramichi. Any community that endures a 40% drop in employment in under five years cannot help but be greatly affected. However unlikely, an equivalent decline in employment in a big city like Ottawa would correspond to the layoff of approximately 250,000 working men and women in a community with a labour force of 660,000.

To illustrate the breadth of the decline in employment in community, George Estey, a Miramichi-based business agent who represents tradespeople, attests:

> It's never been this bad in Miramichi. When UPM announced its closure and they where hauling out, I don't believe we've ever gone through that degree of a downturn before. We were decimated at that point, and it did affect a lot of people.

According to Dwayne Hancock, a former worker and union local president at one of the closed mills, the economic hurricane that hit Miramichi is distressing, not only because of its scope, but also because of the failure of various authorities to respond to the crisis:

> It's definitely been a difficult time on the River. I think a lot of it has been kind of sugar-coated. I guess that would be a nice way of saying it. The forestry industry died overnight and nobody said anything. Nobody did anything.

He believes that this inaction is the result of the fact that these layoffs occurred in a small town, far from major decision-making centres:

> If the jobs disappeared in the city or they disappeared in a small town, I think that is what the difference is ...there are more votes in a city than there is in the small towns.

Nevertheless, the workers at his mill did their utmost to save jobs in the community:

> As activists, we put forward all the arguments we could put forward. We tried to take the stands, but we weren't offered an opportunity to look at negotiating a rescue plan or anything like that. It was just... the rug was being pulled out from under us, and that was it. We were given no options.

According to John Richard, a worker from Miramichi and an active member of the union at the local dairy cooperative, this rapid deterioration of the economy and employment frightened him:

> UPM, the Repap mill, where my father and my grandfather had worked, was at one time the second-largest mill in the world. It scares me actually, because it can show you just how quick things can happen.

Jean Guy Comeau, a former worker at the paper mill and a lumber lot owner, accurately describes the situation in the forestry industry after the closing of the plants:

> Today, at the end of summer 2009, no saw or anything else is turning to make a forest product. It's quite serious. If nothing is turning, this means that no one is working or cutting wood in the community, that no one is working at the plants.

What is even more distressing about the damage is the permanent nature of the mill closures and the permanent disappearance of the jobs associated with them. In most cases, the mills are bankrupt or are on the verge of bankruptcy or about to be dismantled. Jean Guy Comeau notes the following, with sarcasm, confirming the permanent elimination of these jobs, and discussing projects in the community for the months ahead:

> Well, our biggest projects for the next two years in Miramichi will be to demolish what it has taken us more than seventy-five years to build. Dismantling UPM, the big paper mill, and most likely Weyerhaeuser, will keep us very busy.

Out West and back again

The almost total shutdown of the manufacturing industry in Miramichi in under five years has led to numerous disruptions in the community, starting with the labour market. The region appears to be in the midst of a major "disturbance" of the labour market, one of the main features of which is the exodus of the workforce outside of the community.

The exodus that Miramichi has experienced in recent years is twofold. First, there is the permanent exodus of the working men and women who have left the region for good to find a job and move elsewhere. By taking their assets and purchasing power with them, these workers have taken other jobs, thus helping to strengthen the storm, somewhat like the warm air and strong winds around the eye of a hurricane. They have also taken their knowledge, skills, and experience, which are needed for the economic and social development of a community. Furthermore, the departure of the children of these workers has a direct impact on the level of employment in sectors, such as education, and is

also a significant loss in terms of the future development of the community. Delalene Foran, a school bus driver, who as such provides a public service with no connection to the forestry industry, attests to this:

> Right now, we're involved in a lot of cuts in busing transportation. Three years in a row we've been cutting transportation.

In addition to this permanent exodus, a temporary exodus appears to have occurred and continues today. This involves workers who, day after day, and month after month, leave the community to make return trips between Miramichi and their workplaces in Moncton or on the Prairies, for example, thus leaving not only women and children behind, but also a community in dire need of volunteers to offer sporting and social activities, community services, and all manner of comforts.

Several examples of workers who leave their community to work in Moncton, Saint John, and Fredericton have been reported to us. However, one of the adjustments most characteristic of this phenomenon, and most top-of-mind among residents of Miramichi, is the exodus of tradespeople and a portion of the workforce to the oil sands of Saskatchewan. Delalene Foran notes that:

> A lot of people went out West, then they came back home and spent their money here.

George Estey explains this phenomenon as follows:

> Most of these guys are fifty or under, some of them fifty-five years old. They still have to work and maintain a living as far as I can tell, and they're all still working. There are no jobs to be had here, so I would say the majority of them are still doing the out West and back again.

To demonstrate the prevalence of the phenomenon, he adds:

> I would say the far majority of millwrights are working on a rotation basis out West at different projects that are happening right now in the tar sands.

In addition to this westward exodus, the other phenomenon that appears to be occurring within the Miramichi labour market is the shift of male employment at the mills to other, often predominantly female, sectors or to unstable jobs with lower salaries. John Richard met several men from the community who had lost their jobs at the mills and who were looking for work elsewhere in the community. Some of them had been lucky and were hired at the local diary cooperative:

> We have thirteen or fourteen guys that used to work at the mill that now work where we are, be it they're truck drivers, they're maintenance people, they're production people.

According to Elizabeth Murray, an employee at the regional hospital and an officer with her union:

> What we have noticed is that because of the mills closing, there's a lot of casuals that are coming in that are a spouse of somebody that was in the facility already.

These men who worked at the mills now find precarious jobs in sectors often occupied by other groups of workers, such as women and young people.

Discussing the situation of young people and employment, and noting that several jobs traditionally occupied by young people are now occupied by others, particularly former mill workers, Bobbie-Jo Metallic, a young Aboriginal single mother and a recent

graduate from a culinary arts school who has yet to find work, notes:

> A lot of even high school students don't have too many jobs, and they're looking as well.

She adds:

> My neighbours—a couple of them—worked at mills. They're finding it really hard to find a job right now. They're doing just little odd jobs here and there, and even some of them are volunteer-workers so they're not getting paid for that. So that's really hard. I have one neighbour, a volunteer firefighter who worked at the mill. His only income right now is, he built a garden, so he's selling fresh vegetables and stuff right now.

In addition to young people, according to Kellie McKay, president of the local union whose members work for employers, such as the firearms registry, older workers are also suffering greatly as a result of this economic storm. The story of her father, a 63-year-old with heart problems who has worked since the age of 11, attests to this devastation:

> He had a pacemaker put in about five years ago, and he wasn't supposed to go back to work... He was fifteen days short of receiving his long-term disability, so all that he had, was his Canada pension, which is not enough to live on. He went back to the mill and they worked with his doctor to find him a job he could do that wouldn't affect the pacemaker, and he hasn't been able to find work because of his age. After the mills closed down, he had to claim bankruptcy. For me, as his child, it broke my heart to think that man has been working since he was eleven and what did it come down to? So now, he's on a work grant for the summer and he's going to school in the wintertime.

> He's really determined, and I'm really proud of him. I really am, for all that he's doing and all that he's done.

Dwayne Hancock, who now works at a call centre that pays lower wages than the mill, describes his new job as follows:

> You know … it's a job. I can't plan for the future right now. The call centre I'm at now is twelve dollars an hour. I'm not contributing anything to my pension. I'm just trying to play catch-up for past bills and trying to prepare for the winter. My house needs work. It is an older home and there's things that need to be done. My car finally died and I had to buy another car. It's the first time in fifteen years that I actually had to go backwards and had to buy an older car as opposed to upgrading to another car, but I just couldn't afford a car payment. I just couldn't do it. There's just no way.

As for his job security, Dwayne Hancock adds:

> The job security that's tied to the call centres… You know that if things don't go their way, all they have to do is to unplug the phone and go down the road and plug them somewhere else. It's easy. You're talking about moving servers and all that. All you have to do is make sure they've got dedicated Internet lines coming into the new building and they're gone.

The determination to find a job observed among the men and women encountered in the field is entirely at odds with the often repeated myth that the unemployed are content to sit on their hands and wait for their cheque. On the contrary, these people are doing everything possible to get off the unemployment rolls—leaving their families and community to find work or accepting less stable and lower paying jobs in other economic sectors so they can remain in the community that is so dear to their hearts.

The government clawed back every dime

In addition to the unstable and less-well-compensated employment around Miramichi, as well as the exodus from the community, working men and women are using all available means to survive and to continue to fight against the economic storm that has been buffeting the region for months. They are somehow managing to survive by relying on severance payments, Employment Insurance cheques, training assistance, unstable low-paying jobs, and social assistance.

The first breakwater that helped workers survive following the initial phase of the storm in Miramichi was the negotiation of severance payments for laid off workers. Discussing the benefits of his collective agreement and its impact during the storm, Dwayne Hancock notes:

> I'm glad that we negotiated good severance language in our collective agreement. It made a huge difference for us. Unfortunately, the federal government clawed back every dime of that severance we received. That money that could have helped save a mortgage or pay off some vehicles, or help people weather the storm, evaporated through their policies. EI being clawed back the way that it was, that was a little hard to take.

For those who were eligible, Employment Insurance also helped to stabilize the economy of the community. However, this program is often singled out by community residents for all of the problems it brings. It is important to note from the outset that none of the people affected by the economic storm expressed a desire to receive Employment Insurance benefits. The vocabulary used generally makes reference to an obligation of last resort rather than to a right, as Bobbie-Jo Metallic so clearly demonstrates when she talks about how she was forced to quit her job when the operator of her child's private daycare service decided

to close its doors from one day to the next, leaving her with no other option:

> I had no choice but to go on unemployment insurance ... I don't want to have to work that way, to get money that way. I'd rather work for it.

Other horror stories also stand out from the pack, like that of Delalene Foran, whose recently laid off nephews were treated rather strangely when they applied for benefits:

> I know my nephews worked for the same company here. They decided to go out West, so they both left and worked out there for Atcon. They both got laid off at the same time, then they both came home and both went in and filed for unemployment insurance at the same time. One went through, but the other one probably had a two-month wait.

Dwayne Hancock adds, about a coworker who returned from maternity leave just before the layoffs:

> We had a couple of single mothers. It was difficult for them. Our financial officer in our local was a single mother and it was very difficult for her. She had just come off maternity leave and so she didn't even qualify for unemployment when the [layoff] announcement was there.

As for other coworkers, he adds:

> The government seemed to work more against you than they did for you to try to help you through the transition period. I don't know how many people, myself included, had unemployment clawed back for this reason or that reason. It made it very difficult to go find part-time work because of the clawbacks.

In addition to severance payments and Employment Insurance with all of its faults, training is one of the adjustment strategies used by working men and women to weather this storm. Dwayne Hancock, who benefited from government training programs, notes:

> I took advantage of some training that was available. I took my construction safety certification and I'm taking a university course right now online for health, safety and environment officer. None of that helped me. I just couldn't find work here and out West.

He adds this about the financial consequences of the training offered:

> It's difficult to take out a student loan when you've just lost your job and you've got a mortgage and a car payment and kids to feed, but some were able to pull it off. A couple of our workers were fortunate enough to have a wife who had good jobs.

Lastly, he notes the following with regard to access to the program in the region:

> Unfortunately, one of the problems we ran into here was, yeah, the government had money available, but there was no seats available to get your education. There was no seats available in the community college to take the courses you want. They didn't have the capacity to provide them—no one to provide the training and no room for them. They did make some accommodations at different spots, but it was pretty difficult to do that. A lot of people went to private trade schools.

Things have pretty much dried up in the West

A representative responsible for economic development in the region, who preferred not to be identified, confirmed to us that several people who had lost their jobs also attempted to create work through self-employment. He affirmed that this phenomenon represented almost half of the requests for business startup assistance in the region. He attested to the disappointment of several workers with regard to the prospects for the success of this strategy, particularly the rapid replacement of lost salaries.

There are those who are completely discouraged by the situation, who are no longer able to cope, and who are sinking further and further. Discussing the exasperation and discouragement in the community, Bobbie-Jo Metallic remarks:

> I think a lot of people are really struggling. I think a lot of them are very depressed. I see a lot of my friends have turned to drinking, which is not great. I mean, you need that money for groceries. Why drink it?

This period of adjustment following the closure of several mills, including UPM, has profoundly shaken Miramichi. According to Statistics Canada employment data, the job losses and the exodus caused the working-age labour force in Miramichi to fall from 20,000 people in 2004 to 11,700 in 2008. Certain adjustment mechanisms that emerged prior to the global financial and economic crisis, such as the temporary exodus of manpower westward, appear to have given some residents the impression that the worst had passed, that the storm had come to an end, despite the observed consequences. However, much like the eye of a hurricane, this apparently calm period, at odds with the major disruptions that Miramichi was experiencing, did not last.

After the first strong winds and major waves of the storm that appeared to have become a hurricane, the deregulation of the economy, the rapid and uncontrolled globalization of production that creates trade imbalances between countries, in addition to greater inequality and wage stagnation, the deregulation of financial systems, and speculation led to a second wave of layoffs affecting not only Miramichi but the entire country.

As a result of economic and political decisions made over a period of almost three decades, the Miramichi region lost 3,100 jobs between August 2008 and August 2009 alone, which represents a year-over-year decline in employment of 30.4%. Of the approximately sixty companies and government institutions in the Miramichi region, only about forty remained at the end of summer 2009 according to one of the officials responsible for economic development in the region.

As these lines are being written, the working men and women of Miramichi, like those throughout the country and around the world for that matter, find themselves dealing with one of the worst recessions since the Great Depression of the 1930s, which prevents them from finding employment not only in their own community, but also elsewhere in the country. Some of those who are now unable to find work remain in their community with no prospects for the future. Several have used their severance payments to move outside the region and have subsequently lost their jobs, others have returned from the West and are receiving Employment Insurance benefits, and others have exhausted all of the means available to them and will undoubtedly be forced to sell their assets and home to survive. Dwayne Hancock sums up the situation well:

> Most of our tradespeople have gone West, a lot of our production guys, too, but as you know, things have

> pretty well dried up in the West. Most of those workers are home now.

Next year will be even more difficult

According to many, the economic hurricane continues to do damage. In Delalene Foran's view, the hurricane was far from over at the end of summer 2009:

> I don't think it's hit here yet. I think maybe next year it's going to be tougher, because a lot of people are on unemployment insurance now. They got their stamps. They got their severance pay from the mill. They had to wait still.

Bobbie-Jo Metallic is a good example of this phenomenon:

> My EI ran out two weeks ago. I had it for forty weeks. It helps that way with some of the bills and groceries. It ran out about two-and-a-half weeks ago, but during the whole time that I was unemployed, I was still looking for a job and I still couldn't find anything.

When asked how she felt now that her Employment Insurance benefits have ended, her thoughts turned immediately to the consequences of the situation on her two-year-old daughter:

> I feel terrible. My daughter's birthday is in two weeks, so really, what am I going to do for that?

For some, the current situation remains difficult. Dwayne Hancock says:

> I have no mortgage, but I'm still catching up from the two years of unemployment. I've got a massive credit card debt I'm trying to pay off. We tried not to get where it is, but when things need to be done, when your car breaks down, you've got to get your car fixed.

He does not understand the political and economic choices that are currently being made. He adds with exasperation:

> Instead of bailing out, the bank is just giving them the money to walk away with. Why not give it to the people who need it so they can pay off their debts? It all ends up back to the bank anyway, and they get what they need, and we get what we need. Instead, what we do, we make those who are rich a little richer and those who are poor stay poor.

Every one of the economic development officials we met with, who tends to have a rather optimistic view of economic development, confirmed that the months ahead were undoubtedly going to be difficult in Miramichi because of the termination of Employment Insurance benefits and other sources of subsistence, as well as the general state of the global economy. Miramichi seems to have a long way to go before it emerges from its economic hurricane, from the recession that has been ravaging the community for months.

I've received a lot of late-night phone calls

The residents of Miramichi have been hit by a storm, somewhat like a hurricane, that has swept through the region twice, and that continues to buffet the community. After the initial wave of layoffs and the apparent lull that followed the upheaval it engendered, a second wave of layoffs hit and continues to impact the community, with multiple consequences that are just starting to be assessed. The men who lost their jobs in the manufacturing sector in recent years are not the only ones who have been affected. Their families and community are also suffering.

According to George Estey, the hurricane has not only had financial consequences, but has also affected other aspects of life:

> It did affect a lot of people. There's definitely been hardship caused over it, financial hardship, and family hardship.

Dwayne Hancock confirms the devastating effects on families:

> It was hard on a lot of families. I received a lot of late-night phone calls from members who were just distraught and just didn't know what they were going to do.

He adds, as an example of the consequences of the layoffs, the case of a former coworker who was forced to accept any available job offering benefits:

> The loss of benefits was a very big thing. We had one employee who had two children, both of them Type 2 diabetes, and the cost of that is just phenomenal. No benefit plan that you could obtain privately would cover pre-existing conditions. He ended up going and taking a very low-paying job. It paid him less than what unemployment was giving him, and he travelled a significant distance each day to that job just for the benefits.

One of the consequences of such upheaval in a community is the impact on families, particularly on women, who must deal with the effects of unemployment, such as the stress created by layoffs and the tensions created by the exodus of family members outside the home. Violence and hunger are among the most striking consequences, and certain indicators of their impact can be measured by examining the level of use of support services designed to address these problems in the community.

When asked about the level of use of their services, the representatives of organizations that assist abused women confirmed that violence has increased in community households, thus leading to an increase in the use of services. One of the

representatives indicated that the shelter for abused women was filled to capacity, which had not generally been the case in recent years. They say that they can barely meet the demand at present and are concerned about the future. The closure of the mills, which helped them maintain their services in numerous ways, and the cutbacks in government funding threaten their long-term survival.

The other indicator of the consequences of the hurricane on the families of Miramichi is reliance on food banks. June Summer, coordinator of the Miramichi food bank, who is completely devoted to her role, notes:

> Recently, I've been getting a lot more new families. I find more this year than in my eight years here. Actually, last month was unreal. Usually, on our client list, we have, I'll say three hundred and twenty families a month. Last month, there was three hundred and sixty-four families. This month, we have another week to go and I'm probably, as of today, around three hundred.

In addition to noting the approximately 10% increase per month in the number of families who sought the assistance of the Miramichi food bank in the summer of 2009, June observes:

> We're not only working with social assistance, it's everything. They may be on unemployment insurance, but they have a family and it's not enough. If they are working, it's not enough to pay for their families. Electricity and gas bill prices are unreal.

The economic hurricane sweeping through Miramichi is also having an impact on workers who are still employed, but who face an uncertain future. According to Elizabeth Murray, president of a union at the Miramichi regional hospital, now the city's largest employer, the impacts of the hurricane that is battering Miramichi

and the rest of the country have yet to be felt. For example, it appears the crisis will have direct repercussions on the upcoming negotiations:

> They're saying the next round of negotiations we're getting zeros. So anything that's dealing with money, it's off the table, absolutely everything.

"What's left?" she asks. Delalene Foran, who works only nine months a year as a school bus driver, notes:

> They froze our wages. They're saying that we have to take a two-year wage freeze starting March 2010. And after, it's going to be zero per cent.

Wage freezes combined with cuts in public administration positions are only contributing to the current storm by leading to layoffs in the civil service, as well as in sectors such as retail that depend on the salaries of civil servants. The cuts to public administration are only feeding the storm without providing lasting solutions for the community.

It's going to take courage

The prospects for the future do not appear to be very positive given the current state of the local and global economy. Most of the medium- and large-sized manufacturing companies have shut down for good. The largest mill is being demolished. The city's largest employer is the general hospital, but several public services have been cut, and the salaries of civil servants have been frozen. The resources devoted to community services, whether through donations or government transfers, or by volunteers, are dwindling, and poverty, hunger, and violence are making inroads in families and the community.

Among the ideas perceived as quick fixes that do nothing to resolve the underlying problems, call centres are often singled out. According to Dwayne Hancock:

> Without a manufacturing base here, Miramichi is going to die. It's going to die a slow, painful death. To throw the manufacturing base out the door and say, "We don't need that anymore. We're going to go into IT and call centres." There's just no future for your city in those. It's a quick fix! Yeah, you just created two hundred jobs for ten dollars an hour. Well, good for you, pat yourself on the back and sleep well at night.

But he asks himself:

> What about these people that are ready to retire and they have no pensions? Their kids can't go to university because they don't have any money, because their parents didn't make enough money to help them get through university and student loans.

He adds:

> You need a manufacturing base, and we have to hang on to the manufacturing base that we have. You have to protect the assets that exist here now. There's this attitude, and I don't think it's correct, that the forest industry is a dead industry. It's not a dead industry, it's an evolving industry. There's always going to be a need for lumber, a need for paper, but it's an evolving industry. What we have to do is, we have to learn how to evolve with it.

The other idea perpetuated in the business community about the future prospects for northeastern New Brunswick is an economic development model based on lowering production costs by eliminating business taxes and paying lower salaries. Dwayne Hancock accurately informs us about this approach when he talks about the experience of his mill:

> We were the lowest paid OSB mill in North America. We had an excellent workforce there. We had a very highly educated workforce, with an average education of two to three years of university across the board, and the workforce made that place stellar, and it was held out as an example for other Weyerhauser plants across North America. We knew that we were a low-cost mill. We knew what our wages were compared to other plants. Weyerhauser always used to tell us that, "things aren't looking too rosy in the future," but I personally thought that we would make a better run for it and there's no reason why we shouldn't have. And we still shut down.

He nevertheless emphasizes one of the fundamental problems affecting the manufacturing industry:

> One of the arguments we used to get from our mill manager all the time was that there's OSB mills in Poland who can make boards and ship it into the North American market, like into New York, cheaper than we could make it, and we're just a couple of hours down. And I'm thinking to myself, well, if that is the case, if paper mills are going down because of the cost, when you hear these arguments that you know foreign companies who have no regards to environmental concerns, no labour concerns, and can make these products and bring them in here so much cheaper than we can make it, then you have to ask yourself, "Well! Why are we signing agreements that allow that product to come in here that cheap? Who are you hurting? At the end of the day, who's actually hurting?"

The hope to which several residents of the community cling is the possible arrival of a solar panel components plant and the restart of the lumber industry. According to Bobbie-Jo Metallic:

> I think it's [the city] very, very slowly trying to build back up again, bringing the new solar panel mill that

> they're going to have. Hopefully, there will be a lot of jobs with that.

Inka Milewski nevertheless emphasizes:

> It's not actually going to build solar panels. It's going to build the chips that go into the solar panels. It's going to build the chips, but the panels are constructed somewhere else. I've followed this a little bit, and where they have done this in other parts of the world, they've left a legacy of environmental destruction… It produces a lot of waste. A lot of waste, and it's noisy, and it's got dust, and it creates an acidic environment around the plant.

As for Elizabeth Murray, she believes that Miramichi is gradually becoming a bedroom community, to which retired people from Miramichi will return to live out their lives. Dwayne Hancock describes the situation very well:

> Unfortunately, a lot of us see Miramichi slowly turning into a retirement city. You can't measure your economic growth on the [retirees]. If you don't have it, if your numbers in schools keep dropping and there's no children coming into the community, that's where the money is spent, families. If there's no more families, if there's only couples, then things are definitely going to dry up.

But no matter what the prospects, there nevertheless exists a strong feeling of attachment to the region, and this feeling of affection will undoubtedly be one of the factors that will allow Miramichi to survive this hurricane. George Estey attests to the attachment and hope that Miramichi residents have for their community. According to George, if one of the mills, such as the Weyerhauser mill, were to reopen:

> I would say they'd come back and work for Weyerhauser. It's good to be home if you can make a

> living and make your ends meet. Yeah, I would say they'd choose to come home and stay here and work, although that's not the reality today out there.

Bobby-Jo confirms this attachment to Miramichi:

> I think I would try and find something here as hard as I could before considering leaving, just because I am very close to my family, very attached to my family, yes.

Jean Guy Comeau, a retiree and lumber lot owner who is actively involved in the fight to revive the manufacturing industry in the region while managing the resource responsibly, also remains hopeful:

> The situation of Miramichi today, I am going to tell you something. I am not the only one, but there are a lot of people like me who say, look, we've seen storms before. We put on our seaman's cap and said, damn it, we'll get through it. And I think we're prepared to do that again today. But I can tell you one thing, it's going to take some doing!

According to Inka Milewski, a researcher based in Miramichi, the current situation can improve only if a frank and in-depth analysis is done:

> These mill closures are the opportunity to do things differently, and there's no reason why things can't happen for the Miramichi that are far better for the community than they have been in the past. But it's going to take courage, and it's going to take some vision. It's going to take some frank, frank analysis. They throw out half-baked ideas. If you don't know what the problem is, you can't even pursue the solution.

Inka attributes the current lack of action to the fact that the people of Miramichi more or less accept the current situation: "There hasn't been rising up of public outcry."

According to her:

> There's a sentiment of "well, what can you do." I hate to call it defeatism, but it's as if people are relying on some paternalism that somebody will look after them.

In conclusion

After witnessing the disappearance of a major portion of their manufacturing sector, the residents of Miramichi are now confronting the rapid erosion of their survival modes, such as the end of their Employment Insurance benefits, coupled with a global economic crisis that appears to be just as devastating as the initial wave of this economic hurricane that has been buffeting them for several months.

The story of these working men and women, their families and the community of Miramichi caught in the eye of an economic hurricane tells us a lot about the coping mechanisms of these people and the consequences of an economic crisis. No amount of statistical information can ever convey the extent of the devastation that an economic hurricane like the one happening in Miramichi and other communities across the country wreaks on a population. Though this profile is not comprehensive, we have observed how reliance on severance payments, Employment Insurance benefits, food banks and the proliferation of support organizations like shelters for women who are victims of violence can teach us as much, if not more, than just the unemployment rate about the consequences of an economic hurricane like the one buffeting Miramichi.

Furthermore, by giving people a chance to express themselves, we also learn a lot about the consequences of the past economic and political decisions that led to this hurricane, and about the desire of several members of the community for change and their willingness to contribute to this change. This profile provides the victims of this hurricane with an opportunity to describe what they are experiencing and feeling, while communicating their desire to work for better days for themselves, their families and their community. We hope that these first-hand accounts will contribute to reflections on the sources of this hurricane, to discussions about possible solutions, and that they will serve as one of the building blocks for the reconstruction of Miramichi after the storm, thus shifting this hurricane to less fertile ground where it can die out as quickly as possible.

Appendix

Interviews by Sylvain Schetagne, CLC	
Aug. 25/09	Roger Duguay, Leader, New Brunswick NDP
	George Estey, Miramichi and District Labour Council
	Delalene Foran, School bus driver, and Secretary-Treasurer of the Miramichi and District Labour Council
	Dwayne Hancock, Laid-off worker
	June Somers, Miramichi Community Food Bank Inc.
Aug. 26/09	Kellie McKay, President, local union, PSAC
	Inka Milewski, Researcher
	Elizabeth Murray, Hospital worker, and Miramichi and District Labour Council
Aug. 27/09	Jean Guy Comeau, Laid-off worker, and woodlot owner
	Bobbie-Jo Metallic, Laid-off worker
	John Richard, Dairy Cooperative

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