

As British Columbia teachers strike erupts

Canadian TWU terminates Telus workers' struggle

David Adelaide
15 October 2005

On October 10, Canadian Thanksgiving, the Telecommunications Workers Union (TWU) announced that it had negotiated a contract settlement with Telus, the largest telecommunications company in western Canada. The settlement is supposed to bring an end to the lockout of some 12,500 workers (across British Columbia and Alberta) that began almost three months ago.

Details of the settlement are being withheld until a prolonged ratification process—due to continue till the October 22-23 weekend—is completed. But there is every indication that the union leadership is joining hands with Telus management to impose a concession-laden agreement on the workers.

The company boasts in its news release that the five-year contract “recognizes our team members’ tremendous contributions and provides TELUS with the flexibility needed to continue our leadership position in a highly competitive market.”

At the centre of the conflict has been the company’s drive to gain “flexibility” by eliminating any and all obstacles to the contracting out of work normally performed by union members, thus allowing it to slash labour costs. The lockout began when workers staged a walkout in protest against the company’s attempt to unilaterally impose a contract that would have done away with many previous restrictions on the contracting out of work.

The company seized on the walkout to immediately lock out the workers, retaining the services of professional strike-breakers (the Accufax International Group) and seeking injunctions limiting picketing. In the early days of the lockout, Telus even attempted to use its position as a major Internet service provider in Alberta and BC to block access to a union discussion web site organized by Telus workers.

In September the company further fanned the flames of the dispute, first by summarily dismissing 14 workers and then later by revealing that it had already begun to contract out work normally performed by the striking workers. Twenty

percent of the Telus customer care and operator service work was now to be handled by Amergris, a call-centre based in the Philippines.

The company was rewarded for its aggressive handling of the lockout with a rising share price. At the end of September, Telus shares were trading at a 52-week high of \$49.99, a 16 percent increase relative to the beginning of the lockout. Since then the share-price has fallen only slightly. According to an article in the *Edmonton Journal*, “analysts said investors have been buoyed by the fact Telus appears to have side-stepped the union and its high-growth wireless unit has largely been unaffected given the 2,000 union members who have ignored the strike mandate.” A *Globe and Mail* columnist was even more categorical, declaring “the winner in this dispute is clearly Telus management.”

Several factors lie behind the ferocity with which Telus has conducted the offensive against its workforce.

On the one hand, fundamental transformations are taking place in the international telecommunications industry. Continuous technological improvements, such as the development of Voice Over IP (VOIP), have facilitated the emergence of new long-distance and local telephone companies offering lower rates. This has weakened the position of the traditional monopolistic telecommunications giants at the same time as the reverberations of the dot-com stock market crash of 2001 continue to be felt, in the form of an excess of infrastructure. The result has been frenetic competition for markets among the telecommunications giants and an increasingly ferocious campaign on their part to increase the profits extracted from shrinking workforces.

On the other hand, Telus has been emboldened by the rightward lurch of the entire Canadian political establishment.

British Columbia has been exemplary in this respect. From 1991 to 2001 the province was ruled by a series of right-wing New Democratic Party (NDP) governments that imposed budget and public-sector wage austerity, enacted

various strike-breaking laws, and embraced workfare and the “law-and-order” rhetoric of the right. In 2001, with their utility as an instrument for imposing the program of big business on the population temporarily expended, the NDP were succeeded by the Campbell Liberals, a right-wing formation comparable to the Conservative regimes of Ralph Klein in Alberta and Mike Harris in Ontario, that has sought to radically redraw class relations in favour of big business.

The BC Liberal government’s drive to slash, privatize and contract-out public services has been met with fierce resistance from the working class. The TWU leadership moved to wind up the Telus workers’ struggle at the very moment when 40,000 BC teachers were launching a strike that challenges Liberal strikebreaking legislation and, just as significantly, its program of shrinking public services.

In 2003 and 2004 strikes respectively by ferry and hospital workers threatened to become the catalyst for a working-class counteroffensive against the Campbell Liberal government.

A consistent element in all of these struggles has been the determination of the union officialdom, beginning with the BC Federation of Labour (BCFL) and Canadian Labour Congress leaderships, and the social-democratic politicians of the NDP, to constrain them within the straitjacket of collective bargaining and political protests, so as to ensure that they do not do not challenge the “legitimacy”—i.e., the right to rule—of the Campbell government and the subordination of economic life to the profit imperatives of big business.

Indeed, the BCFL and NDP leaders have repeatedly criticized Campbell from the standpoint that he has weakened British Columbia business by disrupting union-management collaboration and by provoking strikes that scare away investors.

The TWU at Telus has been no exception. Anxious not to harm Telus’s long-term financial prospects, the TWU mounted a “boycott” of Telus that was limited to asking subscribers to cancel their extended phone features. Similarly they urged workers to lobby the big business politicians of the federal Liberal Party to intervene in the dispute, while lifting no finger to link the Telus workers’ struggle to that of the BC teachers and other sections of the working class. When the talks that led to the present settlement resumed, the TWU made much of the fact that now Darren Entwistle, Telus CEO and its largest individual shareholder, would be more directly involved.

According to the union leadership, Telus was simply a renegade corporate citizen that needed to either “see the light” or be “reined in” by enlightened legislators in the national parliament. Never mind that in the Canadian telecommunications industry alone, this theory and the

accompanying strategy have recently produced a series of bitter and predictable defeats.

In late spring of 2003, a year-long strike by technicians at Vidéotron resulted in a concession-laden deal that gave the company increased ability to contract out work and imposed punishing wage cuts. Last summer, a five-month-long strike by workers at Aliant, Atlantic Canada’s largest telecom company, ended in the ratification of a six-year contract that failed to achieve the central objective of the strike: barring the company from contracting out.

Confronted with the fact that Telus had already begun to contract out work to the Philippines, the immediate response of the TWU leadership was to resort to nationalist demagoguery. According to the *Calgary Herald*, TWU President Bruce Bell denounced Telus for “sending core jobs out of Canada—the very thing they said they wouldn’t do. Shame on them.”

Workers must make a conscious and decisive break with the nationalist and corporatist deathtrap promoted by the trade union bureaucracy, which lines up workers with “their” national ruling class—or even with “their” company provided it includes the union bureaucracy in its machinations—instead of answering the attempts of big business to pit workers against each other by mobilizing the working class as a global force against capital.

As a visit to the Telus picket lines reveals (See “Interviews with locked-out Canadian Telus workers”) the locked-out Telus workers, like the working class as a whole, do not lack for the will to struggle. And such militancy is all to the good. But it must be leavened by a new political strategy that consciously strives to establish the objective link between the struggle of the Telus workers and that of all workers against the anti-worker offensive of big business, the political establishment and the capitalist state. Militant industrial action must be tied to the struggle to build a new party of the international working class that is committed to radically reorganizing the world economy so that the technological revolution can be used to improve the life of all, not slash jobs, speed up production and swell the profits squeezed from the working people.



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