

No concessions! No job cuts!

Canadian auto workers must join with US and Mexican workers to advance a socialist alternative

Socialist Equality Party
19 December 2008

Auto workers in Canada, like their class brothers and sisters in the US, Mexico and around the world, today confront an unprecedented assault on their jobs, wages and rights.

The US and Canadian governments were quick to come up with tens, even hundreds of billions of dollars worth of unconditional assistance for the banks and other financial institutions. No questions asked. But in both Washington and Ottawa the politicians have been reluctant to commit resources to stave off the imminent bankruptcy of auto companies upon whom hundreds of thousands, indeed millions of workers, ultimately depend for their livelihood.

This is because what is really under discussion is how the economic crisis can be exploited to restructure the auto industry at the expense of auto workers and the working class as a whole.

Whether a bailout is ultimately organized or, instead, one of more of the Detroit-based Big Three are allowed to go into bankruptcy, the preoccupation of the politicians and of the corporate elite is how to once again make the auto industry a source of lucrative profits for big business.

Indeed, all are unanimous, from US President George W. Bush, Democratic President-elect Barack Obama and Canadian Prime Minister Stephen Harper through Ontario Liberal Premier Dalton McGuinty, that any bailout must foster a “sustainable,” “internationally competitive” auto industry—that is, must be tied to a vast program of plant closures, job cuts and speed-up and to further wage and benefit cuts.

Their aim is not only to gut what remains of the rights won by generations of auto workers, but to unleash a new offensive against the working class as a whole. In recent weeks newspapers on both side of the Canada-US border have been spitting out venom against auto workers, whom they hate and fear because they were long in the vanguard of the fight for better wages and working conditions. To cite but one example, “[R]ich contracts for unionized auto workers in North America,” declared a full-page editorial in the December 15 *National Post*, “make it impossible for the Big Three to earn a profit on small cars. ... North American auto-makers are carrying far too many balance-sheet free riders. ... [T]he unions *are* going to have to make concessions—big concessions—if they want the companies they work for to survive.”

The reality is, at the urging of the UAW and CAW, auto workers have

already made massive contract concessions, repeatedly. In the US, new hires at the Detroit-based Big Three and even high seniority workers at auto parts manufacturers like Delphi are already earning hourly wages on the order of \$14 an hour, equivalent in inflation-adjusted terms to what auto workers were making before the great sit-down strikes and unionization drives of the 1930s and 1940s.

Auto workers must reject the demands of the auto bosses, the politicians and the corporate elite that they pay for the bankruptcy of the Big Three and more generally the world capitalist crisis. Autoworkers have absolutely no say in the financial, investment and production decisions of the firms for which they work.

On the contrary, the root cause of the crisis is private ownership of the auto industry and the means of production as a whole—the subordination of social needs to private profit, and the economic dictatorship exercised by the corporate and financial elite.

If capitalism is incapable of providing working people with a decent standard of living—and it can’t—then working people, those whose collective labor produces society’s wealth, must advance their own plan to organize production and employment based on human need, not private profit and shareholder value.

Will the CAW and UAW defend their members’ interests, reject job and wage cuts and challenge the stranglehold big business exercises over economic life?

To ask the question is to answer it. UAW President Ron Gettelfinger spoke Dec. 8 of the concessions that the union has already agreed to and the new concessions it is prepared to accept: the elimination of the jobs bank, the gutting of the retiree health care fund, and further wage and benefit cuts, including the ending of supplemental unemployment pay. The CAW is readying to make similar concessions, but CAW President Ken Lewenza prefers to let the UAW set the “pattern,” so that he can claim the UAW’s givebacks forced his hand.

Conservative Industry Minister Tony Clement, one of the architects of the Ontario Toryies’ Common Sense Revolution, said last week, after meeting with the CAW leadership, that he was encouraged by the union’s reaction, i.e., by its readiness to accept further contract concessions. Speaking of the CAW leaders, Clement said, “They understand that Canada, in order to be a destination for assembly, has to continue to be

competitive, has to continue to be increasing productivity, and that they are prepared to work with us and the assembler to ensure that it the case.”

The time is long overdue for Canadian auto workers to draw the definitive balance sheet of their experience with the CAW.

In 1985, the CAW leadership justified its split from the UAW by pointing to the reactionary, pro-company policies of the Bieber leadership. But far from constituting a genuine challenge to concessions, the split within the union apparatus served to strengthen the rightwing UAW leadership, while removing organizational constraints on the Canadian union bureaucracy’s pursuit of its own right-wing strategy. This strategy was based on exploiting the labor-cost advantage the Big Three enjoyed in Canada due to the lower value of the Canadian dollar and the Canadian government-funded health insurance system, and quickly resulted in the CAW making open appeals to the automakers to throw the burden of successive “restructuring” waves onto their “less productive” US plants.

Needless to say, the Big Three welcomed the split, as it facilitated their efforts to pit worker against worker, the better to drive down the wages and gut the working conditions of all.

Two decades later, auto workers in Canada and the US are laden with rival bureaucratic organizations that pursue an identical pro-company course of imposing concessions and suppressing worker opposition, and systematically preventing any joint struggle of North American auto workers against job and wage cuts.

Workers must reject the entire framework of the so-called “bailout” proposed by the big business parties in the US and Canada and by the unions. They cannot let economic decisions affecting the lives of millions remain in the hands of the corporations and the political establishment. The only way to avert a disaster is for the workers to take matters into their own hands and assert their own class interests.

To defend their jobs, wages and rights, auto workers in Canada, no less than in the US, need a radically new strategy that involves a change in the activity, politics and philosophy of the labor movement. The Socialist Equality Party proposes:

1. Revival of direct struggle based upon the independent interests of the working class. Workers should organize demonstrations, strikes and factory occupations—the militant traditions of an earlier period that have been suppressed by the trade union bureaucracy. The occupation of Republic Windows and Doors by workers in Chicago has given a lead to workers everywhere, raising the need to revive the methods of struggle, including the great sit-down strikes in the auto industry, that were employed in the 1930s.

The SEP calls on workers to form independent rank-and-file factory, workplace and neighborhood committees to organize opposition to the plans of the banks and corporations. Workers should prepare to occupy the auto plants and engage in mass strikes to oppose wage-cutting and prevent further shutdowns and layoffs. Such a strategy requires a break with the CAW and the entire trade union bureaucracy and the creation of new, genuinely democratic forms of working class organization.

2. A break with the politics of class collaboration. Industrial action must be linked to a new political strategy: the building of a mass party of the working class so as to fight for the independent interests of working people.

For decades, the unions have promoted the myth that the interests of workers can be advanced through the New Democratic Party—or even the Liberals! These parties, no less than the Conservatives, uphold the interests of the corporations and the banks.

In lock-step with its transformation into an auxiliary of management, urging workers to secure investments and project placements through

concessions, the CAW has aligned itself more and more openly with the Liberal Party of Dalton McGuinty, Bob Rae, Michael Ignatieff and Belinda Stronach. The CAW was one of the key architects of the proposed federal Liberal-NDP coalition. They have promoted it with the claim that the coalition would be a strong advocate of an “auto bailout,” that is of a structured, concessions-tied “downsizing” of the auto industry. That a Liberal-NDP government would be a right-wing government is underscored by the fact that it would be committed to waging war in Afghanistan till 2011 and to implementing the Harper Conservative government’s five-year, \$50 billion program of corporate tax cuts.

3. Rejection of the capitalist market and revival of an international socialist movement of the working class. Workers within Canada and throughout the world are facing the consequences of an economic system whose central principle is the pursuit of private profit—regardless of its consequences for society as a whole. In response to the unfolding crisis of world capitalism, the SEP fights for the socialist reorganization of the economy. This includes the nationalization of the auto companies and the major banks, placing them under public ownership and the democratic control of the working population, and their operation on the basis of social need, not private profit.

A revived political movement of the working class must have as its aim the fight for a workers’ government—a government of, by and for the working class. The population of the world is being taught an object lesson in the class nature of the state under capitalism. Trillions of dollars have been handed out with no conditions to the giant banks and financial institutions. However, any loans to the auto industry are conditioned on massive concessions from the workers. In both instances, the state is directly functioning as an instrument of the most powerful sections of the financial elite.

In every country workers face a similar future: rising unemployment, declining wages, economic depression. Workers should reject all forms of nationalism and chauvinism promoted by the trade unions. The crisis of capitalism is a global crisis and the response of the working class to this crisis must be a global response.

Seventy years ago auto workers in Canada and the US joined forces to found the UAW because they recognized that to fight the giant auto companies they needed to unify their struggles across the Canada-US border. Today in the area of integrated global production—where the transnational corporations systematically seek to pit workers against each other, placing production wherever the greatest profits can be wrung from the workers—auto workers cannot take a step forward unless they consciously organize themselves as an international force, organizing industrial and political action across national boundaries and continents.

Auto workers and workers throughout the world: It is time to take up a fight! Strong, independent action now will win mass public support in every country. Don’t let the corporations and banks seize the initiative! Begin to organize today to defend your independent interests!

The Socialist Equality Party urges workers who agree with this perspective to join the SEP and take up the fight for socialism.

****To workers living in southern Ontario, especially the Windsor area, we issue a special invitation to come to a Socialist Equality Party and World Socialist Web Site Meeting—A public discussion on the crisis in the auto industry.*

The meeting, which is being held in Detroit this Saturday, will have as a central theme how workers in North America and internationally can conduct a common struggle. The meeting details are as follows:

Wayne State University
Sat., Dec. 20, 2:00 pm
Adamany Undergraduate Library
Bernath Auditorium
5155 Gullen Mall, Detroit



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Socialist Equality Party visit:

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