

Reject CAW sellout at Chrysler! Mobilize autoworkers across North America to defend all jobs and oppose all concessions!

Socialist Equality Party (Canada)

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This Tuesday, Chrysler Canada and the Canadian Auto Workers union began negotiations on a new concessions contract to replace the three-year agreement negotiated last year. As in the US, the Canadian government is tying any financial support to Chrysler to the imposition of massive concessions on workers.

The Socialist Equality Party is urging Chrysler workers to oppose the CAW betrayal and campaigning for the mobilization of autoworkers industrially and politically. We encourage autoworkers and supporters to download and distribute this statement as widely as possible, which is available [here](#) in pdf.

Chrysler workers must not fall into the trap that has been laid for them by the company, the federal Conservative and Ontario Liberal governments, and the leadership of the Canadian Auto Workers (CAW) union. The auto industry "bailout" has nothing to do with securing the jobs and livelihoods of autoworkers or of the communities that have been traditionally dependent on automaking. Rather it is a mechanism for restructuring the industry at the expense of autoworkers' jobs, wages and working conditions, so as to once again make the Detroit Three a lucrative source of profits for multimillionaire investors.

Autoworkers are not responsible for the crisis of the auto industry. They had no power over the decisions of the corporate executives and Wall and Bay Street investors who sacrificed the long-term health of the industry in order to boost share values and amass staggering amounts of wealth.

But if Chrysler workers are not to be blackmailed into paying for the losses of the Detroit Three, they must reject the nationalist and pro-capitalist perspective of the CAW and fight to mobilize the strength of auto workers across North America in a struggle against all concessions, layoffs and plant closures.

The current negotiations between Chrysler and the CAW leadership are a lose-lose proposition for Chrysler workers. Company President Tom Lasorda has threatened to close down Chrysler's Canadian operations altogether, wiping out 10,000 jobs, unless labor costs are reduced by almost \$20 per hour. The Canadian and Ontario governments have insisted any emergency assistance for the automaker is contingent on Chrysler being made "viable," that is made profitable, through job cuts and concessions.

The CAW, meanwhile, has imposed massive

concessions—concessions over and above the almost billion handed over to the Detroit Three in the 2007 contract negotiations—on General Motors workers. These include:

- the extension for a further year of the freeze in wage and cost-of-living adjustments (COLA) the union accepted in early contract negotiations with GM last year;
- the suspension of COLA for pensioners for the duration of the contract, now extended until September 2012;
- the elimination of a further 40 hours of paid time-off per year;
- the elimination of an annual \$1,700 bonus that was supposed to partially compensate workers for the elimination of wage increases;
- the introduction of a new health care premium and "reduced caps or increased co-pays" for other benefits including those covering dental and long-term care, life insurance, and post-secondary tuition fees.

No worker should place any credence in the CAW's claim that it will limit the givebacks to Chrysler to the new "GM pattern." Time and again, the CAW has bowed before the auto bosses, with each round of givebacks only serving as the jumping off point for new employer concession-demands. Time and again, the CAW has repeated the auto bosses' claims that concessions are needed to secure investments and maintain the "Canadian competitive advantage"—that is, the labour cost differential that has made the automakers' Canadian operations more profitable than their US plants.

Last week the CAW leadership, working in concert with Chrysler, shut down after little more than a day the occupation mounted by laid-off workers at the Aradco plant in Windsor. A \$400,000 settlement from Chrysler—less than a quarter of what the workers were owed in severance, vacation pay and other benefits—was palmed off by the union leadership as the best deal possible.

Chrysler was anxious to get dies and other equipment from the Aradco plant so as to maintain its production schedules. The CAW was also fearful of the occupation's impact on Chrysler's bottom-line. "The last thing we want to do is close Chrysler and make the company lose revenue," said CAW President Ken Lewenza. But the CAW bureaucracy's overriding concern was to ensure that the rebellion at Aradco not spread to the nearby Chrysler minivan plant, where workers are rightly seething with anger in the face of

Lasorda's arrogant threats.

That said, it must be recognized that the "GM pattern" is an historic sellout that will have disastrous consequences for autoworkers if it is not overturned by a rank-and-file rebellion, and not only because of the sweeping concessions.

With the full support of the CAW, GM is proceeding with previously announced plans to close its Oshawa truck plant this spring and its Windsor transmission plant next year. By 2011, GM Canada, which less than five years ago had 20,000 workers, estimates it will have a workforce of just 7000.

In the case of Chrysler, the union has already signaled its acceptance of the elimination of 1,200 jobs this June at the Windsor minivan plant and the closure of the Toronto casting plant, at the expense of a further 300 jobs, if no buyer is found by 2011.

The time is long overdue for Chrysler Canada 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.

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, autoworkers 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.

In announcing the CAW's latest concessions agreement with GM, Lewenza explicitly identified US autoworkers, not the rapacious demands of the employers, as the "threat." Declared Lewenza, "Given the restructuring in the US industry, including changes in the UAW contract, we had to keep pace to preserve our Canadian investment advantage, to make sure there were no reasons to move work from our plants to the United States."

Chrysler workers should reject the concessions contract that Chrysler, the big business federal and Ontario governments, and the CAW bureaucracy are conspiring to impose on them and revive the militant traditions that have been suppressed by the trade union bureaucracy.

They should prepare to occupy the plants, so as to counter Chrysler's threat to pull out of Canada, and urge all workers at GM and Ford in Canada and the US, as well as workers in the auto-parts industry and non-union transplants, to join them in a North America-wide strike.

A decisive end must be put to the attempts of the Detroit Three

and the unions to pit worker against worker by waging a struggle in defence of *all* workers' jobs and in opposition to all concessions.

Seventy years ago autoworkers 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—autoworkers cannot take a step forward unless they consciously organize themselves as an international force.

Such a struggle will only be mounted independently of, and in opposition to, the CAW bureaucracy, through the establishment of committees of rank-and-file workers in the factories and of working people, youth and the unemployed in the communities.

Militant industrial action must be linked to an entirely new political strategy and perspective.

The crisis in the auto industry is part and parcel of the failure of capitalism in North America and around the world. The only alternative that represents the interests of the working class is the fight for socialism.

To advance their own solution to the crisis, workers need to be organized as an independent political force, in a mass workers' party, in opposition to the parties that defend the profit system and insist that the working class pay for the capitalist crisis, the Conservatives, Liberals and the NDP.

With the bringing to power of a workers' government, the auto industry can be taken out of the hands of the corporate executives and financial speculators who have driven it into the ground, and transformed into a public utility, democratically owned and controlled by the working people themselves. Then production and employment can be organized in the interests of all, rather than the profits of a few, and the auto industry retooled to build safe, affordable transportation, in cooperation with autoworkers around the world.

The Socialist Equality Party urges workers looking for a way to fight the assault on jobs and living standards to take up the struggle for a socialist future and join the SEP.

For more information read the World Socialist Web Site at www.wsws.org or contact the SEP (Canada) at PO Box 183, Station B, Montreal, Qc, H3B 3J7.



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact