

The way forward for locked-out Ontario Electro-Motive workers

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Four hundred and sixty-five workers at London, Ontario's Electro-Motive plant are now in their third week of a lockout imposed by transnational heavy equipment manufacturer Caterpillar Inc. The workers, makers of state-of-the-art locomotives, are steadfastly resisting unprecedented concession demands from the company that include a 55 percent wage reduction, the end of the pension scheme and wholesale givebacks in their benefits package.

Since the dispute began on January 1, the pages of the mainstream press have been filled with commentary from columnists and industry analysts suggesting that for all intents and purposes the courageous struggle of the London workers has little, if any, chance of success.

Typical of this view was a piece in the *Toronto Star* by business writer David Olive. "This is only the appearance of a dispute", wrote Olive. "It's actually a skirmish the \$43 billion (2010 sales) employer has already won. Even Wal-Mart Stores Inc. can't match Caterpillar's resolve in dictating terms to workers. The firm has a practiced skill at 'taking a strike' for as long as required until workers straggle back to work across their own picket lines."

Olive goes on to explain, "So determined is Cat to become a more forceful competitor to General Electric Co., its chief rival in locomotives, that it has built no fewer than three new locomotive assembly plants in just the past year. They are in lower-wage Mexico and Brazil and in Muncie (Indiana). Each are ready to fill whatever orders London cannot due to a prolonged unionized labour outage."

For Olive and his ilk, the corporations hold all the cards. Capitalist globalization is omnipotent. Workers may resist—how could they not given the terrible threat to their livelihoods, families and community?—but the writing is on the wall. Their fate is already sealed. Either they ultimately buckle and accept poverty-level wages or they stand helplessly in the cold and see their jobs shipped to sweatshops abroad.

In his article, Olive does not mention, even in passing, the role of the trade unions in general, or the Canadian Auto Workers (CAW) in particular in this dire but inexorable

scenario. That would be cutting too close to the heart of the matter. Entitling his column, "Why Caterpillar has the upper hand in London plant lockout," Olive proves wholly incapable of answering his own question.

While companies like Caterpillar have enjoyed the support of the courts, police and politicians in ramming through round after round of concessions, it is the unions and social-democratic New Democratic Party (NDP) that have acted as a fifth column for big business. Over the past quarter century, these nationalist, pro-capitalist organizations have suppressed the class struggle, systematically isolating those struggles that have broken out, while pursuing corporatist collaboration with the bosses and capitalist austerity.

At each locked-out workplace, whether Rio Tinto in Alma, Quebec, the *Journal de Montreal*, U.S. Steel in Hamilton or the current dispute in London, the story is the same: workers reject a concessions-laden contract, the company retaliates by locking them out and bringing in or threatening to bring in scab labor, and then the unions quarantine the workers, instructing them to obey pro-employer court injunctions, and to make futile appeals to reactionary governments to intervene on their behalf. Meanwhile, behind the scenes, union officials attempt to work out rotten deals that would include most, if not all, of the companies' demands.

In London, at the Electro-Motive plant, the CAW hopes to push through such a contract as workers stand in the snow for weeks or months, with only a pittance in strike pay to take home to their families. Indeed, already, Bob Orr, assistant to CAW president Ken Lewenza, has announced that the union has approached Caterpillar to offer concessions if management agrees to return to the bargaining table. The company responded by insisting that any deal must be predicated on their original demand to cut \$30 million per year from the payroll.

For many years now, the CAW bureaucracy has acted as the arm of the corporations inside the workplace. These well-paid officials have made common cause with big-business federal and Ontario Liberal governments, agreed to form a no-strike company union at auto parts giant Magna

International, dismantled plant occupations and other militant worker struggles including at Brampton Caterpillar in 1991, and repeatedly rammed through concession agreements. The last contracts negotiated by the CAW with the Big Three Detroit automakers acquiesced to plant closures, deepened two-tier principles and overall surrendered \$19 per hour per worker in labour costs.

Over the past several weeks leading figures in the NDP and the Ontario Federation of Labour have beat a path to the west London picket line. Along with Lewenza, they are instructing workers to direct their energies to making appeals to the federal Conservative and Ontario Liberal government, when in reality those governments stand full-square with Caterpillar and are preparing to make massive social spending cuts in their coming budgets.

Thus the labor bureaucrats are calling on the Harper Conservative government to review Caterpillar's 2010 purchase of the London plant under the Investments Canada Act and are appealing, yet again, to the provincial Liberal government of Dalton McGuinty to implement anti-scab legislation.

The bureaucracy cloaks its feeble representations to Harper and McGuinty in the colours of the Canadian flag. Amongst Canadian union bureaucrats, CAW leaders have been first among equals in seeking to deflect worker anger over the union's subservience to the corporations by calling on big-business governments to defend "Canadian" jobs and enact protectionist measures to support "Canadian" companies. This nationalist, pro-capitalist perspective serves to block any united action on the part of workers in North America and around the world against the multinational giants of global industry that are relentlessly seeking to intensify the exploitation of all workers, irrespective of their nationality.

In 1985, the CAW leadership justified its split from the UAW by pointing to the reactionary, pro-company policies of the union's leadership. But far from constituting a genuine challenge to concessions, the split within the union apparatus served to strengthen the right-wing 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 (now gone) that 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 corporations 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. Twenty-five years 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 workers against job and wage cuts.

Despite the insistence of business columnist Olive, there is nothing inevitable about the outcome of the bitter struggle at Electro-Motive.

The working class wields immense social power. Its labor is what makes modern society function and, moreover, it is an international class united across borders by the production process and its common interests. But if that power is to be mobilized, workers must reject all those, beginning with the CAW and NDP, who uphold big business's domination of economic life, insist that workers' needs must be subordinated to investors' profits and divide workers along national lines.

Electro-Motive workers should form rank-and-file committees led by the most trusted militant workers so as to organize their struggle independently of the CAW and coordinate joint action—demonstrations, strikes and occupations—with workers across North America whose jobs, pensions and livelihood are threatened by employer concession demands and by the austerity programs being pursued by governments of every political stripe.

Such militant industrial action, while essential in developing a working-class counteroffensive, will only bring enduring gains if it is conceived of as a political struggle against the parties, governments and entire state machinery that upholds capitalist exploitation and social inequality. To defeat big business, workers need their own socialist political party which has as its aim the establishment of a workers' government to nationalize corporations such as Caterpillar and turn them into public utilities democratically controlled by working people and run in the interests of society as a whole.



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