

Unifor union in Canada hails UAW-Fiat Chrysler sellout contract in US

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The Unifor trade union in Canada is following the lead of the United Auto Workers (UAW) in the US in seeking to portray the contract pushed through at Fiat Chrysler (FCA) as a great advance for the working class.

The *Windsor Star* recently quoted Dino Chiodo, president of Unifor Local 444 (Windsor FCA plant), as claiming that the new contract south of the border validates the previous concessions contracts signed by the Canadian Auto Workers (now Unifor). The UAW deal “tells us we have been on the right path,” said Chiodo.

The contracts covering 23,500 FCA, General Motors and Ford autoworkers in Canada come up for renewal in late summer 2016. The current agreements, which are two-tier in everything but name, provide for a lengthy ten-year “grow-in” period for newly hired workers. They start at \$20.50 per hour and gradually progress to the full \$33.85 rate a decade later (the Canadian dollar is currently valued at 25 percent less than the American dollar).

As in the new US contract, there is no guarantee that the terms will be not be weakened further in the upcoming contract. In the 2012 contracts, the union officialdom and the auto bosses increased the grow-in period from six to ten years.

Newly hired workers, moreover, currently receive sub-standard health care benefits and are subject to a “hybrid” (part defined benefit and part defined contribution) pension plan that is vastly inferior to the defined benefit plan provided to veteran workers.

Even this “hybrid” pension scheme is threatened in the upcoming round of negotiations. Unifor agreed last year in a contract at GM’s CAMI plant in Ingersoll, Ontario to impose a full defined contribution plan on new hires. Statements by union officials last spring to

the *Globe and Mail* confirmed that Unifor is open to extending the concessions at CAMI across all Big Three facilities in Canada.

The claim by UAW officials that the new FCA contract for US workers (and now the tentative GM deal) has put an end to the two-tier system is a lie. The so-called eight year “in-progression” path for newly hired workers cannot be guaranteed in a four year contract. New hires will continue to receive significantly inferior benefits even if they “progress” through the “path.” And the agreements allow for the further proliferation of even lower tiers, including temporary workers, parts workers and “sub-assembly” workers.

With all limits on the percentage of second-tier workers eliminated, the companies will, with the assistance of the union, drive out older, first-tier workers through speed-up, layoffs and victimizations.

Already in Canada, Unifor President Jerry Dias is relishing the prospect of a significant increase in cheaper, second-tier workers at the GM plant in Oshawa, Ontario. In November, 1,000 jobs will be lost there as the Camaro product is shipped to GM’s Lansing, Michigan plant. At the same time, further product lines in Oshawa are not guaranteed past 2016, under conditions in which 2,100 of the remaining 3,600 workers will be eligible for retirement.

As Dias excitedly told reporters, “If those workers retire, they can be replaced by newly-hired employees who start at \$20.50 per hour and whose wages won’t rise to the full seniority level until they have been there for 10 years.”

Workers from GM’s Oshawa plant and Windsor’s Fiat-Chrysler facility recently explained the impact of Unifor’s “grow-in” contracts to the *WSWS Autoworker Newsletter*. A veteran worker at FCA said,

“The differences between older and newly hired workers are numerous and deep. Resentment is felt over it. Windsor has not been exposed to it because of a lack of new hires, but Etobicoke Casting (in Toronto) is and has been involved in this.

“There are ten years before ‘full pay’ is reached. Benefits are deeply compromised. Guys do the same job on different pay. In retirement it is also uncertain what the exact terms of the new hire benefits plan are, as some of it is tied to things beyond their control. But they are certainly worse than for those hired before 2012. If a worker transfers to another plant, they don't lose corporate seniority but they start as the lowest seniority in the next plant.

“There is some concern being expressed by workers that the grow-in period is ten years but the details are only covered in the contract up to 2016. There is not the same fear we see in the US about changing things later, but all the same it does remain a concern.

“The contract negotiated by the UAW in the US is a joke. More tiers of workers, separate pensions. At first it was great seeing Fiat Chrysler workers tell union administration to go back to the table, but they caved in unfortunately. Whipsawing is inevitable. Corporations have been doing it forever. We need to grow a harder backbone.”

An autoworker with 30 years seniority in Oshawa told the WSWS, “I've been here since just before the split in the UAW in 1985 that formed the Canadian union. I have to admit, I was all for it then. Most of us were. We didn't see what was coming with the companies using that to pit a plant in Canada against what they were doing in the UAW in the US with all those rotten contracts.

“They played one off against the other, and we started seeing concessions not too long after that. If I had to do it all over again, I would have voted against splitting up the workers. It's a global business making cars, so workers got to stick together too. But that didn't happen. And now you got the union here trying to push us out because they figure they can get in good with the company by bringing in tons of new hires next year at about half the price.”

The experience in Canada makes clear that workers on both sides of the border face the same coordinated attack from the auto companies, and the same collaboration of the unions (UAW and Unifor) in this

attack. A fight to defend jobs and living standards requires the formation of rank-and-file factory committees to unite autoworkers in Canada, the US and internationally in a common struggle against the corporate-union conspiracy.



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