

# As Canadian auto talks begin, Unifor promotes nationalism and corporatism

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13 August 2016

Unifor officials and representatives from General Motors (GM), Ford and Fiat Chrysler (FCA) met August 10 and 11 to begin negotiations for new Canadian auto assembly contracts covering 23,000 workers at plants in Windsor, Oakville, Brampton, Etobicoke, Oshawa, St. Catharines, and a parts distribution center in Woodstock, Ontario. The current concessions-laden agreements expire on September 19.

At press conferences held after the meetings, Unifor President Jerry Dias spelled out the union's nationalist and corporatist program, offering up Canadian auto workers as a highly productive low-cost workforce based on a cheap Canadian dollar and the prospect of hefty government subsidies to the auto companies.

Dias and other leading officials on the bargaining committees were effusive in their praise for Detroit Three management, demonstrating once again their utter servility to corporate bosses that have, with union collaboration, rammed through a series of collective agreements over the past eight years freezing wages, steadily extending the two-tier grow-in period and, in the 2009 contracts alone, slashing \$20 per hour per worker in labour costs.

Chris Taylor, chairman of Unifor's master bargaining committee for the Ford contract, bragged, "We have done a lot of competitive operating agreements to make sure we are the highly productive work force that Ford is looking for." In other words the union has, in a series of contracts, torn up gains made by workers over decades of struggle to squeeze the maximum productivity out of workers to boost shareholder profits.

Unifor officials did not advance a single concrete economic demand. Instead they talked entirely of gaining investment commitments from the automakers. As autoworkers know, talk of "job security" boils down to the offer of ever-deeper concessions in a drive to undercut the overseas rivals of the Detroit Three.

Along these lines Dias railed against the Trans-Pacific Partnership (TPP) trade deal that will ultimately allow for the reduction of Canadian content rules for auto parts as well as the import of tariff-free Japanese vehicles.

Unifor's promotion of economic nationalism dovetails with the promotion by the United Auto Workers (UAW) of protectionist policies in the United States. This perspective has proven utterly disastrous for autoworkers and for communities dependent on the auto industry. It has served to pit Canadian, Mexican and American autoworkers against each other in a drive to lower wages and benefits and destroy working conditions for all sections of workers.

The auto contract talks are taking place under conditions where senior workers have not had a pay increase in ten years, seen their benefits steadily reduced and working conditions deteriorate and where the two-tier system for newer workers is now inferior even to the American "grow-in" scale of eight years. Already, for instance, there have been statements from union officials that, in order to "save jobs" the inferior hybrid pension scheme for newer workers may be further reduced to a defined contribution program (as GM has already done at its separate Ingersoll CAMI operation), cost-of living allowances again restrained, retirees once again abandoned, and brutal speed-up deepened on the shop floor (GM recently proposed a reduction in break time in exchange for shifting some excess capacity between CAMI and Oshawa).

As the auto talks open auto companies are warning that they are preparing for a significant slow-down in sales over the next several years, presaging demands for further attacks on the living standards of autoworkers.

Meanwhile, auto industry analysts are citing current Detroit Three investment commitments to US plants arising out of last year's UAW contracts as exhausting any possibility for taking production from south of the

border and assigning it to Canada. If new investment is to be found, it is asserted, it will have to be for any prospective new model lines not yet assigned anywhere.

For his part Dias has characterized the current round of negotiations as crucial for the future of auto assembly in Canada. No new products are currently allocated to Ford Windsor, Brampton Fiat-Chrysler and GM Oshawa. All three auto companies have withheld any (potential) new announcements on future investments in order to contain building sentiment amongst rank-and-file workers that years of record profitability based on massive concessions contracts after the 2008 economic crisis and the 2009 auto bailouts must now form the basis for gains in wages, benefits, jobs and working conditions.

According to Dias, GM and Unifor are currently “miles apart” on the future of the Oshawa assembly complex – GM has insisted that no investment decisions will be made until after the contract is ratified. However, the Unifor president was keen to emphasize that the union “has an incredible history in resolving our differences in negotiations.”

While Dias has talked of strike action if an agreement is not reached, in a recent interview given to *Automotive News* Dias was already waffling. “We’re going to solidify the footprint” he declared, “Hopefully we solidify it by the deadline. If not, by some time or another, we’ll find a resolution.”

What Dias is relying upon “by some time or another” is another bailout by the Ontario and federal governments that would provide handouts in the form of favourable loans, tax breaks and electricity discounts to induce a modicum of future investment in Canada as a follow-up to the \$10.8 billion given to FCA and GM in 2009. Those packages had no stipulations for any new investment in the Canadian auto footprint, let alone requirements to redress the slumping living standards of autoworkers. Subsequent to that initiative, FCA reneged on a portion of the monies due for payback whilst the governments ultimately sold the over-priced stocks they had purchased at a \$3.5 billion loss.

Prior to his current role Dias’ served as a lieutenant to former Canadian Autoworkers union president Buzz Hargrove during the closure announcements in 2008 for GM’s Windsor Transmission and Oshawa Truck plant. In both cases, strike action was threatened but never carried forward. Indeed, in the case of the Oshawa facility, the union had actually negotiated the language that allowed for the shutdown, called for the membership to ratify the deal and then, to deny their own culpability, cried foul

when weeks later GM announced the closure. In any case, as Dias himself said to the *Globe and Mail*, by way of showing his credentials, “I’ve probably—unfortunately—bargained more plant closings than anybody else in the country.”

Also instructive is Dias’ fulsome praise for United Autoworkers president Dennis Williams in the wake of the auto contract negotiations last fall in the United States. During that round of concessions bargaining, workers at FCA rejected the initial sell-out deal but were then not called out on strike and instead told to vote on a similar agreement a week later. At GM, skilled trades workers voted down the contract and in a violation of the union constitution, UAW officials over-rode the result. At Ford, a large margin for rejection was carried into the last day of voting when, under very credible charges of vote fraud, a “landslide” at the final plant to vote narrowly shifted the tally in favour of ratification. For all this, Dias has characterized Williams as “an incredible leader”.

Canadian autoworkers will no doubt resist the plans of Unifor and the auto bosses to impose ever more hardships on them. But to be successful, this struggle requires a new, international strategy. In the first place autoworkers need to draw the lessons of last year’s US auto contract struggle, and more generally of the transformation of the unions internationally into corporatist appendages of big business.

A fight to defend jobs and living standards requires the formation of rank-and-file factory committees to unite autoworkers, not only across auto plants in Canada, but also in the US and internationally in a common struggle against the corporations. This requires a new political perspective based on uniting the working class around a socialist program in opposition to the big business parties and the capitalist system they defend. We encourage readers of the *World Socialist Web Site Autoworker Newsletter* in the plants to step up their efforts to build resistance and to share information and their comments with us for dissemination among autoworkers throughout North America and the world. If you have not already, subscribe to the *WSWS Auto Worker Newsletter* today!



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