

“It’s our turn to reap some of the rewards of record profits”

## Canadian autoworkers overwhelmingly approve strike action

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Autoworkers voted overwhelmingly on Sunday to authorize strike action for the upcoming contract fight at Ford, General Motors and Fiat Chrysler Automotive (FCA). Workers at FCA’s Canadian facilities in Windsor, Brampton and Etobicoke voted 99 percent in favour of strike action should the Unifor union fail to reach an agreement with the companies by September 19. At Ford plants in Windsor and Oakville workers voted 98.9 percent for possible strike action whilst in Oshawa and St. Catharines, GM workers gave a 97.1 percent mandate. Unifor officials have earmarked September 6 to choose a “target” company for a pattern contract at the other two automakers.

Voter turnout at many of the union locals was extremely high, reflecting a determined mood of militancy among rank-and-file autoworkers. Over the past ten years, workers have seen three consecutive concessions contracts rammed down their throats by the auto bosses with the collusion of the union (previously the Canadian Autoworkers or CAW). The union insisted that givebacks were necessary to “save jobs” because of the supposed economic difficulties of the corporations.

Unifor, however, has no intention of waging a serious struggle against the auto giants. They have received strong strike mandates before, and then proceeded to negotiate miserable concessions deals whilst refusing to lift a finger in one plant closing after another. Indeed, the last strike at a Detroit Three company in Canada occurred at GM some twenty years ago.

The record of the union bureaucracy speaks for itself. In 2008, then-union (CAW) president Buzz Hargrove announced he would re-open recently signed four-year contracts in order to provide additional givebacks only one year after the union had pushed through concession-laden deals at all three companies in 2007. The new deals, negotiated in 2009 by Hargrove’s successor, Ken Lewenza, froze autoworkers’ wages and cost-of-living allowances for the life of the contract, and surrendered a week of paid time off and a previously negotiated \$1,700 annual bonus. The deal also significantly deepened a two-tier wages system, jacked-up health care and insurance premiums, and allowed the Detroit Three to increase workloads. Retirees had their cost-of-living protection suspended and faced increased co-pays for health and other benefits.

In addition, both Chrysler and General Motors accepted bailout packages from the Ontario and federal governments totaling some

\$13.7 billion (the governments eventually lost \$3.5 billion of that in un-recouped monies). This coincided with the Obama administration’s restructuring of the two automakers in the US, which included a deal with the United Auto Workers (UAW) to halve the wages of all new hires and eliminate the eight-hour day.

Overall, the 2009 agreements in Canada surrendered almost \$20 per hour per worker in labour costs—considerably more than did the 2007 sellout deals, which had already provided the auto companies with almost one billion dollars in savings. The 2012 contracts continued this all-out attack on workers’ living standards and working conditions, continuing with wage freezes, benefit givebacks, speed-up and a further extension to ten years of the “grow-in” period for second-tier workers.

Over the past several months both corporate and union officials have set the stage for a further round of concessions. “Job security” has become the battle cry of the Unifor bargaining committees, under conditions where the Detroit Three have withheld any new investment announcements for Ford Essex, GM Oshawa and Brampton FCA. Union president Jerry Dias has signaled in no uncertain terms that the bargaining priority will be maintaining the current “footprint” of the Detroit Three in Canada.

Calls are now being made by both industry and union representatives for the federal Liberal government to shift their automotive industry support program to provide outright grants to the auto companies instead of low-interest loans. When big business Liberal Prime Minister Justin Trudeau spoke at Unifor’s national convention last week, he was given a standing ovation by the assemblage of union officials. Trudeau has promised to repeal the former Conservative government’s anti-democratic laws that negatively impact on the interests of the union officialdom by imposing onerous reporting requirements on union expenses and complicating union certification drives.

The Liberals have already moved to restore the special tax concessions for union-controlled investment funds that the Harper government was to entirely phase out by next year. Unlike Harper, Trudeau has calculated that it is the trade unions, rather than more oppressive legislation, that can best be used to suppress workers’ aspirations on the shop floor in the interests of corporate profitability.

“Job security” has always been the code-word for accepting round after round of concessions. Already, it appears that the

union is prepared to once again forgo cost-of-living allowances, further water down work rules and sacrifice the current, inferior “hybrid” pension scheme for new hires in favour of an even more inferior defined contribution plan. Moreover, the massive concessions granted in previous deals, as workers well know, did not prevent the closure of the GM Transmission plant in Windsor, the Ford assembly plant in St. Thomas or Oshawa’s GM Truck facility. They did, however, contribute to the veritable profitability spree that auto executives and their shareholders have enjoyed since the 2009 deals and the auto bailout.

In the wake of Sunday’s strike mandate vote, Jerry Dias stated, “With this clear mandate our members have demonstrated they are in full support of their bargaining committees, and our direction in this set of negotiations”. What nonsense.

There is a burgeoning realization among workers that Dias and the rest of the union officialdom represent the interests of the company and not the rank-and-file autoworker. Autoworkers and retirees have contacted the *World Socialist Web Site* and its *Autoworkers Newsletter* to voice their determination to fight another concessions agreement.

At Windsor FCA, a veteran states, “More and more speed-up. The older guys are breaking down. Good for the company and the union. Not us. Now they can bring in new hires with even worse contracts”. A Ford worker in Oakville writes, “No concessions! Tired of losing. Definitely our turn to reap some of the rewards of record profits. Ford is getting tough. Enough is enough”. Another Oakville worker remarked, “Jerry Dias is pushing investment too. What a bunch of horsecrap”. A GM Oshawa retiree commented, “As you must be aware, we had 23,000 hourly workers in 1980 [at our plant]. Now we might have 3,000. Time for a big change. I am afraid Unifor might try and sell us down the drain”. A Windsor Ford worker writes, “Thanks for your information. I don’t believe a word that comes out of Dias’ mouth”. “It’s our turn. Screw the union fraidy cats”, said a GM Oshawa correspondent. A Brampton FCA worker simply writes, “Strike!”

Reflecting the outright decimation of benefits in recent agreements and the growing desperation of retirees, a St. Thomas area reader writes, “When I retired I felt very secure with the pension and benefits I would receive. Eleven years later and my pension does not even get an increase in the cost of living and we are seeing our benefits being reduced. For example, our benefit coverage for a nursing home is now about 70 percent less that it was upon my retirement. We did not realize our benefits could be reduced. Even to get our measly \$700 coverage we have to go to a government-run nursing home”.

Despite his talk about the membership giving full support to the union bureaucrats, Dias is fully aware of the anger brewing on the shop floor against Unifor’s collusion with management. In an interview given to the *Financial Post* last month, Dias cited the rebellion by American autoworkers against the UAW in contract negotiations amongst the Detroit Three last autumn. There, workers at Fiat Chrysler initially voted down the national contract. This was the first rejection of such a UAW-backed national agreement in 33 years. The union refused to call a strike and used threats of plant closings and layoffs to force through a vote on an almost identical contract. At GM, the skilled trades section voted

down the contract but their vote was unconstitutionally overridden by UAW officials, who rammed through the deal anyway. At Ford, a razor-thin acceptance was recorded amidst charges from workers that the union stuffed the ballots.

In his interview with the *Post*, Dias blamed “poor communication” between the UAW bureaucracy and American autoworkers. “We saw what happened”, said Dias. “We’ve learned our lessons...We’ll be very active on social media”. Dias has told reporters that the UAW was slow to react to an aggressive social media campaign instigated by workers opposed to the sellout deals. While not naming his nemesis, Dias, like his bureaucratic counterparts in the US, means the *World Socialist Web Site* and its *Autoworker Newsletter*, which was widely circulated by autoworkers and became the center of rank-and-file opposition.

Canadian autoworkers will no doubt resist the plans of Unifor and the auto bosses to impose ever more hardships on them. But workers need to draw the lessons of last year’s US contract struggle, Dias’ phony pronouncements of this past summer, 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 to conduct a real struggle. This must include an appeal to their brothers and sisters in the US, Mexico and internationally who are facing similar attacks by the globally organized auto giants and corporate-controlled governments. This fight poses the need to develop a powerful political counter-offensive of the working class, entirely independent of the Liberals, New Democratic Party and the Tories, against the capitalist system, which is impoverishing the vast majority of humanity for the benefit of the already super-rich few.

We encourage readers of the *World Socialist Web Site* and the *WSWS 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.



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