

# Unifor promotes concession contracts and big business Liberals

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At Unifor's press conference announcing the sell-out agreement it had concluded with Ford Canada Monday night, union president Jerry Dias made an explicit pitch for massive government handouts for the Detroit Three so as to secure the auto industry's "footprint" in Canada.

Dias boasted about the more than \$1 billion in new investments Unifor claims to have won in the concessions-filled, four-year agreements it has negotiated with GM, Fiat-Chrysler and Ford. In reality, the vast majority of the promised investment is dependent on as-of-yet-to-be negotiated government-aid for the automakers and on "market conditions," including the continued low-value of the Canadian dollar.

Addressing the federal and Ontario Liberal governments, Dias declared, "We can't do this alone."

Prior to the Ford talks, Dias had expanded on this point in an interview with the financial publication BNN. "There's no question there is a different flavour in town today with Harper (and his Conservative government) gone," Dias told BNN. "The auto industry was going nowhere and the numbers will show that. There was a mass exodus in jobs and investments in Canada over the last 10 years because they had absolutely no auto strategy—period."

By contrast, Justin Trudeau and the Liberals are on the side of workers, claimed Dias: "They talk about middle class jobs. They understand the importance of the auto industry and say it publicly. The reality is if you are going to have a strong auto industry in your country [governments] are going to play a role."

Dias hails the record of a big business party that has mounted ruthless attacks on working people whenever it has held power. The Chretien-Martin Liberal government implemented the greatest social spending cuts in Canadian history between 1995 and 1997, then in 2000 gifted big business and the rich the largest ever tax cuts. In 2008-09 the Ontario Liberals worked hand-in-hand glove with the federal Conservative government to extort unprecedented wage and benefit cuts from Detroit Three autoworkers, declaring that any "bailout" of the industry was conditional on concessions totaling \$19 per worker per hour and a "restructuring" program that eliminated thousands of jobs.

Dias' championing of the big business Liberals as friends and allies of workers should be understood by autoworkers as a threat. By promoting the Liberals as supportive of the auto industry, Unifor is signaling it readiness to collaborate with the them, just as it does with the auto bosses, in ensuring that what Dias repeatedly touted as "Canada's Number one export industry" continues to be

a source of lucrative profits for Canadian big business.

The union's role in ensuring the competitiveness—that is the profitability—of Canada's auto industry was exemplified by two points Dias made during his Monday night press conference. First, he noted almost in passing that Ford's giant Oakville assembly plant, which employs around 5,000 of its 6,700 hourly Canadian workers, is in competition with the company's operations in China, where Ford models using the same car-platform are being produced.

Somewhat later, he enthused over the decline in the value of the Canadian dollar over the past five years, from around parity with the US dollar in 2011 to 75 cents today, because it strengthened the union's bargaining position. What he meant by this is that the cheap dollar has enabled Unifor to more effectively compete with the United Auto Workers (UAW) to provide the Detroit Three the cheapest labor costs and biggest profits.

In championing the dollar's decline, Dias is solidarizing himself with powerful sections of big business, especially manufacturers, who have favored the dollar's depreciation because it makes their products cheaper in the US, boosting profits. For workers, on the other hand, the more than 20 percent drop in the Canadian dollar's value over the past five years has translated into a substantial wage cut, particularly since large quantities of foodstuffs are imported and have, therefore, shot up in price.

Dias and his fellow union bureaucrats are motivated by their own privileged positions, rather than the interests of the members they purport to represent. They view the Liberals as preferable to Harper's Conservatives because the Trudeau government is more open to enlisting their support in policing the working class. This includes consulting with the unions, both informally and through various tripartite government-business-union committees.

Unifor intends to use these close working relations with the government to press the Detroit Three's demands for hundreds of millions of dollars in state subsidies, while working to ensure the automakers' Canadian operations are "globally competitive" by imposing cheap-labor contracts and a brutal, high-volume work regime.

A prime example of the corporate-union conspiracy against workers is the Canadian Automotive Partnership Council (CAPC), which was established under the previous federal Liberal government in 2002. This research and consultative body is comprised of representatives from all the automakers with assembly operations in Canada, as well as the country's largest

auto parts manufacturers, the federal and Ontario governments, and Unifor. It was largely neglected under the Harper government but now appears to be enjoying a renaissance under Trudeau's Liberals

In an August 2016 submission to the Liberal government's Advisory Council on Economic Growth, which is being led by Dominic Barton, a representative of the global financial elite who is best known as managing director of the consultancy firm McKinsey, CAPC urged the government to tailor its regulations to attract foreign investment and help ensure the international "competitiveness" of the auto sector. The government also had a "strategic role" to play in helping auto companies to "compete in the global ideas economy of the 21st century," the submission declared.

Such corporate jargon has been used time and again to prepare and legitimize savage attacks on the living standards of workers in the auto industry and across the economy as a whole. In the current auto contract talks, Dias has sold the rotten deals to GM and Fiat-Chrysler workers with the claim that givebacks are necessary to stay competitive, protect investment and prevent jobs from going elsewhere.

The Liberals, no less than the Conservatives, have played a crucial role in the decades-long assault on the working class. Under the current Prime Minister's father in the 1970s, the Liberals froze workers' wages for three years under conditions of rampant inflation. When mass worker struggles broke out, such as the 1978 postal workers' strike, Pierre Trudeau brought the full force of the capitalist state to bear, outlawing their job action, imprisoning the postal workers' union leader, and threatening massive firings.

Unifor and the entire union bureaucracy have continued to subordinate the working class to this right-wing, big business party because, and not in spite, of its anti-worker agenda. Under conditions in the late 1990s where the federal Liberals were enforcing unprecedented social spending cuts, a mass movement developed in Ontario against the Progressive Conservative provincial government's "Common Sense Revolution." Hundreds of thousands took to the streets to oppose the dismantling of public and social services.

Terrified by the mass movement, the unions, with Unifor's predecessor, the Canadian Auto Workers in the lead, began the close cooperation with the Liberals that continues to the present day. They established the Ontario Working Families Coalition, which served as the means to pump millions of dollars into promoting the Liberals in one election after another as a "progressive alternative" to the Conservatives. Successive Liberal governments led by Dalton McGinty and Kathleen Wynne took full advantage of the support provided by Unifor to continue and expand the Conservatives' austerity drive—slashing social spending, cutting taxes for big business and the rich, imposing real-wage cuts on teachers with anti-strike laws, and privatizing Hydro One.

The 2009 auto industry "bailout" was part of this right-wing agenda. As the federal Conservatives united with the corporate bosses and the Obama administration in the US to demand workers sacrifice gains won in decades of bitter struggle, the Ontario

Liberals joined in by blackmailing autoworkers with the threat of removing provincial-government guarantees for lost pensions.

The unions' intimate collaboration with the Liberals reached a new level last year during the federal election. Unifor led the way in sponsoring a pro-Liberal "Anybody but Harper" campaign.

When Trudeau swept to victory, largely thanks to the illusions peddled by the unions and sections of the pseudo-left, Unifor and the entire bureaucracy could hardly contain its excitement. Within a week of the new government taking power, the union top brass met with Trudeau behind closed doors to pledge their loyalty to the Liberal government.

In the year since, the Liberals have quickly and predictably made clear that they are pursuing the same basic agenda as did the Harper Conservatives. They have dramatically expanded Canada's role in the US's major military-strategic offensives, in the Middle East and against Russia and China; retained the new repressive powers given to the national-security apparatus in the name of the "war on terror;" and hired people like Barton to provide advice on how to step up the exploitation of the working class and boost the profits of the corporate elite.

Autoworkers seeking to fight back against the never ending series of concessions and the broader ruling class assault on public services and democratic rights must draw the necessary political conclusions. To mount a successful counter-offensive, workers must break organizationally and politically from the pro-company Unifor apparatus, join forces with autoworkers in the US, Mexico, and around the world, and develop new organs of working-class industrial and political struggle.

As the Socialist Equality Party noted in its statement to autoworkers at the outset of the current contract struggle, "To defeat big business, workers need their own party—not a sham "labour party" like the pro-capitalist NDP—but a socialist party that has as its aim the establishment of a workers' government. Such a government would place basic industry and the banks under public ownership and the democratic control of the working class so as to guarantee for all secure and well-paying jobs, quality health care, education, a comfortable retirement, and a future for the next generation free from poverty and war."



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