

# The lessons of the Canadian autoworkers' contract struggle

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With the narrow vote in favour of a four-year contract at Ford Canada earlier this month, Unifor has succeeded in imposing concessionary agreements on the Detroit Three's 23,000 Canadian workers despite widespread rank-and-file opposition.

The new contracts further entrench the hated two-tier wage system. They abolish any form of guaranteed pension for new hires—a concession Unifor itself admitted only last year would pave the way for a Canada-wide assault on all defined-benefit pension plans. Older workers, after a decade without any wage increase whatsoever, will see their wages rise by a derisory 4 percent over the life of the agreement.

Workers in record numbers voted to reject agreements Unifor had trumpeted as a “great victory.” But through a combination of blackmail and bribery—threats of mass job losses and a \$6,000 signing bonus designed to lure financially-strapped workers—the union managed to push through contracts at GM, Fiat-Chrysler and Ford.

Unifor President Jerry Dias' principal argument in favor of the agreements was that they have secured autoworkers' jobs, because the union “won” from the automakers \$1.5 billion in “guarantees” of new investments in their Canadian operations.

This is a lie. The vast majority of the investments pledged by the Detroit Three are conditional on massive financial support from the federal and Ontario Liberal governments. These corporate handouts will in turn be tied to further concessions from autoworkers and/or cuts to already stretched social spending for the working population as a whole.

Moreover, all the investments were made dependent upon “market conditions.” These are already in flux following the victory of Donald Trump in the US presidential election, both because of his threat to abrogate NAFTA and his pledge to reward US big business with further massive corporate tax cuts.

“Market conditions” also include maintenance of a low-valued Canadian dollar, a goal Dias explicitly supports, so as to ensure “globally competitive” labour costs for the auto

giants. No matter that for Canada's working people the dollar's depreciation translates into higher food and other costs—that is a wage cut.

Unifor's sabotage of any struggle against the Detroit Three comes after decades during which it and its predecessor, the Canadian Auto Workers (CAW), imposed round after round of concessions and acquiesced to massive job cuts. It demonstrates once again that Unifor is in no sense a workers' organization, seeking to improve the lot of its members. Instead it functions ever more openly as a labour contractor for the automakers, offering its services to Ford, Fiat-Chrysler and GM to police an increasingly hostile workforce, block any meaningful opposition, including strike action, and ram through concessions in the name of “staying competitive” and “saving jobs.”

Dias and his fellow union bureaucrats have underscored this with their cozy relationship with Justin Trudeau's big business Liberal government. Unifor gave Trudeau a hero's welcome at its national convention on the eve of the auto contract struggle. During the contract talks Dias seized every opportunity to praise the Liberals, whom he claims have an “auto strategy” in contrast to the previous Conservative government. The reality is the “strategy” of the big business Liberals is to make the auto industry, like every other sector of the economy, a lucrative source of profits for investors by suppressing workers' living standards and gutting their rights.

Autoworkers' interests can only be defended by the adoption of an internationalist perspective for the mobilization of Canadian autoworkers in a common struggle against the transnational automakers with workers in the US, Mexico and around the world.

The breakup of the United Auto Workers along national lines in 1985 was part of the unions' repudiation of any tradition of struggle and their embrace of a pro-company corporatist perspective on both sides of the border. It has facilitated the automakers' drive to pit workers against each other in a race to the bottom, with the UAW and CAW/Unifor inciting US and Canadian workers against each

other and competing as to which union apparatus can offer the auto companies the most profitable terms.

Unifor's pro-corporate agenda was on full display during the recent contract struggle. In spite of an overwhelming mandate from autoworkers for strike action, Unifor officials worked past the strike deadline at GM and Ford to clinch sellout deals with management. They then concealed virtually all details of these rotten deals from the membership until ratification meetings, where autoworkers received self-serving "highlights" of the new contract carefully selected by the union.

At Ford, leading union bureaucrats viciously denounced workers who dared to question the terms contained in the sellout pattern deal. Chris Taylor, the head of the Unifor Ford Bargaining Committee and Windsor-based Local 200, castigated workers at Ford's Oakville plant as "shortsighted" and selfish for their opposition to the attack on pensions and the retention of two-tier wages.

When workers refused to be intimidated and the ratification meeting at Ford Oakville erupted in anger at Dias and the union leadership, the Unifor president resorted to threats of plant shutdowns. In a self-exposure of Unifor's role as company shills and the reactionary and bankrupt character of its nationalism, Dias warned that if Ford workers voted down the deal and went on strike, Ford would move production from Oakville to China.

Autoworkers' experience over the past months underscores that Unifor cannot be "reformed." Nor can any section of the union apparatus be pressured into defending workers' interests. When workers at the Oakville assembly plant began to rebel against Unifor's pattern settlement, Local 707 President Dave Thomas criticized it and vowed he would not bring it to a vote without "substantial improvements." Yet when negotiations concluded, the entire Local 707 leadership effusively praised the Unifor-Ford agreement, while Dias hailed Thomas as "a team player."

The need for a new voice and a new strategy for autoworkers is increasingly being recognized. Hundreds of autoworkers at GM, FCA and Ford turned to the *World Socialist Web Site Autoworker Newsletter* to provide analysis of the auto negotiations and a strategy to fight both the auto bosses and their servants in Unifor. The *Newsletter* insisted that workers could successfully fight concessions and defend their jobs only by repudiating Unifor's nationalist, pro-capitalist program and building new organs of struggle committed to the industrial and political mobilization of autoworkers and the entire working class.

The urgency of this task has never been greater. Workers cannot take a single step forward within the framework of Unifor. The events at the Integram Seating plant in Windsor at the beginning of this month have only served to further

demonstrate this. When workers at the plant rebelled against a concessions agreement endorsed by Unifor and walked out on strike, the Local 444 president immediately stepped in to reassure Magna, the multi-billion global corporate owner of Integram, that it would shut down the protest as soon as possible. Speaking like a corporate executive, Dino Chiodo, who was the head of the Unifor Fiat-Chrysler Bargaining Committee, proclaimed, "This is definitely a challenge for us. We will set up meetings [with the company] as quickly as we can to try to figure out how we can mitigate any type of losses." Within a matter of hours, Unifor halted the strike after arriving at a new concessions agreement which was promptly rammed through at a hastily-convened ratification meeting.

Autoworkers must set up rank-and-file committees in the plants independent of and in opposition to Unifor to prepare the next stage of struggle.

Repudiating Unifor's pro-capitalist and nationalist program, these committees must reach out to workers across Canada and make a special appeal to autoworkers in the United States, Mexico and internationally to join them in a counter-offensive against *all* concessions and in defence of *all* workers' jobs.

Above all, these committees must be guided by a new socialist and internationalist political perspective. They should respond to the company threats of job losses and declining investment by calling for the nationalization of the auto industry under workers' control so production can be organized on the basis of human need, not the profit interests of the auto giants. This can be achieved only through the bringing to power of a workers' government committed to reorganizing socioeconomic life along socialist lines.



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