

Unifor imposes new round of concessions

CAMI strike in Canada ends

“We struck for a month and got nothing”

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The month-long strike by nearly 2,800 autoworkers at the General Motors CAMI assembly plant in Ingersoll, Ontario ended Monday after workers reluctantly voted to accept a concessionary contract brought back by the Canadian auto union, Unifor. The four-year deal maintains the hated two-tier wage and benefit system, includes a miserly 4 percent raise for older workers and does nothing to address the issue of job security, which the union said was at the center of the strike.

Unifor officials announced the deal Friday night, a day after GM threatened to expand production of the popular Equinox SUV at two plants in Mexico, and “wind down” production of the model in Ingersoll, unless Unifor called off the strike. As workers filed into the London convention facility to vote Monday, the *London Free Press* reminded them about GM’s gun to their heads, printing a front-page article declaring, “Mexico move loomed over Cami talks, observers say.”

Production workers voted 85.9 percent to return to work. Skilled trades voted 78.7 percent in favour of the deal. The large ratification was not a vote of confidence in the deal, much less in the Unifor leadership. Having been left to fight the giant auto company alone—while Unifor kept 20,000 GM, Ford and Fiat Chrysler workers in Canada on the job—and facing economic hardship from the meager \$250-a-week union strike benefit, CAMI workers saw no purpose of remaining on the picket line any longer, especially since Unifor had demonstrated its utter incapacity to defend their jobs.

In the “highlights” brochure passed out by Unifor before it rushed through the vote, Unifor President Jerry Dias laments that GM refused to provide a letter making Ingersoll the “lead” Equinox plant, after the union had imposed concession after concession on workers. “At the highest levels of General Motors corporate in Detroit, they coldly refused. As a result, and after much internal discussion, we decided that we could not, in good conscience, ask for more economic sacrifice from you in this fight.”

Predictably Dias claimed that the union had “negotiated a solid collective agreement to see the members of Local 88 and your community through the years ahead” before recommending it for ratification. The company and its Wall

Street advisors were far more candid about the deal, however. Industry publication *Automotive News* gloated, posting an article titled, “How GM forced Unifor to stand down.”

A spokesman for GM Canada, which welcomed the settlement from its “Unifor partners” last week, said now that the strike was over it was confident workers would “continue to demonstrate to the world the outstanding productivity, innovation and quality that is synonymous with the CAMI workforce.”

Indeed, Unifor has enforced relentless speedups and six-day-a-week schedules for eight years at the CAMI plant. Having endured this, rank-and-file workers were determined to win significant improvements in wages and work conditions, after six years of record profits by the Detroit-based automaker.

Like the United Auto Workers (UAW) in the United States, the Canadian unions have blocked any common struggle by North American workers, and have pursued a nationalist program of trying to entice the automakers to invest in their own countries by imposing concession after concession on workers, and blocking any strikes or other forms of resistance by workers. The CAMI strike was the first walkout at a major auto plant in Canada since 1996, and the first at the CAMI plant since 1992, three years after its opening.

The new four-year deal at CAMI is largely based on the rotten pattern contract imposed by Unifor at all other Detroit Three assembly plants in Canada last autumn. That contract, which the union negotiated separately from the CAMI contract, received the lowest overall approval in the history of the union.

In 2008, the Canadian Auto Workers (CAW) union, the predecessor organization to Unifor, negotiated a two-tier pay system that kept new hires at a permanently lower wage. In 2013, Unifor negotiated a 10-year “grow-in period” at CAMI that institutionalized the two-tier system, while forcing workers to labour a decade before reaching top pay. This results in the loss of some \$200,000 for a new hire over this period compared to veteran workers. The same year, Unifor agreed to the elimination of defined benefit pensions for new hires at CAMI, which was expanded throughout the Canadian auto industry last year.

As in the 2015 Detroit Three deals, grow-in wages for new hires at CAMI, who currently start at \$20.49 (US \$16.35), begin to incrementally increase at a slightly quicker pace, under the new contract, starting with a 43 cent-an-hour increase in the first year. It will take until their 11th year of employment—if they survive until 2029 without losing their jobs—for a new hire in 2018 to finally reach the top wage, which currently stands at \$34.74 (US \$27.72) per hour. A decade from now, of course, this wage too will be eaten up by inflation, which currently fluctuates between 1.5 and 2 percent in Canada.

Under the new CAMI deal, senior workers, i.e., those hired before the two-tier system was established, who have not had a real raise in over a decade, will receive a 2 percent increase in the first year and other 2 percent in fourth year, meaning the erosion in real wages will continue.

Instead of a raise in base pay—which is used to calculate future wage increases and pensions—or the restoration of lost cost of living adjustments, workers will receive a \$6,000 “Performance Bonus” after ratification and four \$2,000 lump sum annual payments. These will be fully taxable and subject to union dues deduction.

There is also a general early retirement provision in the new contract. As Dias himself has emphasized, the shedding of veteran workers in the auto plants and their replacement with poorly paid new hires will save the corporations billions. According to Local 88 officials, about 1,000 CAMI workers (out of a 2,750 workforce) are eligible for retirement over the next three to four years.

On Saturday, less than 48 hours before the vote, Dias told reporters that the new agreement “addresses job security.” The so-called job security provision, however, boils down to a more lengthy Supplementary Unemployment Benefit for some workers and an enhanced early retirement option. According to Reuters, the deal would “create a C\$300 million (US \$239.5 million) fund for workers in the event GM ever decides to close CAMI, and employees would have to be offered early retirement incentives in the case of layoffs,” plant chair Mike Van Boekel told Reuters in a telephone interview. “If they want to lay anybody off, it will be expensive,” Van Boekel told the news agency.

“There is no job security, they can do whatever they want!” a veteran worker told the *WSWS Autoworker Newsletter* outside of the ratification meeting. Another veteran added, “We struck for one month, for nothing. This is the same thing they offered before we went out.”

A skilled worker said, “The corporation is making billions but it can’t pass any to its workers. They’re just stuffing their pockets.” As for continuing the two-tier wage and benefit system, he said, “Workers are workers, we’re doing the same thing. We shouldn’t be separated.”

A younger second-tier worker said, “I’ve only got a few years in the plant. They changed the ‘grow-in’ wage scale a little. It used to take four years before we got our first wage

increase. Now it’s right away. My buddy says it used to be two years to get top pay, now it’s 10. I guess that was the golden age,” he said sarcastically.

Another younger worker said, “We work in the most productive and profitable plant. I have to live in a small apartment and watch my bills all the time. It takes 10 years to reach top pay. They treat us like we are nothing more than machines.”

A worker on the “grow-in” treadmill said, “I didn’t think the contract was that good but I voted for it anyway. I think a lot of the younger guys feel the same way. I know it’s not much, but we get a little bit more every year on the grow-in. I don’t see much good in it for the older guys either. Not much at all except maybe for everyone who is eligible to retire soon. There’s a lot of them. Since we didn’t get any job security, they’ll probably vote for it just so they can take the incentives and get out as soon as they can. I can’t see myself working long-term like they did, though. It’s no good in there. I know I can do better elsewhere.”

One veteran worker entering the meeting took a newsletter saying, “I don’t trust my union.”

The responsibility for the defeat of the CAMI strike cannot be laid at the feet of rank-and-file workers who demonstrated their capacity for self-sacrifice and struggle. Instead the struggle was sabotaged by Unifor and the other Canadian unions, which left the embattled workers to fight the giant auto company on their own, while subordinating it to Unifor’s maneuvers with Justin Trudeau’s Liberal government and the Trump administration over the renegotiation of the North American Free Trade Agreement.

The ruthless restructuring of the global auto industry, which saw last year’s spin-off of GM’s Opel division in Europe, growing US layoffs and attacks on autoworkers throughout the globe, can only be answered by the building of new organizations of working-class struggle, controlled by rank-and-file workers themselves, and the development of an internationalist and socialist perspective.



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