

Canada's trade union-backed Liberal government clamps down on steel and aluminum imports

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As trade war develops between the United States and China, Justin Trudeau's Liberal government is taking steps to solidarize Canada with, and line up behind, the Trump administration. Late last month, following a telephone call with Trump in which Trudeau pledged to do more to clamp down on steel "dumping," Canada's prime minister unveiled protectionist measures to block cheap steel and aluminum imports from entering Canada.

The measures include extra powers for customs and border authorities to identify suspect imports. They were implemented in response to pressure from Washington and a vociferous lobbying campaign by the trade union bureaucracy, led by the United Steelworkers (USW).

When Trump slapped tariffs of 10 and 25 percent respectively on aluminum and steel imports, the USW hailed the move, with its only quibble that Canada should be exempted.

After Trump deigned to grant Canada a temporary exemption, the USW turned its sights on the Trudeau government, demanding it follow Trump's lead in cracking down on "unfair trade." This included a call for the USW to be given a role in enforcing economic nationalist policies aimed at boosting Canadian-based companies and pushing the burden of job losses onto workers in other countries.

In pressing for Canada to help enforce Trump's steel and aluminum tariffs, the USW bureaucrats were pushing on an open door. Since Trump's election, the Trudeau government, with all but unanimous ruling class support, has sought to deepen Ottawa's longstanding military-strategic partnership with US imperialism. This has included expanding Canadian involvement in US-led wars and military operations around the world, collaborating with US authorities in the persecution of refugees, and agreeing to protectionist economic policies. The Liberals have also offered to strengthen military cooperation with Washington by "modernizing" the joint Canada-US North American Aerospace Defence Command (NORAD)

The Liberal government is giving the Canada Border Services Agency (CBSA) additional powers to identify companies allegedly dodging import tariffs and to determine whether prices in the country of origin are too low. Underscoring the

aggressive intent of the campaign, which complements the Trump administration's drive to isolate China both economically and militarily in preparation for a direct armed conflict, the measures were unveiled by Public Safety Minister Ralph Goodale, whose department oversees the work of the CBSA as well as Canada's main spy agency, CSIS.

Trudeau, who had earlier boasted about the contribution Canadian-made steel and aluminum make to US warplanes and tanks, said the measures were designed to defend not just Canadian, but "North American industry."

The Trudeau government is eager to align with the US, the recipient of three-quarters of all Canada's exports, in a stronger and more overtly protectionist North American trade bloc that can be used as a battering ram to advance US and Canadian imperialist interests around the world. A key plank in this is the ongoing negotiations on "updating" the North American Free Trade Agreement (NAFTA). Ottawa has repeatedly signaled its readiness to support US calls to introduce changes to NAFTA, such as restrictions on the activities of state-owned enterprises and so-called currency manipulators, which target China.

Canadian workers should reject Trudeau's assertions, repeated and amplified by the USW and other unions, that their interests can be defended by lining up with the government and big business in support of reactionary economic nationalist measures.

The turn to protectionism is bound up with the deepening of the global capitalist crisis, which is causing a revival of the inter-imperialist rivalries and trade war conflicts that marked the 1930s and paved the way for World War II. The post-Second World War economic order based on US imperialist domination, which Canada relied upon to advance its predatory ambitions around the globe, is being torn apart, with Washington spearheading the demolition.

In the little more than four weeks since Trump announced his steel and aluminum tariffs, the dispute with Beijing has escalated into a full-scale trade war, with Washington now threatening to impose tariffs on \$100 billion worth of Chinese goods. US trade and economic experts admit that the true aim

of this economic offensive is to prevent Beijing from realizing its goal of becoming a leader in the production of high-tech goods.

Trump's tariffs are not only bringing Washington into conflict with China, but also with its erstwhile European allies, which are no longer willing to subordinate their own imperialist interests to those of Washington. Led by Germany, the European Union has demonstratively announced that it will retaliate with its own protectionist policies if European companies are impacted by the aluminum and steel tariffs or other US protectionist policies.

The unions are playing a central role in portraying these dangerous developments as positive for working people. A central element in the Trudeau government's new crackdown on steel and aluminum imports was the announcement of the creation of steel and aluminum trade monitoring committees comprised of government, industry and union officials.

If the pro-big business character of these new committees and their role in helping enforce Trump's tariffs and upholding the alliance between Canadian and US imperialism was not already clear enough, Trudeau spelt it out in a statement. "Our businesses and workers rely on our integrated industries" it declared, "and we will take strong action to defend and protect our most important trade relationships. Canada will not be used as a backdoor into other North American markets."

In accordance with the USW's demand, the Liberal government is also granting the USW and other unions the ability to participate in, and initiate, "trade remedy" cases before the Canadian International Trade Tribunal.

The fact that Trudeau and the steel and aluminum bosses are permitting bureaucrats from the USW and other unions to sit on the new trade monitoring committees and launch trade actions underscores that they view the unions as valuable "stakeholders" in enforcing corporate interests at the expense of the working class; and rightly so.

For decades the unions have suppressed the class struggle and championed reactionary economic nationalism, which serves to channel workers' away from the fight against their bosses and capitalism as a whole and to pit them against each other in a race to the bottom.

The USW, like all the pro-capitalist unions, has shifted sharply to the right over the past three decades, including by developing a close working relationship with the big business Liberals.

It has overseen the decimation of jobs, slashing of wages and pensions, and shuttering of plants across the US and Canada. Since the 2008 economic crash, the USW has connived in the elimination of more than 2,000 steelworkers' jobs at the former facilities of US Steel, now owned by Bedrock Industries, in Hamilton, Ontario. An almost year-long lockout at Hilton Works in Hamilton ended in 2011 with the USW enforcing a concessions-laden contract that imposed wage freezes and two-tier pensions, and cut hundreds of jobs.

In Quebec, the USW is currently doing everything in its power to isolate the anti-concession struggle of 1,030 workers at the Aluminerie de Bécancour Inc. (ABI) aluminum smelter, a joint venture of the aluminum giants, Alcoa and Rio Tinto-Alcan. Members of USW Local 9700, the ABI workers have been locked out since early January.

In an act of blatant sabotage, the USW has agreed to Rio Tinto's request to reopen the collective agreement at another of its smelters in Alma, Quebec, even as ABI arrogantly proclaims that it now requires pension rollbacks and other concessions far beyond those in its "final offer" of late last year.

This is in keeping with the pro-corporate line that the USW adopted following Trump's tariffs. Marty Warren, the USW's director for Ontario and Atlantic Canada, welcomed the Trump administration's use of reactionary "national security" provisions to justify its clampdown on imports. "The evidence confirms there are many countries that engage in unfair, illegal and predatory trading practices that have created a global steel glut and depressed prices affecting all steel and aluminum markets," stated Warren.

The unions' emergence as cheerleaders for trade war measures fully confirms the analysis advanced by the Socialist Equality Party in its statement "Oppose Trudeau and Trump, the Canada-US alliance, and imperialist war." We wrote, "The unions have repudiated all traditions of independent working class struggle, integrated themselves into management and tripartite union-government-company structures, and developed new sources of revenue giving them a direct stake in the exploitation of the working class."

We went on to warn, "Workers must beware: those who today wave Canadian and Quebec flags, inciting workers to align with their bosses against Mexican and Chinese workers, will on the morrow be the recruiting sergeants for war."

Working people must reject the desperate attempts of well-paid bureaucrats to convince them to stand side-by-side with their bosses in a trade war against their fellow workers in other countries. Instead, workers must advance their own independent solution to the capitalist crisis, based on the international unity of the working class—Canadian and US, Mexican, Chinese and European—and the struggle to reorganize society along socialist lines so as to put an end to capitalist exploitation and war.



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