

Unifor shuts down strike by Lear auto parts workers in Ajax, Ontario using threat of plant closure

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Using a blackmail threat by Lear management to shut down operations, Unifor secured a ratification vote by workers at a seating plant in Ajax, Ontario on a rotten sellout deal recommended by the union. Unifor claimed a 72 percent ratification margin for those workers voting.

Autoworkers, members of Unifor Local 222, had been on strike since Saturday, April 28. On Tuesday, the membership voted by 94 percent to reject a deal brought to them by Unifor. Meanwhile, the strike halted production at the Fiat Chrysler (FCA) Brampton, Ontario assembly plant, idling some 3,500 workers. The workers build the Chrysler 300 and Dodge Charger and Challenger.

The threat by Lear to close the Ajax plant demonstrates the utter ruthlessness of management and the complete servility of Unifor, which used it to intimidate workers into accepting the sellout deal. It was undoubtedly spurred on by FCA, which has been livid over the closure of its Brampton facility.

In the wake of a resounding rejection of the tentative contract Tuesday by the 320 Lear Seating workers, Lear Corporation announced Thursday that it would close the Ajax plant “as soon as practical” saying it would pull from the table the rejected tentative agreement.

Lear workers told the local media that the original deal presented by Unifor did not adequately address the issue of wages, pensions and benefit disparities between workers in seat manufacturing at the Ajax plant as compared to the rest of the auto industry. Workers in Ajax, for example, currently earn \$23.50 (CDN) on average whilst workers only a few miles away at Lear’s Whitby plant (which supplies General

Motors Oshawa) earn on average \$28.10. In 2008-2009, Lear Ajax workers took a 35 percent pay cut as part of the Canadian Auto Workers deal with the Detroit Three and the Canadian and Ontario governments to restore corporate profitability on the backs of autoworkers.

A management representative from FCA attended the negotiations on Thursday that led to the new tentative agreement. Unifor Local 222 President Colin James declined to give specifics about the new contract, but claimed that while Lear made some concessions, the contract still fell short on some of the union’s original goals. “We didn’t get everything we wanted, but at least we had a third party involved to help resolve this,” he said.

The attacks on auto parts workers by Lear in Canada are of a piece with its international strategy. Lear makes seating and other components for car manufacturers around the world. The company, based in Southfield, Michigan employs 136,000 globally and is listed as number 174 on the Fortune 500 list. Over the past several years Lear has launched a brutal wage cutting drive at its American plants.

In 2014, the UAW agreed to create a new subclass of low paid workers at a Lear seating plant in Hammond, Indiana. The workers are now being paid wages even lower than under the previous two-tier setup. In Michigan, Lear seeks to create up to 1,000 union-represented manufacturing jobs in the city of Detroit at a lower pay scale than workers at other UAW organized facilities. According to a report in *Crain’s Detroit Business*, Lear management is looking at a pay rate “in the mid-teens with some benefits,” with final details subject to negotiation with the UAW.

Lear, meanwhile, is massively profitable. Last week it

reported record sales, final profit and share profits in the first quarter. Sales hit US\$5.7 billion, up 15 percent and led to profits of US\$353.7 million, or US\$5.16 a share.

The Ajax, Ontario parts plant provides just-in-time seating for Fiat-Chrysler's Brampton Assembly operation. As a result of the strike, FCA was forced to first cut back and then stop auto assembly in Brampton. This marks the second time in less than two months that assembly production at FCA in Canada has been impacted by parts workers' job actions. This past March, the Windsor minivan plant lost almost two days of production after ZF-TRW parts workers rejected a concessions deal that had been heavily boosted by Unifor officials.

As Lear is slated to provide materials to FCA Brampton until at least 2020 when the assembly facility may, if market conditions allow, launch redesigned models, the "as soon as practical" warning has an entirely separate purpose. Fiat Chrysler could be sold, a move that on its own would raise questions about the future of the Brampton plant. Analysts have reported that Chinese automaker Great Wall may be interested in buying FCA. The Brampton plant also sits on incredibly valuable land in a Toronto suburb that has exploded in population in recent years, making the potential sale of that real estate lucrative.

When workers at Lear Whitby struck last year, the company also raised the spectre of plant closure, then reached a deal with the final settlement including closure language and protocols that could be activated in 2019. That is the year in which the Unifor contracts expire at the Detroit Three auto plants in Canada. The Oshawa GM plant that Lear Whitby supplies is already on "life-support" as a result of the concessions pattern contract negotiated by Unifor in 2016. FCA's Brampton facility also has no guarantee for continued production after 2019. Despite pressure from Unifor, Whitby workers only voted by 62 percent in favour of the agreement.

The overwhelming rejection of the original sellout that Unifor attempted to foist on Lear Ajax workers is a reflection of a growing movement of auto workers against Unifor following decades of concessions and attacks on living standards. It follows the rejection of a sellout deal by 2,300 casino workers in Windsor, Ontario who have now been on strike for four weeks.

For any struggle to be successful it requires a broader mobilization of the working class. This requires a break with Unifor, which is nothing more than a tool of management, and the election of independent rank-and-file factory committees. Ajax workers must turn to autoworkers across North America and launch a common struggle for restoration of all concessions, including the abolition of part time and temporary work and all tiers, and for the defence of all jobs.

It requires as well an independent political strategy in opposition to Unifor's alliance with the big business Liberals in Ottawa and Toronto, who have implemented austerity and pro-war policies, while outlawing strikes by teachers and other workers. Workers must develop an independent political struggle that challenges the profit system and fights for the nationalization of auto and other basic industries under the democratic ownership and control of the working class.



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