

# Canada: Labour board greenlights closure of Nemak's Windsor auto casting plant

Carl Bronski  
3 December 2019

Ontario Labour Relations Board arbitrator Norm Jesin ruled last Friday that Nemak can permanently shutter its Windsor, Ontario auto parts plant in 2020 as per management's initial plan.

The greenlighting of the early closure of the aluminum casting facility demonstrates yet again the utter failure of Unifor (the former Canadian Auto Workers union) to defend its members' jobs.

In mid-September, Unifor, the union that organizes the 180 production workers that remain at the Windsor facility, agreed to scuttle a two-week strike in exchange for a management undertaking to send the dispute over the company's closure plans to binding arbitration should negotiations, set for October, become deadlocked.

Union officials accused Nemak of violating what Unifor President Jerry Dias had previously touted as an "ironclad" contract, by announcing last July that it would close the plant in 2020. In 2016, Unifor negotiated a new agreement that promised production at the plant until 2022, provided that market conditions did not change, in exchange for a wage freeze for the last three years of the deal.

In 2019, Nemak was informed that a major parts contract with a General Motors assembly plant in China would not be renewed. The loss of work would quickly reduce production at the facility to below 10 percent of capacity, the company claimed.

Nemak declared, "The collective agreement was negotiated based on market conditions and volume forecasts in 2016. Those volumes projections and market conditions have changed significantly. This volume development makes the operation not viable ... Under the existing labor agreement, Nemak has the right to cease operations under adverse volume conditions with 60-day advanced notice ... The collective agreement has full plant closure provisions which Nemak has adhered to."

Arbitrator Jesin ruled that Nemak "established" that

even before the GM China contract expired, "the plant was in a precarious position and may have closed much earlier. Both parties took reasonable actions to sustain the operations. These efforts were ultimately unsuccessful."

Nemak is now expected to move to close the plant as early as this coming March. Along with the production workers, about 100 salaried employees will lose their jobs.

Jesin's full-throated endorsement of Nemak's destruction of hundreds of workers' livelihoods to defend shareholder profit should come as no surprise. Time and again, the Ontario Labour Relations Board (OLRB) and arbitration system have sided with employers and governments to impose concessions contracts and job cuts on workers, and outlaw worker job action.

If such arbitration proceedings continue to enjoy any credibility at all, it is thanks to Unifor and the entire union bureaucracy, which portray them as neutral deliberations through which workers' interests can be defended. In reality, the Nemak case demonstrates once again that the Labour Relations Board is a mechanism of class rule through which the bourgeoisie enforces its interests and the unions diffuse the class struggle.

In the wake of the ruling, Unifor Local 200 president John D'Agnolo expressed his "shock" and disappointment. Local 200 Vice President Tim Little said he was "dumbfounded." Unifor officials met yesterday to discuss their next move, but at the meeting's end announced only that they would meet again on Wednesday.

Unifor's supposed surprise strains credulity. The Unifor bureaucrats know full-well that the job "guarantees" they routinely trumpet as "ironclad" are anything but. Contained in every auto contract negotiated by Unifor is the notorious "market conditions" clause, a catch-all that is used again and again by management (and agreed to by the union) to override any so-called job guarantees. This

crucial clause is never mentioned when the union circulates its “contract highlights” to workers at ratification meetings—as workers at the soon-to-close GM Oshawa plant belatedly learned.

In 2016, Dias waved the GM “contract highlights” at the Oshawa ratification meeting, claiming that jobs had been saved for the life of the deal. When a worker from the floor pressed Dias for specifics, the Unifor president contemptuously dismissed him as an “idiot,” sparking the outrage of the nearly 1,500 workers in the audience.

Then, one year ago, after GM announced the planned 2019 closure of the plant, Dias assured workers that the company plan violated the contract and “they weren’t going to get away with it.” As it happened, after a reactionary anti-Mexican campaign aimed at dividing Canadian and Mexican autoworkers along national lines, Unifor bowed to the Oshawa closure. The plant is now in its final weeks of assembly production.

The *World Socialist Web Site* warned in September that Unifor’s shutdown of the Nemark strike was the first step in the ultimate betrayal of the Windsor workers. Already, courts had ruled against the strike action on two occasions.

As the WSWS wrote in mid-September: “Bitterly opposed to mobilizing the tens of thousands of Canadian autoworkers in support of the Windsor Nemark workers’ fight to prevent the imminent closure of their plant, let alone linking it with the American GM strike in a counter-offensive against the auto bosses, Unifor has handed the initiative back to the company and the capitalist state. The arbitration process will take place within the framework of Canada’s reactionary labour relations system, which has produced pro-company decisions time and again.”

Dias only authorized strike action against Nemark last September because the Unifor bureaucrats were fearful they would otherwise lose control of an increasingly restive membership determined to fight back. The Nemark workers were beginning to break free of the union’s suffocating control, and were increasingly aware, in the wake of the Oshawa fiasco, of the need to join forces with autoworkers in the US, Mexico and beyond.

At a rally in front of the plant in September, Dias delivered his typical bluster. “We’re here because we’re not going to take this crap anymore,” he shouted. Doing his bit for the pro-corporate Liberal Party’s re-election campaign, he absurdly sought to promote the illusion that Justin Trudeau’s government would intervene on behalf of the workers.

He even went so far as to suggest that General Motors

Corporation would intervene on the workers’ behalf against Nemark. For Dias, the “friends” of workers in any bitter dispute are the big business Liberal Party, the management of rapacious corporate giants like GM, and anti-worker institutions designed to regulate and suppress the class struggle, such as the Ontario Labour Relations Board.

During the entire Nemark protest, Dias did not mention a word about the expiration of auto contracts for 155,000 American Detroit Three workers or call for a unified mobilization of auto and parts workers in Canada and the US in a joint fight against their common enemies. When 48,000 General Motors workers went on strike for four weeks against the efforts of the corrupt UAW to ram through yet another concessions contract with GM, Dias and his fellow Unifor bureaucrats solidarized themselves with the UAW, whose former president and other senior officials have been charged with corruption for funneling millions of dollars in union funds into their own pockets.

Unifor, like all the nationally-based trade unions, is based on accepting the sanctity of private ownership of the factories, mines, railroads, depots, banks and technologies by the world’s billionaires.

Workers, on the other hand, have no interest in tying their fate to the defence of the profits of the corporate owners or the decisions of a rigged, pro-corporate arbitration system. They must insist that their own needs for jobs and decent living conditions take precedence over investor profit.

To enforce this, workers must repudiate the pro-capitalist unions, which act today as the junior partners of corporate management, and build rank-and-file factory and workplace committees to take the struggle against concessions, job cuts, and anti-strike laws into their own hands. Above all, a socialist-internationalist perspective must be adopted to guide and animate the struggle against the attacks of the corporations, banks, and investment houses.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**