

GM Oshawa auto assembly ends production, eliminating 5,000 jobs

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Vehicle production will permanently cease at the General Motors Oshawa, Ontario assembly plant today. The shutdown brings to a conclusion over 100 years of continuous auto assembly in the city. Before layoffs began earlier this fall, GM employed 2,300 workers in the plant. At peak employment in the 1980s, over 20,000 workers laboured at the Oshawa complex. A small stamping facility will begin operation in 2020 employing about 300 workers to stock replacement parts at GM warehouses.

At least another 2,500 auto parts workers who provided material to the assembly plant have also lost their jobs. It is expected that hundreds more will lose their positions in the coming months as restaurants, trucking firms, retail stores and other local businesses feel the impact of GM's jobs massacre.

The Oshawa closure is part of the latest restructuring by GM that has seen the closure of four plants in the US in 2019 and another two facilities outside of North America. The elimination of 14,700 production and salaried jobs is part of a company-wide plan to cut \$6.5 billion in costs by 2020.

"These actions will increase the long-term profit and cash generation potential of the company," said GM CEO Mary Barra, salary US\$22 million, when the closures were announced last year.

Wall Street celebrated the plant closings by pushing the company's stock up nearly 7 percent after the job cuts announcement. The automaker, which had reported a 37 percent increase in third-quarter North American operating profits, is in the midst of a two-year \$10 billion spending spree on stock buybacks and dividend payouts to rich investors.

The principal mechanism for carrying out a coordinated global assault on autoworkers has been the financial markets. By driving down share prices, powerful hedge funds and wealthy shareholders give their marching orders to corporations to escalate the attack on workers' jobs, wages and conditions. This increases the returns on their investments, thereby funneling even more money to the financial oligarchy. The auto unions have been complicit in all of this, suppressing any opposition to ever deeper attacks on jobs and living standards.

The latest assault on autoworkers has been facilitated by both the United Auto Workers (UAW) in the US and Unifor in Canada, which have spent decades collaborating with the auto

companies against their own memberships. In the US, the Detroit Three auto companies employed over one-half million hourly production workers in 1990. Today, 148,000 jobs remain. In Canada, fewer than 18,000 unionized auto assembly jobs remain—substantially less than half the number that that existed in the 1990s. Over the same period both the UAW and Unifor have presided over a steady stream of concessions contracts that have slashed real wages, instituted a two-, and even three-tier wage and benefit system, ended defined benefit pension plans and gutted work rules.

Surveying this record of capitulation and betrayal, any honest observer cannot avoid concluding that the UAW and Unifor are nothing more than the junior partners of the auto bosses put in place to guarantee the profits of the corporations against the interests of autoworkers. But what lies behind the unions' transformation into the policemen of the corporations on the shop floor?

The globalization of production and the associated dismantling of much of industry in the advanced major industrial countries in the 1980s fatally undermined the ability of the unions to pressure capital for concessions in the national labor market. The response of the unions to the emergence of a global labour market has been to join with the bosses in demanding workers make their employers more "competitive," i.e., whip-saw contracts back and forth across borders to force through concessions, speed-up and job cuts. This nationalist and pro-capitalist perspective serves to block any united action on the part of workers in North America and around the world against the multi-national giants of the global auto industry that are relentlessly seeking to intensify the exploitation of all workers, irrespective of their nationality.

As the *Bulletin* newspaper (a predecessor to the *World Socialist Web Site*) explained in 1985, when Bob White moved to split Canadian autoworkers from their class brothers and sisters in the United States, "The split now opens the way to a competitive bidding war between American and Canadian autoworkers, each seeking to undercut the other by offering lower labor costs and higher profits to the auto companies." It argued that instead of breaking the international unity of autoworkers, Canadian director of the UAW White could have waged a joint struggle against concessions by tapping into the

immense oppositional sentiment amongst American autoworkers reeling from years of layoffs and concessions. White refused to consider this.

In Unifor's bogus campaign to "save" GM Oshawa, complete with a call to boycott the purchase of Mexican produced GM vehicles, the union peddled nationalist poison, pleading with GM to slash its Mexican workforce in order to supposedly safeguard jobs in Canada.

During the month-long CAMI Ingersoll strike in 2017, Unifor explicitly demanded that GM lay off workers in two Mexican plants first, should a downturn in the auto market occur. The company, with platforms in 31 countries, including operations in Mexico that assembled the same Equinox model that CAMI produced, countered by threatening to shift CAMI production southwards, at which point Unifor wound up the strike on the company's terms.

Throughout Unifor's campaign, appeals were made, not to the hundreds of thousands of North American autoworkers for a joint fight against layoffs and concessions, but instead to the right-wing big business governments of Conservative premier Doug Ford in Ontario and federal Liberal Prime Minister Justin Trudeau, both bitter enemies of the working class.

The nationalist perspective of Unifor stands in sharp contrast to the internationalist orientation of the militants who constructed the mass industrial unions. It was in Oshawa in 1937 that Canadian and American autoworkers fought together in a militant offensive against the brutal conditions in the auto plants. Canadian autoworkers appealed to the UAW for material support in organizing the workforce into a North American-wide union. The appeal was motivated by the longstanding and widespread conviction that Canadian and US workers had common interests. A bitter 15-day strike by Oshawa workers against GM—which was backed by company and government thugs—resulted in the recognition of the union, the consolidation of the eight-hour-day and a 40 hour work week, seniority rights and a grievance procedure.

The appeal for the international unity of the working class is not a holiday phrase—it is a strategic necessity and the basis for unleashing the immense social strength of the working class. This is objectively shown in the very production process itself. A vehicle that rolls off the assembly line in Mexico, the US or Canada is comprised of parts that have crossed national boundaries dozens of times. Indeed, at the same time that Dias was calling on Canadian consumers to boycott cars built in Mexico — 70,000 auto parts and electronics workers were waging a wildcat strike in Matamoros, Mexico against their own union and the transnational auto parts suppliers. Such is the global interconnectedness of production, that the Matamoros wildcat brought production to a halt in several assembly plants in the US and Canada.

The closure of GM Oshawa is part of a global jobs bloodbath imposed by the trans-national auto companies as they prepare for an imminent global economic slowdown and redirect capital

investment to fully automated production methods and electric vehicles. In the past year, in addition to GM's layoffs, Volkswagen has announced a plan for 30,000 job cuts, Ford is slashing 25,000 jobs, Nissan 12,500, Daimler 10,000, and Audi 9,500. In India, retrenchments by Tata, Mahindra, Maruti Suzuki, Toyota and Hyundai, and a decimation of the giant auto parts industry, will cost 360,000 jobs. Chinese assembly and parts production cuts will destroy another 220,000 jobs.

The UAW and Unifor rammed through concessions contracts in 2015 and 2016 over widespread opposition, claiming that the further attack on wages and benefits would "save jobs." Unifor's Dias told angry workers in 2016 that "the commitment to Oshawa is hundreds of millions of dollars, therefore our fear of a closure in 2019 is now over." This was a lie.

The claims of "job security" were cynical lies. Unifor and the auto companies, have, as a matter of course, inserted standard language in every contract that allows GM, Ford and Fiat Chrysler to alter employment levels "subject to market conditions."

In the US, the UAW forced through contract sellouts at Ford, General Motors and Fiat Chrysler this year that explicitly allowed management to shut down plants and slash thousands of jobs, including ending production at the historic Lordstown, Ohio assembly plant.

Following the announcement by GM late last year of its plans to shutter the Oshawa plant, Unifor did nothing to mobilize workers against the threat to jobs. When workers walked out of the factory in disgust after they were notified of the closure, union plant chairman Greg Moffat instructed striking workers to get back on the job. "We're going in to work tomorrow," he declared, "and you're going to build the best vehicles you can make."

Canadian autoworkers must reject the nationalist program of Unifor. To do this, they need to build rank-and-file committees to take their struggle against more plant closures and concessions out of the hands of the Unifor bureaucrats. These committees should immediately declare their support for a common fight with autoworkers in the US, Mexico and internationally in order to overturn the decades of givebacks and secure decent-paying permanent jobs for all. Above all, they need to advance a socialist perspective in the face of the deepening attacks of a global capitalist system wracked by crisis. Workers interested in conducting such a fight are encouraged to contact the WSWWS Autoworker Newsletter.



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