Canada: FCL demands locked-out Saskatchewan oil refinery workers bow to its concession demands

Carl Bronski 29 February 2020

With the bitter lockout of more than 750 Regina oil refinery workers about to enter its fourth month, mediation talks continue between the highly profitable Federated Cooperatives Limited (FCL) and Unifor.

In a scandalous move, the union has agreed to management's demand that all their exchanges and discussions be kept secret. Nonetheless, developments this week show that FCL remains intransigent in its demands for massive contract concessions.

On Wednesday, locked out workers erected a blockade at a Yorkton, Saskatchewan Co-op cardlock gas station. The Yorkton site is one of the busiest filling stations in the FCL network.

FCL has insisted that the mediation process is contingent on the union refraining from any "illegal activity," including blockades. Unifor's readiness to sanction the job action at the Yorkton cardlock is a clear sign that nothing of substance is taking place in the talks led by mediator Vince Ready, which have a March 8 deadline.

Ready was given a 20-day "window" beginning February 18 to try to bring an end to the lockout. However, FCL has shown little interest in the mediated talks, with negotiations to date limited to "exploratory conversations."

The agreement by the union to accept mediation came on the heels of a frontal, government-ordered assault on picketers that broke a ten-day worker blockade at FCL's Regina refinery that had significantly disrupted fuel shipments to gas stations across Western Canada.

Right-wing Saskatchewan Premier Scott Moe provocatively demanded that police officers enforce the "rule of law," which resulted just days later in the forcible breaking of the picket line by the Regina Police Service. The company has also enjoyed the backing of a series of anti-worker court injunctions that have imposed hundreds of thousands of dollars of fines on Unifor and criminalized all but token picketing activities.

The company has been able to continue refining operations since the beginning of the lockout on December 5 with the aid of hundreds of scabs who have been helicoptered in and out of a giant scab camp erected inside the petroleum complex. The plans for the massive scabbing operation were greenlighted by the Moe government.

Although Moe played a pivotal role both in initiating the company's scabbing operations and the police's breaking of the blockade, Unifor pleaded to the Premier to "intervene" in the dispute and name an arbitrator with the power to impose a binding settlement if FCL and the union could not agree on a deal. However, Moe and FCL rejected that proposal out of hand, calculating that far more draconian contract concessions can be extorted than those already offered up by Unifor.

Moe merely consented to appointing a mediator, and only on condition that Unifor stop all "illegal activities," i.e., stand aside while FCL continues to rake in big profits on the back of scab labour. Unifor did not hesitate to accept Moe's "offer," going so far as to praise the right-wing, pro-austerity politician for finally "waking up."

Emboldened by Unifor's repeated climb-downs, the company has escalated its concession demands, both by reviving demands it had previously withdrawn and tabling new ones. When the parties met on January 30, Unifor offered FCL \$20 million per year in pension give-backs. So steep were the concessions proposed by

Unifor that the union's lead negotiator, Scott Doherty, said he feared being "beaten up" by rank-and-file workers.

The union opened the door to the current contract fight by bowing to an inferior two-tier pension plan for all new hires in the last contract.

FCL's current demands amount to a virtual shredding of the previous contract. It is insisting that it be able to remove 40 percent of all union positions currently at the refinery, including 26 master-operator positions that are to be stripped from the local bargaining unit. Unionized master-operators currently have the power (and knowledge) to decline unsafe orders in the highly dangerous refinery.

Under the company's proposal, new payroll deductions for workers in the defined-benefit pension plan would reduce annual wages by \$11,440; inflation-indexing of pensions would be ended; and the company's pension solvency responsibilities would be weakened.

FCL also wants to lower premiums for attaining higher professional qualifications; introduce crosscrafting provisions that would lead to the de-skilling of the workforce and undermine occupational safety; scrap a savings plan benefit; and gut a domestic battery program.

In a revealing response by Unifor to FCL's intransigence, the union released a statement this week that claimed the lockout would be over if the FCL Board of Directors simply fired CEO Scott Banda. Certainly, Banda has spearheaded FCL's brutal attacks on the refinery workers, but he could only do so due to the unstinting support he has received from the Moe government, the capitalist courts, and the police.

This support has encouraged Banda to act not just on behalf of FCL, but as a point man for the entire Canadian corporate elite, in seeking to crush all resistance to its drive to eviscerate worker rights and boost investor profit. Flanked by members of "United We Roll"—a far-right "independent" (i.e. owner-operator) truckers' group that had helped break up a worker-blockade at the FCL depot in Carseland, Alberta—Banda told a press conference that the issues raised in the lockout go far beyond his own company. "Blockades as a tactic to get your way—that's a challenge and a precedent we should all, as business owners and leaders of business, be very, very,

concerned about. We owe it to every other business to not allow this illegal activity to set a dangerous precedent..."

Locked out FCL workers should decisively reject Unifor's claims that their interests can be defended by pleading for a reshuffling of the company's top personnel or by a "negotiated" deal, under conditions where Moe, his Saskatchewan government, the police and courts have ensured that the company has the whip hand.

There are powerful forces arrayed against the FCL workers. But their potential allies—workers across Canada and internationally who are facing the same big business assault on their wages, jobs and social rights—are even more powerful.

To pursue victory, the Regina refinery workers must take the conduct of their struggle out of the hands of Unifor, which has proven itself implacably opposed to mobilizing the working class in their defence, and of organizing defiance of the state assault on their struggle.

This requires the establishment of a rank-and-file action committee organizationally independent of and in political opposition to Unifor, and a fight to make the struggle against FCL the spearhead of a working-class counter-offensive against all job, wage and pension cuts, the dismantling of public services, and the criminalization by the courts and big-business governments of worker resistance.

The author also recommends:

Ontario teachers, locked out Regina refinery workers must wage a working-class political struggle [18 February 2020]

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