

# Canada's grocery chains slash wages as pandemic continues to rage

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In a highly provocative and apparently coordinated move, Canada's three main grocery store chains announced last week that they were scrapping a \$2 per hour COVID-19 pandemic "premium" or bonus, effective Friday, June 13. The decision will mean a significant pay cut for hundreds of thousands of workers who have performed, and continue to provide, an essential service amid the worst pandemic in a century.

Loblaws, Metro and Empire, the parent company of Sobeys, IGA, Safeways and other chains, introduced the bonus in late March. They did so to dampen worker anger and anxiety about being exposed to the highly contagious and potentially lethal coronavirus in their workplaces while the country was in near total lockdown.

The bonus was touted by corporate bosses and the mainstream media alike as an example of the ruling elite's recognition of supermarket workers as "heroes." This was a crucial element in the fraudulent narrative that everyone was pulling together in the face of the pandemic. In reality, while workers received a few crumbs, the federal Liberal government handed over more than \$650 billion to the financial markets and big banks.

Loblaws' owner Galen Weston, who possesses a net worth of \$13 billion and splits his time between a spacious downtown Toronto residence and a private island in Georgian Bay, and his fellow oligarchs who control Metro and Empire, could not bear the thought of tens of thousands of store clerks dragging down their profit margins by collecting a pathetic \$2 per hour bonus for a moment longer than was politically necessary.

The decision to abolish the pay premium as the pandemic continues to rage shows the companies'

shocking disregard for the lives of workers, whom they see as nothing more than slaves to build their pyramids of wealth. Last Thursday, a worker at a Loblaws-owned store in Cambridge, Ontario, tested positive for the virus, while Metro reported three new cases at stores in Mississauga and Etobicoke earlier this month. The *National Post* reported in late May that at least 500 grocery workers have contracted COVID-19 and several have died.

Meanwhile, the grocery chains have never had it so good, with reports suggesting profits were up by over 20 percent during the lockdown.

The decision to scrap the pay rise is connected to the ruling elite's reckless back-to-work campaign that is being spearheaded by the Trudeau Liberal government. Against all scientific advice, workers are being told that the pandemic is effectively over and that everything must return to "normality," i.e. ruthless exploitation, insecure employment and low wages. As Weston put it in a statement, referring to his low-paid workforce, "(W)e are confident our colleagues are operating safely and effectively in a new normal."

For the corporate elite and its political hirelings, this "new normal" includes workers accepting that public health efforts to combat the spread of the pandemic will be abandoned. Infections and deaths must be tolerated as a part of day-to-day life—a cost of doing business for the capitalists.

This is the meaning of the Trudeau government's threat to change the terms of the Canada Emergency Response Benefit (CERB) so that they can impose huge fines on workers and even send them to jail if they refuse to return to their jobs because of safety concerns. (See: **Canadian government threatens fines and jail time to force workers back to work**)

The winding down of the CERB is closely connected

with the grocery chains' decision to slash workers' wages. Even though workers receive a mere \$2,000 from the CERB each month, wages in grocery stores are so low that many workers would have been better off on the CERB without the \$2 per hour premium. "The wages have been kept so low in the industry," observed Chris MacDonald, the assistant to Unifor president Jerry Dias for the retail sector, "that people were wondering 'is it really worth risking my health and my family's health to work, when I can just collect CERB?' So companies had to pay that premium or they wouldn't have had enough workers. It wasn't out of the goodness of their heart."

Unsurprisingly, MacDonald fails to note that poverty wages have been paid by the grocery chains with the connivance of the unions. Unifor and the United Food and Commercial Workers, which together represent over 170,000 grocery workers, have negotiated a never-ending series of concession contracts with the employers. This is illustrated by the fact that prior to the pandemic, fully 80 percent of grocery store jobs were part-time.

The UFCW issued a statement saying it was "disappointed" with the decision to remove the pay premium, while Unifor president Jerry Dias sought to appeal to the good consciences of Weston and Co. to increase pay for its poverty-wage workforce. "We have a chance to fix this. We can't let this opportunity pass," he pleaded.

But the unions are doing absolutely nothing to mobilize popular opposition to the grocery chains' decision. On the contrary, they have focused on deepening their cooperation with the Liberal government and setting up a corporatist alliance with big business which has the immediate aim of forcing workers back to unsafe workplaces. This was expressed most clearly by the Canadian Labour Congress' declaration that it is in a "collaborative front" with Canada's main employer organizations. (See: Canadian unions cement anti-worker corporatist alliance with government and big business)

Following the independent protests by autoworkers across North America that forced the shutdown of the auto industry in March, Dias and Unifor worked hand-in-glove with the major automakers to reopen the plants across Ontario as soon as possible. This move is exposing thousands of workers and their families to the

risk of infection to guarantee the profits of GM, Ford and Fiat-Chrysler.

The role of the UFCW was even more brazen in Alberta, where it forced 2,000 meatpacking workers to return to their jobs amid a huge COVID-19 outbreak at Cargill's High River plant. Even though close to 1,000 infections had been recorded in the facility and three people had died as a result, the UFCW refused point blank to organize any strike or job action by the workers. Local UFCW president Thomas Hesse insisted job action to protest these life-threatening conditions would "not be legal" under the state-designed, pro-employer collective bargaining framework that the unions uphold and enforce. (See: Canadian workers at Cargill meat packing plant forced back to work despite 935 infections)

The lesson workers in grocery stores and all other economic sectors must draw is that they must build their own independent organizations of struggle—rank-and-file workplace committees—to fight for their interests. Permanent, decent-paying jobs, the availability of comprehensive testing for COVID-19, the provision of personal protective equipment to all workers, the enforcement of strict safety measures, and the shutting down of non-essential production and dangerous workplaces with full pay for all workers affected are all urgently necessary demands that such committees should take up.

The unions cannot fight for any of these demands because doing so would mean challenging the primacy of corporate profits over human life that is the brutal basis of the capitalist system. Workers must therefore link their struggle for improvements in working conditions with the fight to establish a workers' government committed to socialist policies.



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