

Canada: Media report says Ford may target Oakville assembly plant for closure

Carl Bronski
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Just weeks before contract negotiations for workers employed by the Detroit Three automakers in Canada are set to begin, the media is reporting that Ford may be planning to phase out its Oakville assembly plant.

Sam Fiorani, vice president of global vehicle forecasting at AutoForecast Solutions, told reporters last week that “multiple sources within the industry” have confirmed that the “current program for the next generation (Ford) Edge has been cancelled.”

The mid-size, cross-over Edge vehicle is exclusively produced in Oakville, Ontario and has a scheduled production run to 2023. Fiorani correctly predicted, several years in advance, General Motors’ closure of its Oshawa assembly facility, which shut down in late 2019, one year after GM announced that it was being shuttered along with four US plants.

Currently, the Oakville assembly complex employs about 4,200 autoworkers. The plant has experienced about 1,000 layoffs over the past year, as a result of the ending of production of the Ford Flex and Lincoln MKT. Along with the Edge, the plant assembles the Lincoln Nautilus, which is slated for termination in 2023.

In a statement that deliberately avoided addressing the fate of Oakville after 2023, Ford spokesman Said Deep told reporters, the “Edge remains a critical product in Ford’s winning portfolio of SUVs. We have no plans to exit the segment, particularly as Edge sales were up 3 percent to nearly 140,000 Edges in the US last year.”

The Oakville plant produces close to 200,000 Edges a year. Although sales are relatively good in North America, they are sluggish in Europe. Additionally, the company has plans to launch in the near future similar mid-sized cross-overs at several of its US and Mexico-based assembly plants.

If Oakville is left without a product after 2023, it would mean the closure of Ford’s last assembly plant in Canada. Ford operates two engine plants in Windsor,

Ontario—Windsor Engine and Essex Engine, which together employ approximately 1,400 workers.

The drastic decline in auto sales as a result of the COVID-19 pandemic has only whetted the appetites of the Big Three auto executives for a further round of sweeping concessions. This is seen as essential to ensure that premiums are paid out to shareholders and the automakers remain “profitable” and “competitive.”

To ensure profits could begin flowing to shareholders again as soon as possible, Ford, GM, and Fiat-Chrysler teamed up with the UAW and Unifor to force workers back into unsafe workplaces across North America in May. Unifor worked hand-in-glove with the Big Three to herd workers back into plants where social distancing is a non-starter, and other basic recommendations made by the World Health Organization cannot be followed.

Well before the declaration of a world pandemic last January, the auto industry was in the midst of a massive global restructuring at workers’ expense. This was due to a sales slump and global “over capacity” but also because the rival automakers are determined to dramatically increase the amount of profit per vehicle, so as to attract the investments they need to finance the development of electric and autonomous vehicles.

Worldwide in 2018 and 2019, the automakers announced hundreds of thousands of layoffs and many plant closures.

With the contracts between the Detroit Three automakers and Unifor expiring in September, Ford Motor company, needless to say, has no interest in announcing any product confirmations for Oakville. It will seek to use the Fiorani report as a weapon to extort yet another round of concessions from workers, and to leverage its appeals for more government handouts.

Already, at Fiat-Chrysler and GM as well as Ford, the threat of further layoffs, company demands for further wage and benefit concessions to “make up” for plunging

profits, and the possibility of plant closures loom large for all Canadian autoworkers.

The automakers' ability to demand such ruthless concessions and threaten the shutdown of entire plants, is above all thanks to the role of Unifor and its predecessor, the Canadian Autoworkers (CAW).

Like the UAW south of the border, the CAW/Unifor has for decades worked to smother working class opposition to the Big Three's concessions' demands and jobs cuts. Wrapping themselves in the Canadian flag, the well-heeled CAW/Unifor bureaucrats have split autoworkers in Canada from their class brothers and sisters in the United States and Mexico; and thereby facilitated the Detroit Three's use of whipsawing to pit Canadian, American, and Mexican workers against each other in a race to the bottom.

Unifor President Jerry Dias has already signalled that he will once again do everything in his power to suppress worker job action and to prove to the Detroit Three automakers that Unifor can be relied on to ensure that their Canadian plants are among their most profitable anywhere in the world.

In an interview last month with *Automotive News Canada* previewing the contract negotiations, Dias went out of his way to proclaim his opposition to a strike. If "after months and months and months of reduced volume based on the pandemic" things are "starting to get back to a resemblance of where they were pre-crisis, no one is going to want a disruption," said Dias. "And I mean nobody; both the workers and the automakers."

After the announcement of Fiorani's forecast, Dias noted his "concern" with the report, but characterized it as "premature." "Final decisions have not been made yet," he said. "They sell 200,000 of these a year. It would have to be replaced with something, if in fact it goes away at all...The Ford Oakville plant was already going to be the focus of our contract negotiations this fall with Ford so what this did was certainly put a spotlight on it for good reason. We're going to find a solution."

The fact that Dias is promising a "solution" must be understood by workers at Ford Oakville to be a threat. The Unifor president's "solutions" invariably involve giving the corporations everything they want, while demobilizing and suppressing working class opposition.

Prior to the shuttering of the GM Oshawa plant, Dias delivered rousing speeches full of militant bluster about how the union would not tolerate such an outrageous decision. However, Unifor not only tolerated the closure, it negotiated a deal with GM that destroyed close to 3,000

full-time jobs in exchange for a worthless promise to maintain a handful of temporary positions in the plant's paint shop.

When workers took matters into their own hands and staged a brief wildcat work stoppage, Unifor rushed to close it down. Suppressing any job action went hand in hand with the whipping up of reactionary Canadian nationalism. Unifor and the UAW stood together in opposing any joint action by US and Canadian autoworkers against GM's plant closure program. Moreover, Unifor mounted a virulent chauvinist boycott campaign that attacked Mexican workers for "stealing" the Oshawa workers' jobs, rather than the corporate executives and shareholders for destroying them.

As part of its efforts to prevent a common struggle of North American autoworkers, Dias and Unifor suppressed reports of the weeks-long wave of wildcat strikes that erupted in January 2019 among auto and other workers in Matamoros, one of Mexico's principal *maquiladora* manufacturing centres.

In preparing for the upcoming contract battle, auto workers in Canada must place no faith whatsoever in Unifor. It acts as the junior partner of the auto bosses in guaranteeing shareholder profit on the backs of the very workers it purports to represent.

Already, with workers being driven back into the plants in the midst of the COVID-19 pandemic, there is an urgent need for workers to build rank-and-file safety committees independent of and in opposition to the union to ensure that health and safety measures are enforced and production immediately shut down when unsafe. These committees must also be the springboard to seize the conduct of the fight for a new contract out of the hands of the Unifor bureaucrats, forge unity with autoworkers in the US and Mexico, and organize a counter-offensive against all concessions, two-tier wages, and jobs cuts.



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