

# Unifor and Detroit Three open Canadian contract negotiations as more layoffs and plant closures loom

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Negotiations for new contracts to cover about 17,000 Canadian autoworkers began this week between the Detroit Three auto companies and Unifor. The current concessions contracts, which were grudgingly ratified by workers in 2016, expire on September 21. Unifor president Jerry Dias is expected to announce which company among Ford, Fiat-Chrysler (FCA) and General Motors will be targeted to begin settling the initial pattern-setting contract on September 7. Some analysts have suggested that Ford will be selected as the initial target due to the company's Windsor engine facilities, which supply crucial product to Ford's US assembly operations.

Dias singled out the defense of jobs as the key union goal during this round of negotiations. Yet he was careful, during his 23-minute press conference on August 12 to refrain from even once mentioning the word "strike." As the junior partner of the auto companies in policing the workforce in the plants, Dias is keen to ensure first and foremost that the profitability of the automakers is not compromised by any worker offensive to restore jobs, wages and benefits that have been stripped from them in a series of concessions contracts imposed by the union over the past twenty years.

In a May interview 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."

Even prior to the pandemic, auto companies across the globe began enforcing a major retrenchment, announcing hundreds of thousands of layoffs and over a dozen plant shutterings. In Canada, this has included the closure of

assembly operations at GM Oshawa with the loss of 2,200 jobs, and the slashing of over 2,000 jobs at FCA and Ford.

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." The crisis facing the world's auto companies has been due not simply to a sales slump and global "overcapacity" 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.

In this regard, Dias outlined his intention to encourage Detroit Three long-term investment commitments in electric vehicles, including in Oshawa, based on the union's lobbying of the federal Liberal and Ontario provincial Conservative government for handouts of public monies and tax breaks to the transnationals. As part of its reactionary nationalist policy, which divides autoworkers in Canada from their class brothers and sisters across North America, Unifor will also seek to tempt the Big Three with promises of labour cost advantages compared to the US and Mexico. As Unifor Local 200 president John D'Agnolo, who is the lead negotiator with Ford, put it, "We need governments to get involved. We have huge advantages over the U.S. in terms of health-care costs, the dollar's value, workforce and quality of product. It's the other supports that the southern U.S. states and Mexico offer that make it hard to compete."

It is expected that vehicle production in Canada on the part of the Detroit Three automakers will fall another 27 percent over the life of the next contract. The latest

layoffs will be used as a threat by the Detroit Three to bully and intimidate autoworkers into accepting yet another round of concessions.

The list of Canadian assembly plants under threat is a long one. At his press conference, Dias noted: “As we kick off negotiations here with The Detroit Three, we have serious, serious challenges in all operations. Ford has not announced a new program for its Oakville plant; the union needs a major investment at FCA’s Brampton plant; and two vehicles would need to be added at FCA’s Windsor Assembly to recall the third shift there.” Also under threat is FCA’s Etobicoke aluminum casting plant and half of the 1,600 jobs at GM’s St. Catharines propulsion and engine facility.

As far as wages and benefits are concerned, the companies have already signalled that any minimal wage increases or slight redress of the current two-tier 10 year “grow-in” period for the thousands of nonlegacy workers will be contingent on significant concessions in work rules. Such concessions include an increase in the pace of work on the shop floor, a further bolstering of already onerous disciplinary procedures and an increase in the use of low-wage temporary part-time workers.

Autoworkers will view with disdain Dias’ phony claim that the union will draw any line in the sand when it comes to future product commitments at the threatened Canadian plants. They will not soon forget Dias infamously billing the 2016 contract as a “historic” deal to protect the production “footprint” in Canada. Only two years later, GM announced its Oshawa closure plan based on standard clauses in Unifor contracts that surrender to the companies the right to adjust operational commitments according to “market conditions.”

Dias’ subsequent “Save GM Oshawa” campaign was, in fact, geared to suppressing any independent worker initiative, including a number of sit-down protests that stopped production. Unifor also made futile appeals to GM’s “morality” and incited Canadian nationalism and anti-Mexican chauvinism.

The decades of concession contracts and massive job losses presided over by Unifor and its Canadian Autoworkers (CAW) forerunner reveal the utter failure of the nationalist strategy pursued by the union. The CAW bureaucrats split from the United Auto Workers (UAW) in 1986 hoping that they could cut separate deals with GM, Ford and Chrysler based on the lower labour costs the automakers enjoyed in Canada due to the cheaper Canadian dollar and the government-funded health system.

This “strategy” collapsed as the UAW imposed deep wage cuts on US autoworkers, and the Detroit-based automakers expanded to Mexico for even cheaper labour. The auto bosses, with the unions’ unyielding support, were then able to use these nationalist divisions to whipsaw jobs and wages across borders in a never-ending race to the bottom. In the process, CAW/Unifor, like the entire trade union movement, was transformed into nothing more than junior partners of the corporations.

In the upcoming contract struggle, workers can place no faith that Unifor will represent their interests. Only by organizing independently of the pro-company union to oppose another rotten contract will workers put themselves in a position to defend their jobs and living standards. Already, a path towards such action is being cut in the auto plants across North America.

It was the spontaneous work refusal by shop floor workers at the FCA Windsor operation last March in reaction to the burgeoning COVID-19 pandemic that spurred American autoworkers to take matters into their own hands and stage work stoppages. Wildcat job actions by highly exploited maquiladora workers in the network of auto parts plants in northern Mexico further complicated auto assembly production, forcing the automakers to grudgingly announce a North American shutdown.

Over this summer, groups of militant US autoworkers in Michigan, Ohio and Illinois have taken another important step in a rejection of the corrupt UAW as in any way a representative of their interests by forming independent rank-and-file safety committees against company and union acceptance of ever-increasing plant COVID-19 casualties as “the cost of doing business.” Such committees must also be developed in the Canadian plants, not only to enforce health and safety standards, but as 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 counteroffensive against all concessions, two-tier wages, and job cuts.



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