Dominion grocery workers in Newfoundland in fourth week of strike for higher pay

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Over 1,400 low-wage workers at 11 Dominion grocery stores across Newfoundland and Labrador are now in the fourth week of a strike after overwhelmingly rejecting a tentative agreement recommended by their union, Unifor.

Lauded by the management and the corporate media as "essential workers," the Dominion workers laboured without a contract through the first five months of the pandemic (Newfoundland recorded its first COVID-19 case on March 14). Their old contract expired 12 months ago.

The workers, represented by Unifor Local 597, have not received a contractual pay increase since early 2018. In 2019, management cut more than 60 full-time positions. Today, 83 percent of Dominion's workforce is comprised of low-wage part-time employees with no or at best minimal benefits. Fully three-quarters of the striking workers make less than C$15 per hour with a majority of the part-timers labouring at or just above the current provincial minimum wage of C$11.65, which is among the lowest provincial minimum wage rates in all Canada.

The Loblaw conglomerate, parent company to Dominion, is the largest retail food distributor in Canada, employing 200,000 workers. It is owned by the Westons, the country's third-wealthiest family.

Last month, workers voted overwhelmingly to reject a miserable contract offer that Unifor had endorsed. The tentative deal only provided for a C$1 per hour raise spread over the next three years. That the rotten contract offer was even brought to the membership, let alone recommended for ratification, underscores Unifor's complicity in policing a brutal low-wage regime enforced by the grocery oligarchs in Newfoundland and across the country.

In announcing the tentative agreement at the end of July, Unifor Local 597 President Carolyn Wrice displayed the gaping disconnect between the membership and the union bureaucracy. Taking for granted that the workers would swallow the abysmal contract, she stated, "I want to thank the bargaining committee for their hard work and the public for showing their support for the workers. Our members look forward to continuing to play a vital role in their communities."

On September 1, Loblaw's Atlantic Canada vice-president, Mike Doucette, sent an inflammatory letter to each striker insisting that because of "fierce competition" and "declining business," the company will not budge from its original offer.

In response, Chris Macdonald, an assistant to Unifor President Jerry Dias, said that the union is usually given bottom-line company records to substantiate any such claims during negotiations, but Dominion has provided union negotiators no such records during the current dispute. Macdonald perhaps said more than he intended. Workers have asked, if no financial records were provided in an attempt to justify such a sub-standard contract, why did the union recommend acceptance?

The reality is that Loblaw is raking in huge profits on the backs of its low-paid workforce. It recently announced C$162 million in second-quarter net profits. Profits, so far this year, total nearly half a billion dollars and are expected to double by year's end.

Dominion workers are particularly outraged at the termination of a short-lived C$2 per hour special COVID-19 payment. In a highly provocative and apparently coordinated move, Canada's three main grocery store chains announced in June that they were scrapping their "pandemic premiums." Loblaw, 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 bogus 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 C$650 billion to the financial markets and big banks (see: "Canada's grocery chains slash wages as pandemic continues to rage").

Loblaw owner Galen Weston Sr., who possesses a net worth of C$13 billion and splits his time between a spacious downtown Toronto residence, a private island in Georgian Bay and family compounds in Florida and the Bahamas, 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 C$2 per hour bonus for a moment longer than was politically necessary.

The strike in Newfoundland is the first grocery contract dispute in Canada since the beginning of the pandemic. But over the coming year, contracts covering workers at 2,400 other Loblaw outlets will expire. Loblaw is determined to smash the strike in Newfoundland and force the acceptance of the miserable contract offer in order to set a nation-wide precedent. Already, the company has gone to the provincial Supreme Court to successfully appeal for a draconian injunction to limit picketing at the 11 strike-bound stores.

Jerry Dias has replied to the recent company provocations by threatening to launch a boycott of Loblaw stores across Canada. Workers who have followed Dias's stunts over the years will note that a Unifor call for a boycott of a strike-bound company is in actuality a "kiss of death" administered by the union. Rather than mobilize the full strength of the 315,000-strong union—or even the tens of thousands of Unifor workers in the grocery and retail sector—Dias has coyly hinted that he may send a few union officials to distribute boycott leaflets at a handful of grocery stores across the country or purchase some radio spots denouncing the company.

Thousands of workers at the now shuttered auto assembly plant in Oshawa, Ontario, and at the Unifor-organized FCL refinery in Regina, Saskatchewan, already know the bitter fruits of such a toothless strategy.

The lesson for Dominion workers is that they must take control of their struggle out of Unifor's hands by forming an independent rank-and-file strike committee to fight for their demands. These should include a substantial permanent pay increase to ensure all workers receive a decent wage, the reintroduction of pay premiums to compensate workers for the dangerous conditions they confront due to the pandemic, and regular testing paid by the company for all workers to protect them from infection. Striking workers should appeal through their committee for a common fight with grocery store workers across Canada, teachers, industrial workers, and health care workers, all of whom confront stepped-up exploitation and brutal working conditions due to decades of austerity and the ruling elite's reckless reopening of the economy amid a still-raging COVID-19 pandemic.