

# Canadian autoworkers' union announces tentative agreement with General Motors

Carl Bronski  
6 November 2020

At a press conference Thursday morning, Unifor President Jerry Dias announced that a deal had been reached with General Motors in negotiations for a new three-year contract. The tentative agreement came about three hours after the passing of the 11:59 p.m. Wednesday strike deadline. But the union instructed its remaining members at GM Canada to refrain from picketing as a “breakthrough” was in the offing.

A ratification vote will take place on Sunday for the 1,100 workers at GM’s propulsion plant in St. Catharines, the 300 workers who stamp after-market auto-body parts in Oshawa, and the 75 workers at a Woodstock, Ontario GM parts distribution center.

Dias highlighted a new investment agreement between the union and the giant automaker under which \$1.3 billion will be spent to launch assembly production of light and heavy trucks at the recently shuttered Oshawa Assembly facility. Chevrolet Silverado and Sierra pickups will be produced to meet GM’s high volume of sales of those vehicles across the continent. As a result of the investment, it is expected that 1,700 Oshawa assembly jobs will come on-stream in stages over the course of 2022.

Unifor stated that an additional \$109 million will be spent to “stabilize” engine production in St. Catharines by providing capabilities to increase output for the next three years. About 600 jobs there had been threatened by dwindling production volumes. About half a million dollars is earmarked to maintain the 75 jobs in Woodstock.

Unlike the previously concluded deals with Ford and Fiat-Chrysler, which included hundreds of millions in government subsidies to the giant automakers in return for their conversion of major plants to produce electric vehicles, Dias stated that the “overwhelming” share of the money to be spent on retooling the Oshawa facility will come directly from GM. He emphasized, however, that

the union will join GM in pressing the federal and Ontario governments to gift the automaker a smaller, unspecified sum.

Despite Dias’ self-congratulatory press conference, the proposed return of assembly operations to Oshawa was not due to any fight undertaken by Unifor. After GM announced that assembly production was to be phased out by the end of 2019, Unifor scuttled several work stoppages launched by angry workers. Instead, Dias begged GM to reconsider based on its lucrative corporatist partnership with the union, and Unifor whipped up anti-Mexican chauvinism, effectively accusing Mexican workers of “stealing Canadian jobs.” This included a reactionary boycott of Mexican-made GM vehicles.

GM’s new Oshawa investment is strictly a business decision that can just as quickly be altered should current market conditions change. Gas prices have fallen making trucks more affordable. As a result, GM’s US light and heavy truck plants have been functioning with steady overtime for several years to produce the Sierra and Silverado models. At her own press conference Thursday, GM CEO Mary Barra noted that demand is so high that workers in several plants are operating “around the clock.” “The fact is we simply can’t build enough,” she said, “and because we expect demand to remain strong we must increase capacity.”

Barra and GM’s corporate leadership will also no doubt have calculated that thanks to Unifor’s complicity in shuttering the Oshawa plant and forcing through a plant closure agreement, the company now has a free hand to hire low-paid, second-tier workers with vastly inferior rights, supplemented by an army of temporary part-time (TPT) employees with no rights at all.

The new United States-Mexico-Canada Agreement, which replaced NAFTA, has induced the auto companies to increase their investments in the US and Canada at the

expense of Mexico. The new continental trade pact includes provisions that tie cross-border tariff exemptions to the automakers demonstrating that a “significant percentage” of the vehicles they produce in North America are made by workers earning at least \$16 (US) per hour. This requirement, which was championed by both Unifor and the US-based UAW, has somewhat reduced the attractiveness of the low-wage Mexican auto industry.

According to Dias, a first shift will begin assembling a vehicle at the Oshawa plant in January 2022. A second shift will begin in March 2022, with the second vehicle to be added to the schedule by May of that same year. Dias speculated that a third shift might eventually be possible, but no such plan was acknowledged by GM.

There are only 175 workers from the shuttered Oshawa GM assembly operation who are currently marked as “on layoff” and therefore eligible for the projected new jobs. The rest of the 2,600 former assembly workers have either taken retirement or severance packages or are among the 300 workers who remain employed at the plant producing after-market parts.

Consequently, the vast majority of the workforce at the reopened assembly plant will be newly hired second-tier workers. As such, they will be subject to a lengthy eight-year grow-in period to attain the “normal” wage. They will also receive inferior benefits and be permanently enrolled in an inferior pension plan. GM will also be able to use even more poorly paid temporary part-time employees, who have been ruthlessly exploited by all the Detroit Three automakers to further drive down labour costs.

Absent from Dias’ announcement were any details on wages, benefits and working conditions, although the Unifor president did claim the union’s deal with GM conforms with the “pattern contract” negotiated at Ford and Fiat-Chrysler.

GM St. Catharines’ workers, speaking to the *World Socialist Web Site Autoworker Newsletter*, voiced uneasiness with Dias’ silence on this matter. “We don’t trust Jerry as far as we can spit,” said one veteran worker. Others voiced concern that as only added volume and not new product or electric car possibilities are being directed toward St. Catharines, the long-term viability of the plant remains in question. In the Fiat-Chrysler contract ratification last month, similar fears at the Brampton Assembly Plant reduced the acceptance vote there to a historically low 59 percent.

Despite Dias’ braggadocio, during his tenure he has

presided over a steady decline in auto assembly jobs in Canada combined with an inexorable reduction in wages and benefits due to a succession of Unifor-negotiated concessions contracts. These attacks are the result of the union’s Canadian nationalist-corporatist perspective, which claims that auto workers in Canada, the US, and Mexico must compete against each other for investments and products, and that workers’ jobs and wages must be subordinated to corporate profitability.

There is every reason to suspect that Dias and Unifor have agreed in their deal with GM to further concessions on work-rules that they are keeping secret from the workers. In the name of keeping open threatened plants and securing new investments, the union has repeatedly made special “side-deals.” This includes allowing the GM Cami plant in Ingersoll, which began as a joint venture with Suzuki, to remain outside the “pattern agreement” to this day.

In the current Detroit Three negotiations, the union remained silent about it having agreed to Fiat-Chrysler introducing the hated alternative work schedule (AWS) at its Canadian plants until after the ratification vote was concluded. Under the AWS, plant management has a free hand to force workers to labour on shifts of up to 12 hours or longer, and workers lose virtually all rights to overtime pay.

Unifor has only been able to force through its anti-worker agenda by resorting to openly anti-democratic methods. As usual, GM workers will be expected to take Dias at his word on the proposed contract when they attend the online ratification meeting and vote this Sunday. In flagrant violation of the widely-supported demand of rank-and-file Unifor members for the release in full of any tentative agreement well in advance of a ratification vote, Unifor will present a self-serving “highlights” brochure just two or three hours before the start of the meeting.



To contact the WSWS and the Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**