In Toronto and Calgary, unions isolate and sell out beverage workers’ contract struggles

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In two recent labour disputes in Canada’s beverage industry, workers at Molson-Coors’ Toronto brewery and at Coca-Cola’s Calgary, Alberta bottling-plant voted to accept concessions-filled contracts and return to work after the trade unions sabotaged their determined struggles.

In Toronto, about 300 workers, locked out for six weeks, ratified a new contract April 3 by a narrow 149-117 margin. The deal, recommended by the bargaining team of the Canadian Union of Brewery and General Workers, was disparaged by a majority of rank-and-file workers. But ultimately workers voted to accept the agreement, which was similar to one they had decisively rejected prior to being locked out, because they realized their union was both unwilling and unable to lead any struggle against the company.

Similarly in Calgary, 270 Coca-Cola warehousemen, production, maintenance and delivery workers, members of the Teamsters union, voted by 73 percent March 31 to end their 16-day strike and accept a takeaway contract.

The Toronto and Calgary disputes shine a spotlight on the corporatist trade unions’ steadfast refusal and organic inability to mount any serious struggle to defend, let alone advance, the interests of the workers they purport to represent. The demands raised by the workers, including job protection against outsourcing, opposition to the gutting of pension plans, rejection of mandatory 12-hour shifts, and the repudiation of multi-tier pay structures, are issues faced by workers across all industries in North America and internationally.

Moreover, like millions of workers throughout Canada and internationally, the beverage workers have experienced more than a year of working in dangerous conditions under the pandemic, during which their employers have cynically categorized them as “essential workers” to allow their plants to continue operating amid lockdowns. This “essential” designation has not stopped Coca-Cola and Molson-Coors from pressing ahead with their ruthless drive to ratchet up exploitation.

Under these conditions, there was nothing inevitable about the isolation and defeat of these two struggles. An appeal by the striking Coca-Cola workers for a unified political struggle against austerity and concessions would have met with a powerful response from public sector workers, autoworkers, and other industrial workers, all of whom have experienced firsthand the devastating impact of outsourcing and wage cutting.

Similarly, the Molson workers’ struggle for the protection of their pensions and opposition to long, gruelling shifts would have struck a chord with Montreal dockers, who have been prevented for over two years by reactionary labour laws from waging an all-out strike against the undermining of work rules and imposition of speed-up by the dock operators. Teachers, childcare workers, health care professionals, and workers in virtually every sector of the economy across Canada would have recognized their common interests with the Coca-Cola and Molson workers, who like them have been designated as “essential” while receiving virtually no protection from the deadly coronavirus in their workplaces.

If the locked-out Molson-Coors workers and striking Coca-Cola workers were left alone to fight what are respectively the world’s fifth largest beer-maker and second largest soda-pop producer, it was because their unions and the union federations with which they are affiliated systematically isolated and sabotaged their struggles.

Extraordinarily, in the midst of a deadly pandemic that has claimed over 23,000 lives in Canada and run rampant in plants and other workplaces, neither union publicly raised a single demand related to workplace safety and protection from COVID-19 infection during the contract talks.

Underscoring their militancy and determination to wage a struggle against their highly profitable employer, the Coca-Cola workers voted by 94 percent for strike action after twice rejecting a rotten deal presented to them by the local union leadership. Almost immediately after the strike began, the company started ferrying in scabs to perform the work of the strikers. Beverage deliveries, although delayed by picketers, eventually made their way out of the plant.

The strikers were demanding that any new contract contain job-protection language after the company began outsourcing work to third-party contractors thereby reducing the hours of drivers and warehouse workers. The company was steadily reducing their take-home pay through outsourcing schemes throughout the pandemic, even as it insisted that these same workers should be deemed “essential.”

After the strike began, Teamsters Local 987 business agent Brock Penner issued a statement, denouncing the company's attacks on pay and job security. Penner conveniently forgot to explain that his union twice recommended that the workers accept contracts that contained no protection against further outsourcing.

In the end, the deal that was eventually ratified provides for a paltry nine percent wage increase spread over six years, an actual wage cut when inflation is figured in, and new contract language that will do nothing to address the company's drive to reduce labour costs. Under the new contract, drivers who are not being allotted hours for their routes can seek a temporary warehouse position if available or, if they are not scheduled at least 20 hours a week, they can opt for a layoff until deliveries pick up.

The soft drink industry across the continent is waging a concerted effort to slash labour costs. The same week that the Calgary strike ended, a three-week strike of about one hundred Dr. Pepper/7-Up/Keurig workers organized by the Teamsters in Detroit ended with the consolidation of a multi-tiered wage and benefits structure and 12-hour mandatory shifts.

At the Molson Coors lockout in Toronto, the company insisted that most workers be moved from a defined-benefit pension program to an inferior defined-contribution plan based on the vagaries of the stock market, accept the institutionalization of a two-tier wages system and move towards mandatory 12-hour shifts. In imposing its lockout, the company announced that it would continue production without its unionized workforce and did not rule out the use of scabs.

Local union president Gaurav Sharma immediately let the membership know that he foresaw no way forward, noting that management had six to eight weeks of inventory on hand and could increase output at its other brewery operations to make up any production shortfalls. The very thought of appealing to workers at Molson's other production sites to support the Toronto workers' struggle was apparently too much for the union to bear, even while it used the threat of management drawing on these very same production facilities as a club to intimidate the workers into accepting the defeat of their struggle.

During the last contract dispute in 2017, workers struck for six weeks against company demands for across-the-board concessions on wages, work rules and benefits, cuts which were by and large imposed in the eventual negotiated settlement. In the just-concluded dispute, the union recommended acceptance of a new four-year deal that surrendered to the company virtually everything that they had demanded.

The concessions surrendered at Coke and Molson's are just the latest in a long list of miserable climbdowns forced on workers this past year after bitter struggles. At Regina's FCL oil refinery, Dominion stores in Newfoundland, Crown Corporations in Saskatchewan, Winnipeg school buses and at Western Forest on Vancouver Island, the unions have presided over one defeat after another—continuing the role that the trade unions have played across Canada and internationally for decades.

This is not due simply to bad leaders or mistaken decisions. Rather it arises out of the nature of the unions as nationalist, pro-capitalist organizations. As the Coke and Molson workers' struggles demonstrate, the unions are chiefly concerned with preserving their ties with corporate management and upholding the anti-worker labour relations system, which was established by the ruling elite to regulate the class struggle in the interests of big business and has been modified with the support of the entire political establishment over recent decades to outlaw all but the most ineffectual strikes. Under conditions where the ruling class has conducted a massive transfer of wealth from the bottom to the top with the coronavirus emergency bailout packages, while massively intensifying the exploitation of workers across the economy by keeping workplaces open as the virus runs rampant, the unions are focused on deepening their corporatist partnership with the state and big business at the expense of the workers they claim to represent.

The conditions for a powerful working class counteroffensive against austerity and concessions are more favourable than they have been in decades. But this potential can only be realized if workers take the conduct of their struggles into their own hands by forming rank-and-file action committees independent of and in opposition to the union bureaucracy. These committees must be based on an entirely new political perspective: a socialist program that insists that the interests of working people be prioritized over corporate profit. They must broaden all struggles to workers across Canada—public servants, teachers, nurses and manufacturing workers—so as to break out of the straitjacket imposed by collective bargaining and the pro-employer provincial labour relations systems, and counterpose the demands of workers for decent-paying, secure and safe jobs and free access to quality education and health care to the capitalist imperative for profit-making at all costs.