United Steelworkers isolating strike of 2,400 Vale miners in Sudbury, Ontario

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The strike by 2,450 workers at Vale's giant Sudbury mining complex is now in its second week. While striking workers have shown tremendous determination to fight in the face of management picket-line provocations, the United Steelworkers (USW) union is doing all it can to isolate the miners' struggle, paving the way for its defeat.

The USW boasts that it is "North America's largest industrial union" with 1.2 million active members and retirees. Yet it has done absolutely nothing to broaden and strengthen the strike by calling for solidarity action by its members, let alone other sections of workers. It has merely sent union officials and welcomed local politicians to the picket line for photo ops.

The USW is working tirelessly to keep the Vale miners from linking up their struggle with tens of thousands of miners and industrial workers across Canada, the United States and internationally who are all fighting against the same concession demands by the major corporations. This was underscored earlier this week when the USW reached a deal to scuttle a strike by 2,500 iron miners and ancillary workers at Arcelor-Mittal's operations in northeastern Quebec.

Meanwhile, Vale is operating with a worldwide plan to wring the most concessions it can from its 74,000-strong workforce, which is spread across more than two-dozen countries. The Brazilian-based conglomerate, which is the world's second-largest producer of iron ore and largest producer of commercial nickel, is continuing with plans to spin off its base metals business in an attempt to further increase profitability by moving aggressively into the booming global battery market. A spin off would separate lucrative base metals, including operations in Sudbury, Indonesia, and Brazil, from less profitable resources like coal, analysts told Bloomberg, and thereby "unlock value" to boost Vale's stock price. Part of the "value" it intends to offer investors is a low-paid workforce with eviscerated benefits, which is the ultimate goal of the concessions-laden contract it is currently seeking to ram down strikers' throats.

The corporation's Sudbury operations (which were once the principal asset of the now defunct Inco) feature five mines, a mill, a smelter, and a refinery. Most of the world's highest-grade deposits of nickel are mined just outside the northern Ontario city along with copper, cobalt and other metals. Already, the company has signed "significant, multi-year contracts" to supply high-grade nickel to the electric vehicle market. At the same time, copper prices are the highest in several decades and are expected to continue climbing.

In 2020, Vale generated revenue of $40 billion (US) worldwide with almost $5 billion as net profit. Its market value comes in at $111 billion (US).

In other words, there is no legitimate reason why Sudbury strikers must accept a concessions-filled contract. Vale is drowning in cash, with more than enough money to afford above-inflation pay increases, full health care benefits for all workers, an end to multi-tier employment, and the reintroduction of defined-benefit pensions for all active workers and retirees. But for Vale and their corporatist partners in the USW, the priority is boosting profits and shareholder payouts to ensure the company's "competitiveness," i.e., ratcheting up the exploitation of Sudbury miners so that Vale can strengthen its position in newly emerging "clean energy" markets.

The tentative contract agreed to by the United Steelworkers (USW) Local 6500 bargaining committee but massively rejected by rank-and file workers would have imposed a whole series of cuts. These included wage increases well below inflation—i.e., an effective wage cut—and concessions focused on lower-tier new hires, a demographic that is expected to steadily climb over the life of any new deal.

The rejected contract deal provided for wage increases of just 4 percent slowly spread out over a five-year period. As a result, the standard wage would have increased by only $1.35 over the life of the contract. Only three weeks ago, Statistics Canada released its latest projection on annual inflation which shows a year-over-year jump of 3.2 percent in the cost-of-living. Company pension contributions would also have continued to lag behind inflation.

In addition, Vale is demanding the removal of retiree health benefits for all new hires in the relentless stripping of benefits from the second-tier workforce and the elimination of new hires' eligibility for all insurances and hospital service coverage.

Despite the provocative character of Vale's demands, the USW immediately initiated closed-door talks with the company when the strike began. More than a week later, the union is refusing to say anything publicly about what is being negotiated.

Showing the gulf that exists between the miners and backers of the latest rotten contract proposal, Jamie West, New Democratic Party MPP (Member of the Provincial Parliament) for Sudbury, told Sudbury.com news during a visit to the picket line that although he "supported" the strikers, he thought the rejected deal wasn't necessarily a bad one. "Vale workers have good contracts and good jobs," West reportedly gushed. Prior to his career as a provincial politician, West was the president of the Sudbury and District Labour Council.

Also making an appearance at strikers' picket lines last week was Sudbury-born, now retired USW International President Leo Gerard, who presided for almost two decades over a trail of defeated strikes and miserable concessions contracts. Gerard was a trusted ally of the corporations, sitting on various tripartite government-corporate-union bodies including the US government's Advanced Manufacturing Partnership (AMP) Steering Committee, where he collaborated with Wall Street and steel industry executives to make their businesses more "competitive" by slashing labor costs through speedup, wage cutting and outsourcing. Gerard was well paid for his troubles, making $217,206 a year as USW president, along with additional sums in other capacities.

For their loyal defense of corporate interests, the executives who operate the USW, like their counterparts elsewhere, have acquired incomes and wealth which place them in direct conflict with workers. As of 2020, the USW was sitting on assets of over $1.5 billion, funds that are not used for the benefit of workers but rather to pad the bank accounts of USW leaders and provide them various perks.

However, the USW's hostility to the workers' demands is not merely the product of corrupt union officials at the top of the bureaucracy. Rather, it flows from the USW's nationalist and pro-capitalist perspective, which has seen it line up in recent years with the most right-wing political forces. Under Gerard's presidency, the USW became an avid proponent of Donald Trump's economic nationalism and protectionist agenda, with the only quibble being that its aim should be "North America First" so that Canada was included, rather than "America First." Gerard and the USW railed against Chinese workers for purportedly destroying "North American jobs" by producing cheap, low-grade steel, demanded high tariffs, and presented Canada as a reliable ally for Washington because its workers produce the steel and aluminum needed to manufacture US warplanes, tanks, and armoured vehicles.

Under conditions in which Vale strikers confront a multinational conglomerate with a global strategy to savagely exploit workers from Indonesia to Sudbury, the nationalist poison offered up by the USW can only lead to disaster. If the union gets its way, the current strike will remain isolated from Vale workers in other countries and the Canadian working class until they can sell it out, clearing the way for Vale to proceed with its restructuring plans so that their rich investors can cash in.

But this outcome is not inevitable. Conditions are ripe for Vale workers to mount a counter-offensive. Around the world, there is a growth in class struggle, with strikes erupting against speed-up, years of concessions, and the ruling elite's prioritizing of profits over lives during the COVID-19 pandemic. What is required is for Vale strikers to make a conscious turn to their class brothers and sisters across Canada and internationally, including the over 300 zinc miners striking on Vancouver Island, striking miners in Colombia, Peru and Chile, the more than 1,100 coal miners on strike in Alabama, Volvo Truck workers in Virginia, and autoworkers in India. They should also reach out to Vale workers in Brazil and Latin America, Europe, and southeast Asia to wage a common international fight against the multi-billion-dollar conglomerate's savage cost-cutting plans.

The first step in this struggle is for Vale workers to immediately elect a rank-and-file strike committee able to act independently of the USW and in opposition to its nationalist and pro-company agenda. The strike committee should start from what workers actually need, not what Vale and the USW claim the company can afford. Workers should advance a series of non-negotiable demands, such as a 25 percent pay increase to make up for years of concessions, full medical insurance for all workers, the abolition of multi-tier wages and benefits, and the reinstatement of the defined benefit pension program for all workers and retirees.

Above all, the committee should forge links with striking miners, industrial workers, and Vale employees at other locations on the basis of workers' own class interests, which are irreconcilably opposed to Vale's ruthless drive to boost corporate profits. To this end, we urge striking Vale miners to join in the building of the International Workers Alliance of Rank-and-File Committees, which has been established to coordinate workers' struggles on a global scale and arm workers with the socialist political program necessary to carry them forward to victory.