

Over 1,000 Teck Resources copper miners in British Columbia voting on wage-cutting contract proposal

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More than 1,000 miners at the Teck Resources Highland Valley Copper (HVC) open pit operation southwest of Kamloops, British Columbia, began voting Tuesday on non-binding recommendations suggested by provincial mediators last week. The workers, members of United Steelworkers (USW) Local 7619, have been working without a contract since September 2021.

The mediator recommendations amount to a substantial real-terms wage cut. They accept the company's demand for a meager 2 percent per year wage increase in each year of a five-year contract. The company also offered a \$3,000 signing bonus to induce acceptance along with very minimal adjustments to some benefits and shift premiums. In a bid to secure acceptance of the deal, the mediator increased the signing bonus to \$20,000. No agreement could be reached on other bonus payments or inflationary protections.

The union's counter-proposal on wages would also amount to a significant real-terms rollback, offering only 3 percent per year in wage increases plus a signing bonus. Workers expressed anger over the union's failure to present an offer including wage increases that keep pace with inflation.

The Bank of Canada has forecast an inflation rate of 4.8 percent for the end of 2021 and continuing to rise throughout the new year. With supply chain disruptions continuing, more waves of COVID-19 infections forecast, and housing and fuel prices soaring, the paltry 2 percent a year wage raise would, even when combined with the signing bonus, add up to an overall cut in income over the five year life of the contract. In addition, longer term earnings as well as pension calculations decline when wage increases are sacrificed to signing bonuses.

The miners are in a powerful position to demand and win major real-terms pay increases, but their struggle is

being hamstrung and sabotaged by the USW. Highland Valley, the largest copper mine in Canada, accounts for a massive 43 percent of Teck's global copper production, meaning that a strike by the workers would have a big impact on the corporation's bottom line. During the first year of the pandemic, miners extracted 119,000 tons of copper from the facility, producing total revenue of close to \$1 billion. Output is expected to grow by 38 percent by 2025, with the company setting a goal of mining 165,000 tons of copper. Further underscoring the central role played by the Highland Valley mine was a recent announcement by management that it plans to lengthen the life of the facility from 2028 to 2040.

Teck Resources runs three other copper mines in South America. It is also active in coal and other resource extraction operations. Global revenues are expected to be \$3.77 billion this year, up a whopping 92 percent.

There are no reports of USW negotiators raising any demands related to COVID-19 protection in the contract talks. This is in spite of the fact that Teck reported large outbreaks of the potentially deadly disease at its BC copper and coal mines in late 2020. At the beginning of the pandemic, a relative of a coal miner at a Teck mine in the East Kootenay region of BC wrote an open letter to Teck protesting working conditions, which she likened to "Russian roulette." She criticized "shortages of protective equipment, crowded commuter buses, packed site vehicles and an absolute impossibility to self-distance because of the nature of the work."

The dangerous working conditions at Teck's mines have been facilitated by BC's USW-backed New Democratic Party government, which has pursued a policy of mass infection throughout the pandemic. Even when it imposed restrictions on some economic sectors, the NDP always insisted on allowing mining and other

resource extraction companies to operate with virtually no constraints so as to guarantee corporate profits.

If the workers reject the mediator's recommendations, union officials have claimed that they will "enact a strike." However, the USW has already delayed calling out the workers, who were in a legal strike position as of 12:21 p.m. on Sunday.

Reflecting the union's concern over opposition to the miserable offer presented by the mediator, the USW refused to recommend the deal or call for a vote against it. "We leave the decision to the members of this Union to decide on how to proceed. We bargained to an impasse with Teck HVC, not willing to back on wages, but also not willing to decide your future for an economic dispute," said a statement to the membership.

Even if workers accept the proposed terms, a Teck Resources executive management team must also vote to accept the recommendations. Should management turn down a settlement, they could then declare a lockout.

The USW has strengthened management's hand by keeping workers on the job, even though they have been without a contract since September. Signalling their determination to fight, workers in December voted by an overwhelming 99.9 percent to authorize a strike, should negotiations reach an impasse. With Teck Resources reporting huge earnings and with copper prices spiking amidst projections for increased global demand, workers have demanded a significant annual wage increase.

As initial talks dragged into the new year, the union reluctantly served an official 72-hour strike notice to the company on January 11. That action triggered the convening of a final mediation session with labour arbitrators on January 14. The two mediators, Vince Ready and Corrin Bell, then failed to hammer out a settlement and sent their recommendations to the provincial Labour Relations Board. This step started clocks ticking down to the Sunday strike deadline.

As the strike deadline approached, the USW intervened to restrain the workers. The bargaining committee wrote in a release, "One of the biggest questions is 'what happens at 12:21 PM on Sunday afternoon?'. The easiest answer is that you MUST wait for a message from this bargaining committee or your CAT team member, as negotiations may still be ongoing. All employees must continue to work without interruption until there is clear direction on what happens next."

The union continued to pursue a deal with the company even after the strike deadline passed. But by Monday, they told local news radio that "The parties have been

negotiating for over 42 days at the table and at this time have reached an impasse. The Company has not moved off their position and this [Bargaining] Committee has not backed down on ours."

Conditions are now ripe for Highland Valley workers to launch an all-out offensive to improve their wages and conditions. Their fight coincides with an upsurge of the class struggle across Canada and internationally, where workers have mobilized to resist the impact of the inflationary crisis on their living standards and the dangerous reopening of the economy amid a raging pandemic.

But to conduct this fight, Highland Valley workers must learn the political lessons of the USW's repeated betrayals of workers' struggles across Canada. Within the past year alone, the USW has isolated and sold out the struggles of 2,400 Vale miners in Sudbury and 2,500 ArcelorMittal workers in Quebec. Both strikes only took place because the workers rebelled against the USW, rejecting sellout contracts recommended by the union. However, the USW was able to wear down worker resistance by deliberately isolating them on the picket line for weeks and providing them with paltry strike pay before finally imposing agreements acceptable to both multinational companies.

The experience of both of these struggles, and the events to date at the Highland Valley mine, underscore the urgency of workers seizing control of the contract dispute from the pro-corporate USW and establishing their own rank-and-file committee to wage a determined strike. This committee should formulate demands based on what the workers want and need, not what Teck or the union claims the company can afford. These demands should include a genuine wage increase that corresponds with the massive profits being reaped by Teck, and effective safety measures to protect workers from COVID-19. Above all, the committee must work to broaden the Highland Valley struggle to Teck workers internationally, and mineworkers around the world.

The WSWs and Socialist Equality Party will provide full assistance to workers in taking the critical step of building a rank-and-file committee. Click here to contact us.



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