

# Unifor, Canada's largest industrial union, announces Jerry Dias under investigation just days after he quits as its president

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Unifor revealed Monday, March 14 that when Jerry Dias abruptly resigned as its president three days before, citing “health problems,” he had been under investigation for well over a month for “an alleged breach” of the union’s constitution.

In a terse statement that scrupulously avoided providing any specifics regarding the case against Dias, Canada’s largest industrial union said Unifor Secretary-Treasurer Lana Payne had received a written complaint against Dias on January 26. “Following review of the complaint,” continued the statement, “Payne promptly initiated an independent external investigation. On January 29, 2022, Dias was notified of the investigation, which is ongoing.”

Dias had headed Unifor ever since its founding in 2013, as the result of a merger between the Canadian Auto Workers or CAW and the Communication Energy and Paperworkers union. Due to his long record of concessions bargaining, sweetheart deals, and isolation and suppression of workers’ struggles, Dias has no shortage of enemies among the rank-and-file workers Unifor claims to represent.

Under his leadership, the Unifor union apparatus further integrated itself into corporate management and the state and provided critical political support to the big business Justin Trudeau-led federal Liberal government. This has included imposing rollbacks and job cuts on workers while lobbying the federal and provincial governments for massive grants and tax concessions for the automakers, airlines and other businesses. Like the other unions, Unifor has policed the ruling class’ murderous profits before lives policy, forcing workers to remain on the job through successive waves of mass COVID-19 infections and deaths.

The fact that the Unifor executive moved to a secret, independent, external investigation immediately after receiving the written complaint against Dias indicates not only that the charges against him are very serious. It suggests they are supported by a large body of evidence and are highly damaging to the Unifor bureaucracy as a whole.

On February 6, little more than a week after Dias was apprised of the investigation, he announced that he would be taking medical leave effective immediately. Then, on March 11, just days before Unifor publicly revealed an investigation was well underway, Dias announced his immediate retirement due to unspecified health

issues.

The events over the past six weeks, and particularly the announcements over the past week, have stirred up a veritable hornet’s nest of speculation among rank-and-file workers and sharp-elbowed jockeying within the Unifor bureaucracy for Dias’ position as head of the 315,000-member union. Aspiring union bureaucrats have always had an unfailing ability to smell blood when it is in the water.

This has been combined with a poorly disguised attempt by the union’s national executive to tamp down fears that Dias’ alleged malfeasance has the potential to expose a damaging scandal within the organization.

Secretary-Treasurer Payne responded to Dias’ retirement announcement in glowing terms. “On behalf of our members and our leadership team, we wish Jerry well and thank him for his numerous and impactful contributions to working people over many years, from his days representing aerospace workers on the shop floor to national president of Canada’s largest private sector union,” she declared in a press statement issued last Sunday.

The very next day, Payne conceded that Dias was under investigation—a fact the union had concealed from the membership for a month-and-a-half—but only to argue that nothing more could be said about the brewing scandal. “In order to ensure the integrity of the ongoing investigation and to maintain confidentiality in accordance with the Unifor Constitution, specifics of the complaint will not be divulged at this time,” Payne announced in a press release.

The union’s National Executive Board is to meet on March 21 to discuss the matter further. At that meeting, the Board will also begin planning the convening of an “Emergency Convention” to select a new union president.

There is much that stinks to high heaven in this still unfolding affair. The timing of Dias’ retirement among them.

Dias had originally been scheduled to step down with fawning fanfare at Unifor’s national convention this August upon completing his third three-year term as president. Now a special Emergency Convention will be held *in addition* to the August convention, at a likely cost of several additional million dollars. Under the terms of the union’s constitution, had Dias waited only three more weeks to announce his retirement, Secretary-Treasurer Payne would have taken over as a caretaker president till August,

thereby avoiding the need for an emergency convention.

Speculation is rife that Dias' move was aimed at limiting the time for any "outsider" candidate to gain traction in a months-long campaign for the presidency. In February, Dias enthusiastically endorsed Scott Doherty, his close friend and right-hand man at Unifor headquarters, as his successor. Shortly thereafter, Dave Cassidy, President of Windsor autoworkers Local 444 entered the race. Cassidy's appeal for union "transparency" is tailored to appeal to burgeoning rank-and-file anger against the national union leadership.

Both men are in fact career union bureaucrats steeped in the retrograde, anti-worker traditions of nationalism and corporatism that for decades have been the hallmark of the pro-capitalist trade unions. Workers who have seen their activities as union officials at first hand will already have taken their measure.

Doherty, who has served as Dias's executive assistant for more than six years, played a major role in running the December 2019-June 2020 fight of the locked-out Saskatchewan FCL oil refinery workers into the ground. As the lead union negotiator, he championed a sell-out agreement that imposed over \$20 million in pension concessions, job cuts and the utter evisceration of the existing contract. At one point, Doherty admitted that he and the local president risked being "beaten up" by the membership for the concessions they had granted to the company. As for Cassidy, as Local 444 president he has presided over the elimination of some 4,000 permanent jobs at Stellantis's Windsor facilities. When the company recently announced 1,800 job losses, he quickly signaled that the union would do nothing, terming it a "business decision."

A reader of the *World Socialist Web Site Autoworker Newsletter* recently remarked on the deep distrust of rank-and-file workers towards the union leadership, writing, "The last thing this group (Unifor Executive) would want is an outsider challenging the ivory tower and opening up the financials of lavish living, private jets, condos in South Florida and Super Bowl tickets."

This is true not only of the Unifor bureaucracy, but also powerful sections of the Canadian ruling class. Over the past decade, Unifor has emerged as a loyal ally of the federal government due to its promotion of reactionary economic nationalism and pro-capitalist corporatism, and its systematic suppression of the class struggle. Dias has functioned for all practical purposes as a semi-official government adviser, especially during the renegotiation of the North American Free Trade Agreement—a role for which he was warmly lauded by big business. For the Trudeau Liberal government and corporate Canada, the question of who leads the Unifor bureaucracy and thus assumes responsibility for sabotaging the struggles of hundreds of thousands of workers in some of the most critical economic sectors, including auto, transportation, and manufacturing, is not an incidental question. This is all the more true under conditions in which workers' struggles—driven by the combined impact of decades of wage and benefit stagnation and soaring inflation due to pandemic shortages and the US-NATO economic war against Russia—are on the rise.

Over the years, Dias has raised workers' ire with his cozy relations with management figures, big business politicians and corrupt union officials. Throughout the years-long and ongoing

corruption scandal that has implicated and felled many of the most senior officials in the US-based United Auto Workers, Dias and the Unifor bureaucracy have maintained almost complete silence. Moreover, they have insisted that the contracts that bribe-taking UAW officials negotiated on behalf of US autoworkers should be considered valid and legitimate.

Dias came to the defence of a leading bribery conspirator in the management of the then FIAT-Chrysler. In 2017, indictments and convictions were handed down alleging that some \$4.5 million in bribes were dispersed by Fiat Chrysler Vice President Alphons Iacobelli and his underlings to UAW officials to "take company friendly positions" in a series of contract negotiations. After leaving Fiat Chrysler, Iacobelli became one of the central negotiators for GM Canada in the 2016 bargaining round with Unifor. That deal saw massive concessions granted to GM in Canada over stiff opposition from Unifor's rank-and-file.

Asked by the *Detroit Free Press* about the scandal, Dias said he had always viewed Iacobelli as a professional labour executive. "I've probably known Al for 15 years...I never would have expected it. I'm in shock, to say the least." Dias' "shock" emulated the statements of his golf buddy, UAW head Dennis Williams, despite emerging evidence that former UAW President Bob King, Williams's predecessor and confidant, was aware of the bribery program as early as 2011. Last year Williams was himself sentenced to 21 months in prison for embezzling union funds.

The years-long investigation south of the border eventually revealed that the top echelons of the UAW function as little more than a criminal organization, with officials routinely taking bribes in exchange for signing off on company-friendly agreements, embezzling union dues, and entering into kickback schemes with vendors. The illicit funds were used to pay for lavish lifestyles for UAW executives, such as months-long getaways at Palm Springs, endless golf outings, luxury goods and high-priced meals. While the incomes of UAW officials have swelled through both illegal and "legal" means over the last 40 years, workers' jobs and livelihoods have been decimated in one sellout contract after another. To date, 12 UAW officials, including two of the last four union presidents, and three Fiat Chrysler managers have pleaded guilty to various charges stemming from the investigation.



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