

Ex-Unifor president Jerry Dias exposed as COVID profiteer in kickback scandal

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Unifor, Canada's largest private-sector union, has revealed that a seven-week investigation found on "the balance of probability" that its ex-president, Jerry Dias, received a C\$50,000 kickback from a supplier of COVID-19 rapid test kits. Dias, who resigned suddenly March 11, promoted the kits to "various" Unifor employers and got other Unifor employees to do the same.

As a result of Dias's efforts, several companies purchased the kits, Unifor Secretary-Treasurer Lana Payne told a press conference Wednesday. She was flanked by the union's entire National Executive Board during her announcement, which was an exercise in damage control.

Payne announced that Dias is being charged with violating the code of ethics and the "democratic practices" of the union's constitution. He will be summoned to appear before a union disciplinary hearing next month.

"We know," Payne said, "that Unifor members will be upset by what you're learning today." She went on to insist that the union's "constitution has a very strong code of ethics, which is in place to ensure that no elected union leader is acting for personal gain."

Dias is the only president in Unifor's history, having been elected to the first of three three-year terms in 2013, when the union was formed through the merger of the Canadian Auto Workers and the Communication, Energy and Paperworkers Union. Dias oversaw Unifor's emergence as a key supporter of Justin Trudeau's big business Liberal government, for which he acted as a semi-official adviser.

Dias also presided over an unbroken series of Unifor-imposed concessions contracts and the systematic sabotaging of workers' struggles. In each bargaining round Dias led with the Detroit Three, he functioned ever more openly as a cheap labour contractor, offering the automakers and big business more broadly the givebacks they demanded to remain "globally competitive," that is profitable. Invariably, Dias and Unifor touted this as "saving Canadian jobs."

Given these corporatist and essentially corrupt relations with big business and the state, Dias's exposure as literally a paid salesman for corporate interests will come as no surprise—least of all to the tens of thousands of workers on the wrong end of Unifor-signed concessions contracts.

In a brief response issued Wednesday, moments before the results of Unifor's "independent" and "outside" investigation were released, Dias, now caught red-handed and all but admitting culpability, attempted to salvage what might remain of his tattered reputation. Blaming a recent sciatic nerve condition, he wrote, "It's hard for me to say this, but my coping mechanism has been painkillers, sleeping pills and alcohol. These factors have impaired my judgement in recent

months, and I owe it to our members to seek the treatment I need."

He announced that he is "temporarily stepping away" from all of his "advisory positions," which include sitting on various federal and Ontario boards and task forces, built up as part of Unifor's corporatist relations with industry and the state. Last year, Dias was named to head Ontario Premier Doug Ford's Premier's Council on US Trade and Industry Competitiveness, a body aimed at attracting corporate investments, especially in the burgeoning electric vehicle sector, by offering subsidies and other incentives, including lower labour costs.

Dias will enter a residential rehab facility forthwith. It is unclear if he will attend the coming National Executive Board disciplinary hearing.

The scandal first came to light when a Unifor employee—still unnamed—informed the union executive on January 26 that six days earlier Dias had offered him/her C\$25,000 and said that the money was provided by a test-kit supplier. Why Dias made the cash offering to the unnamed staffer is unclear, and Payne shed no light on it at Wednesday's press conference. The press conference was the first time Unifor members learned anything about their ex-president's involvement in a kickback scheme. But the charge of violating democratic practices raises many questions.

On January 29, Dias was apprised of the launching of an independent, external investigation into his possible violation of the union's constitution. Dias then declined to make himself available to answer investigators' questions, citing health problems and doctor's orders. On February 6, he announced he would be taking medical leave effective immediately. Then, on March 11, just days before Unifor finally revealed publicly that an investigation was well under way, Dias announced his immediate retirement due, he claimed, to still largely unspecified health issues.

It is also unclear if Dias has relinquished the remaining kickback funds in his possession. His ill-fated C\$25,000 payoff to the unnamed Unifor employee was given over to the union. In any case, the whole odious matter is far from resolved. At Wednesday's press conference, Payne was asked if Dias's actions breached the Criminal Code. Such a development would have explosive ramifications for the union. The Unifor executive would lose control of the entire investigation. Subpoenas could be issued to everyone involved. Probes could be launched into other, possibly more serious improprieties. All while an emergency election for president of the country's largest private sector union is supposed to be under way.

A tight-lipped Payne simply responded that the union will seek legal advice on the matter, adding that the union regards the current affair as an "isolated incident." Handled internally, Dias's punishment could simply be the suspension or revocation of his retiree

membership in the union.

The Unifor national executive's response to the Dias scandal stinks to high heaven. At every point, it has sought to keep members in the dark as to the true nature of the allegations against Dias. According to the *Globe and Mail*, when the executive first admitted Dias was under investigation, it told union staffers that the probe did not relate to a "financial matter." Now he stands accused of accepting kickbacks.

Why should any worker believe their claim that this was an "isolated" case of impropriety on Dias's part? Rather, everything suggests Payne and her fellow bureaucrats fear a thorough examination of the Dias scandal, Unifor's finances, and its corporatist relations with big business because it would reveal that corrupt practices pervade the upper echelons of Canada's substantial and well-compensated union bureaucracy.

It is worth recalling in this regard that when the United Auto Workers corruption scandal broke in the US, revealing that top union negotiators took bribes from Fiat-Chrysler in exchange for imposing company-dictated contracts on autoworkers, Dias & Co. did all they could to avoid talking about it. They maintained that the auto contracts negotiated by the UAW remained valid even though those supposedly "negotiating" on behalf of the workers were in the pay of the auto bosses.

Less than two weeks ago, after Dias had suddenly—and for the membership and the general public inexplicably—retired, Payne, in a desperate attempt to soft-pedal the crisis issued a glowing tribute to the soon-to-be-disgraced president. "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," said the secretary-treasurer.

The following day, with rumours of impropriety rapidly spreading amongst the membership, Payne publicly changed course and announced that Dias had been under investigation for several weeks for a possible violation of the Unifor constitution. Then, as questions swirled about the nature of Dias's offense, the union said that the full nature of the charges against him might never be released. However, with suspicions continuing to grow unabated amongst the rank and file just as a fractious "emergency election" to replace Dias loomed, Unifor's attempts to contain the scandal rapidly disintegrated.

At Wednesday's press conference, Payne told reporters that the emergency election process for a new president has been "paused" to deal with the current crisis. Payne, and the rest of the 25-person Executive Board would, however, not withdraw their previous endorsement of Scott Doherty, Dias's friend and long-time right-hand man at Unifor headquarters whom Dias had been grooming as his successor.

Dave Cassidy, entering the race in late February, on the heels of a letter to the Executive Board demanding "transparency" in the Dias medical-leave announcement, is currently the only other candidate in the race. The president of Windsor's Unifor Local 444 and a long-time union bureaucrat, he has appealed for "transparency" to open an "outsiders" electoral avenue against Doherty and prevent the brewing scandal from causing a complete rupture of a disgusted rank and file with the entire union apparatus. Voting for Unifor executive officials, including the president, is not done by polling the entire membership, but through the votes of a few thousand union officials and their hangers-on who attend the union's convention.

Throughout the COVID-19 pandemic, Unifor has policed the ruling

class's policy of prioritizing corporate profits over the protection of human life. It has forced workers back into unsafe workplaces to generate payouts to shareholders and strangled all opposition to unsafe working conditions.

Now Dias stands indicted as a pandemic profiteer.

In the auto sector, recognizing that the companies had no interest in protecting their health and lives as the pandemic spread, workers at the Windsor Assembly Plant spontaneously downed tools in mid-March 2020, sparking similar rebellions by workers at Detroit Three auto plants across the United States. The protests were also directed against Unifor and the UAW south of the border, as both unions had pledged to work with management to keep the plants running without interruption. The actions by rank-and-file workers played a major role in forcing governments in North America and Europe to at least impose temporary lockdowns.

Since the plant re-openings in mid-May 2020, Unifor workers in contact with the *WSWS Autoworker Newsletter* have, over many months, described steadily deteriorating working conditions at Canadian auto assembly and parts operations. Overcrowded and poorly maintained washrooms, the impossibility of maintaining proper social distancing on the line, bottlenecks at plant entry points, inferior or nonexistent Personal Protective Equipment and lax reporting of infections are common complaints. Worker protests against the initial extended and staggered break programs were quickly dismantled due to the opposition of the union bureaucrats to mounting an industrial struggle against unsafe conditions.

This entire experience underscores the need for workers to build new organizations of struggle, rank-and-file factory committees, which will be based on the methods of the class struggle, fight for the unity of Canadian, US and Mexican workers, and mobilize the working class against all of the parties of big business. This struggle must be connected to a fight against austerity, war and dictatorship, and the replacement of the capitalist profit system with international socialism.



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