Unifor corruption scandal deepens in run-up to convention of Canada's largest industrial union

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25 July 2022

With two weeks to go until Unifor convenes its fourth Constitutional Convention, a sordid faction fight between rival bureaucrats vying to succeed disgraced former president Jerry Dias is bringing to light more details about the corrupt practices that are rife at the top of Canada's largest private-sector union. Factions backing Scott Doherty, Lana Payne and Dave Cassidy, the three bureaucrats competing to succeed Dias, continue to leak information about lavish expense accounts and kickback cash.

A Unifor-leadership authored Call Letter to the Convention states that the assembly "will be a turning point for our union: one where we will gather and set a course for the future of our union. We have much to debate, much to reflect on, much to mourn, and much to celebrate."

In fact, looming over the entire convention will be the stench of corruption and attempted cover-up. These are the symptoms of a rotten, state-supported organization whose function is to suppress the class struggle, and enforce the dictates of the corporations and pro-austerity governments in the face of mounting worker opposition.

Dias is accused of taking a $50,000 bribe from a provider of COVID-19 test kits to market their products to businesses employing Unifor members. Until leaks in March made it impossible for the bureaucracy to squelch the scandal, it sought to keep members in the dark as to the true nature of the allegations against Dias. According to news reports, when the executive first admitted Dias was under investigation, it even told union staffers that the probe did not relate to a "financial matter."

As the scramble for lucrative union positions between the factions led by Payne, Doherty and Cassidy intensifies, the *Toronto Star* published highlights last week of 1,600 pages of leaked transcripts of minutes from the union's National Executive Board meetings from February to June—the period encompassing the unfolding of the corruption investigation and the union apparatus' reactions to it.

An additional leak to the *Globe and Mail* of the expense accounts of 17 senior union officials revealed that top Unifor bureaucrats spent $1.79 million on expenses, including international business class airfares, five-star hotels and other sundries, in 2018, and $1.84 million in 2019. Due to limited travel during the pandemic, the expense-claim payouts dropped significantly in 2020 and 2021.

Dias' expenses topped the group, reaching $317,000 in 2018 and $280,000 the following year. Doherty's expenses fell just short of Dias' payouts during those years. Secretary-Treasurer Payne, who also racked up six-figure expenses in 2018 and 2019, was in charge of ratifying the expense claims of all union staff outside of the president's office. In 2019, Unifor raked in $113 million in union dues from rank-and-file workers, accounting for almost 90 percent of its revenues.

Unifor's membership of auto, aerospace, forestry, mining, railway, passenger airline and other workers and the public at large first became aware of the Dias kickback scandal as the result of a hastily organized March 23 Unifor press conference. Payne, acting by then as de facto president and flanked by the union's entire national executive, told reporters that a seven-week independent external investigation into Dias' recent activities determined "on the balance of probability" that he had received the kickback. The secret payoff to Dias was in return for his having promoted the kits to "various" employers of Unifor members. A number of these companies subsequently purchased kits for distribution to their workforces.

Dias, citing health problems, had refused throughout the process to make himself available to the external investigators Unifor had hired. However, the latest spate of press leaks have brought to light information that indicate the now retired Unifor president brought intense pressure on his fellow bureaucrats to cover up the affair entirely.

The scandal came to light when a senior Unifor official—Dias' assistant and close "confidant" Chris MacDonald—informed the union executive on January 26 that Dias had given him a paper bag containing $25,000 on January 20 and said that the money, part of a $50,000 payoff, was provided by a test-kit supplier. The union's executive board has refused to release the name of the company that provided the kickback, or the companies that bought the kits due to lobbying by Dias and MacDonald. In April, police confirmed that they had opened a criminal investigation into the matter, but they have divulged no further information over the past three months.

The freshly leaked minutes show that the third-party investigation into Dias' activities found that Dias repeatedly pressured MacDonald to keep the $25,000, suggesting that he could even use it to buy Dias' boat. As events then unfolded, the investigator's report states, "There was an attempt to broker a specific arrangement whereby Dias would resign [as Unifor president] in exchange for MacDonald dropping the complaint, which MacDonald would not agree to do unless Dias admitted what he had done."

Payne later stated that Dias had tied his offer of resignation to a pledge from the union's top leadership, that was never forthcoming, to keep his transgressions private. Minutes of subsequent National Executive Board meetings have shown that senior officials were divided on how much information should be released to the

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membership about the brewing scandal.

Only this past Friday evening did Unifor release to its local unions a redacted copy of the findings from the external investigation into Dias' involvement in the kickback scheme. It confirms that the Unifor president had functioned unabashedly as a COVID profiteer as the highly infectious and potentially deadly Omicron variant began its sweep through the population.

The investigators' report reveals that at least $1.2 million in revenues were made by those marketing the test kits. Kits were being sold at $3 above cost with profits coming in upwards of $300,000. It is still unclear where the test kits originated.

Doherty, who was linked in the investigators' report to pressuring MacDonald on behalf of Dias, subsequently relinquished his official endorsement by the Executive Board after Secretary-Treasurer Payne, who had previously positioned herself as neutral, suddenly announced her own candidacy as Unifor president.

Payne's opponents soon accused her of "weaponizing" official proceedings as Board spokesperson to benefit her own campaign. Payne was accused of joining other opponents of Doherty in a successful push to override a constitutional requirement to convene an emergency presidential election if the union's highest post becomes vacant more than 120 days before the regularly scheduled triennial convention.

The third candidate, Dave Cassidy, president of the Windsor autoworkers Local 444, entered the race shortly after the executive board, at Dias' urging, endorsed Doherty. Cassidy denounced the union's practice of "anointing" its presidents and electing them unopposed. Cassidy's appeal for union "transparency" is tailored to open an electoral avenue against Doherty and Payne among the membership and, by so doing, prevent an irrevocable break of the rank-and-file with the entire rotten organization.

Cassidy's feigned opposition to the top bureaucracy and posturing as a union "reformer" are a sham. As he told reporters, he also sought the backing of the union's top brass. "I went to Jerry (Dias) and told Jerry, Jerry, I've supported you for 20 years. I expect you to support me. And it didn't happen," he said. "It is what it is."

The faux outrage over Dias' corruption by those seeking to succeed him is aimed at diverting attention away from the fact that his behaviour is not a matter simply of personal greed and corruption. Rather, it arises organically out of the role that Unifor and the union bureaucracy play as a whole as appendages of corporate management and the capitalist state. The unions long ago repudiated any connection to the defence of the interests of the workers they claim to represent. Instead, they are staffed by well-paid officials whose six-figure salaries are accompanied by expense accounts that far exceed the annual pay of most Unifor members.

Dias led for almost a decade an organization that embodies the unions' emergence as a partner of the political establishment and big business. He functioned to all intents and purposes as an adviser to Prime Minister Justin Trudeau and his Liberal government, including during the renegotiation of the North American Free Trade Agreement to lay the basis for an even more explicitly anti-China protectionist trade bloc to advance the economic, military, and geopolitical ambitions of Canadian and US imperialism around the world.

In each bargaining round Dias led with the Detroit Three automakers, he functioned ever more openly as a cheap-labour contractor, offering big business the givebacks they demanded to remain "globally competitive," that is highly profitable, at the expense of workers' living standards.

And under Dias' leadership, Unifor played a major role in enforcing the ruling class' ruinous profits-before-lives pandemic policy, helping herd workers back into unsafe workplaces amid the worst health crisis in a century.

It is this legacy that all three current candidates to succeed him defend and promote.

The Unifor convention, which will open in Toronto on August 8, will follow closely on the heels of the United Auto Workers (UAW) convention that began in Detroit on Monday. The latter union, whose operations are currently under the supervision of an "independent monitor" after a series of corruption scandals that saw more than a dozen senior union officials—including two UAW International presidents—indicted and jailed, begins its convention with fresh criminal allegations against new president Ray Curry and other top officials. They are accused of deliberately keeping information about corrupt officials from investigators.

There is a growing rebellion of rank-and-file UAW members against the corrupt, pro-company union, which, like Unifor, has imposed round after round of concessions and job cuts, and systematically pits workers in Canada, the US and Mexico against each other. It finds expression in the wave of recent militant struggles, including at Volvo Trucks, Dana and John Deere, where workers have taken up the call of the WSWS and WSWS *Autoworker Newsletter* for the formation of rank-and-file factory committees to break the stranglehold of the UAW bureaucracy and launch a counter-offensive to overturn decades of UAW-backed concessions and win major improvements in living standards and working conditions.

The most conscious expression of this growing opposition is the campaign of William Lehman, a Pennsylvania Mack Trucks worker and socialist who is running for UAW president in the first-ever membership vote for the union's highest office. Lehman's campaign, as he forthrightly explains, is aimed at abolishing the corrupt UAW apparatus and transferring power to worker-led and controlled, rank-and-file committees. He is advancing a global strategy to unite and coordinate the struggles of workers across national boundaries to fight the automakers and other transnational corporations.

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