

# Mounting anger among Canadian federal workers over PSAC's sellout agreements

**Our reporters**  
**9 May 2023**

In the more than a week since the Public Service Alliance of Canada (PSAC) ordered over 100,000 federal government workers to end a powerful strike, opposition has steadily grown to the real wage cuts and other concessions contained in the tentative sellout contracts PSAC leaders negotiated with the union-backed Liberal government.

Anger at PSAC's abandonment of the workers' demands for wage increases that keep pace with inflation, job protection measures and the right to work remotely is so strong among rank-and-file workers that the national executive of PSAC's largest component union, the Canada Employment and Immigration Union, has felt compelled to call for a "no" vote.

PSAC gave up on all of its original demands, which even had they been achieved would have fallen well short of workers' needs. The union's initial call for annual wage increases of 4.5 percent in a three-year contract was transformed into 3 percent per year average increases for four years—or precisely what the government was offering at the strike's outset. The \$2,500 signing bonus is a one-time, taxable payment that provides workers with no long-term protection against inflation, which last year surged to over 8 percent and continues to rise at an annual rate close to 5 percent.

On remote work, PSAC agreed to a non-binding side letter that commits it to examining the issue in cooperation with the employer, meaning that there will be no change in workers' contractual rights and obligations. And on job security, the parties merely agreed to submit a "recommendation" to the government-appointed Public Services Commission that seniority be included as one among many factors when deciding on redundancies.

Union and government negotiators concluded a similar tentative agreement last Thursday for the 35,000 Canada Revenue Agency workers. They had walked off the job alongside the "core" federal workers employed by the Treasury Board on April 19; then they were left to fend for themselves after PSAC announced tentative agreements for the four Treasury Board bargaining units. PSAC's Union of Taxation Employees (UTE) had initially sought a larger wage increase, arguing that its members had traditionally enjoyed wage parity with Canada Border Services Agency workers who administer the Excise Act. But in the end PSAC-UTE accepted the very

same 12 percent increase, although it has tried to claim it won "more" based on a difference in wording with the other tentative agreements.

The response among workers to PSAC's claims of "historic" gains has been sharp and swift, as attested by a flood of angry social media comments. "What a massive spin job on a bad deal," wrote one on Twitter. "Union members should replace their leadership." Another worker added, in response to a PSAC tweet, "What a sad day for unions. You are pathetic. You go on this 'historic' strike and end up with the same deal across the board with an extra year of the employer's original offer. Was that worth a strike?"

The PSAC leadership first sought to avoid calling a strike and then limited its impact by isolating the federal government workers and meekly accepting that some 45,000 workers were designated "essential employees," thereby legally barring them from joining the job action.

Despite the fact that their contracts expired in 2021, the union continued talks with the pro-war, pro-austerity Trudeau Liberal government for almost two years in the face of deliberate provocations and attempts to sabotage bargaining by the employer. When the strike began, PSAC National President Chris Aylward retreated on all key demands without ever consulting the membership, while the union refused to make any appeal to other sections of workers facing similar attacks on wages and conditions. This was in spite of the fact that the employer's side, egged on by the corporate media, vociferously denounced the strikers and made clear that they saw the enforcement of huge concessions as setting a benchmark for provincial and private sector workers across the country.

The Trudeau government's vicious onslaught on the federal government workers is driven by its class war agenda of imperialist war abroad and austerity for working people at home. The Liberals are spending tens of billions of dollars on the US-led war against Russia in Ukraine and the rearming of the military.

In addition, the hundreds of billions handed over to the banks and major corporations at the start of the COVID-19 pandemic with no strings attached must now be squeezed out of the working class. To accomplish this task, the Liberals are relying on their alliance with the trade unions and New Democratic

Party (NDP), which has served as a key mechanism for suppressing the class struggle in recent decades.

The decision by the leadership of the Canada Employment and Immigration Union to call on its 36,000 members to vote “No” on the agreement at upcoming ratification meetings in no way contradicts the unions’ central role in the Liberal-led alliance for austerity and war. Rather, it reflects a growing concern within a faction of the bureaucracy that PSAC’s betrayal was so brazen it could trigger a rank-and-file rebellion that must be contained within the union apparatus to prevent it from developing into a direct and explicit challenge to the Liberal government and its trade union backers.

This fact was reflected in the CEIU’s announcement on its website that the union would wage a “vote no” campaign on the deal. It read, “Our leadership has heard a clear message from an overwhelming number of grassroots members that they do not want our union to accept this agreement.” It went on to note that the wage deal would put “our members even further behind on inflation” and fail to achieve the right to remote work.

The letter then concluded, “The members of the CEIU (national executive) believe that voting down this agreement will result in applying necessary additional pressure for this government to table more money and be more willing to negotiate other gains—including a better deal on remote work language.”

This declaration is a thoroughly bankrupt strategy that in no way challenges the reactionary collective bargaining system that has smothered the class struggle for decades. Federal and provincial governments, whether led by the Liberals, Conservatives, or Parti Québécois (PQ), have repeatedly resorted to strikebreaking back-to-work laws.

The conspiracy of government representatives and union bureaucrats at the “bargaining table” will not change if more “pressure” is applied from below. The only way for federal government workers to achieve their demands is to make a “no” vote the starting point of the fight for an entirely new strategy—one that seeks to make a renewed strike the spearhead of a mass working class counter-offensive that must first and foremost develop as a political struggle against the Trudeau government’s program of austerity and war and its allies in the union bureaucracy and NDP. The faction of the PSAC bureaucracy calling for a “no” vote is just as hostile to this prospect as the proponents of the tentative agreement.

Predictably, the pseudo-left has rushed to promote the dissident faction of the union bureaucracy, seeking to rally workers behind it and to uphold the authority of PSAC and the corporatist trade unions as a whole. Fightback, the Canadian section of the International Marxist Tendency, has applauded the CEIU’s “vote no” campaign as “a progressive development.” It is appealing for the CEIU leaders to “spread the campaign through all the components of PSAC.” At the same time Fightback is urging workers to “not wait for their

executives to take a position on the ratification vote” and organize in “rank-and-file committees with like-minded workers” to campaign for a no vote.

This is nothing but militant bluster designed to confuse workers and prevent them from breaking free from the union’s crippling organizational and political grip. The “rank-and-file committees” proposed by Fightback are not conceived of as mechanisms for mobilizing the working class in struggle, independent of and in opposition to the pro-government union bureaucrats. Rather Fightback promotes “rank-and-file” action as a means of applying pressure on the union bureaucracy to wage a more effective and militant collective bargaining fight.

This fact is underscored by Fightback’s unequivocal endorsement of the CEIU’s bankrupt strategy of using a “no” vote to apply pressure at the bargaining table. They have nothing to say about the need for a political struggle against the Trudeau government and its NDP and union allies, which is hardly surprising given this pseudo-left outfit’s close ties to the labour bureaucracy and their members’ status as paid-up members of the NDP. It does not think it polite to mention that PSAC is one of the largest members of the Canadian Labour Congress, a key pillar of the Trudeau government since it came to power in 2015.

If the federal government workers are to prevail, they must take the struggle into their own hands. They must establish rank-and-file committees to seize control of the contract struggle from the union bureaucracy, campaign for a “no” vote” and fight to broaden the struggle to all sections of the working class, private and public sector alike.

The widespread opposition to the tentative agreement must be transformed into a conscious working class political challenge to austerity and war, its enforcers in the Trudeau government and allies in the union bureaucracy and the NDP. The systematic mobilization of working people against inflation-driven real wage cuts, the dismantling of public services, antistrike laws and the diversion of society’s resources to war and rearmament must initiate a mass movement for workers’ power and the redistribution of society’s vast resources to meet basic social needs, including decent-paying, secure jobs for all.



To contact the WSWs and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**