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to Smash Construction Workers' Strike**

**Step Up the Struggle to Defend the Rights  
of Workers and the Rights of All**



Construction workers demonstrate outside National Assembly in Quebec City, May 29, 2017. (FTQ)

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## Quebec Government Adopts Back-to-Work Legislation to Smash Construction Workers' Strike

# Step Up the Struggle to Defend the Rights of Workers and the Rights of All



National Assembly, Quebec City, May 29, 2017.

At 3:00 am on May 30, the Quebec government passed back-to-work legislation ordering Quebec construction workers back to work. Bill 142, *An Act to ensure the resumption of work in the construction industry and the settlement of disputes for the renewal of the collective agreements* was passed by a vote of 76 for, 21 against. Members of the Liberal Party and the Coalition Avenir Québec voted in favour, while the Parti Québécois, which itself passed back-to-work legislation against construction workers in 2013, and Québec solidaire voted against.

Construction workers strongly protested the legislation the day it was tabled in the National Assembly with placards and slogans denouncing dictatorship in lieu of labour relations. The Construction Trade Union Alliance announced that it is considering a lawsuit to challenge the legislation as unconstitutional. Many unions have denounced the legislation, declaring it an unacceptable and illegal attack on workers' rights to fight for their demands and negotiate their conditions.

The legislation forced all construction workers to return to work on May 31, under penalty of severe fines for individual workers, trade union representatives and trade unions who pursue the strike or slow down work on the construction sites. It decrees a salary increase of 1.8 percent until a new agreement is reached, which is well below union demands and even below the employers' last offer. The legislation creates a fraudulent "bargaining space," which is negated by the strikebreaking law itself and the fact that workers are denied the legal right to strike and exercise pressure tactics against employers. The "bargaining space" is in fact imposed mediation and then arbitration. The Labour Minister has given herself the power to determine which matters will be submitted to the arbitrator and to set the criteria for the arbitrator's decision, including so-called "flexibility of work organization" -- a euphemism for the even greater destabilization of construction workers' work

schedules and life. The struggle against this destabilization was at the heart of the construction workers' strike and this is what the government is targeting.



The Couillard government spokespersons threw every possible insult at construction workers during the so-called debate in the National Assembly, declaring that their strike in defence of their rights was causing "social harm" to the people and even to the flood victims who are waiting for their new homes. This despicable attempt to destroy public opinion in favour of the construction workers struggling for conditions that meet their health and safety needs and for peace of mind at work and stability in their lives is unacceptable and must not pass. It is also a despicable way of diverting attention from the government's own responsibility in these disasters for the lack of preventive measures and its insistence on the privatization of government services, leaving emergency responders to fend for themselves.

The fraudulent parliamentary debate was also an opportunity to declare that "reform of the bargaining system" is needed for construction workers, which means reforming the law to incorporate a ban on strikes in the construction industry under the guise of a "bargaining space" under the direction of the state, making negotiation illegal or impossible. The government is using this legislation as transitional legislation so that any effective struggle of construction workers to negotiate their conditions and have their say and control over their working conditions and their lives is made illegal for all intents and purposes. It must not pass!

State attacks on workers' rights and the rights of all are intensifying to subjugate the workers and people to the dictate of private oligopolies. The struggle for the rights of workers and the rights of all is also intensifying by together defending those who are attacked and depriving the ruling elite of its power to deprive the people of their rights.



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## State Interference in Favour of Employers

Even before construction workers began their strike on May 24, the Couillard government said it would pass back-to-work legislation in the first days of the strike. Why then would the organizations representing employers negotiate when they knew that the strike was going to be declared illegal? If the workers' already-restricted legal power to withdraw their labour to win their demands or defeat concessions they deem unacceptable is declared illegal in advance, with the certainty of back-to-work legislation, what pressure can workers exercise at the bargaining table?

According to the trade union alliance representing the five construction unions, the Quebec Construction Association had withdrawn its demand for extended work-hours, flexible schedules and Saturday work-days in exchange for the withdrawal of significant demands by the alliance, such as a job security measures. Two days before the legislation was tabled, the employers' immediately put these demands back on the table.



Montreal, May 24, 2017

In the existing system, a strike is deemed to be a period when workers and employers incur economic damages that force them to negotiate to reach an agreement. The Quebec government has already ruled that construction workers do not have the right to inflict the economic damage provided by law because they work for the public, an argument used solely to attack workers and deny them their rights. Criminalization of the workers' strike is presented as the only option and the workers have their hands tied. Why then would employers' organizations negotiate with construction workers?



## Finding Practical Solutions and Mechanisms to Ensure Workers Can Exercise Their Rights Without State Repression

- Richard Goyette, Social Justice Lawyer and Former Executive Director, FTQ-Construction -



Construction workers picket, Montreal, May 24, 2017.

Workers' Forum is reproducing below excerpts from the intervention by Richard Goyette at the conference organized by the Marxist-Leninist Party of Quebec (PMLQ) on May 7 under the theme:

"For a modern constitution which vests decision-making power in the people not the Crown." He explains how the state uses its institutions to ensure that workers cannot act in defence of their rights such as health and safety on construction sites.

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In the constitution -- and this is from the time of Montesquieu -- the legislative, judiciary and executive powers are separate. Everyone has heard of that. But how does this operate and in what way can it claim to be modern? Let's take the example of the charters in the case of unions. Charters guarantee the right to association, but big corporations, hiding behind a worker's specific case, plead for that individual on the basis that the right to association also includes the right to dissociation. So because there is much freedom in Canada and each citizen can do as he pleases, he therefore also has the freedom to destroy his union or his association. Thus, ideas which seem modern, egalitarian and interesting are in fact used as instruments that are beneficial to whom? Need I answer?

### **Criminalizing the Right of Refusal**

Workers' health and safety demands are not about wages but about people staying alive. Recently, we had construction workers exercise their right of refusal. You know that still today, Quebec construction workers represent five per cent of the work force but also 25 per cent of all accident-related deaths as well as the highest level of accidents. So within this context workers on the sites exercise their right of refusal because the sites are dangerous.



The Construction Board intervenes (yet another apparatus). The *Act Respecting Labour Relations in the Construction Industry* is a very repressive piece of legislation, with its premise that construction workers are a bunch of thugs and this law claims to be against intimidation by the workers. So we go to the Labour Standards, Equity, Occupational Health and Safety Commission (CNESST) to deal with the issue, which is an administrative body but also comes under the executive power, since it renders accounts to the Labour Minister. So even if we go through the CNESST, the Quebec Construction Board still sends inspectors to the sites to see if our men and women who exercised their right of refusal have not engaged in intimidation. So you have a situation whereby it is dangerous for you to work, you want to stop working so perhaps you intimidated yourself into deciding to stop working because the conditions are dangerous. And wherever there is intimidation, there can be fines and even criminal accusations. This means that the union representative can no longer tell his colleagues, "This is dangerous, we must be careful, protect our well-being and stop working" because if he does, there will be a board inquiry. We have succeeded in making them back down, but we will have to make sure that the powers don't overlap and that decisions are favorable to the people. So the issue that comes up is whom does the constitution, this structure, serve, whom does it protect? We are not talking about issues of international law or huge debates but whether one can get up in morning, go to work and come back at the end of the day not only alive but in one piece. Is such a claim so complicated? Therefore such situations raise the issue of the executive and the legislative powers, of who makes the laws and includes clauses to repress the workers.

## **Criminalization in the Name of Banning Union Hiring**

Let me give you another example of repressive clauses in [the *Act Respecting Labour Relations in the Construction Industry*]. As you know, construction workers have been given this reputation of being a bunch of thugs. When we had a role in hiring workers for various sites, it would seem that we bullied the bosses. I noticed that in the United States, it is the bosses who bully the workers. In California, for example, the bosses climb on their pick-up truck and choose among the workers who is going to work that day. This is what the bosses here wanted to bring back in the construction industry.

In the region of Gaspésie, to help out the workers there because there is a lot of regional unemployment, there is a demand that people from Gaspésie are hired first when work is available. One morning the union representative went to support the workers in the region so that they get the work rather than those that are picked up by the big German multinationals. We are not allowed to propose that our own workers be hired. So some reporters are there and to make a show they tell the union representative to draw up a list of workers in the region if there are any. So the union rep takes the reporters up on it, takes some paper and a pencil and asks the workers there to sign their names after which he hands the list over to the foreman as the reporters look on. He is now being accused of illegal hiring even though this was a stunt set up by the reporters. He could lose his job for five years.

## **Codes of Ethics**

Another convenient way of rendering unions useless is the use of codes of ethics. When you are on the Board of the CNESST, or on the Construction Board and you have to intervene here and there, you must have a code of ethics. Now that you work for a public body, you must defend the interests of that body. But if I sit on the Board of CNESST, do I protect the Commission which unfortunately has to spend all this money on workers who are so stupid that they get hurt and kill themselves? Let's face it, today when there is an accident it is always considered the workers' fault, because we apparently have great protective measures at our disposal. So if I don't defend the Commission, which is the mandate, they will say that as a union representative I cannot represent my organization. That's how things are, to the extent that weeks ago I received a call from someone asking how many workers had lost their lives in accidents in 2016. I in turn asked CNESST but received an answer only on April 27 -- one day before the Day of Mourning for Workers Killed and Injured on the Job. Why? Because the members of the Board are held to an oath of confidentiality. There were 80 workers killed in accidents in 2016. But they could not give the number because of confidentiality. How does that make sense? How can the fact that workers are killed be confidential? The newspapers talk about people dying all the time. As for us, those who defend the workers and go to court to fight for compensation, we are left in the dark!

## **Provoking Violence**

Here again, we are dealing with the state structure, how power is organized. You can have things which are nicely written, but that does not mean that it will take place in reality nor does it tell us who is in control in practice. It is often raised that there is a big difference between state power and the apparatus... For example, I can work for a government but that does not mean that I control the apparatus. I can give you examples of this yet again in the construction sector. We are the only sector which is not protected by the *Anti-Scab Law*. And let me tell you why. There are currently between 150,000 and 160,000 construction workers who work in Quebec. According to some, they are all dangerous and you have them working on schools, on homes, in our hospitals. Let's face it: the government knows very well that when you are going to seek out construction workers you are going to find them. You only have to declare: "We need back-to-work legislation for this gang of

thugs!" as if you can hold back 140,000 workers, 30,000 employers where there is no anti-scab law and with the construction sites still open to all to go to work.

Workers have no choice, they have to make sure these sites remain empty. We are talking about the workers' bread and butter not some fancy condo somewhere. So the government is well aware of how the workers will react. But, by some strange coincidence, the government is a 60 per cent investor in the construction industry, in civil engineering and the institutional construction sector, which means that it has a definite interest in settling things and quickly. That is also the reason we have no right to a retroactivity in wages,

## Conclusion



In summary, the way I see it, a modern project which vests decision-making power in the people and not the Crown, that will involve finding practical solutions to this debate so that -- and I may be daydreaming -- there are mechanisms to ensure that workers' rights cannot be rendered meaningless. This is not only a constitutional matter but one of who holds power. And so long as it is left up to anyone to hold power, so long as they lurk in the shadows, so long as the power is more and more delocalized, internationalized and we are more and more run by international

agreements, to be able to identify and to point to who is holding the power will be quite a feat.

As far as workers' power is concerned, we are caught somewhere between *A Brave New World* and *1984*. And even if our world here seems to be a soft one, that we can do almost anything we want, the bottom line is that you must not cross the line of that "anything." As long as you are a consumer, fine, but even in terms of thinking, there is the ever-present control of the state and this is becoming more and more part of our daily experience.



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## Consequences of Trade War in Forestry Industry

### U.S. Empire Seizes Tembec Inc.

#### *Pathetic irrational argument for empire-building*

Tembec Inc., a Quebec-based forestry company announced on May 25 that it will be purchased by U.S. monopoly Rayonier Advanced Materials in a U.S.\$807-million "friendly" takeover. Tembec CEO James Lopez suggests in explaining the decision to sell out the Canadian forestry company Tembec to U.S. interests that as a "standalone producer" the company could not prosper. He says the newly imposed U.S. softwood export duties will force Tembec to pay duties upfront for several years leading to a curb on investments in its 17 plants in Quebec and Ontario. As a "standalone producer," the CEO says, Tembec has no defence against U.S. empire-building and no alternative than to be swallowed up more deeply within Fortress North America. Tembec needs the deep pockets of a U.S. company to weather the storm until a softwood lumber agreement is reached and life can go back to normal, Lopez argues.

Is this true? Do his remarks stand up to scrutiny and make sense? The CEO seems to have thrown in the towel of nation-building and fully embraced empire-building as the only alternative. Yet in truth, the surrender to U.S. empire-building has long occurred and CEO Lopez's actions confirm that fact, while his contention of being a standalone producer is absurd. No company of any significance has been a standalone producer since the merging of the industrial and financial sectors at the beginning of the twentieth century, when the economy came under the domination of the imperialist financial oligarchy.



The fact that Tembec relies so heavily on exports to the U.S. and suffers whenever the U.S. Empire attacks and applies import duties on Canadian softwood lumber shows that the company does not exist within an independent economy let alone as a so-called standalone producer. Tembec and the forestry sector are dominated by the financial oligarchy and enmeshed within the U.S. imperialist system of states.

CEO Lopez recognizes no alternative in nation-building because since the beginning of the twentieth century all social relations in the capitalist world are dictated by the imperialist system of states and their empire-building. It is not in the interests or class nature of the empire-builders to see an alternative. The big capitalists may want to strike a better deal within the empire to favour their private interests but that is not nation-building in opposition to empire-building.

No company is a standalone producer within the modern socialized economy of industrial mass production. Production, distribution and consumption are interrelated and dependent on all the various parts functioning in cooperation for the mutual benefit of the whole and all its parts. Nation-building in the modern era must have a unified aim to serve the whole and the actual producers, an aim which stands in contradiction with the empire-building of the oligarchs. The oligarchs engage in constant fighting and wars to serve their private interests while crushing their rivals and the working people and causing recurring economic crises.

How "standalone" is Tembec when the financial oligarchy controls \$487 million of debt ownership in the company? How standalone is Tembec when its own equity ownership is 90 per cent institutional with empire-builder Fairfax Financial holding 20 per cent? How standalone is Tembec when it relies totally on material, machinery and infrastructure produced by others, and cannot function without a modern working class that society reproduces, nurtures and educates? CEO Lopez spouts irrational nonsense to excuse the inexcusable.

Rayonier, the Florida-based company fronting the seizure, is smaller than Tembec in terms of production and number of workers. Yet despite the smaller size, owners of debt hold almost double the amount in Rayonier than in Tembec. Its annual gross income is slightly less than Tembec's at just under \$1 billion. Rayonier has 1,200 workers producing value at two plants, far fewer than Tembec's 3,000 workers at 19 facilities. This means Rayonier's total value is heavily weighted towards transferred-value from already-produced value. Its chemical plants are at the high end of production using great amounts of already-produced and refined material, which must be purchased and further refined using advanced technique and expensive equipment. This means the downward pressure on its rate of profit is intense, as total investment of social wealth in material and equipment

compared with the number of living workers is large.

Where is Rayonier going to find the money to finance the purchase of a company of comparable size when already it is carrying over \$800 million in debt and \$650 million in share equity? From the same financial oligarchy of Fortress North America that already owns and controls both Tembec and Rayonier. Obviously, those same empire builders, which already control the two companies, decided beforehand that the deal would serve their private interests.



The words of CEO Lopez are to throw sand in workers' eyes, to tell them that no alternative to empire-building exists and that control over their work and lives must become even more removed from their workplaces and communities. In this era of imperialism, he lectures the working class not to even think about nation-building and having a viable self-reliant economy under the control and direction of the working people within an independent Quebec and Canada. It can't be done; throw in the towel, just as Lopez and others did long ago with Tembec. And that is the rub. In the era of imperialism and empire-building, the only real viable alternative is not capitulation but nation-building led by the working class to vest sovereignty in the people and bring the socialized economy under the control of the actual producers.

Nation-building must have its own aim to serve the people and guarantee their rights and well-being, and open a path towards the emancipation of the working class. Nation-building can only flourish in opposition to empire-building by depriving the oligarchs of their power to deprive.

CEO Lopez wants working people to think irrational thoughts and swallow his nonsense that they can never gain control over their work and lives and give the economy a positive pro-social direction within a nation-building project under their direction. On the contrary Mr. Lopez, nation-building can be done and must be done for the sake of humanity. Not by you or any other imperialist bourgeois, but by the working class.



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## **Further Concentration of Social Wealth and Control in the Forestry Sector**

### ***Financial oligarchy consolidates Tembec Inc. into Rayonier Advanced Materials***

The financial oligarchy has orchestrated a trade dispute in the softwood lumber sector. The U.S. government responded favourably to the request of a powerful section of the oligarchy in control of Fortress North America to impose a duty on Canadian softwood lumber imports into the U.S. This marks the fifth time since the 1980s that the financial oligarchy has used this tactic to force lumber prices to rise, squeeze smaller Canadian competitors out of business, consolidate the sector in fewer

hands, and use its expanded power and control to attack the rights of the working class and its forestry communities.

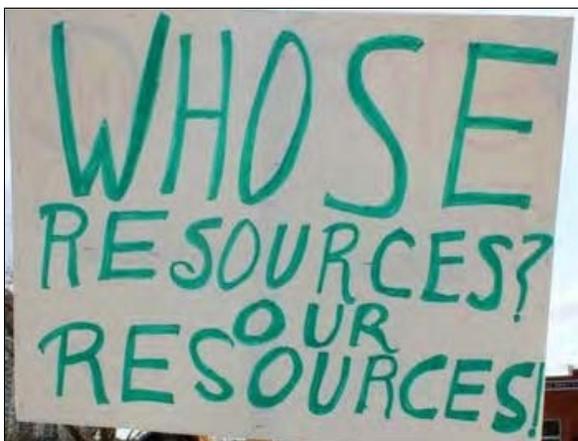
Over 3,000 Tembec workers harvest timber and produce high-purity cellulose, lumber, and pulp and paper at 17 mills and plants in Quebec and Ontario. In addition, Tembec has a chemical facility in the United States and another in France.



The newly imposed U.S. duty has forced Tembec Inc. to pay a 19.88 per cent preliminary duty on softwood lumber exports to the United States retroactive to January 31, 2017. Speaking to the *Globe and Mail*, Tembec's Chief Executive Officer James Lopez said that along with other Canadian forestry companies, Tembec was hit last month with a lumber duty for its exports to the U.S. In such a scenario, he said, where his company remained a "standalone producer" and was forced to pay duties for several years while the dispute plays out, it would face the prospect of curbing back investments in its plants. Within the situation Lopez said the executive and directors of the company have agreed to a "friendly" takeover by Florida-based Rayonier Advanced Materials. The seizure includes the purchase or exchange of all equity ownership shares worth \$320 million and the assumption of debt ownership worth \$487 million. [Note: All figures in U.S. currency.]

The agreed Tembec share price for the takeover represents a 37 per cent premium to the traded share price prior to the public announcement of the sale. All those holding Tembec's shares will receive the higher price in cash or Rayonier shares. Fairfax Financial, an oligopoly headquartered in Toronto is the main institutional owner of Tembec's equity shares with 20 per cent. Interestingly, Fairfax also owns equity shares in Rayonier, whose share price jumped 12 per cent on the news of its takeover of Tembec. The executives of Fairfax Financial quickly announced their complete support for the concentration of Tembec ownership and control within Rayonier.

With the seizure of Tembec, the annual gross income for Rayonier will double to \$2 billion. Similar to the ownership of Tembec shares, institutions of the financial oligarchy own over 90 per cent of the stock equity of Rayonier valued on the stock exchange at around \$650 million. Outstanding debt ownership in the company is over \$800 million. Rayonier has two plants in the Southern U.S. with a total of 1,200 workers producing a variety of chemicals.



In anticipation that the much larger Quebec-based Resolute Forest Products Inc. will be the next target on the oligarchy's forestry takeover list, reports say that following the announcement of the Rayonier takeover of Tembec, speculators immediately rushed to buy Resolute stock equity pushing its share price up almost 7 per cent. Fairfax Financial is also the largest equity stock owner of Resolute Forest Products controlling over 34 per cent of the traded shares.

The *Globe and Mail* remarks that the takeover of Tembec in the Canadian forestry sector leaves

"few publicly-traded names for Canadian investors beyond giants West Fraser Timber Co. and

Canfor Corp." The consolidation of ownership and control of Tembec within Rayonier and relocation of its headquarters to the Southern U.S., effectively ends the nineteenth and twentieth century nation-building saga of forestry workers and others in Témiscaming and many other forestry towns in Quebec and Ontario where former Tembec mills and settlements were built with much sweat and blood. Control and a say over the direction of the forestry sector has slipped even further out of the grasp of the actual producers and others in their communities, along with the hope of reinvesting the added-value workers produce into the local economy.

The global empire-building of the oligarchs deprives the Quebec and Canadian working class of advancing its own nation-building project to vest sovereignty in the people and use the value they produce to guarantee their livelihoods, rights and well-being, and the general interests of Canadian society. How to deprive the oligarchs of Fortress North America of the power to deprive the working class of advancing a modern nation-building project is a problem the working people are taking up for solution. Join in!



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