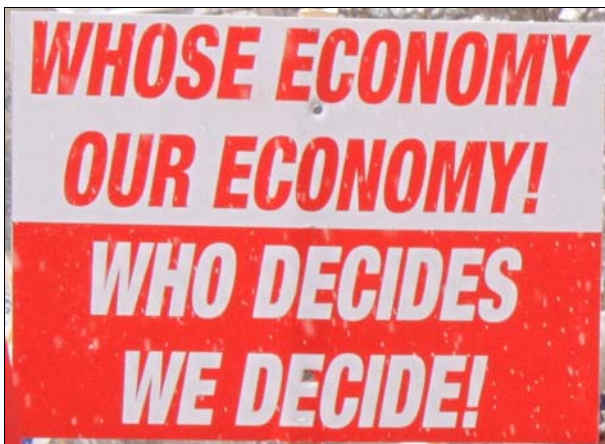


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**Another Pay-the-Rich Scheme to**  
**Restructure the Auto Industry**

- Louis Lang -



- **New Collective Agreement**

- **Concerns of Rail Workers for Their Safety and Their Right to Privacy**
- **Interview with Lyndon Isaak**

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On September 28, auto workers employed by Ford Motor Company voted 81 per cent in favour of a three-year collective agreement covering the company's plants in Windsor and Oakville. It is clear that the goal of the Ford monopoly in signing the new collective agreement with Unifor is to ensure that the production of automobiles in Canada remains "business as usual." In this case it means continuing to receive vast amounts of state funds to finance its operations. It also means further integrating the Canadian economy into the U.S. imperialist war economy.

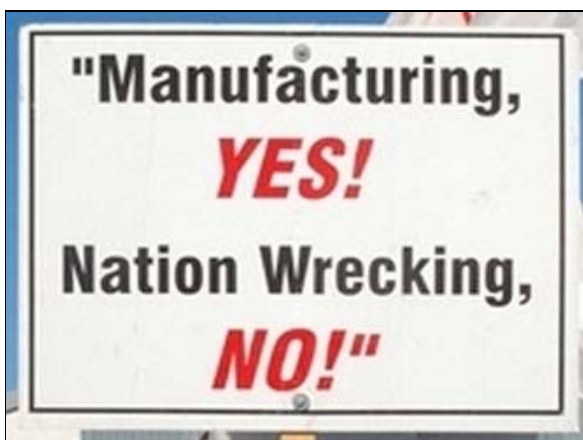


**Autoworkers rally in Oshawa following announcement that GM was planning to close the Oshawa assembly plant, November 26, 2018, calling for the company to reverse its decision.**

This method has been in place for more than 50 years since the signing of the Auto Pact by the Pearson Liberals. Despite never-ending profits for the three main monopolies, recurring crises and insecurity for auto workers and the communities in which the plants are located is a constant because the Canadian economy is neither independent nor geared to ensuring the well-being of the working people. In addition to domination by North American monopolies through the Canada-United States-Mexico Agreement, the auto industry is also subject to the Comprehensive and Progressive Agreement for Trans-Pacific Partnership, the Canada-Korea Free Trade Agreement and the Canada-European Union Comprehensive Economic and Trade Agreement.

The investment by Ford, more than a quarter of which will be covered by government pay-the-rich schemes, is intended to position Ford in the production of battery electric vehicles (BEVs), ahead of its competitors in Japan, China and Europe, as well as Tesla. It will not address the problem of job security for auto workers or of the need for an independent and self-reliant Canadian economy.

The auto industry in Canada is much more than the five global auto monopolies -- Toyota, GM, Honda, Fiat-Chrysler and Ford -- which dominate the Canadian scene as the main builders of vehicles. Automotive parts suppliers operate more than 700 manufacturing plants in Canada. Of those a few are large Canadian suppliers that operate globally (e.g. Magna International, Linamar, Martinrea, Woodbridge, etc.). There are also Canadian subsidiaries of large Japanese, European and U.S. global suppliers as well as medium, small and single-establishment Canadian parts suppliers.[1]



The ongoing restructuring by the big three North American monopolies, especially since the 2008-09 financial crisis, has resulted in many plant closures such as the closure of the GM plant in Oshawa as well as several other assembly plants in Michigan and Ohio. These closures also put in jeopardy the livelihoods of thousands of workers in the automotive parts industry which serves the entire Great Lakes Region where the auto industry has historically been concentrated.

In their negotiations with monopolies like Ford, workers keep in mind the objective conditions in which they find themselves and their past experience. One inescapable conclusion they draw when negotiations take place and deals are struck is that a leopard does not change its spots.

In these negotiations Ford openly said, "Pay us, be our partner, help us become competitive in the international market" and you will keep your jobs. This has led to more and more demands for concessions from workers and for more funds from governments as the auto monopolies keep upping the ante to make profits. As long as this arrangement continues, the problems of the industry and society cannot be solved.

Auto workers are confronted with the ongoing need to change the direction of the economy which is based on looking after the interests of the rich first. This cannot be the aim of a society which is capable of meeting the needs of its members.

### **Note**

1. *The Future of the Canadian Auto Industry*, Canadian Centre for Policy Alternatives, 2019, p. 6.



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## **New Collective Agreement**

The new collective agreement signed between Ford and Unifor includes commitments from the company for total investments of \$1.95 billion. This includes \$148 million for the building of a new engine at the Windsor operations and \$1.8 billion to retool the Oakville assembly plant to produce battery electric vehicles (BEVs). The retool is scheduled to begin in 2024 with the first BEV to roll off the assembly line in 2026.

A letter from Ford's Vice-President of Human Resources to Unifor's National President summarizes the investments the company intends to make in Windsor-Essex and Oakville and also confirms the commitment which was required from the union to work in partnership with the company to ensure that Ford remains competitive in the auto industry. The letter concludes as follows; "Accordingly, the union agreed that it would partner with the company to approach provincial and federal governments to obtain financial incentives that will support the business case and contribute to the success of this vision as set out in the letter."

In line with the demands of the Ford monopoly, even as negotiations between Unifor and Ford continued, the federal government announced its \$500 million contribution to help Ford "produce electric vehicles." The Ontario government has yet to make any statement about the extent of their financing of the retooling of the Ford plant.

### **Excerpts from the Collective Agreement**

#### **Wages:**

- 1) 2.5 per cent increase effective September 28, 2020;
- 2) instead of a wage increase in the second year, there will be a lump sum payment of 4 per cent of earnings from the previous 12 months, effective September 27, 2021; and
- 3) 2.5 per cent wage increase in the third year effective September 26, 2022.

#### **Adjustments to the two-tier wage system for new hires:**

A newly hired worker, instead of receiving 61.25 per cent of the 2012 base rate, as is currently the case, will receive 65 per cent of the prevailing rate. The new contract also provides that new hires



can reach the prevailing rate in eight years instead of the ten years required by the previous contract.

A full summary of the collective agreement is available [here](#).



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## Concerns of Rail Workers for Their Safety and Their Right to Privacy

### Interview with Lyndon Isaak



*Lyndon Isaak is the President of the Teamsters Canada Rail Conference (TCRC).*

**Workers' Forum:** In your September report posted on the TCRC website, you raise several concerns of rail workers, two of them being safety during the pandemic and the right to privacy. Can you brief us on what these concerns are and the demands of workers to address them?

**Lyndon Isaak:** Basically the concern is over the relaxation of the protocols we put in place to keep the bunkhouses and rest facilities safe and disinfected. Another important concern for us is the need for continued disinfection of the locomotives and vehicles used to transport railway workers to and from the trains. In the beginning, back in April and May, the railways shared our concerns about COVID. They were cooperative with us in keeping places clean and sanitized. But now they feel that the pandemic is over and they have started to relax their protocols. They were vigilant for the first few months, but now they have lost interest in being vigilant. For example, in the beginning, contractors were hired to clean locomotives at crew trade-off locations. Let us say the train is going from Toronto to Montreal and



halfway between Toronto and Montreal we trade crews. They had contractors there to keep locomotives clean and sanitized. They no longer have them so now it is up to our crews themselves to sanitize and clean locomotives in these locations. That is one example.

Also, during the first few months, they allowed only two people in the locomotive cab and now they are training again and they have three people in there. We have an issue with that because of the need for physical distancing and because of the airborne nature of the virus. They are saying that they are going to run out of manpower and that they have to train people. They think that they are not going to have enough manpower to keep the trains going full tilt. We want to find a way around having three workers in the cab, which is a confined space, because if one is infected, by the end of 10 to 12 hours together they are all going to be infected. We have not been able to come to an agreement with the railways on a solution. The problem has not been solved yet. And now that the second wave is upon us, we think that sooner or later there is going to be an infection that spreads through the railways if we don't put an end to this relaxation of protocols. We want to avoid that. The pandemic has been kept under control quite well so far. That is our point; we have been successful so far, so now is not the time to relax protocols.

We want the railways to revert back to the protocols that we established jointly in April and we also want to make sure that these protocols are being followed in the field. It is one thing to agree to something, but it is another thing if the frontline officers are not informed by the rail companies about the protocols that have been agreed upon. This is happening a lot. Among other problems, there is a lack of communication in the system.

We still have weekly calls with the large railways to try and resolve these issues but they are resisting the reestablishment of the former protocols.

There are financial costs involved in these protocols. There is a slight reduction in productivity and their boards of directors and the owners of their stock want maximum return all the time, so they are willing to gamble. That is called risk management. As long as they keep their profits up, they are going to gamble with the workforce. We are strongly opposed to that.



**WF:** In your report, you also raise concerns over the use of locomotive voice and video recorders (LVVR). In May 2018, the federal government passed Bill C-49, *An Act to amend the Canada Transportation Act and other Acts respecting transportation and to make related and consequential amendments to other Acts*. Among other things, the Act orders rail companies of a certain size in terms of revenues and number of employees to ensure that an LVVR system is installed in every controlling locomotive they operate, to record everything said and have an

unobstructed view of faces and upper bodies. The unions have opposed this from the start. Can you tell us more about it?

**LI:** Our opposition is to the companies' having access to the LVVR data, to the content of the recordings. We believe that only the Transportation Safety Board should have access to the content. We do not believe that it is going to serve any useful purpose for the corporations to have that access and have said that all along. We received assurances when the bill was passed that the government would address our concerns with the regulations but they did not.[1]

If you read the regulations that have been published in the *Canada Gazette*, Part II, on September 2, you see that the companies basically have unfettered access to the data. The wording is still there

that there should be random access for the railways to the content but nobody is going to be able to police that. There is no information that they can glean from that access that is going to be helpful in any way. The only way they will use the information is for discipline. That is the aim behind it. Not only is it going to be used for discipline but they are going to pick and choose who they want to discipline. If they do not like a specific crew, that is the crew they are going to watch 24/7.

As I said in my report, now that both the Act and the regulations are finalized, and the intent is defined, we can proceed with our legal challenge in front of the Supreme Court on the constitutionality of this legislation. According to us, this legislation not only infringes on the rights and freedoms of our membership but sets precedents that could diminish the rights of all Canadians.

**WF:** Do you want to say something in conclusion?

**LI:** I hope that everybody is going to follow the Health Canada guidelines and stay safe in the second wave of the pandemic. I hope that all corporations, including the railways, will come to terms with the fact that the most stringent protocols are the most appropriate at this time and are the ones that they should utilize. We are fighting for that and hopefully we will prevail.

## **Note**

1. According to Bill C-49, the information from the recording is to be used to determine causes of and contributing factors to accidents or incidents on the railways. The large rail companies have already made it clear that they consider workers' inappropriate "behaviour" to be the main cause of rail accidents, against all evidence which points to lack of healthy and safe working conditions. During the parliamentary hearings on the bill before it passed, the representative of the Railway Association of Canada went so far as to say that as long as all the processes in the railways are not "fully automated" there are going to be accidents because of human factors, meaning the workers. Rail workers have been fighting for years for improvements to fatigue-inducing conditions including lack of predictable schedules forcing workers to be on-call for extended periods, long hours of work, crew shortages, etc.

The Act also includes the concept of threat to safety of railway operations to justify giving companies access to the content of the recordings so as to address a perceived threat. The regulations identify eight threats to the safety of operations, all of them from workers. Those are:

- a worker who uses a cellular telephone while on duty when normal railway radio communication systems are available;
  - a worker who "assumes a sleeping position while on duty;"
  - a worker who uses a personal entertainment device while on duty;
  - the presence of an unauthorized person in the controlling locomotive;
  - a worker who is consuming or using intoxicants or impairing drugs;
  - a worker who reads materials not required in the performance of their duties while on duty;
- and
- workers who are within hearing range of each other but who are not verbally communicating, in a clear and audible manner, information they are required to verbally communicate in accordance with rules approved or established by the Minister of Transport.

The legislation uses the dramatic term "threat" in characterizing actions of workers to justify the increased repression and criminalization of workers that the companies are seeking.