With phoney promises of “job security,” Unifor rams through Ford Canada contract

By Roger Jordan
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The three-year contract Unifor negotiated for the 6,300 Ford Canada workers has been ratified by a vote of 81 to 19 percent.

The union succeeded in prevailing on a majority of workers to back the deal through anti-democratic machinations, and hyped promises of an almost 2 billion Canadian dollar investment in the automaker’s threatened Oakville Assembly plant. Unifor President Jerry Dias claimed that this “historic investment,” which is dependent on obtaining hundreds of millions of dollars in federal and Ontario government handouts, will provide Ford workers with long-term job security.

In flagrant disregard for the democratic rights of its members, Unifor refused to allow autoworkers to examine the contract prior to the ratification vote. Instead, workers were given a self-serving Unifor-prepared “highlights” brochure just three hours before the vote began and an online presentation via ZOOM. These circumstances made it all but impossible for workers to discuss Unifor’s claims amongst themselves or to question Dias and the union bargaining teams, let alone properly evaluate the proposed contract.

Unifor’s hostility to the rights of its members—many of whom had signed a petition in recent weeks, demanding the union release any proposed contract in full well before a ratification vote—provoked outrage among autoworkers contacted by the *WSWS Autoworker Newsletter*. “The contempt for the workers by Unifor is unparalleled,” said an FCA (Fiat-Chrysler) worker in Windsor. “Never before have I seen the kind of dismissive, Trumpian response by union leadership about its membership. It is a woefully sad day we are witness to. My brothers and sisters, do we dare call this a war?”

Another FCA worker posted on a Facebook group prior to the contract vote: “After what happened to the newer generation of workers, any contract that isn’t fully shown to the members should be voted against regardless of what we’re told. Anything else shows no real change or regret for what happened to them.”

Despite the extremely limited information provided in the “highlights,” which Unifor carefully selected to present the agreement in the most positive light, many of the union’s key arguments in favour of the deal proved to be false. At the September 22 press conference at which he announced the Ford deal, Dias said C$1.8 billion (US$1.35 billion) would be invested to retool the Oakville plant to produce electric vehicles and their batteries, starting in 2025, and that this would secure 3,000 jobs. He also said that a C$148 million (US$110 million) investment at Ford’s Windsor engine facilities would secure employment at current levels.

As it turned out, Ford’s letter of intent merely states that “up to 3,000” workers will be employed at Oakville—i.e., the actual number could be well below this figure—and that if it does reach that level, it would likely only be when the fifth electric-vehicle model promised for the plant enters production in 2027. Less than two years ago, the Oakville plant employed some 5,000 workers.

Ford’s letter also said that the first electric vehicle will roll off the assembly line in 2026, not 2025 as Dias had implied. Given that production of the Nautilus is scheduled to expire at the end of the second quarter in 2023, and the Edge will wind down with the end of the new contract in September 2023, a 2026 start for electric-vehicle production means that most autoworkers at Oakville—more than the half of all Ford Canada production workers—will be laid off for most of the 2023-2026 contract period.

Considered in this context, the pledged wage increase of 5 percent over the life of the three-year deal is extremely modest. The economic package also includes a one-time “productivity” (in effect signing) bonus of C$7,250; a further bonus in lieu of a wage increase in the contract’s second year; and the freezing of cost-of-living adjustments until June 2023. If inflation is taken into account, this will amount at best to wage stagnation.

Imposing the anti-worker Alternate Work Schedule and perpetuating two-tier wages

But even this “economic package” was not agreed to by Ford without exacting a pound of flesh in the form of a highly profitable change in overtime pay and work schedules and a further expansion of the “temporary employee program.”

As reported by the *Detroit Free Press* Monday afternoon, Unifor has agreed to the implementation of an Alternate Work Schedule (AWS). This concession, Ford boasted in a press release will help “maximize production flexibility” and corporate “efficiency,” ensuring that the automaker remains “globally competitive.”

The AWS program—already implemented in Detroit Three plants in the United States—allows automakers to operate their plants longer, adding on average the equivalent of an extra 49 days of production annually compared with traditional plant schedules.

Although specific schedules differ from plant to plant, AWS schemes in the US compel workers to labour at least 10 hours a day without overtime including straight time pay on weekends. In effect, AWS is a direct assault on such basic rights as the eight-hour day won and defended by workers over generations. It is noteworthy that Unifor’s “highlights” package failed to mention this major concession and that Ford refrained from detailing this to the press until after the ratification vote had been concluded.

The new Unifor-Ford contract also perpetuates the hated two-tier wage system, which was first introduced by the Canadian Autoworkers (CAW), Unifor’s predecessor, in 2012. In its brochure, Unifor trumpeted Ford's agreement to reduce the grow-in period from ten to eight years as a major gain, although the Detroit Three had agreed last year to a similar eight-year grow-in in the contracts they reached with the UAW.

The maintenance of the grow-in period is central to the business plan developed by Ford and Unifor. Their joint aim is to get rid of as many legacy workers as possible in order to slash labour costs. The pro-company Unifor will work hand-in-glove with corporate management to ensure that as many veteran workers as possible are forced out by 2023. This will have the double benefit for Ford of reducing the number of workers who receive top-ups to their unemployment benefits while Oakville is shut down, and enabling the company to bring in more new hires at reduced pay rates when production recommences in 2026.

Buried near the back of the "highlights" was a brief outline on how this restructuring of the workforce will be accomplished. "The company will provide a one-time $40,000 lump sum retirement incentive for up to 350 employees, including 20 skilled trades, in early 2021," declares the brochure. In practice, this means that the Oakville workforce of 3,400 will likely decline by 10 percent by this time next year.

Under the heading "Restructuring packages," autoworkers were informed that Ford also agreed to make available "retirement incentive packages during the life of the agreement consisting of a $60,000 lump sum (non-skilled trades) and $70,000 (skilled trades) and a $20,000 vehicle voucher to mitigate the impact of indefinite lay-offs that will not result in recall." In other words, Unifor has agreed, behind the backs of its members and without any public acknowledgement that it will accept and help implement further permanent layoffs and job cuts.

Unifor's determination to carry out this pro-corporate agenda was made explicit in Ford's "product and investment commitment letter," which stated in part, "The parties recognize that for the Canadian automotive manufacturing industry to remain competitive, contributions from Industry, Unions and Government are necessary. 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."

Given Unifor's record—in 2009, it insisted "in fairness" that Ford be granted the same massive contract concessions as GM and Chrysler, although it was not part of the anti-worker government-sponsored industry bailout—workers should anticipate Unifor will attempt to reopen the contract, if Ford and/or the federal and Ontario governments try to make that a condition for "securing" the Oakville investment.

In any event, Unifor has once again signed on as an errand boy for Ford. It will work to realize the automaker's demands for tax relief, investment subsidies and other handouts, so as to guarantee profitability and lavish payouts for its investors and seek to suppress worker opposition to the union's government "partners."

In this regard, it is highly significant that Unifor has applauded the Trudeau Liberal government's Throne Speech. Among its key commitments are pressing forward with the reopening of the economy amid a resurgent COVID-19 coronavirus pandemic; and large government subsidies for major corporations, including, conveniently enough for Ford, electric-vehicle manufacturers and "clean energy" producers.

For a joint struggle of Canadian, US, and Mexican autoworkers!

Unifor's role as a corporate partner in the restructuring of the auto industry at the expense of autoworkers is the inevitable outcome of its nationalist-corporatist strategy, and systematic subordination of workers' interests to capitalist profit.

Since splitting from the United Auto Workers in 1985, both the CAW/Unifor and the UAW have pitted Canadian and American workers against each other to compete for investments and product commitments. In the name of defending "Canadian jobs," Unifor and Dias have also promoted their own particularly foul brand of anti-Mexican chauvinism, while suppressing, as in the case of last year's Oshawa GM plant closure, strikes and other job action against corporate downsizing. The end result has been the destruction of tens of thousands of auto jobs, round after round of concessionary contracts, the shutdown of entire plants, and speed-up and the gutting of work rules.

Unifor's successful push for a three-year-long contract with Ford—a key element in the contract "pattern" it now intends to extend to FCA and GM—is aimed at intensifying this fratricidal conflict. Unifor wants its contracts with the Detroit Three to expire in September 2023 at the same time as those of the UAW not in order to a facilitate a joint struggle by North American autoworkers. On the contrary, Dias has stressed that synchronized bargaining will allow Unifor to compete directly with the UAW for products, and prevent the "migration of investment to Mexico," once again assisting corporate whipsawing,

Autoworkers across the Detroit Three's operations in Canada must reject this ruinous course. Fiat-Chrysler and General Motors workers face in the immediate weeks ahead the necessity of organizing independently of Unifor to block its efforts to impose similar pro-corporate, job-cutting agreements as it has done at Ford.

As for Ford workers, the available details on the ratified contract make clear that they will come into bitter conflict with the Unifor/company "partnership" sooner rather than later, whether it is over the new AWS regime, pressure to take early retirement, the looming threat of lay-offs, or the coronavirus pandemic.

The urgent task before autoworkers is therefore the formation of independent rank-and-file action committees in every plant. These committees must fight for decent-paying, secure jobs for all, the rehiring of all workers who have been laid off, the abolition of the two-tier system and the temporary employment program, and worker control over safety measures to combat COVID-19. To fight for these demands, workers must unite with their class brothers and sisters in the United States, Mexico, and internationally in a common struggle.