

Editorial

The Crisis of the Liberal-Labour Alliance

The experience of the recent strike by CN Rail conductors highlights the fact the Liberal-Labour alliance is in crisis. This alliance, which was forged during and in the aftermath of the Second World War, was an arrangement between the labour aristocracy (the highest paid section of the working class, including much of the trade union leadership) and the monopoly capitalist class in Canada to ensure “labour peace” on the basis of an “equitable division of the pie”. In other words, the working class, or at least that section which was organized into trade unions, would receive a portion of the fruits of their rapidly growing productivity in exchange for keeping their struggles within the bounds established as acceptable by the capitalists. At the heart of this arrangement are two myths: the myth that the revolutionary overthrow of capitalism is neither necessary nor possible in Canada; and the

myth that there is a convergence of interests between the working class and the capitalist class.

The Liberal-Labour alliance has historically been closely linked to the adoption of social democracy as the ideology underpinning the Canadian state. With the collapse of social democracy on a global scale during the international economic crises of the 1980s and early 1990s, the Liberal-Labour alliance came under extreme pressure. In particular, the trade unions were no longer to promise their members that if they patiently worked within the system their standards of living and working conditions would gradually improve. The crisis of overproduction, which has been a more or less constant feature of the international capitalist system since the early 1990s, has led to increased competition between the most

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Commentary

The Strike of Running Trades Workers at CN Rail

On February 10 2,800 members of the United Transportation Union (UTU), representing conductors, and yard service employees at CN Rail, went on strike for better wages and working conditions. One of the main concerns of the striking workers in this round of negotiations was a demand by CN Rail for a reduction in rest time for on-train employees between trips.

During the past several years CN Rail has had the worst safety record of any major North American railway. A recent Transport Canada audit of CN indicated that the company has been systematically cutting back on track and equipment maintenance in order to enhance its profit margin. The result has been an increasing number of major derailments and

the deaths of several train crews. The demand by CN Rail to reduce the amount of rest and sleep time for its train crews can be seen as yet more disregard for the safety of train crews and of the Canadian public in the pursuit of maximum profits.

The striking CN workers immediately found themselves up against not only one of the biggest railway companies in the world, but also the Canadian state and their own top trade union leaders. The international president of the UTU, Paul Thompson, immediately declared the strike “illegal” because it had not received his authorization. CN Rail then applied to the Canadian Industrial Relations Board (CIRB) to have the strike declared illegal. The CIRB

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powerful monopolies for markets and has resulted in a massive restructuring of industry everywhere in the world. At the same time, advances in technology have given rise to an unprecedented mobility of capital, greatly shifting the balance of power in favour of the huge multinationals. These two phenomena – increased competition and increased mobility of capital – are the basis of what has come to be known as globalization.

Since at least the early 1990s a dominant feature of labour relations in Canada has been the demands of the capitalists for concessions from workers in the form of wage rollbacks, deteriorating working conditions and, most importantly ideological concessions; in other words workers should abandon any hope for a better future. If the workers had meekly accepted this demand for concessions without a fight, the Liberal-Labour alliance would have remained intact with the only change being that workers would receive a “smaller piece of the pie”. However, workers have not accepted these demands. They have fought against both concessions and the mentality of concessions advocated by the labour aristocracy and much of the trade union leadership.

The Ontario Days of Action in the mid-1990s were one expression of the resistance of the Canadian working class to the pressures of globalization and neo-liberalism. Since then, strike struggles waged by postal workers, railway workers, health care workers and others have also reflected the determination of the Canadian working class to fight for a better future. In all of these struggles the workers have faced not only the capitalists, but the entire state apparatus, including the trade union apparatus. In some cases, such as the most recent railway strike, the workers have been opposed by even their own trade unions.

Many trade union activists are discouraged by the current crisis of the trade union movement. In many unions discussions are taking place on strategies for renewal. However, these discussions have generally failed to bear fruit because they have been carried within the very perspective that gave rise to the crisis in the first place. In other words, these discussions

have centered on how to restore the arrangement which has existed since the Second World War, an arrangement based on the goal of preserving the capitalist system and blocking the development of the revolutionary movement of the working class. So long as these discussions are confined within those limits, no renewal of working class organizations will be possible.

The experience of working people everywhere is that there are no common interests between workers and capitalists. During the past two decades not only have the rich become richer and the poor poorer in relative terms, but also in absolute terms. Living standards in all of the advanced capitalist countries have declined at a time when productivity and profits have hit record levels. In the developing countries, all of the gains of the post-war period have been negated and in many cases people are forced to live in medieval conditions.

This situation is leading to an increasing realization by working people that only a radical rupture with the existing conditions can give rise to a better world. At the same time, they are being bombarded from all sides – by the capitalists and their media, by politicians of all stripes, by trade union leaders by a myriad of NGOs and even by some self-proclaimed revolutionaries – with the message that a better world is still possible without the revolutionary overthrow of capitalism.

For communists, the current crisis of the trade union movement is not a source of pessimism and discouragement. On the contrary, it can only be seen as a positive development. This is a crisis of the anti-communist, counter-revolutionary, class collaborationist trade union movement that arose in Canada during the 1940s and 1950s on the basis of the Liberal-Labour alliance. It is a crisis of all that is rotten in the working class movement of this country, of all that is not worth preserving or perpetuating. Out of this crisis a new workers movement and a new trade union movement will emerge that will once again inscribe on their banners the demand for an end to the wages system and that will take up the historic mission of the working class to eliminate capitalism and usher in socialist and communist society.

For Your Information

Green Lentils, Prairie Farmers and the Single Desk Debate

Western Canadian farmers are currently in the middle of a plebiscite on whether the Canadian Wheat Board (CWB) should maintain farmers' marketing monopoly over barley. The plebiscite question set by the federal government is so biased that the results are easily predictable – farmers will most likely choose the 'dual market' option as a realistic choice. Under the so-called dual market, farmers can either choose to market their barley through the CWB or they can choose to market their barley outside the CWB. In reality, this latter option means selling to one of a handful of grain multinationals, such as Cargill, Louis Dreyfus, Bunge, Sask Wheat Pool (controlled by the American multinational ADM) and the company that will be created out of the merger of Winnipeg-based Agricore United and James Richardson International.

While the Conservative government is arguing that the dual market option will result in farmers getting more money for their barley, all evidence suggests the opposite is true. The most recent report on the subject, from University of Saskatchewan agricultural economist Murray Fulton, concluded that without its monopoly on the sale of grain, the CWB would not be able to add value for farmers.

Certainly the experience with other crops suggests that in the absence of a single-desk, farmers are not able to get the best possible price for their product. This was the conclusion of a recently released report that examined Canada's green lentil industry. The report, prepared for the Saskatchewan Pulse Growers by agricultural consultant Marlene Boersch, is generating controversy amongst those opposed to the CWB's single desk. The western Canadian pulse industry has tended to be dominated by farmers opposed to the CWB, and their rhetoric about the benefit of the free market for farmers is well known. The board of directors of the Saskatchewan Pulse Growers commissioned the study "because of concerns regarding the declining profitability of green

lentils for growers and producers." Since the report's release in January, the organization has refused to comment on its conclusions and is instead in the process of consulting with its members on the findings.

On the surface, Canadian green lentils share much in common with Western Canadian durum wheat. Canada is the dominant player in the international green lentil market, accounting for 80 per cent of world markets. Western Canadian durum represents close to 75 per cent of the global durum market. However, while marketing through the CWB has meant durum farmers have been able to get premium prices for their products in different markets, the opposite has been true for green lentil farmers.

According to Boersch, lentil producers in Canada have not been able to get good prices for their products on the world market, even in markets where they are the dominant supplier. Indeed, she concludes, the more dominant a share Canada has in any particular market, the lower the price farmers are getting for their green lentils. "This suggests that Canada is more a price taker than a price setter when it reality it should act as the price setter." Boersch presents two possible solutions to deal with the situation: 1) the creation of a single-desk marketing board for lentils; or 2) the adoption of an American-style form of funding lentil producers to protect them from market fluctuations.

Without one of these solutions, Boersch concludes, farmers will continue to lose money on the green lentils they produce.

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heard the case on February 20 and ruled that the strike was completely legal under Canadian law.

In response to the CIRB ruling, CN Rail immediately demanded that Parliament pass immediate back-to-work legislation, citing extensive damage to the Canadian economy. This claim was made despite Hunter Harrison's continuing claims that freight was moving normally without the striking workers. For his part, UTU international president Thompson removed all of the elected Canadian representatives on the union bargaining committee, replacing them with appointees. The elected negotiators were removed from their offices and their cell phones were cancelled, effectively depriving the strike of its main leadership.

In response to these moves by CN Rail and the UTU international president, some of the local leadership called on their members to return to work in order to prevent back-to-work legislation and to continue the fight through other means. Ironically, CN Rail initially refused to allow the workers to return to work. At the same time the UTU international president and his newly-appointed Canadian representatives, who had earlier declared the strike to be illegal, now demanded that workers "respect the picket line" and remain on strike. Both the union and management apparently preferred that the state be used to crush the workers' struggle and impose a collective agreement on them.

Due to intense pressure from the media and various corporate interests, CN Rail was forced to backtrack and announced that it would not prevent any striking worker from returning to work. With most of the workers in Western Canada following their elected local leadership and returning to the job, the rationale for back-to-work legislation was removed. Still citing the "impending legislation", the appointed UTU negotiators signed a one-year tentative agreement identical to that rejected by the elected committee just prior to the strike and containing wages and signing bonuses similar to those agreed to earlier by other groups of railway workers. In other words they signed an agreement essentially the same as any agreement that would have been

imposed by a government-appointed arbitrator if back-to-work legislation had been passed.

This strike demonstrates how difficult it is becoming to distinguish between the capitalists, the state and the top trade union leaders. In this case, all three colluded to defeat the struggle of the workers. Some have concluded from this that the problem is with this particular trade union. However, even if the running trades workers' own union had not betrayed them, they still would have faced the power of the state and the union would have been powerless to do anything about it, as many other groups of workers have discovered over the past few years.

The underlying problem is that, on the basis of the Liberal-Labour alliance which was established in the 1940s, the trade unions have been incorporated as part of the state apparatus and charged with the duty of preserving labour peace and protecting the capitalist system. During an earlier period the trade unions could pretend that they were opposed to the interests of capital to some degree, but that period no longer exists. Today, the monopoly capitalists are demanding that the entire society line up to defend their profits in their contention with other monopolies and the trade unions have lost all of their room to manoeuvre. Caught between the interests of the capitalists and the interests of the workers, the trade union movement has entered a period of general crisis from which it is not likely to emerge.

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