

Editorial

The CAW-Magna Deal – The Inevitable Final Form of the Liberal-Labour Alliance

Last week CAW President “Buzz” Hargrove and Magna International Chairman Frank Stronach announced a new arrangement between Magna and the CAW. The essence of this arrangement is that Magna will allow CAW to unionize its auto parts plants in return for the CAW accepting the status quo at Magna, including a permanent ban on strikes and joint union-management selection of local union representatives.

Under the new arrangement between the CAW and Magna, the workers will be confined to complaining about health and safety issues and hoping that management will listen to their pleas. Everything else will be decided for them by the CAW-Magna co-management team or, if they

cannot agree among themselves, then by an arbitrator. “Buzz” Hargrove has cynically stated that the right to strike is a non-issue because the Magna workers do not currently have such a right and because strikes have become largely meaningless within the current economic climate. However, Hargrove is not being entirely honest. Prior to the government recognition of trade unions in the late 1940s workers, unionized or not, did not have a legal right to strike, but did so anyway with great frequency. Presumably, the workers at Magna could do so as well. However, once the CAW “represents” them there will be one more powerful force pressuring them not to use that tactic. In a nutshell, this arrangement means that the

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Commentary

Throne Speech Deepens Political Disequilibrium

The Conservative government’s Oct. 16 Throne Speech was in some respects the parliamentary equivalent of a dare – Prime Minister Stephen Harper daring Liberal leader Stephan Dion to bring down the Conservatives’ minority government. Indeed, Harper went so far as to declare that if the Liberals didn’t defeat the government by voting against its Throne Speech, they would be obligated to support any legislation introduced by the Conservatives relating to one of the five priority areas outlined in the speech.

Dion, however, refused to play and instead the Liberals abstained, with the NDP and Bloc Quebecois voting against the speech. Canadians, Dion told reporters, don’t want an election at this time. Still, he said, the Liberals have a number of

concerns with the government’s stated priorities, including the extension of the Canadian mission in Afghanistan from 2009 (which most Liberals voted in favour of) to 2011.

The only thing that seems clear is that none of the parties really want an election at this time. This is particularly true for the Liberals, who have basically flat lined in the polls since Dion was elected leader last year. The only ones within the party that have anything to gain from an early election are supporters of failed leadership contender Michael Ignatieff. They’ve been hard at work since the leadership race, undermining Dion by hinting the party is split over his leadership while better positioning their candidate to take over the party after the next federal election.

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CAW will join Magma management in jointly controlling the workers and suppressing the class struggle at Magna's plants.

Since the announcement many trade unionists and progressives have denounced the deal as a sell-out of the interests of the working class and have singled out Hargrove for his key role in this betrayal. However, Hargrove, as much as he deserves condemnation, neither engineered this betrayal, nor is he the first or will he be the last trade union leader to take such a position.

The formal incorporation of the trade unions into a co-management role is the inevitable outcome of an arrangement between labour and capital that was forged in the 1940s and 1950s. The keystone of this arrangement was the agreement between Tim Buck of the Communist Party of Canada and Liberal Prime Minister Mackenzie King during the Second World War. Under Buck's insistence, the CPC agreed to eliminate the word "communist" from its name and revolution from its platform and, in exchange, Mackenzie King agreed to legalize the party under the name Labour Progressive Party. Following the war, the LPP adopted a new program entitled "The Peaceful and Parliamentary Road to Socialism", officially eliminating the main centre of revolution in Canada.

Having neutralized the communists, Mackenzie King went on to strike a similar deal with the mainstream trade union movement. In exchange for government recognition of the trade unions and mandatory collection of union dues (the Rand formula), the trade unions pledged to become instruments for preserving class peace. In other words, they agreed to become instruments of capital against the interests of the working class. Mackenzie King's labour laws that formalized this arrangement were, in fact, modelled closely on those of Benito Mussolini, who established a tri-partite, corporatist system in Fascist Italy in which the trade unions became an agency of the state with the mandate of ensuring class peace.

In order to demonstrate their allegiance to the capitalist system, during the early 1950s the mainstream trade unions purged their ranks of communists and other revolutionaries. In 1956 they established the Canadian Labour Congress (CLC) on the basis of Cold War anti-communism and support for capitalism and imperialism. From then on the trade union movement in Canada took consistently reactionary and anti-worker positions and sought to limit the struggle of the working class to getting a "bigger piece of the pie".

The international crisis of capitalism during the 1980s led to the adoption of neo-liberalism by the international finance capitalists and also led to the collapse of the Soviet Union and the pseudo-socialist bloc under its control. The neo-liberal offensive and the collapse of the Soviet Union led, in turn, to the disruption of the communist and revolutionary movement around the world. In Canada, every revolutionary centre was, effectively, eliminated. By the mid-1990s it was clear that the capitalists no longer needed their existing tri-partite arrangement with the trade unions and began to break these deals wherever they saw fit. Interestingly, it was Bob Rae's NDP government in Ontario which was in the forefront of scrapping the old arrangements. The trade union movement was thrown into crisis and, in Ontario, responded with the Ontario Days of Action. The unprecedented outpouring of hundreds of thousands of workers into the streets and the militancy they expressed shook the trade union leadership to the core, raising the spectre of revolution. The tearing up of the post-war Liberal-Labour alliance presented two stark alternatives. One alternative, expressed by the masses of workers during the Days of Action, was to abandon the policy class collaboration for one of class struggle. The other alternative, favoured by virtually every trade union leader, was to crawl back to the capitalists and beg for a new class collaborationist role within the new capitalist order, a new form for the old content of the Liberal-Labour alliance.

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For Your Information

The CAW-Magna Deal

- Magna will take a neutral or supportive stand towards its employees joining the CAW
- The workers will not have the right to strike
- Wages will be set according to the average manufacturing wage for the particular work
- If a collective agreement cannot be reached it will go to an arbitrator for final offer selection
- Shop stewards will not exist
- Workers will be represented by an Employee Advocate selected by the Assistant to the President of the CAW from a list of candidates drawn up by a joint union-management committee
- Workers will have the right to remove an Employee Advocate through secret ballot every three years, but the Assistant to the President of the CAW can overrule such a vote and retain the Employee Advocate
- The President of Local 222, the largest CAW Local, has denounced the deal not only as a sellout of trade union principles, but also on the basis that it will give Magna an unfair advantage and result in the elimination of the jobs of existing CAW members who work for competing parts manufacturing firms

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Using their positions of power within the trade union movement, the leaders of the Ontario Federation of Labour and the leaders of most of the major trade unions pulled the rug out from under the Days of Action and allowed that movement to peter out. During the following decade they slowly but surely hammered out a new arrangement between labour and capital which brings the trade unions even more in line with the corporatist unions of Fascist Italy, eliminating not only any talk of class struggle, but going so far as to give up even the day-to-day economic struggles of the workers. The CAW-Magna deal represents the new face of the Liberal-Labour alliance in Canada. It demonstrates with stark clarity the utter bankruptcy of the path charted for the Canadian working class by the communist and trade union leaders of the 1940s and 1950s.

There is an alternative to the corporatist trade unionism represented by Hargrove and other trade union leaders. That alternative – the class struggle of the working class – is not an option to be adopted or

defeated at some trade union convention. Rather, it is the inevitable result of the division of Canada between two great classes – the capitalist class and the working class. For over fifty years the mainstream trade unions have been doing their utmost to suppress and eliminate the class struggle, but it remains simmering just below the surface.

While Hargrove's deal with Stronach may be viewed as a betrayal of the working class, in reality it is only the final form for a betrayal that took place half a century ago and should actually be accepted as a welcome development. Finally, the Liberal-Labour alliance is being forced to shed its mask and show its true anti-worker colours. The trade union leaders are being forced to show workers that they are working on behalf of the capitalists and their state and not on behalf of the workers. As the attacks on the workers multiply in the coming years, the existing trade unions will be exposed as completely as those in the former pseudo-socialist states were and a new trade union movement will emerge on the basis of waging class struggle, with the aim of the complete elimination of the capitalist order. It is inevitable. It is just a matter of time.

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The Conservatives, for their part, have been unable to capitalize on the Liberal infighting and disorganization. They've also remained relatively flat in the polls since the election of their minority government in January 2006, to Harper's extreme frustration. Their own pollsters are telling them that an election would result in either another minority Conservative government or a minority Liberal government – neither scenario is appealing to Harper, who is desperate for a majority. Following Mulroney's advice, Harper has tried hard to craft the same alliance of Western and Eastern economic interests that gave Mulroney back to back majorities. While they have made some inroads in rural Quebec, largely through old fashioned pork barreling, the Conservatives have not been able to make any headway in urban Ontario, and have lost significant ground in Atlantic Canada over the Atlantic Accord. They are also vulnerable in some of the seats they currently hold in Western Canada, where many farmers have been angered by their jihad against the Canadian Wheat Board, and where some of their traditional supporters are still reeling from their reversal on the income trust issue.

The NDP have tried to present their victory in a recent Quebec by-election as a sign that the party is poised to make significant gains in the next election but the reality for them will remain the same – an “anyone but Harper” strategy will result in a chunk of the left and labour movement throwing their weight behind the Liberals. One need look no further for evidence than to CAW leader Buzz Hargrove, who openly endorsed Paul Martin during the 2006 election and has now thrown his support behind Dion. They have also, despite various strategic alliances with the Harper Conservatives, been much less successful at having an impact on legislation than they were with the minority Liberal government.

For their part, the BQ are caught in a trap of their own making. Formed following the failure of the Charlottetown Accord as an alliance of disgruntled Quebec Conservative MPs and social democrats,

the BQ has campaigned since the early 1990s on the platform of being a much needed strong voice for Quebec in Ottawa while working with the Parti Quebecois to raise support for sovereignty in Quebec. However, the PQ has failed utterly to present a vision for a sovereign Quebec that captures the hearts and minds of the Quebec working class and people. The BQ has been unable to deliver any tangible benefits to Quebecers and that, coupled with Conservative promises to lavish spending in Quebec ridings where they elect MPs is starting to have an impact. The BQ is now panicking that they could fall below 40 seats after the next election, which could mark the beginning of the end for them.

Since the 1993 federal election that saw the demolition of the Progressive Conservatives, the rise of the BQ in Quebec and the Reform Party in Western Canada, not a single party has been able to form a truly national government. The Liberals won three victories under Chretien on the basis of winning Ontario with pockets of Atlantic Canada and Quebec, while being virtually shut out in the west. The Conservatives are now in the opposite position. Their Throne Speech, for the most part vaguely worded platitudes, makes it clear that the Conservatives can't change this disequilibrium.

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