

# AIR CANADA WORKERS PROTEST 700 JOB CUTS

Roger Annis

Five hundred angry Air Canada workers held a march and rally on March 24th at the perimeter of the Vancouver airport to condemn the company's announcement earlier in the week that it would cut 700 jobs from its maintenance facility here. The job cuts are a result of the decision by Delta Air Lines to end its maintenance contract with Air Canada. The U.S. carrier is reportedly shifting its repair and overhaul work to one company in the U.S. and another in Hong Kong.

The rally was organized by Lodge 764 of the International Association of Machinists (IAM), the union representing affected workers. Speakers included leaders of the British Columbia Federation of Labour and representatives of other Air Canada unions, including the Canadian Autoworkers Union and the Canadian Union of Public Employees.

## YEARS OF CONCESSIONS

The 700 layoffs in Vancouver will spill over to Winnipeg and Montreal because many workers in Vancouver will exercise seniority rights and "bump" fellow union members in the other cities. The Air Canada facility in Vancouver employs 1,000 workers; Winnipeg's has fewer workers, while Montreal's has several times more than Vancouver.

Air Canada, once teetering on the edge of bankruptcy, has become a very profitable airline over the past few years. The directors of the company, including its reviled CEO Robert Milton, have received millions of dollars of bonuses, and shareholders have done very well of late.

In contrast, Air Canada employees have seen little of the money they were pressured to give up during the hard times. A recent profit-sharing payment averaging several thousand dollars was made to unionized employees. But these same workers have given up reductions in salaries, vacations, and pension benefits worth several hundred million dollars over the past ten years. Meanwhile, hours of work and shifts have become longer and more difficult.

The Vancouver maintenance facility previously belonged to Canadian Airlines. That airline was facing bankruptcy in 1999 when it merged with Air Canada. Salary and work rule concessions accelerated in the merged company.

Air Canada is awash in cash, yet workers are working longer shifts and many overtime hours. Conditions would seem ripe for

the unions to campaign for a reduction of the work hours of each employee with suitable financial compensation. Such a campaign could unite workers across the company and inspire support from other unions.

Unions in France waged such a fight when unemployment there soared during the 1990's. A 35-hour work week was enshrined in law in the year 2000; two out of three workers in France benefit from it. Workers in Germany have won similar gains.

## BLAME LAID ON FOREIGN WORKERS

But speeches by union leaders to the rally in Vancouver charted a different course. Blame for the layoffs at Air Canada was laid on workers in other countries. That message is fueled by the recent purchase by Air Canada of an aircraft maintenance facility in El Salvador.

One IAM leader asked the crowd at the rally, "Are the workers in El Salvador capable of overhauling an airplane and getting it safely back into the skies?" He drew a loud, "No" from the rally.

A leaflet produced by the IAM and now being distributed to airline passengers reads, "Instead of protecting aircraft maintenance jobs here in Canada, (Air Canada) has purchased a maintenance operation in El Salvador and laid off 700 BC workers!"

"Air Canada has already shipped other jobs overseas to countries like India, including sending aircraft maintenance jobs to China."

BC Federation of Labour Secretary-Treasurer Angela Shirer, a former Canadian Airlines worker in Vancouver, condemned Air Canada's purchase of the facility in El Salvador when she addressed the rally. "This is a country of low wages, where there are no safety regulations and no human rights," she said.

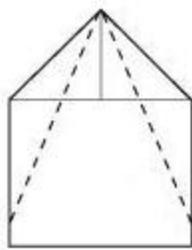
The 700 jobs cut in Vancouver result from Delta redirecting its work to the U.S. and Hong Kong. But there is a great concern among Air Canada workers that more jobs will be lost to El Salvador.

## ELECTIONEERING THE ANSWER?

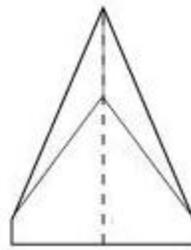
The other major theme of the rally was to pressure the Canadian government to restrict the movement of investment capital from Canada to other countries. A leader of Canadian Autoworkers Union (CAW) Local 2002 spoke to the rally and explained that



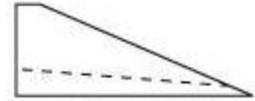
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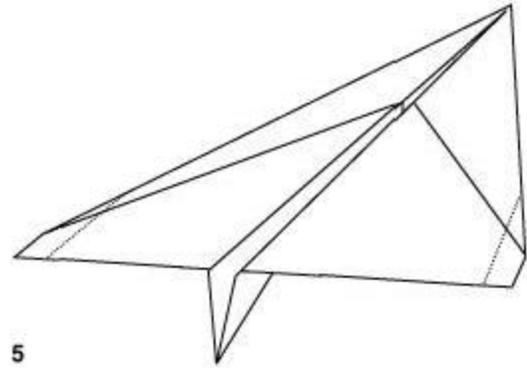
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many manufacturing workers in Canada are losing their jobs today because companies are relocating their work to other countries. Her local represents passenger service agents at Air Canada.

Reading from a prepared text, she said that “middle class” people must come together through the electoral process to stop the “off-shoring” of jobs. The free trade agreements of the past twenty years have allowed companies to freely move their capital across borders, and this must end. She said that middle class people needed to elect “progressive parties” that would prevent this.

In the last federal election, CAW leaders advocated support for the Liberal Party, a party that wholeheartedly supports free trade agreements. Presently, the union is campaigning against a proposed trade agreement with South Korea that was initiated by the previous Liberal government in Ottawa.

Two members of the Canadian Parliament and one member of the BC legislature from the New Democratic Party were introduced to the rally. Member of Parliament Peter Julian pledged that NDP members of Parliament would fight in Ottawa to keep Air Canada’s maintenance jobs in Vancouver.

### HOW CAN WE PROTECT JOBS?

With an anticipated downturn of the U.S. economy, and continued instability in world financial markets, workers in the U.S. and Canada are likely to see sharp increases in layoffs and unemployment. Unions face the challenge of developing a program and active campaigns to defend jobs.

Campaigns that aim to restrict the movement of capital and jobs across national borders are very problematic. For one, capitalists will fiercely resist any limits on their powers. Why not simply nationalize enterprises that show no concern for the public good? The airline industry is a prime candidate for nationalization because it delivers a vital public service.

Another problem is that campaigns against so-called free trade agreements can be divisive to the working class. If not carefully presented and led, they can pit the workers of one country against the workers of another in the competition for jobs. Yes, we should oppose reckless and destructive trade agreements between the capitalists of different countries. But we should do so by building alliances with workers in underdeveloped countries such as

El Salvador and Mexico, including helping them to improve their salaries and conditions of work.

It is the corporations and their governing political parties that are responsible for the economic uncertainties that workers face in the capitalist world. Demands such as the following would highlight the source of that uncertainty and help unite the working class, including across international borders:

- \* Reduce the workweek with no loss in pay.
- \* Increase vacation entitlements.
- \* Make unemployment insurance accessible to all, and extend the benefit period as needed. Currently, the unemployment insurance fund in Canada has a scandalous surplus of \$51 billion, yet access is harder than ever.
- \* Retraining with full salary for workers who are laid off and wish to learn new skills.
- \* Nationalize enterprises such as Air Canada that threaten jobs and provide important public services.

Ultimately, only a planned, socialist economy can eliminate the economic uncertainties that loom over the working classes of all countries. We can learn a lot from the new government of Venezuela under its president, Hugo Chavez. That country’s vast oil wealth is being put to the public good, both at home and in aid to poor people abroad. The people of Venezuela are moving forward in building a society of social justice, whereas we in Canada are going backwards. **R**

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