



Welcome delegates Ontario Federation of Labour



WAFFLE LABOUR NEWS

- CONVENTION SPECIAL -

The election

What happened?

When John Robarts stepped down as leader of the Tories his party was in serious trouble with the election. High unemployment, inflation, the Dunlop plant shutdown, the American takeover of Ryerson and Gage Textbook publishing companies, Stanley Randall's "forgivable" loans and fire-sale approach to selling our resources, Bill 167 — these and a score of other factors made the re-election of a Conservative majority government seem only a remote possibility.

Even at the beginning of the election campaign the NDP was still confident that it could win a great deal of new support from voters who were tired of 28 years of Tory Rule. The voters did respond to the "It's time for a change" theme. The problem is that Bill Davis was able to convince them that he represented change and that with his "new" leadership the reactionary Tory rule of Ontario had ended.

Stephen Lewis and the NDP's campaign committee decided to fight the Conservatives on the issue of leadership. One recalls the title of two of the articles in the slick 16 page magazine put out as the party's main election

leaflet: "Resourceful, efficient and concerned; the NDP teams puts it all together" and "Stephen Lewis: Ontario's Been Waiting a Long Time."

As June Callwood pointed out in the latter article, Stephen saw one of the major problems of the campaign as "assuring voters who resist change that the product is safe and even pleasant." She assured us that "Stephen Lewis is a fully accredited moderate." So moderate that the Globe and Mail editorially accused Robert Nixon of becoming more radical than Lewis in the last weeks of the campaign.

The NDP "product" was so "safe and pleasant" that the magazine gives more emphasis to issues that have the most middle class appeal — pollution, urban problems, high government spending — than it does to unemployment, plant shut-downs or other labour issues. Nowhere is our party's connection with labour mentioned, none of the articles are by or about trade unionists, Bill 167 is completely ignored.

The NDP's attempt to win middle class votes was crushed in the rush to

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Nixonomics

A strategy for Ontario labour

U.S. President Nixon's economic bombshells of the past two months have opened up a new era within the capitalist world. The effects of new American policies on Canada will be fundamental and will force the labour movement to adapt its strategy to this radically altered situation.

Nixon's economic moves affect Canada in a highly selective fashion. The policy is pressing Canada into the economic mould designed for her within the American empire—that of resource base and secure consumer market for American business. The ten percent surcharge and recent legislation designed to encourage American companies to export from the U.S. and to cut back production abroad will strike a serious blow at Canadian manufacturing. These moves, however, will not affect the export of Canadian raw materials to the United States.

The effect of the Nixon moves on Canada should be seen as one single aspect of the American effort to rationalize the position of the United States within the capitalist world. What it is clear is that the American moves were designed primarily to deal with the emerging industrial economies of Western Europe and Japan, no country will be more greatly affected by them than Canada.

Since the new Nixon policies were launched the Canadian government has been desperately attempting to come up with a policy to deal with them. Ninety-six hours after Nixon's television broadcast announcing the changes, two Canadian cabinet ministers were in Washington begging for exemptions from U.S. Secretary of the Treasury, Connally. This pilgrimage achieved no results though, and the Trudeau government tried instead to deal with the crisis through tax cuts and public spending.

The seven per cent cut in corporation taxes and three per cent cut in the personal income tax, combined with a half billion dollar public works program is the Trudeau government's answer to the economic crisis.

But the Trudeau program will not prevent unemployment from climbing this winter to an even more disastrous high. The government is not dealing

with the central aspects of the American challenge and has evolved no policies to assure a secure economic future for Canadians. That must be the task of the labour movement if it is to serve the interests of working people in facing the economic crisis. Labour will be forced to deal with the threat of wage controls at the same time as it faces the next steps in the American takeover of the Canadian economy.

Two significant steps remain before the economic reduction of Canada is complete: the conclusion of long term agreements to achieve complete American barriers of access to Canadian resources and the removal of all remaining surcharges to the sale of American manufactured goods in Canada.

The agenda for the next year in the continuing American takeover of Canada is clear: the conclusion of further steps toward the completion of the continental energy resources deal between Canada and the United States and the removal of the protective clauses for Canada in the Canada-U.S. auto-pact.

The continental energy deal is already underway. In September of 1970, the Canadian government agreed to the sale of 6.3 trillion cubic feet of natural gas, worth about two billion dollars, to the United States. The export will take place over the next fifteen to twenty years. Two months after that sale, cabinet-level talks between the Canadian and American governments took place in Ottawa about the possibility of a wide open market for Canadian oil in the United States.

In its most basic terms, a continental energy resources deal means the creation of a free North American market in energy resources. Present ownership and marketing patterns would be guaranteed a permanent existence, with the Canadian-American border erased in matters of energy resources. This means secure and permanent access by American industry to Canadian energy resources and a guarantee that nothing would ever be done to interfere with that access whatever Canadian needs might become in the future. It involves a basic

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Waffle labour caucus

At a press conference on Thursday, October 28 the Waffle labour caucus was launched publicly. Harry Greenwood, secretary of Local 1005 of the United Steelworkers, presented the statement of the labour caucus, a socialist program for trade unionists.

The statement called for a complete reorientation of the labour movement to deal with the grave economic situation now facing working people in Canada:

The right wing establishment in the trade union movement leads us off the fields of battle. They have failed to mobilize our movement in the fight against the corporations. They have attempted to replace rank and file militancy with bureaucracy. They have tried to substitute submissions to the government for industrial action. Our task is to revitalize the labour movement by mobilizing for rank and file control.

The Waffle labour statement calls for action by the labour movement to confront the layoff and shutdowns that plague our branch plant economy. The statement stresses the need for Canadian workers to achieve complete control of their own trade union movement.

The statement of the labour caucus calls for immediate mobilization of trade unionists to fight the idea of wage controls for Canada, pointing out that the present labour leadership has left this fight perilously late if we are to avoid the American experience.

At the press conference launching the Waffle labour caucus, Greenwood announced that the caucus will function at the Ontario Federation of Labour convention. The caucus will

give support to resolutions calling for a fundamental change of direction for the labour movement.

Each day of the OFL convention, the Waffle labour caucus will hold meetings open to all OFL delegates to discuss strategy at the convention.

We invite you to attend the meetings to find out where we stand.

CAUCUS MEETINGS

Sunday, October 31

at 9.30 p.m. in the
QUEBEC ROOM
at the Royal York

Monday, November 1

at 9.00 p.m. in the
ALBERTA ROOM
at the Royal York

Tuesday, November 2

at 8.00 p.m. in the
ALBERTA ROOM
at the Royal York

During The Convention

Visit the Waffle Hospitality
Suite at the Royal York

A fight back strategy

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commitment by the Canadian government to regard this country's energy resources as continental resources, and to give up any plans it might have for the development of those energy resources outside the framework of American corporate and military interests.

Such a deal, already begun with natural gas, is soon intended to cover oil, electric power, coal, nuclear energy and eventually fresh water.

Energy Minister, J. J. Greene likes to picture the sale of our energy resources to the United States as job-creating development ventures. Following the gas sale Greene met the press with the statement that the deal would lead to the creation of 13,000 man-years of jobs, which translated into English means 13,000 jobs for one year. All of these jobs will be in construction of the pipelines, and once construction is completed, the jobs will disappear.

Foolishness, we in Canada are hitching our wagons to energy fuels to the United States. The natural gas sale in September 1970 fixed a differential of five per cent between the domestic and export prices of natural gas. This ties our price to the rapidly rising American price, threatening higher costs for people who use gas to heat their homes and for industries and utilities that wish to use natural gas. So threatening is this development that gas distributors in Ontario have begun to oppose further exports, warning that if a half is not made, natural gas will be priced out of large sections of the Ontario market.

The U.S. government has made it clear over the past two years that it favours a full scale continental energy

deal and that in return for opening up American markets to Canadian energy resources, Canada would be expected to purchase more manufactured goods from the U.S.



Finance Minister Edgar Benson.

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The proof that this is no idle or abstract point became clear following the oil talks in Ottawa in November 1970. Mitchell Sharp, Canada's Minister of External Affairs, said that if the United States was willing to remove import restrictions on Canadian oil, Canada should consider allowing the last protective clauses for Canada in the Canada-U.S. auto pact to be abrogated. This statement reveals that the government is willing to countenance plant shutdowns and layoffs in the industrial sector of our economy in order to achieve access for our raw materials to the U.S. market.

This is a strategy for turning Canada into a permanent resource hinterland of the United States, a country bound to be economically and politically dependent. And because there are many more jobs in processing and manufacturing resources than in exporting them, Canada will become a country that will always have a high level of unemployment built into its economic structure.

Since the Nixon policies were announced in mid-August, there has been mounting pressure from Washington for the abrogation of the protective

clauses for Canada in the Canada-U.S. auto pact. This involves a critical, frontal attack on the position of Ontario industry.

The auto industry is central to employment in the entire manufacturing sector of the Canadian economy. More than 50,000 Canadians are directly involved in the assembling of automobiles in Canada. This aspect of the industry alone accounts for nearly \$500 million being pumped into the Canadian economy in wages. The auto parts industry employs about 140,000 people in Canada. Other Canadians directly affected by the well-being of the auto industry are service station operators, car dealers, producers of car radios, and workers in the rubber industry, the steel industry and the petroleum industry.

If the U.S. abrogates the auto pact, the Canadian government should rationalize its auto industry to produce a Canadian auto for the Canadian market under public ownership.

The Canada-U.S. Auto Pact was initiated in 1965 as a means of rationalizing the North American automobile industry. It sought ultimate free trade in auto assembly and auto parts. One continental auto market, serviced by giant American producers, was the vision. It meant that Canadian auto plants would not be geared to producing for the Canadian market. Instead they would produce for segments of the entire North American market. The pact was rightly condemned by many as a step toward a fully integrated continental economy.

The Auto Pact did however, contain safeguards for Canadian auto production which were to be removed at some indeterminate date in the future. The safeguards were as follows:

- (1) The maintenance of a ratio between vehicles produced in Canada and vehicles sold in Canada of at least 75 to 100, similar to that which existed in 1964.
- (2) The stipulation that Canadian value-added should not fall below the absolute dollar value achieved in the 1964 model year.

A third safeguard came in the form of an agreement, not between the two governments, but between Canada and the four U.S. auto corporations. This came in the form of letters of commitment from the four manufacturers to raise Canadian value-added by an amount equal to 60 per cent of the growth in the Canadian market and, beyond that, by \$260 million. The terms of this agreement, purchased by the government for \$100 million in tax concession to the auto producers, were met by the end of the 1968 model year. According to the terms of the pact, the entire agreement can be abrogated by either country on one year's notice.

The Auto Pact was undertaken partly because by the early 1960s Canada's position as an auto producer was so precarious that if the situation were not changed, drastic national solutions to the problems would have to be considered. In 1964 Canadians bought 7.5 per cent of the automobiles in North America, while only 1.5 per cent were manufactured in Canada, a four per cent. In 1965 the United States enjoyed a \$768 million surplus in auto trading with Canada.

This condition of the Canadian auto industry in 1964 is striking proof, for those who need it, that foreign ownership does not bring efficiency and competitiveness with it. After all, the Canadian auto industry was 100 per cent foreign owned, and yet it was so uncompetitive that it couldn't maintain control of its own domestic market, let alone export its products.

Had the Auto Pact not emerged, Canada would have been forced to take protective steps to guarantee the preservation of Canada's market for the sale of automobiles produced in Canada. Considering that the auto in-

dustry in this country is entirely foreign owned, there would have been long term pressure in favour of the production of a Canadian car, either with government assistance or under public ownership.

The auto pact had the effect of preventing such pressure for Canadians to emulate the Swedes and other Europeans who have produced their own automobiles. While the Auto Pact has maintained a continental market for the American producers, it still has not worked to produce sufficient continental integration to make the Americans happy.

The Auto Pact has greatly increased the export of assembled automobiles and auto parts from Canada to the United States. In 1970 Canada enjoyed a surplus in the automobile trade with the United States for the first time ever. (The U.S. and Canada disagree sharply on the figures, with the U.S. claiming a large Canadian surplus, while Canada claims a small deficit. Most financial analysts believe Canada enjoyed a moderate surplus in 1970.)



U.S. Treasury Secretary John Connolly.

The surplus was in part, accidental. The American auto manufacturers tended to concentrate in their Canadian plants the models that happened to be most successful in the marketplace.

Several weeks ago Prime Minister Trudeau revealed the dangerous course our government is embarked on, when he refused to guarantee that Canada would not bargain away the protective clauses in the auto pact. The government has approached the question of the auto pact with incredible bungling and political ineptitude. Every year since 1966, the Auditor General's report has contained a criticism of the government for its failure to set up proper administrative machinery to deal with the auto pact. The Auditor General makes it clear that the government does not even have a clear idea what quantity of automobiles and auto parts have been imported into Canada.

Instead of talking about bargaining away the protective clauses in the auto pact, the government should be calling for an upward revision of the targets for Canadian production in the pact's safeguards to guarantee jobs for Canadian workers.

Should the U.S. then wish to abrogate the auto pact, the Canadian government should prepare to rationalize our auto industry to produce a Canadian auto for the Canadian market, under public ownership. This would guarantee the jobs of Canadian workers.

The alternative to this will be disaster for Canadian workers. The layoffs of 2,000 workers by General Motors several weeks ago will be only the beginning if we continue on our present course.

The energy deal and the attack on Canadian manufacturing concretizes the politics of anti-imperialism in this country. It now becomes clear that the dependency of Canada leads not to a quieter life in our corner of the world, but to a transformation of the environment itself, which turns our country

into a giant supplier for the industrial system of the United States.

The stark threat which faces Canadians makes the political expressions which we have had in our national politics largely irrelevant. A new Canada and a new Canadian politics will be borne out of the struggle that must be joined to make possible a society in Canada, in which our resources serve people both at home and abroad and in which the people who work in the industries of the country determine the direction of the economy and receive its benefits.

The impending energy deal forces the Canadian people to face up to fundamentals in contemplating their future course. It will mark a genuine parting of the ways for Canada. To resist the energy deal means breaking fundamentally with past social and economic developments in Canada. Canadian capitalists and their governments cannot avoid the energy deal because their whole history has led them to it. At the same time, it becomes clearer that only socialism provides an alternative path than can lead us out of the political dependency and economic underdevelopment that is our fate under the present system. And only the working class led by a radical labour movement can successfully lead the Canadian people to independence and socialism.

Only through a strategy of using the resources in Canada to develop and diversify the Canadian economy can this country ensure all of its people jobs and control of their lives socially and politically. Surplus resources in Canada should be exported only after the resource needs for this kind of strategy have been amply planned for.

Only public ownership of the resource industries can break out of the pattern of dependency and comparative underdevelopment that has been endemic to Canada. Repatriation of the Canadian economy should begin at its centre — the resource sector. Through public ownership of the resource industries we will take the key sector of our economy into our own hands. It will give us the opportunity to master the skills necessary to run our economy and to develop it qualitatively in the interests of human well-being.

We can then industrialize in the resource-producing areas which we possess as sources of raw materials. The wealth that comes out of the ground in the countless Canadian mining towns would be channelled to diversify the economy of the resource producing areas so that people there could pursue a wide variety of activities and occupations.

The energy deal and the fate of the auto pact make it clear that if Canadian workers are to defend their jobs, their organizations alone can be counted on. It would be folly to imagine that the AFL-CIO which supports Nixon's drive to move jobs from the brick plants to the U.S. will stand up for the interests of Canadian workers. The current crisis forces the Canadian labour movement to take steps toward complete mastery in its own house.

Waffle Labour News

Editorial Board

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C.B.R.T.

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U.A.W.

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Postal Workers

DAN HEAP
International Brotherhood of
Pulp, Sulphite and Paper Workers

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Organizing women:

Key to labour strength

From the earliest days of Canadian history, women have shared the common struggle with men to survive in a society which has never acted in the interests of working people. And since those first days, women have not confined themselves to being the wives of workers, or the mothers of future workers. Many have been active in what the society defines as productive work. But their participation in the labour force has not been the same as that of men. Until the differences are understood, it will not be possible to do the kind of organizing which will strengthen the economic and political action of women workers.

Before the major entry of working class women into the labour force in this century, women workers found jobs as the maids and cooks and cleaners and substitute mothers for wealthy women and their families. During World War I, massive industrial expansion resulted in the large scale employment of women. They became store clerks, cleaners, laundry workers and unskilled workers in manufacturing and munitions plants.

Timid and anxious for work, ignorant of industrial ways, these women were an easy mark for unscrupulous employers. Their low wages, long hours and miserable working conditions became a threat to everything the unions had been able to win. Some women realized that they must join the struggle and began to participate in union organization.

During World War II, many thousands of women entered the war plants, mastering trades and skills few women had ever worked before. Women ran the streetcars, worked on the docks, harvested the crops—performed many jobs in areas which men today defend as "male preserves," places where the weaker sex is incapable of doing the job.

Injunction battle

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mind of the Rand Commission . . . And the NDP didn't get 67 seats in 67.

We should remember this recent bit of our history because the injunction is still very much in use, and people are facing jail again for tackling the vicious device head-on. The tactic of combatting the legal straight-jackets on the labour movement by briefs and commissions has not worked and a new resolve to challenge injunctions by a united labour movement when and as they arise is, at this time, the only way forward.

The Ontario labour movement does not need to get into the sterile argument between the ultras who order-up general strikes like one does a round of beer and the establishment who see the materialization of a future NDP government as the balm for all hurts, to propose a policy of direct action—no at Queen's Park but at the factory site.

There is a question that goes: What if they gave a war and nobody came? In the context of the discussions at this convention of the OFL a similar question should be asked: What if they gave an injunction, and everybody came.

The Second World War experience was an eye-opener for many working women. When they were needed in the labour force, their contribution and their ability to engage in productive work of all kinds was applauded. A few concessions were even made to lighten the double tasks of worker and mother through the provision of day care centres throughout the cities. But, of course, the women were used as a pool of reserve labour and when the men returned home, the day care centres were closed and the same women who worked hard and still managed to care for their families, were told that their place was in the home; that they were failures as mothers if they neglected their children to participate in the labour force.

But many women continued to work because they had to—just like most men. These women were channelled into the expanding service occupations in the economy—jobs which were low-paying, unorganized and which men viewed as women's work. In industrial jobs women workers were exploited more than men performing the same tasks. In the growing 'white collar' occupations women were similarly treated—except in these areas another dimension to the job assumed importance. Not only were women, as men, forced to hire themselves out and endure the usual conditions of work, they also had to sell their faces, their figures and their voices as well. The 'voice with a smile' who sits behind the switchboard at Bell must also look

and dress a certain way to be hired for the job.

But this does not come as a surprise; we are all aware that capitalism has used workers in the way it has seen fit. But what can be condemned and must be changed, is the way in which the trade union movement has accepted and reinforced prevailing attitudes towards women. Most unionists are confused in their attitude towards women who work. While many accept the fact that women do work and some even know that women constitute approximately 30% of the labour force, they see women's jobs and women's wages as less important than those of men.

Many male workers understand that the majority of women who work do it because they must, but they continue to express the private opinion that they don't like their own wives working and that the incomes of women are merely a supplement to those of their husbands. If the woman is a single parent it's unfortunate, but she gets shoved into the same bag as married women bringing in the so-called 'second salary.'

With the present high unemployment the attitudes of male workers towards women are more clear: 'women are taking away men's jobs,' or 'men are the real breadwinners. Worry about the situation of women when things are better.' These attitudes divide working people—the blame is placed on women, on immigrants, on other groups of workers, rather than on

those who do the hiring and those who create unemployment for their own profit. Organized labour must be clear about who is the real enemy.

The unions themselves have ignored the history of women in their unions. Virtually no trade union histories have anything to say about the role which women have played in the long story of struggle. Most unions have kept no records of the number and participation of women in their union. Only recently, with the growing anger of Canadian women making itself felt in the society generally, has an attempt been made to discover that history. And most of the work is being done by women who have never been involved in the trade union movement—because the unions themselves are not doing it.

The acceptance by trade unionists of the social view of women as helpers and supporters has had a profound impact on the way in which women participate in unions. Even in those unions which have never given of female workers—the leadership is dominated by men. The executives, the full-time officials and organizers are primarily male. Men simply do not view women as having equal potential for leadership and responsibility and women do not have to encounter this view very often before they come to believe it themselves or decide to fight back.

The trade union movement must begin to view women workers as being as important as male workers; it must work to give women an equal voice in this country (83% remain unorganized); it must reject the conviction that men are union leaders, and women should be the silent membership and the secretaries to the union leaders. If it fails to do so the fighting back which women are now beginning to do within the unions will be only the first warning skirmish.

WAGE — PRICE — FREEZE — FRAUD

Why is it that wage and price controls, once so repulsive to "free enterprise," are now apparently the way of the capitalist future?

The answer, of course, is that some time ago competitive capitalism became monopoly capitalism. Corporations believe in planning and controlling, with the state to do it for them when that becomes necessary. Capitalism is having its problems these days, particularly in the United States. The costs of empire are rising. Someone has to bear them, and it's not going to be the corporations.

So corporate capitalism transforms itself into managed capitalism and keeping the workers in their place is dignified with the new name of an "incomes policy."

The day before yesterday, the capitalists' dismal talk of price controls as "creeping socialism." Today, they embrace them warmly and the shudder should go through the heart of any real socialist.

One thing the corporations haven't fully controlled so far is the organized part of the working class. Wage controls will close that gap. With them, the process of collective bargaining comes to an end.

The point has been frequently made by critics of the new order that while wages are controlled, profits are not. It's unfair. True, and such people do have their heart in the right place. But they're naive. They misunderstand the capitalist's strategy for dealing with the present.

President Nixon spelled it out in his own banal way in his last TV speech: it's profits that make the economy go round, so it's profits that must rise so that we can create the incentive to invest that will then create the jobs.

If it sounds indirect, it's because it is.

It works by trickling down, so it may not work very well at all. But no matter, corporate profits will rise and that's the real name of the game. So let none of us imagine that the problem is that the distribution of income may worsen. It must or the strategy fails and unemployment remains.

Nor should we expect the Canadian government to be more humane. It was exactly the same strategy that underlay Mr. Benson's most recent mini-budget when personal taxes were cut by 3% and corporate taxes by 7%.

Which is not to say that there were not, and are not, alternatives. If the object is to exercise what really stimulates the economy for the benefit of people in general, then taxes could

have been cut for wage-earners and demand and employment increased in that way. But even that simple and straightforward option is denied us by the pandering to the corporations.

The same is true for wage and price controls. They are not necessary, at least not wage controls. The problem, after all, is not inflation but unemployment. It's time we got our priorities straight. That's not to say that there isn't creeping inflation. But those who argue for wage controls are saying implicitly that it's union wage demands that cause inflation.

The fact of the matter is that in a world dominated by giant corporations even the big unions simply don't have that kind of power. Businessmen find unions a convenient scapegoat to divert our attention from the very real monopoly power that the corporations have. The latter find that they can maximize profits by escalating prices.

For Canada, where American-based multinational corporations wield the power, the process is even simpler. Rising prices just roll across our famous undefended border.

Should it become necessary to do

something about inflation then first and foremost it's prices that must be controlled. Wages can be left to be determined by collective bargaining. Corporations can be counted on to refuse wage demands that they can't pass on in the form of higher prices.

We must be realistic, however. Our logic may be sound, but it is unlikely to win out. What Washington does, Ottawa is quick to follow. We must be ready for the worst. Nothing short of a clear refusal by organized labour to go along is likely to stop the process.

In the U.S., an initial blast by George Meany won out by the total co-optation of the leadership of American unions into administering the machinery of controls. In Canada, the CLC leadership has spoken out against controls, but if the ball is to be carried it will have to be by the rank and file. We must hold our leadership to the line.

When the controls do come, we must refuse to obey them. Starting now, we must organize around this issue to create a new militancy. The impending death of collective bargaining in this country gives a new relevance to the old weapon of the general strike.

