

Letter to the Editor
The Financial Post

Dear Editor;

Kelly McParland demands CAW concessions as part of any deal to restructure the North American auto industry (“The CAW must give ground,” November 19), and says that our days of representing the “labour aristocracy” are over.

Firstly, McParland forgets that the CAW was the first major player in the North American industry to respond pro-actively to the devastating effects of the financial crisis and credit crunch. Just two months ago our new 3-year contract came into effect: freezing wages, suspending cost of living protection, and introducing savings totaling \$300 million per year (or over \$10,000 per worker per year) for Canadian automakers once fully implemented. Auto labour costs are significantly lower in Canada than in the U.S., Germany, and Japan – yet our productivity is higher (at least 10% better than in America).

Secondly, the CAW is hardly a “labour aristocracy.” We represent 255,000 workers, across Canada, in an incredible range of sectors (only 10% of our members work for the Big Three). Some of our members make \$10 per hour – yet their employers, too, demand concessions as a knee-jerk response every time broader financial problems arise that the workers didn’t create. Every round of concessions just reinforces the race to the bottom that is devastating the quality of life for working people, no matter what their wages.

Ken Lewenza
National President, CAW