

Celebrating and Struggling This May Day: The Long, Hard Haul at the Vale Inco Strike

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The fight of popular and workers' movements across the world against neoliberal capitalism in the current period is not an easy one. The increasing reliance on global markets and corporate power as the vehicles for organizing economic, social and political life over the last two decades has yielded increasing inequalities between and within countries, and a long-term decline in workers' relative living standards. Conditions in workplaces have deteriorated and intensified; work has become more precarious; and unions have been struggling to organize and re-make themselves.

The financial crisis that broke out in late 2007 ended in a deep recession and the first decline in growth in the world market since the 1930s in 2009. No zone of the world was insulated from the crash, and the recovery that has been sputtering along in 2010 is barely improving conditions in the labour market. Indeed, the crisis is now entering a new phase as it moves from its financial and industrial phase into a series of public sector crises that threaten to send the world market back into a tailspin. The emergency economic measures to address the financial crisis and the shock to effective demand drove government budgetary balances sharply into deficit as bad loans were dumped into the state and funds poured into banks and governments jacked up spending to bolster effective demand.

Exit Strategies and Political Struggle

Governments are now struggling to find 'exit strategies' from the emergency measures, and particularly fiscal deficits and debt loads to return to neoliberal norms on the balances between the state and the private sector. But the banks and the speculators in global financial markets are coming back ferociously to bite the government hand that just bailed them out! Nothing could be more grotesque and revealing of the irrationality of capitalist social relations: after being bailed out by governments, financial capital is now demanding that workers and the popular sector pay for the privilege of having rescued them in reduced wages, higher taxes and less public services.

Who will pay for the crisis? The financial sector, the wider capitalist class and the conservative and social democratic parties are all arguing that workers, the poor and the public sector must pay. In rejecting the gross unfairness and the moral obscenity to preserve bankers' bonuses while cutting the incomes of everyone else, a wave of public sector strikes has been sweeping across Greece, Portugal, Spain, Ireland and other countries of Europe. In North America, the fight against public sector austerity has set up an unprecedented set of public struggles in California over the university system, wage cuts and almost everything that public finances touch upon.

These same struggles are now beginning to emerge in Canada as governments move into restraint, and attempt to reconstruct neoliberal budgetary and tax policies, while insulating the financial sector from any measure of reform. Indeed, the major banks in Canada, conservative think-tanks and all the major political parties – from the Conservatives to the NDP – are supporting the policy shift. A decade of austerity is being mooted, with the recent budgets of the Federal, Quebec and Ontario governments leading the way.

Public sector confrontations will inevitably be coming to Canada as well. But here the key battles still reside in the private sector as concession demands from employers – following on the heels of concessionary setbacks in the auto sector in the midst of the crisis – have driven a series of lockouts and strikes at U.S. Steel against USW in Hamilton, at Sears Canada against USW at Vaughan, Ontario, at the Massey Centre for Women against SEIU, amongst many across Canada. The longest and most important of these disputes being that of the United Steelworkers at Vale Inco in Sudbury.

The Long Hard Haul at Vale Inco

Nine and one-half months ago, on July 13, 2009 to be precise, 3,100 members of [USW Local 6500](#) in Sudbury together with 200 members of Local 9508 in Goose Bay and Voisey Bay, Labrador, and 120 members of Local 6200 in Port Colborne, Ontario, began walking the picket against Vale Inco. This is now the longest strike in the history of mining in the Sudbury Basin surpassing the 8 month, 23 day strike fought by Local 6500 in 1978-79.

If anyone needed a precise example of what capitalist globalization means, this is it. In 2006, the assets of Inco were purchased by CVRD (now Vale Inco), a Brazilian-based mining conglomerate. And very early on, the company signalled that its operations had to be “sustainable in all pricing cycles” and to ensure this a “unified approach to compensation” was necessary throughout all of its global operations – from Brazil, to New Caledonia, and to Sudbury.

The strike was prompted by Vale Inco’s demands that the long-existing, and hard fought, defined benefit pension plan be replaced by one based on defined contributions would apply to all new hires. Second, the ‘nickel bonus,’ effectively a form of profit sharing when nickel prices are high, that could add up to 25 percent of a production worker’s annual base income, was to be eliminated. And third, a three year wage freeze was tabled.

USW members said ‘no’ to selling out a younger generation of workers and to accepting a declining standard of living.

In response, Vale Inco has been ratcheting up the conflict and potential for much more by employing contractors and replacement workers to continue some production and is now threatening to bring in several hundred scabs to re-start full production. There is little reason to doubt Vale’s sincerity given that throughout this strike they have employed tactics not seen in Sudbury since the 1930s and 1940s. This includes hiring a Toronto-based security firm that has deployed security guards who actively intimidate strikers with video and audio surveillance. Vale has also gone so far as to accuse the union of racism. Unionists from Brazil to New Caledonia were quick to address this charge against their Canadian comrades.

The Steelworkers have engaged in one of the most creative struggles seen in Canada for a very long time. They have sent their own members across the globe to meet with other

workers and build international links of solidarity. Sudbury even played host to an international conference on globalization and work that brought hundreds of worker activists from the Global North and South together to identify common struggles and develop strategies. However, Vale Inco appears intent not on arriving at a settlement but rather on destroying the miners' union. And there will be an extremely high, and unnecessary, price for that.

May Day 2010

This year's May Day, the International Workers' Day celebrated around the world, has as its backdrop these public sector struggles spreading across the world, and bitter disputes against concessions-demanding private sector employers across Canada . The financial crisis revealed the greed, speculation and exploitation that lies at the heart of capitalism. The conflicts over exit strategies with their demands for concessions from workers and cuts in public services to preserve the financial system the class power that animates politics and shows how slight is the real world of liberal democracy. The rebuilding of a socialist movement in Canada has never been more crucial. May Day always provides occasion for reflection on the state of the labour and socialist movements in Canada and around the world. This year's May Day also carries the insistence that we turn our collective attention to the future of building the anti-capitalist movement.

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