

Strike at food giant Cargill's Guelph, Ontario meatpacking plant in third week after workers reject UFCW-backed contract

Our reporters

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Nine hundred and sixty workers are entering their third week on strike at the Cargill Dunlop slaughterhouse and meatpacking plant in Guelph, Ontario, after voting overwhelmingly to reject a sub-standard contract unanimously recommended by their union leadership.

The workers, members of Local 175 of the United Food and Commercial Workers (UFCW), voted against the deal by 82.4 percent and quickly moved to set up picket lines on May 27. In April, they voted by 99 percent for strike action.

Full details of the rejected four-year proposed contract have not been publicly released, although Cargill has bragged of a front-loaded 9.3 percent wage increase in the first year but with much lower increases in the remaining three years.

On average, workers at the plant currently earn little more than C\$42,000 a year according to company statistics. The highest graded job classifications pay about \$27 per hour for senior butchers, barely above the current provincial “basic living wage” standard. Workers in lower classifications earn much less, with some making only slightly above the Ontario minimum wage. Cargill management employs hundreds of low paid foreign temporary workers from all corners of the globe.

Cargill is an international conglomerate with 160,000 employees in 70 countries, and a 2023 revenue of \$177 billion. The company has consistently reported significant increases in year-over-year profits. Twenty-three members of the Cargill-MacMillan family own 88 percent of the company. Fourteen are outright billionaires.

Over the past four years, the cost of living in Canada, as elsewhere, has soared, with inflation reaching a high of nearly 9 percent. Even with inflation lowering to about 3 percent, basic expenses for working people, particularly for food, fuel, rent and mortgages continue to rise.

The last four-year deal at the now strike-bound Guelph Cargill plant was settled in 2020, at the beginning of the sudden price spike. On average, it provided a miserable total raise of \$1.90, or less than 50 cents an hour in each year of the deal, meaning workers have suffered a substantial real-terms pay cut.

The last contract was negotiated at a time when production workers, especially in industrial assembly and meat-packing operations were being heavily hit by the COVID-19 virus. Employees at Cargill across the country suffered high levels of serious sickness and even death. In Guelph, two weeks prior to an

emergency shutdown in 2020, 21 employees had already tested positive, along with approximately 80 additional workers who were exposed and sent home to self-quarantine, with no immediate action being taken by the UFCW.

In Alberta, the Cargill plant in High River saw 2 deaths and at least 950 illnesses—the largest outbreak in North America up to that point. Although the plant was forced to temporarily close, the UFCW played a central role in the process of reopening it after a few weeks, with no safety procedures in place.

With absenteeism increasing in every plant due to growing fears of infection, Cargill was forced to briefly provide its production employees a \$2.00 per hour pandemic “incentive” to maintain its production targets. Much to the outrage of workers, that bonus was subsequently withdrawn by management even as COVID infection rates remained high. During that same period, the Cargill family owners saw their personal wealth increase by \$20 million per day!

The reaction of the UFCW union bureaucracy to the Guelph contract rejection has been telling.

Displaying a complete disconnect to the plight of the workers they claim to represent and despite manifest evidence that workers are struggling to make ends meet, the union leadership felt confident that the workers would accept their unanimous recommendation.

Only afterwards did they engage in back-tracking, pretending to have seen the light and to be outraged by Cargill's bumper profits.

“Some of the members are saying their mortgage went from \$2,000 to \$3,500 overnight, so they're paying \$1,500 a month more for the exact same money they're borrowing from the banks,” UFCW Local 175 Region Six Director Sam Caetano told reporters. Local 175 President and UFCW Canada Vice President Kelly Tosato performed a similar tap dance to distance the union apparatus from its earlier support for the sell-out contract, stating, “With a cost-of-living crisis that has become untenable for many working people across Canada, and beyond, Cargill can more than afford to keep their hard-working employees well compensated.”

But no official has made any attempt to explain why they thought the company's offer was so good in the first place.

Cargill striker: “It's a goddamn sweatshop in there!”

During a recent well-received visit by *World Socialist Web Site* reporters to the Guelph picket lines, workers openly wondered how their leaders could have been so enthusiastic about such a rotten deal. “We’re still shaking our heads about that,” said a senior butcher to nods of agreement from several other pickets. Another worker said, “We don’t hear much from the union now.” Another worker further up the picket line said, “They tell us nothing ... except that there is no money.”

As for conditions in the plant, one veteran butcher, citing abysmally hot and dangerous conditions and a brutal pace of work, said, “It’s a goddamn sweatshop in there! The company squeezes us for every dollar. They control every minute of our time. They overwork us ... but they always want more from us. The turnover is high, many new employees leave very quickly.”

Another worker told WSWWS reporters, “We’re processing 1,800 head of cattle a day here. In my previous job we did 500 and that was hard enough.” One line worker simply introduced himself and his fellow strikers as “Cargill’s slaves.” He went on to denounce the company’s imposition of grueling mandatory overtime—under conditions where a straight eight-hour shift is already exhausting—and micro-managed breaks.

A worker in shipping noted that management’s discipline policies are outrageous. Workers are written up and sent home for the slightest mistake, like simply dropping a tool or a box of product. She said she and her workmates were happy to speak with our reporters, but requested none of their names be published for fear of management reprisal.

On the question of overtime, another worker noted that the only occasion when overtime let up was in the weeks leading up to the strike, because “They want to make sure we are desperate enough to take any contract.”

There is a vast gulf that exists between workers inside the Guelph plant facing miserable pay and conditions and the UFCW bureaucracy that pushed for acceptance of the initial tentative offer. Such occurrences are not isolated episodes or primarily the product of incompetent leaderships. Every union throughout the country—from the Canadian Union of Postal Workers, to the Teamsters, the Canadian Union of Public Employees, the United Steelworkers and Unifor—have behaved in the same way over recent decades. They have led the way in smothering the class struggle and recommending miserable contracts to their members. In southern Ontario alone, significant strikes in recent months at Toronto Nestlé’s chocolate operation, Metro Toronto wholesale grocery warehouses, Windsor Salt, and at the Greater Toronto Metro retail grocery stores, all showed workers roundly rejecting miserable tentative contracts presented (and enthusiastically recommended) by their union leaders.

This flows from the unions’ corporatist alliance with big business and the capitalist state, which has transformed the nationalist union bureaucracies over the past four decades into arms of management and government for suppressing worker opposition to their policies and demands. This alliance has reached a new level under the Trudeau Liberal government, which depends on the union bureaucracy outside parliament and its mouthpiece in the House of Commons, the New Democratic Party, to enforce its policies of austerity for workers at home and tens of billions for

waging imperialist war abroad.

Striking Cargill workers must draw lessons from these betrayals and pursue their legitimate contract demands with the understanding that the union bureaucracy is the main obstacle to their militant struggle and will soon seek to wrap up the strike with a settlement as close to the rejected deal as they can manage. They are determined to keep workers confined to the rigid “collective bargaining” regime which favours the corporations, because it is from this that the bureaucracy derives its privileges and strengthens its “partnership” with management.

For Cargill strikers, the necessity of developing an international struggle is urgently posed. Here is a globally operating giant with multi-billionaire owners that intensifies the exploitation of its workers on a world scale to maximize corporate profits. Any attempt to oppose this ruthless strategy on a national scale is doomed to failure. Workers should immediately organize a rank-and-file strike committee independent of the union apparatus to prevent a sell-out and broaden their struggle to other sections of workers to fight the ruling class onslaught on working conditions and secure decent-paying, secure jobs for all.

This committee must make a special appeal to the 8,000 Cargill workers around the country to join their struggle. Cargill Guelph Dunlop management has announced that they will shift production to other operations within their supply chain in an attempt to safeguard their substantial profits. Workers in other facilities must be contacted by rank-and-file strikers to refuse any extra production imposed on them due to the Guelph strike.

Worker unrest continues to brew across the Cargill network. Already, about 400 Cargill workers in Alberta at Calgary’s Case Ready plant have voted by 100 percent to authorize a strike over similar issues of wages and other compensation. They have already gone one year since their last contract expired. Workers at a second meatpacking plant in Guelph—another Cargill Case Ready operation—will see their contract expire in the coming year.

There is great sympathy across the country—and, indeed, internationally—for the struggle of workers to defend their living standards and oppose speed-up and management’s trashing of health and safety norms. Conditions are extremely favourable for the development of a broad-based movement in the working class against the persistent attacks of the corporations. Cargill strikers can mobilize this social power by linking up with the International Workers Alliance of Rank-and-File Committees, which exists to unify workers in a common battle on a global scale against attacks on wages and living standards, capitalist austerity, and war.



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