

Strikers at multi-billion-dollar Cargill's Guelph plant forced to resort to food banks

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Cargill management at the strikebound Guelph, Ontario, meatpacking plant broke a month-long silence last week with an emailed new contract offer to the local United Food and Commercial Workers (UFCW) union. UFCW officials described the offer as even lower than the miserable deal that had been voted down by the membership late last month by an 82.4 percent margin. Despite falling far short of worker expectations for a significant wage increase, the rejected tentative contract was unanimously recommended by the union leadership.

Sam Caetano, the regional director of the UFCW's Region 6, however, seemed more concerned about Cargill's snub to the union bureaucracy than the dire plight of the 960-strong membership in the plant, taking particular umbrage not at the insulting new offer, but rather at the way it was delivered. "We just notified the membership of the company's position, and we just told the employer that we're not bargaining through emails and we want to get back to the table," he said.

With the strike at the Cargill facility now entering its fifth week, a report in the *Guelph News* details the steady increase in strikers accessing a local food bank. Jaya James, the executive director of Hope House—a leading provider of food and community services in the city—told reporter Mark Pare that in the past two weeks of the strike, there has been an increasing influx of strikers registering for food support. The increases have been so large that Hope House may soon be forced to introduce a waiting list for new registrations.

"A standard day for us for the number of individuals going through our food market would be 36 households," she said. "On Monday last week, we served 63 households."

Since the strike began, there have been over 100 new clients requiring food support—almost triple the monthly

average. Poverty figures for the area, according to the last census, showed that 11 per cent of people living in Guelph were low-income families. As children are disproportionately impacted by poverty, the child poverty rate was 15 per cent at the same time. Since the onset of the 2020 pandemic, these figures have only increased.

Workers at the Cargill plant, particularly poverty-wage foreign temporary workers, availed themselves of the services provided by various community charities even before the strike began. They have now been joined by a growing number of higher-wage workers.

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.

Full details of the originally 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 vastly inferior increases in the remaining three years.

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 over the past year, basic expenses for working people, particularly for food, fuel, rent and mortgages, continue to rise. The recently announced inflation figures for the month of May shows inflation once again on the rise.

The last four-year deal at the Guelph Cargill plant

was settled in 2020, at the beginning of the sudden price spike driven by the onset of the COVID-19 pandemic. 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. It is such atrocious compensation for the gruelling and oppressive work performed in the plant that workers told *World Socialist Web Site* reporters during several picket line visits that they are determined to force a significantly improved contract offer.

Cargill is a notorious profit-gouging 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. During the height of the ongoing COVID-19 pandemic, these family members pulled in \$20 million per day in personal profit. Meanwhile, after being forced to provide a \$2 per hour pandemic premium to keep absenteeism down, the company was quick to discontinue the payment once high production levels were restored.

Beef producers in the province have begun to sound the alarm about the increased costs of shipping their beef cattle to US or Alberta slaughterhouses. “Ontario is the second-largest cattle-feeding province in the country, and the impact on the feedlot sector, beef supply chain partners and farmers’ ability to cash flow their operations cannot be understated,” said Craig McLaughlin, president of the Beef Farmers of Ontario (BFO).

Conditions are extremely favourable for the development of a broad-based movement in the working class against the persistent attacks of the corporations. As the strike continues, 400 Calgary Cargill Case Ready UFCW meatpackers in Alberta who have already voted by 100 percent for strike action could walk off the job by the end of June. In Guelph itself, hundreds more local Case Ready workers will see their contract expire next year. There is great sympathy across Canada—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.

But Guelph Cargill workers must be warned. There is

a vast gulf that exists between workers inside the plant facing miserable pay and conditions and the UFCW bureaucracy that enthusiastically pushed for acceptance of the initial miserable tentative offer last month. The UFCW apparatus, like all the major union bureaucracies, stands on the side of corporate management, with whom it has developed a close corporatist relationship over the past four decades.

The principal concerns of the UFCW bureaucrats are to keep the strikers isolated on the picket line until they can ram through another concessions-filled deal, and prevent the Cargill struggle from becoming the catalyst for a broader movement against miserable working conditions and real wage cuts.

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. Fill out the form below for more information on how to develop this struggle.



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