

Canada: Layoffs and Lock Outs Mount

"The next few years will witness international convulsions and economic upheavals on a scale never before imagined by the majority of those whose information sources consist of radio hotline show... At this time the government should also be devising a contingency plan to deal with recession."

— I.H. Asper, former leader of the Manitoba Liberal Party and economic writer for the *Montreal Gazette*

TORONTO, Aug. 30 (IPS) — While the press demands that the government halt the growing economic crisis now hitting Canada, the Canadian working class is watching in anger as local governments and companies brought to near bankruptcy by Rockefeller's financial manipulations are forced to lock out and lay off massive number of workers. These frantic workers are being directed by counterinsurgent union leaders into demoralizing and futile strikes. At the same time, the terrified small businessmen, calling themselves the "Vietcong of the system," are organized against the "big unions and multinationals" through the Canadian Federation of Independent Businessmen.

With interest rates often reaching 18 per cent and corporate bond financing dropping 25 per cent in the first three months of 1974 (due to shortage of cash for long-term financing), companies are in a financial pinch. Bankers acceptances, which rose 54 per cent in the last nine weeks, are keeping the economy from total ruin. Rockefeller's control over the major Canadian banks, means these acceptances will be controlled carefully. A liquidity crisis and concurrent lack of confidence in credit is "the thing we have to worry about" warns Walter Lawsen, president of the Canadian Manufacturing Association. The Toronto Stock Exchange reported that only one-third of its members showed a profit in the first six months of this year.

Hardest hit by both the credit squeeze and other Rockefeller controlled manipulations have been the municipal, construction and forest industry sectors, which are now locking out and laying off workers, rationalizing production and instituting speedup. Municipalities, unable to raise enough money to balance budgets (the Montreal Urban Community ran a \$10 million deficit this year and has proposed special taxes to

meet it), are forcing strikes to save money. With a \$672 million federal budget deficit this year compared with last years' \$481 surplus, the federal government also will be slashing allocations.

Workforce Reduced

Ontario (where Toronto hospital workers struck in July and others are expected to be forced out in September) has been warned already that its hospitals must reduce staff if they are to get "government money to meet the negotiated wage settlements." Local governments now negotiating with unions have made it clear that drastic reduction of the workforce soon will follow. The Toronto Transit Commission already has warned the 5,700-member striking Amalgamated Transit Workers Union that it has arranged with the Department of Immigration to hire British workers if Canadians are not willing to become part-timers.

In Quebec, where unemployment was already 8.5 per cent in 1971, the major trade union federations, the QFL, CNTU, and CEQ, are channelling workers' growing militancy into a series of hopeless strikes. Rockefeller's labor union puppets have made the municipal situation the focus of the newly-reactivated Common Front. For the subway maintenance workers locked out by the financially-strapped Montreal Urban Community Transit Commission, the Common Front announced it would aim immediately to force the Montreal Urban Transit Commission to settle with the workers. Its ultimate aim is to "force reason on the MUC in its negotiations with its workers." The bureaucrats are pushing for a cost of living increase, and they threaten a "hot autumn" if their demands are not met.

The renewed Common Front brings the CNTU, QFL, and CEQ together with the striking UAW workers at United Aircraft. The latter have been impotently whining against scabbing on their seven-month strike, as the company moves much of the plant to the U.S. Also included in the Common Front are the Montreal firefighters, who have been in a "work-to-rule" action for pay increases. They have joined with the "militant" CNTU and QFL construction unions whose slowdowns have been the excuse for financially hard hit small contractors to lay off workers. The contractors threaten a suicidal lockout, if severe austerity measures are not imposed on the workers.

Builders are desperate, with mortgage rates rising rapidly and lenders very restrictive about their commitments, according to LePage Ltd. investments and others. Already construction in June dipped 8 per cent from last year, and the research director for the Canadian Real Estate Association said he expects starts to be 20 per cent below last year, meaning widespread unemployment. Workers' rage is being directed against the contractors and other unions. Thus, the situation may become an even more violent replay of the roving goon squads (QFL) and interunion fighting of the last union slow-down/employer lockout two months ago which totally demoralized many workers.

The construction unions virtually have been destroyed already. Local 89 of the International Union of Elevator Constructors is under government trusteeship and others are submitting to government work rules. Their current show of militancy is aimed at finishing off the small contractors (for whom Rockefeller has little use). As a focus for the increasingly desperate workers, the government is helping to build these unions as militants. The Cliche Commission, investigating violence in the construction industry, already has pinpointed the QFL as the major target. And the Rockefeller press, led by Desmarais' *La Presse* (Desmarais serves on the Board of Directors of such Rockefeller companies as Brascan), has printed numbers of articles wailing over the supposed power and militancy of the unions.

Due to the declining housing starts, the lumber and plywood markets, which weakened in the first quarter, have almost disappeared, according to sources like the president of the Crown Zellerbach company, a major forest products producer. The Financial Secretary of the International Woodworkers of America laments, "The industry has practically collapsed in the province [B.C.]

and we can't see any daylight." Production already has been cut 20-40 per cent at various sites.

Rocky Assaults Forest Industry

Added to the manipulated credit squeeze is a more directed assault by Rockefeller against the forest industry, aimed at totally eliminating all inefficient companies and buying up the remaining companies. Boxcars suddenly have disappeared from service, and Rockefeller flunky David Barrett (British Columbia Premier) has called for extreme royalty rates as he eliminates the remaining tax concessions for the industry.

This was capped by the July series of strikes by British Columbia forest workers, which was deliberately lengthened by tossing out 5,000 contract ratification votes and by a "militant" caucus calling for no work before settlement. The strike bankrupted numbers of companies and has been the excuse for the numerous layoffs that followed. Already over 7,000 workers have been fired and Barrett has incorporated these companies into his northern slave labor development project. The same treatment is in store for the Ontario lumber industry, where workers' contracts are up in September.

Increasingly frantic, small businessmen are attracted to the fascist organizing of the Canadian Federation of Independent Businessmen which boasts 17,000 members. Mouthing populist rhetoric — "Decisions are made by those who control the money" — they boast, "If confrontation is necessary, we're not afraid of it." John Bulloch, organizer of the Federation, understands the ferment he is manipulating. "Small businessmen are easily radicalized because they are always angry." But they will be radicalized, if Rockefeller has his way, against the equally angry and terrified workers.

Saxbe Proposes National Gestapo

Sept. 2 (IPS) — U.S. Attorney General William Saxbe announced the Law Enforcement Assistance Administration's (LEAA) latest message to the U.S. working class at a gathering of chiefs of police convened suddenly last week. To a press conference August 27, Saxbe decried the soaring crime rate, implored the population to take responsibility for it, and threatened activation of a national gestapo [namely, the Law Enforcement Assistance Administration] if the population refused to police itself.

The national police force threat was repeated on radio broadcasts that evening, but conspicuously was dropped in the press coverage August 28. The crime rate hysteria

and the need for self-policing, however, were carried prominently by various media. Saxbe was quoted in the *New York Times* "Quotation of the Day" as follows:

"As a people, we seem to sit like zombies while our problems spread. A major response is to demand that the police do more. Well, the police are doing about all they can. They cannot legislate morals, let alone enforce them. That can only be done by the society."

The message, clearly not written by Saxbe (in fact he read the statement from a sheet of paper and left the press conference without answering any questions), was designed to lay down the terms of the war between the working population and the LEAA: unless the working