Striking General Motors Workers Aren't Backing Down

Publication date: Monday 23 September 2019
Nearly 50,000 UAW members are on strike for the third day. For years, they've been hit with plant closings, pay cuts, and two-tier contracts "and they aren't ready to make concessions.

The ongoing United Auto Workers (UAW) strike against General Motors (GM) "now in its third day "will be remembered for the corporation's aggressiveness. Usually details of negotiations are kept under wraps. But as the UAW announced it was striking, the corporation outlined its offer. Dangling an $8,000 ratification payment in front of workers, it didn't mention that temps, who make up 7 percent of the workforce, wouldn't even be eligible.

The company touted the offer as generous because it offered five thousand new jobs and $7 billion in investments "with wage increases or lump-sum payments in each of the four years of the contract. Corporate spokespeople maintained there was no reason to strike. They remained silent on the hot-button issue of tiered wages and benefits and sidestepped the question of job security.

After all, the just-expired contract had a "no plant closings" clause "but three of five North American plants tagged as having an "unallocated" product are now shuttered. The Detroit-Hamtramck plant is slated to close in January. For months, when skilled tradespeople needed to replace a part at D-Ham, they found the storeroom empty; they had to put in a requisition order and pick up the part at a Flint plant more than an hour away.

Walking the picket line outside the D-Ham plant, strikers told me they see themselves as GM's hostages. They believe the company intends to keep the plant open. The corporation has installed solar panels, just finished constructing a system to recycle their water, and suspended plans for building a new paint shop. They ask: What are the concessions the company wants in exchange for keeping the plant open?

As if in response, GM dropped strikers' health coverage yesterday. And earlier today, they threatened to arrest picketers in Flint.

The Scourge of Two-Three-Many-Tier

GM temps earn $15 an hour, receive three unpaid days off per year, and can be fired at any time. They accrue no seniority, meaning they are assigned the hardest jobs and the most onerous shifts. During the 2015 negotiations, many were already working alongside union members who make twice their pay. In addition to the more than three thousand "permanent" temps, GM has fifteen thousand "in progression" workers. These second-tier workers were first hired in 2007 at $15.50 an hour.

When tiers were first negotiated in 2007, UAW officials insisted it was a concession that membership must support in order to save jobs and preserve higher standards, at least for the current workforce. Those of us who opposed this concession pointed out the danger: abuse on the part of the company, permanent inequality, and a fraying of solidarity. In fact, the UAW constitution states that the union's purpose is "to create a uniform system of shorter hours, higher wages, health care and pensions."

By the 2015 contract, GM and Fiat Chrysler had recovered from bankruptcy. The Big Three were doing well. Yet
Striking General Motors Workers Aren't Backing Down

UAW officials failed to negotiate parity, and workers rejected the deal. Newspapers later reported that the UAW negotiating team was celebrating their victory at a fancy downtown restaurant when they learned the tentative agreement was voted down. Forced back to the bargaining table, they worked with management to build an eight-year bridge to advance the second tier. It would take eight years (the life of two contracts), and the benefits remain inferior. When these workers retire, there will be no company pension or health-care plan. For those who worked in parts plants and distribution centers, the wage ceiling was lowered.

Many also questioned whether the contract really passed the second time around. At Chrysler, workers were intimidated into voting for the contract by officials who later went to prison for taking bribes; at one of the last Ford plants to vote, ballot boxes were left unsealed.

What Concessions Brought

When two-tier wages went into effect in 2007, GM had a workforce of seventy-three thousand. Labor costs supposedly ran about 8 percent of total production costs. Today GM has forty-six thousand workers, and labor costs have been reduced to 5 percent. That has been accomplished by shaving off a few minutes per day in break time, implementing differentiated wages and benefits, shrinking overtime pay through weekend shifts, and using teams to maximize production. GM points out that it spends a billion dollars a year on health care. Its demand: workers pay 15 percent of health-care costs instead of 3 percent.

GM has also outsourced a number of vital jobs, including janitorial, food service, and storeroom work. However necessary, these positions don't produce a product for the company and are treated as dispensable. In the places where these workers are still part of the UAW bargaining unit “as with the 850 janitors at five Michigan and Ohio plants “their top pay is $15 an hour.

While UAW negotiators point out that some of these workers make so little that they receive food stamps, they do not demand an end to this inequality. Maintenance workers employed by Aramark have been under a contract that has been repeatedly extended since March 2018, but union officials have organized no informational pickets or campaigns to bring their story to the public. When their contract was up the evening of September 14, they were told to walk out, even though production workers were to report for work. UAW members in those plants actually walked through picket lines just one day before they themselves were on strike. Most didn't think they should, weren't happy about it, and many brought food to the strikers or walked the picket line before they did report for work. A few refused to cross the line.

Since the last UAW-GM contract, the company has raked in $35 billion in profits, including almost $11 billion last year. Like Ford and Fiat Chrysler, GM claims they need workers to be “flexible” in order to compete with other firms. But flexibility means that GM workers are expected to take any shift or move to any place in the country where needed.

What we need is a different kind of flexibility: the nimbleness to shift away from manufacturing cars and instead construct the infrastructure for a sustainable economy. GM's proposal that D-Ham produce electric vehicles, Lordstown reopen to manufacture battery cells, and the sprawling Oshawa, Ontario plant work on aftermarket stamping and parts isn't an adequate solution. Nor do the UAW or its sister union in Canada, Unifor, have a bold plan.

A network of autoworkers called Autoworker Caravan (of which I’m an active member) had the right idea a decade ago during the economic crisis. They called for retooling plants to build mass transit, solar panels, and wind turbines.
Striking General Motors Workers Aren’t Backing Down

â€œall while reducing the intensity and length of work. This doesn’t seem possible in our present market economy, but frankly this economy is unsustainable.

The Strike This Time

With GM losing an estimated $50 million a day and teamsters refusing to cross the picket lines, the pressure is on to settle a contract. But many workers feel they must take a stand against concessions. They want the temps to be made permanent; they want to end inequality in pay and benefits that tiers and outsourcing have brought.

Many also see through the self-serving statement GM issued just three days before the strike: “GM is outraged and deeply concerned by the conduct of union officials as uncovered by the government's investigation and the expanding charges revealed today. These serious allegations represent a stunning abuse of power and trust. There is no excuse for union officials to enrich themselves at the expense of the union membership they represent.”

This, too, is part of the propaganda GM has unleashed to get workers to accept another round of concessions. Yet strangely enough, it is GM that needs UAW officials to sell the agreement. Strikers are less likely, this time around, to trust their own team. They know that one of the officials charged with embezzling UAW funds, Vance Pearson, is at the bargaining table. So the UAW negotiators will have to produce for the strikers or face a massive “no” vote.

In the meantime, pickets are up at all the GM plants. Trucks and cars honk as they drive by. People come with food and drinks and join the picket for a while. Jobs with Justice and Democratic Socialists of America are calling everyone to come out and walk the picket lines. Solidarity is alive in the hearts of the strikers and their supporters.

18 September 2019

Source: Jacobin.

PS:

If you like this article or have found it useful, please consider donating towards the work of International Viewpoint. Simply follow this link: Donate then enter an amount of your choice. One-off donations are very welcome. But regular donations by standing order are also vital to our continuing functioning. See the last paragraph of this article for our bank account details and take out a standing order. Thanks.