

Detroit American Axle workers speak out against UAW betrayal

By Jerry White and our reporting team
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American Axle workers at the company's largest facility—Detroit Gear & Axle—voted Thursday on the tentative agreement signed by the United Auto Workers union, which imposes unprecedented wage cuts on the company's 3,650 workers in Michigan and western New York.

Press reports late Thursday indicated that the contract had passed at the Detroit local, though no vote count had been released.

The vote at UAW Local 235 had originally been scheduled for Monday but was delayed until Thursday. The change followed an explosive meeting on Sunday, during which workers shouted down UAW International President Ron Gettelfinger and other union officials for selling them out.

Fearing that a large “no” vote by the 1,900-member local might tip the majority against the contract, UAW bureaucracy scheduled ratification votes at smaller factories first. These included three plants—Buffalo and Tonawanda, New York, and the Detroit Forge—that the union agreed to allow the company to close.

Faced with the imminent loss of their jobs and knowing full well that the union would do nothing to fight if they voted to remain on strike, the majority of workers ratified the agreement and opted to take buyouts to leave the company.

Under the agreement, 2,000 workers, including 900 at the Detroit Gear & Axle plant, are expected to lose their jobs. Those who remain will see their wages cut from \$28 an hour to \$18.50 and as low as \$14.35 for so-called “factory support” jobs. New hires will be brought in at \$11.50 an hour, with substandard benefits.

The UAW negotiated and the company's former owner General Motors financed a “buy-down” that would cover a portion of the lost wages. But the subsidy—anywhere from \$55,000 to \$105,000—would be subject to taxes and the deduction of union dues and would be paid over three years. After that the full wage cut will take effect, undoubtedly leading to a further exodus of workers.

The vote took place as the Big Three automakers announced a series of production cutbacks of slow-selling pickups and SUV's, which will lead to a new round of mass layoffs. The concessions at AAM will set a precedent for new takeaway demands throughout the industry.

In addition to the national agreement, Detroit workers were told to vote on a local contract that contained additional concessions, including the tearing up of work rules and a new punitive attendance policy.

These were contained in a new “Innovative Operating Agreement” signed between UAW Local 235 and Detroit Gear & Axle, which stated that, “both Parties realize that in order to effectively compete and win in this global economy, significant and immediate company specific solutions must be implemented in all parts of AAM's business.”

To achieve this the union agreed to allow the company to reopen the contract at will and impose even further concessions. It noted that the local union and management could also request “additional innovative changes or waivers” to provisions in the

national agreement which may “hinder the efforts of the Local Parties to achieve market competitiveness.”

Workers speak out

The WSWs spoke to many workers at the Detroit plant on Thursday who voiced their bitter anger at the company and at the UAW. Supporters distributed statements calling for a rejection of the contract and the mobilization of the entire working class on a new organizational and political basis.

A veteran worker who originally worked at GM's Pontiac truck plant, told the WSWs, “They can reopen this contract at any time to be ‘market competitive.’ If I were American Axle I would open up a plant and pay \$5 an hour—because then I could reopen the contract here to demand competitive wage cuts.

“When I hired into GM 25 years ago I was proud to be a UAW member. Then after 10 years I found out that the union's real function is to control the workforce for management. It's no honor to be a UAW member.

“Gettelfinger got American Axle to recognize the union at his non-union plants. But I don't need to pay union dues to cut my wages. If there was no union in this plant and we went out for three months to fight this company the outcome would have been different. If the company had to deal with the people, not the UAW, it would have been a lot better.

“By taking a buyout you sever all connections with the company,” he said. “If I leave and later discover that I got asbestos poisoning from the plant I won't be able to sue the company because I've released all ties to American Axle.”

Another worker said, “We confronted greed from both sides—Dauch and the top union leaders. All we can do is move on and try to find other jobs but there is nothing else. I've got a job in Alabama but how long is that going to last.

“The companies have the courts and the police behind them and they control all the presidential candidates, whether it's Hillary Clinton or Barack Obama. They say we live in a democratic society but the ones with the money have all the power.”

Another worker, Jerome, added, “The company and the union had this contract worked out from the beginning. They just waited 12 weeks to spring it on us.

“All of these corporations are global now with operations in Asia and elsewhere. A strike is not the way to get things done anymore. Everything is going to the super-elite.”

Rick, a machine builder with 14 years at the company, said, “You can see that GM and Ford are starting production cutbacks and layoffs now. What they have done to us is going to happen all across the industry.

“Dauch gave this speech in New York where he said only the strong are going to survive and the weak are going to perish. What he meant is only the rich are going to survive. But we are going find a way to survive.

“They always threaten us with the loss of jobs because there is nothing out here. What are you going to do, live on a McDonald's wage? Guys facing retirement are worried they are going to lose their pensions.

Rick complained about the \$200 a week strike pay given to workers, even though the union has a strike fund of over \$750 million. “If the union gave us more strike benefits we could have lasted longer. But I can’t help thinking they are in cahoots with management. Gettelfinger and Dauch must be buddies. One worker asked Gettelfinger how much of his salary he was going to sacrifice, but he wouldn’t say.

“Wall Street drove down the company’s share value after the agreement—that made me happy. Dauch didn’t get all that he wanted—but he got mighty close. Look what they made workers in Three Rivers accept—\$10 an hour. That puts a chill down my spine. That whole town depends on GM and American Axle.”

Anthony, a skilled worker with eight years, said, “They forced us to say ‘yes’ to a contract that we didn’t want. I feel like packing up and moving from Michigan. I was hired in at a wage, which had been negotiated before, and eight years later Dauch says I have to take a \$7-\$8 an hour wage cut.

“It’s corporate greed, like the gas and oil tycoons who are making billions. They don’t look at what the employees are getting. We are the ones who gave Dauch the opportunity to build his factories in China and around the world, to build his new corporate headquarters, that big glass house,” he said, referring to the elaborate structure adjacent to the Detroit plants.

“If I had more money I would stay on strike, but I used up all my savings. Twenty or thirty years ago the unions wouldn’t have let the corporations get away with this. But the union we pay union dues to was only giving us \$200 a week in strike benefits. That’s ridiculous.

“I wish the government would step in—but it won’t. Look what Enron did and nothing changed. Each company sees what the others can get away with and they do the same.”

Another worker said, “Everybody has to come together, all the workers in the US have to come together for anything to happen. The rich get richer and the poor get poorer. We’re all headed for Third World wages. Who’s going to pay to buy the stuff [that American Axle makes]?”

“Food prices are going up, gas prices are going way up. It makes you think back to Roman times, they way it’s headed—that’s capitalism. In any major city, there are beautiful parts, and then you get outside of those and it’s a big ghetto.

“George W. Bush and his cronies have screwed up this country so bad. The union and this company are in collusion—84 days on strike and we lose \$10 an hour on wages! They’re trying to eliminate the middle class here.”

Jack Webb said, “Workers look to unions and our government to help, but they’re against us. They’re looking for ways to make more profits, seeking Third World wages.

“With \$4 gas, this company might not even be in business in a year. Only a small section of the population can afford SUVs now. Layoffs are coming. It’s a way to oppress the people. The only way to get rich is to step on other people’s toes.”

Nate Mitchell, a worker with 9 years seniority, said, “The strategy of the union has been the strategy of the company. Even that they could bring us this contract tells me that they are not for us. This is about corporate greed, and corporate-UAW greed. The union officials are not working for our benefit. We are just sacrificial lambs.

“I’m not even proud to be a part of this union anymore. It’s a farce. The union is like a clique, and they always keep their hands in the cookie jar.”

A couple that said they voted against the contract but asked not to be named said they strongly opposed the agreement. “It was very disappointing,” said one. “We stood on the picket line for three months, at \$200 a week, and this is the best they can do? They only came to an agreement after GM threw them some money.

“This contract is geared toward getting people to leave. Now it is not costing Dauch a penny to get rid of the older workforce.”

His female companion was equally angry. “If this is the best they can get, what is next? It’s like what happened in the Detroit News strike. In the future they will simply hire scabs and get rid of us.”

She continued, “Nothing was done to win this strike. Before the strike began we had a union meeting where the international reps came to the local explaining how we could make noise and carry out various tactics on the picket line, but during the strike nothing was done.”

Alietha Shaffer said many workers were extremely angry at the contract. “The union meeting called on Sunday was absolute chaos. There was an incredible amount of bitterness and anger directed especially at Gettelfinger.

“A man went onto the platform into Gettelfinger’s face,” she continued, “and a woman was also there and cursed him out, right there in front of everybody. At that point I called my husband on the phone, held it up and told him to listen to it. That’s when I decided to leave.

“I voted no,” Alietha continued, “but it is really divided. I would say that it is half for and half against. There are so many people who are bitter, especially the high seniority people. Most of them feel they have put so much into this and now they are losing it all.”