

“We face pay freezes but they’ve given \$700 billion to Wall Street”

Detroit autoworkers denounce demands for job, wage cuts

Our reporting team
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Workers leaving the Chrysler Warren Truck assembly plant

Autoworkers in Detroit have denounced demands for additional wage and benefit concessions, which have been raised in the debate over a possible government bailout of the auto industry. Congressional hearings continued in Washington Wednesday, with the dispute between those who favor an emergency loan and those against it centering on how best to impose the crisis of the industry on the backs of autoworkers.

Even if the \$25 billion loan were approved by the lame duck congress and signed by President Bush—a prospect that looks increasingly unlikely—the automakers are expected to eliminate tens of thousands of additional jobs and, with the assistance of the United Auto Workers union (UAW), impose severe reductions in wages, pensions, and healthcare benefits.

At the same time, there continues to be a torrent of media commentaries opposing the bailout and demanding that Detroit's Big Three automakers declare bankruptcy in order to rip up existing union contracts and dump their pension and healthcare obligations. These commentaries have come from the same people who enthusiastically supported handing over more than a trillion dollars, with no strings attached, to Wall

Street.

In an op-ed column in Tuesday's *New York Times*, entitled, "Let Detroit Go Bankrupt," Mitt Romney, former Massachusetts governor and contender for the Republican presidential nomination, insisted a "managed bankruptcy may be the only path to the fundamental restructuring the industry needs" in order to rid itself of "insurmountable labor and pension burdens."

The coming attack on autoworkers, which would eliminate the gains of generations of struggle, would be used, much like the smashing of the PATCO air traffic controllers strike by the Reagan administration in 1981, to set a precedent for a massive attack on the living standards of the entire working class.

A reporting team for the *World Socialist Web Site* spoke with autoworkers at Chrysler's truck assembly plant in the Detroit suburb of Warren, Michigan. We visited the factory the same day the Michigan labor department reported that another 20,000 jobs had been wiped out in October and that the state's jobless rate had jumped to 9.3 percent in October, the highest level in 16 years.

Some 4,000 workers are employed at the plant, which is part of the massive Dodge City complex. It could be one of the many plants on the chopping block in a drastic restructuring of the industry, which could include the merger of Chrysler and General Motors.

Speaking about the threat of bankruptcy, one worker told the WSWS, "It's a Catch-22. They asked workers at [bankrupt auto supply giant] Delphi to take wages cuts, and they still don't have jobs."

Another worker noted that jobs had already been cut to the bone: "They can't cut any more jobs. We can

barely run right now. They can only close plants."



Michael Averitte

A recently hired worker told the WSWS, "They talk about wage cuts—they've got wage cuts in effect already," referring to the two-tier system agreed to by the UAW in the last contract. "I got hired in at \$12 an hour and everyone else is making regular wages [of \$28 an hour]."

Michael Averitte, a Chrysler worker with 10 years' seniority, told the WSWS, "There is a lot of anger, concern and uncertainty. People are worried about losing their jobs."

"I think there is a big misapprehension by the public foisted by the media. The people who are against us are exploiting the negative. Labor costs are a minimal part of the cost of a car. But, if you have a bankruptcy by any one of the three auto companies, it will have a big impact."

"We've taken concessions in the last contract—we have a pay freeze for the next four years. You could say we are carrying the auto industry on our backs. Filing bankruptcy will put people's retirement in jeopardy. Yet, you've given a \$700 billion bailout to Wall Street."



Carolyn

Carolyn, a Warren Truck worker with nine-and-a-half years' seniority, said, "We have given them all the concessions, everything they wanted. Look at the Chrysler plant in St. Louis. They gave them all the concessions they asked for. They have already shut down the plant. October 31 was their last day of work."

She expressed anger at claims there was no money to aid workers. "That's BS. Take it out of their pockets [Wall Street] and give it back to us."

"My children can't find a job. My daughter has a nursing degree, and she is working for the minimum wage at a call center."

A Chrysler worker with 14 years said, "We are not responsible. We have a whacked-out economy that someone else created. How could workers making too much money be the problem?"

He expressed satisfaction with the outcome of the presidential election, but frustration at the refusal of the Democratic Party to mount any opposition to the policies of Bush. "The Democrats need their butts kicked. They let Bush do everything—tear up the Constitution, torture, Guantanamo. We invaded Iraq. How many did we kill in Iraq? We don't know. We didn't even count."

Eva, a worker with 15 years at Chrysler, said, "I am tired of a talk about a bailout. They make it look like it is free money. That Republican from Alabama [Shelby] is the worst."

"I don't think other people realize how crucial this is. If they let the auto industry go bankrupt, I think the 'D' word [Depression] is upon us."



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