

# GM shuts down assembly plant in Pontiac, Michigan

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Tuesday was the last day of work for most of the 1,100 workers at the General Motors Pontiac East Assembly Plant, just north of Detroit. The shutdown of the last assembly plant in what was once a central production hub of GM is part of the forced bankruptcy and restructuring of the US automaker by the Obama administration.

The factory, formerly known as Pontiac Truck & Bus, produces Chevrolet Silverado and GMC Sierra pickup trucks. It is one of 14 plants—including at least six in Michigan—that will be closed under the terms of the government restructuring, which includes eliminating 21,000 of the company's remaining 62,000 hourly jobs by the end of next year. In addition, the company is closing 2,300 dealerships nationwide, which will affect another 100,000 workers.

The 3.4 million square foot plant, built in 1972, was the centerpiece of the company truck production operations in Pontiac. The Pontiac West plant, with 1,800 workers, closed in 1994, and all that remains at the site of the former plant is a massive slab of concrete. The Pontiac stamping plant, originally opened in 1926, has been put on standby capacity and will be idled in December 2010, eliminating another 1,100 jobs.

As the editorial in the local *Oakland Press* noted Tuesday, “With the closing of the Pontiac assembly plant this week, GM’s once-bustling truck city, where trains rumbled in and out of dedicated sidings and the inbound and outbound vehicle traffic blocked the streets around the complex at all hours of the day and

night, has been reduced to something of a ghost town.”

A substantial number of the Pontiac East workers will be forced to uproot their families and move to GM’s Ft. Wayne, Indiana plant, which is expected to add some pick-up production in three months. Three hundred workers accepted a buyout—a miserly sum, which GM and the United Auto Workers forced them to take in order to free the company from future health care or pension payments. Hundreds more are simply out of a job.

The plant closing will have a devastating effect on Pontiac—a city of 66,000, which is expected to lose 20 percent of its current tax base, or \$10 million, according to officials. This will lead to further cuts in services, such as public education, which has suffered through years of budget cuts.

Workers leaving the plant on Tuesday spoke to the *World Socialist Web Site*. “We’re out of job,” said Ruth, a worker with three years at the plant who transferred from the Delphi Chassis plant in Saginaw, Michigan. “It’s closed come Friday. There is nothing open for us.”

Ramona, a worker with 15 years at GM added, “We’re being put on hold. I just hope that I don’t have to go out of state to keep a job. They told us 80 percent will find work in Indiana, but who knows how long that will last. It’s like we’ve become seasonal workers—if there is demand for cars—we’ll have a job; if not, we’re on the streets. This will not be a full time job anymore.”

Ramona said the company and the United Auto Workers were also offering workers a \$30,000 “pay-down” in exchange for accepting a wage cut from \$28 an hour to \$18. Responding to the government’s claims of an economic recovery, Ramona said, “I don’t see anything recovering around here.”

At George’s Coney Island, a restaurant north of the plant on Opdyke Road, the manager told the WSWS that business was down 40-50 percent. “I’ve been here 32 years and there have been up’s and down’s but I’ve never seen it so bad.”

She said Opdyke Road used to be bumper to bumper during shift changes at the plant. Now, she said, “This whole area is dead. It’s not just the Truck & Bus plant, it’s the layoffs at the Chrysler headquarters, the buyouts and the forced retirements. This was the only GM plant in Pontiac and it’s closing. Why? They just spent billions to retool it. We should have gotten out of this business a long time ago but who would have thought that GM would go bankrupt?”

Sue Jones, a health care worker visiting the restaurant said, “The plant closing is going to put a lot of businesses in this area under. There’s nothing left. The dealership is going to close. The eye doctor is going to go out of business because the retirees lost their optical coverage at GM. Nobody can find a job. My son is a certified eye technician and he’s out of a job. All this talk about an economic recovery is bull. Now with Obama’s health care changes, I’m afraid he’s going to put me and a lot of other health care workers out of a job.”

Jesse Gonzalez, a former Pontiac East worker who is now working at GM’s nearby Lake Orion Assembly plant also spoke to the WSWS. “On November 25 they are going to shut down my plant for one-and-a-half years, supposedly to retool for a new fuel efficient car. I’ve been given about a month to relocate down to Arlington, Texas to work at the GM plant there.

“I have to leave my family behind to keep a job. My wife is working at the Lake Orion plant. I have a new truck, a house and two daughters in school. What else can I do?”

Referring to the massive concessions granted by the UAW as part of the government restructuring, Gonzalez said, “The last contract we gave up everything. The UAW said this is the best deal you’re going to get. If you don’t accept it, a bankruptcy judge will impose a worse deal. Well the company went into bankruptcy anyway.”

Asked about Obama’s role in attacking auto workers, Gonzalez said the president has “been very disappointing.”

The 48-year-old worker continued, “My wife and I are very concerned. It is going to take a long time before things get stable again. Everyday I used to walk through the door of the plant thinking I will work here 30 years until I retire. Well it didn’t happen.

“Now they are talking about ‘manufacturing to demand’ under a new global marketing scheme. They say they are not going to flood the market anymore and are only going to build cars they know will sell. That means you will work for a while and then be out of work for a long time. And there are no more Jobs Bank protections and the supplemental unemployment pay is being cut.

“I was born and raised in Pontiac and have seen it decline. You go around town to where all the old plants used to be, and you don’t see anything but closed factories and empty parking lots with weeds growing in them. It’s getting very ugly.”



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