

# UAW expands drive to cut auto workers' pay

Jerry White  
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United Auto Workers officials walked into a local union meeting Sunday afternoon in Lake Orion, Michigan and announced that they had agreed to a 50 percent wage cut for workers with less than 11 years seniority at GM's assembly plant in the Detroit suburb.

UAW Local 5960 officials told the shocked workers that they would not be permitted to vote on the wage cut because "general language" in the 2009 labor agreement allowed GM and the UAW to implement "innovative labor agreement provisions" at factories producing small cars. Any workers who refused to take the wage cut, they said, would be without a job and would have to add their name to the list of thousands of laid-off workers seeking a transfer to another GM plant.

According to union officials, at least 500 workers—around 40 percent of the factory's 1,300 workers—will be paid \$14 an hour. Up to now, the UAW and GM have imposed the lower wage only on new-hires, and this has been limited to 20 percent of the national workforce. Media commentators and industry analysts hailed the deal as a "landmark" agreement that paved the way for cut-rate wages not only in the small car sector, but throughout the industry.

UAW Local 5960 Shop Chairman Mike Dunn enthusiastically praised the agreement, saying, "It worked out—we're keeping jobs in America." For the UAW, "keeping jobs in America" means keeping the dues money flowing into its coffers, even if the workers are reduced to poverty and end up losing their homes, their savings and the ability to send their children to college. The take for the UAW from the Lake Orion plant will be upwards of three-quarters of a million dollars annually.

The plant is being retooled to make the Chevrolet Aveo, a subcompact car currently produced in Korea and Mexico. Dunn told the *Automotive News* that the lower wages are expected to reduce GM's labor costs sufficiently for the automaker to make a profit

producing the car in the US. "It's an integral part of the plan," he said. As for the workers, Dunn said, "I can't say everyone was happy, but they seemed to understand it."

The events in Lake Orion come on the heels of the months-long campaign by the UAW to force GM workers at the Indianapolis metal stamping plant to accept a 50 percent wage cut. After workers threw UAW International executives out of their meeting last August, the UAW organized a mail-in ballot. When this failed—with workers voting down the wage cut by a five-to-one margin—the UAW joined GM to announce the plant would close.

These events demonstrate that auto workers are trapped in an organization that is utterly hostile to their interests. They are forced to pay dues to the UAW—the money is automatically subtracted from their paychecks—and under the contract negotiated by the union, they do not have the right to strike. According to press reports, the wage-cutting deal announced Sunday at Lake Orion will last at least until 2015.

What occurred in Lake Orion Sunday is a graphic illustration of the anti-democratic and anti-working class character of the UAW. The union's new baseline wage of \$14 an hour is 20 percent below the average wage of a manufacturing worker in the US, including at non-union plants.

The UAW is hell bent on eradicating every vestige of working class militancy and solidarity. In an interview with the *Detroit Free Press* last month, UAW President Bob King said the union would abandon pattern bargaining in next year's negotiations with Detroit's automakers. Unlike the "old UAW," King said, the "new UAW" would not defend contract provisions that made the corporations "uncompetitive."

The UAW mafia controls assets worth billions of dollars, including nearly one-fifth of GM stock. This well-heeled gang, comprising thousands of

International officers, servicing reps, regional directors and local union functionaries, has a direct financial interest in reducing labor costs and boosting profits.

Protests and appeals to the UAW are worse than a waste of time. This approach, flogged by a section of UAW local officials and right-wing ex-radicals allied to the union bureaucracy, only encourages the illusion that this tool of the auto bosses, which long ago ceased to be a workers' organization, can be transformed.

Auto workers are beginning to resist the onslaught of the companies, and their opposition is taking the form of a rebellion against the UAW. This is a clash of opposing and irreconcilable *class* interests.

Workers are recognizing that the UAW is hostile to their interests and that they must take matters into their own hands. In Indianapolis last month, workers formed an independent rank-and-file committee in opposition to the UAW to unite workers at the plant against the wage cut as well as the closure of their factory.

The Socialist Equality Party fully supports this courageous initiative and calls on workers in Lake Orion and throughout the auto industry to follow the example of the GM Stamping Rank-and-File Committee. We say: Organize a rebellion against the scab UAW! Build rank-and-file committees at every plant to forge the fighting unity of auto workers against layoffs, wage cuts, speedup and the destruction of pensions and health care!

Begin now to prepare demonstrations, plant occupations and strike action to overturn the slave's charter imposed by the UAW, GM and the government and guarantee the social right of every worker to a secure and good-paying job.

Workers confront a fight not only against UAW and the auto bosses, but also against both corporate-backed parties and the capitalist system they defend. The wage-cutting deal at Lake Orion was worked out with the Obama administration, which threw GM and Chrysler into bankruptcy in order to initiate a campaign of wage-cutting throughout the economy.

In every country the refrain is the same. Last month, the CEO of Fiat and Chrysler, Sergio Marchionne, threatened to shut down every one of Fiat's Italian factories unless workers accepted American-style wage cuts and "flexible" contracts.

If workers in the US and around the world are not to be plunged into destitution they must develop a new

political strategy based on the mobilization of the working class to replace capitalism with socialism. This includes the transformation of the auto industry and other key levers of the economy into public enterprises under the democratic control of the working population, to be run for the benefit of society, not private profit.

In its recently adopted program, the SEP states: "To advance its interests, the working class must build genuine mass organizations—rank-and-file workplace, factory and neighborhood democratic action committees—animated by the spirit of revolutionary intransigence and opposition to the two parties of big business. These organizations must begin with the needs of the working class and must be democratically controlled by the working class. They must take ever greater responsibility for unifying the working class—employed and unemployed, skilled and unskilled, native-born and immigrant, across different industries and workplaces—and organizing their common struggles against the capitalist class."

We urge all auto workers to study our program and make the decision to join the SEP and take up the fight for socialism.

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