

Ford workers shout down Michigan governor

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Ford Motor Company unveiled its retooled assembly plant in the Detroit suburb of Wayne, Michigan last Thursday in a ceremony that included Ford executives, United Auto Workers (UAW) officials, Governor Rick Snyder and other state and local politicians.

The 2012 Focus small car model is the center of the company's "One Ford" marketing and production strategy that will standardize techniques across the globe in an effort to cut costs and maximize profitability. Ford received over \$160 million in tax credits and grants from city, county and state governments for retooling the facility.

Republican Governor Rick Snyder's appearance at the event was greeted by a chorus of boos and cat calls from the workers, most of whom wore red shirts reading "Solidarity in Wisconsin Day"—a reference to the month-long protests against the anti-worker bill signed by Wisconsin Republican governor, Scott Walker, on March 11.

UAW Local 900 chairman, Bill Johnson quickly moved in to calm the workers saying, "You can like them [Snyder and other speakers] or not like them, but I would ask that you give them the respect their position is due." Some workers continued to taunt the governor with several others leaving the room in protest.

Snyder's state budget gives \$1.8 billion in tax cuts to corporations and the wealthy while taxing pensions and cutting education and other social services. A separate bill, which Snyder signed into law March 17, gives dictatorial powers to emergency financial managers allowing them to tear up labor contracts and overrule city councils and school boards.

UAW officials have criticized the bill not because they are opposed to wage cuts and the gutting of social spending. On the contrary, they are concerned Snyder's attack on collective bargaining—like Walker's—undermines the legal position of the unions

to negotiate such concessions, and, at the same time collect union dues.

The situation in Ford underscores the fact that the UAW has long abandoned collective bargaining in the sense of protecting the interests of auto workers. The \$550 million retooling of the Wayne Assembly plant—and more generally, Ford's \$6.6 billion in profits for 2010—was only made possible through brutal job cutting and givebacks overseen by the UAW.

This includes helping the company dump "legacy" retiree health care costs—through the setting up of a multi-billion dollar union-run retiree health care fund—wage freezes and most importantly, the implementation of a "two-tier" wage system in which new hires make only \$14 an hour, half the wages of senior workers. Similar concessions, along with a ban on strikes, were imposed on General Motors and Chrysler workers through the collaboration of the UAW with the Obama administration in 2009.

On March 7 Ford's President and CEO Alan Mulally was awarded \$56.5 million in stock, with another \$42.4 million "awarded" to Executive Chairman Bill Ford. One week later, Ford announced another \$34 million in stock was split between 18 executives in a "long-term incentive and retention plan."

Ford's 40,600 hourly workers received a profit sharing check averaging \$5,000 on March 9, a drop in the bucket compared to what they have given up in the form of wages, benefits and working conditions. UAW President Bob King has gone on record estimating per-worker concessions to be between \$7,000 and \$30,000 since 2005. "All the sacrifices that our members made to turn these companies around were part of the process that's really led to this amazing turnaround," said King.

The profit sharing bonuses at Ford and General Motors were substantially larger than past years as part

of a strategy worked out jointly by the auto bosses and the UAW for upcoming negotiations for a new four-year contract after the current one expires in September. The auto companies want to dispense with pay increases that will raise hourly wage rates and shift to a pay scheme in which workers are compensated based on productivity, quality improvements and company profits.

One of the major demands of the UAW when it was established in the sit-down strikes in the 1930s was the abolishing of the hated piece rate system and its replacement with fixed hourly wages protected by a contract.

To maintain profitability today, especially with production shifting to smaller less expensive cars, Ford and other automakers must squeeze ever more productivity out of a low-wage and “flexible” workforce increasing made up of temporary young workers who can be hired or fired based on immediate demand. (See UAW, GM discuss pay scheme tied to productivity and profits.)

In this process the UAW is a full partner in the exploitation of auto workers, controlling a substantial ownership stake in Ford and the other Detroit Three companies. UAW President King has made numerous comments about “the role of the UAW in the 21st century,” insisting “We do not want to fight with any company. We want to help companies produce the best cars for the best value. We do not want an adversarial relationship.”

This is the spirit that will dominate the quadrennial bargaining convention at Detroit’s Cobo Hall beginning Tuesday, March 22. Opposed to any struggle to defend let alone improve wages, benefits and working conditions, King will approach the Big Three with “cooperation and creative problem solving.”

The defense of workers’ jobs and living standards and the overturning of years of concessions accepted by the UAW, requires the building of new organizations of struggle, independent of the UAW, and the elaboration of an international socialist program to mobilize the auto workers throughout the global auto industry.



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