

Widespread opposition to Chrysler-UAW contract

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Voting has begun at Chrysler on a sell-out contract negotiated by the United Auto Workers that will further erode living standards and vastly expand the number of low-wage workers. There is widespread opposition, with the majority of workers at several locals voting “no.”

At the Belvidere, Illinois plant, west of Chicago, 56 percent of the 2,400 workers voted against the contract on Tuesday. The contract was also voted down by 53 percent of the 1,200 workers at Warren Stamping in Michigan. Workers at the Toledo Machining Plant also reportedly opposed the deal.

In Kokomo, Indiana, the UAW reported that 55 percent of workers at three transmission plants voted for the deal. There were contradictory reports about the vote at another local representing salaried workers in Warren, with one worker saying that the contract was voted down. There are also reports of low turnout at some votes, with only about half of workers at Kokomo casting ballots.

For the contract to pass, it must have the support of 50 percent of all workers voting. Voting continues through October 26.

The Chrysler vote follows a vote at Ford, which the UAW said passed despite initial reports of wide-spread opposition at a number of locals.

The UAW is seeking to intimidate and threaten workers into supporting the agreement, warning that a no vote will lead to an even worse contract imposed by a government arbitrator.

The union is also trying to suppress early vote results, concerned that reports of opposition will encourage workers at other plants. Initial reports on Facebook pages were quickly taken down, and the UAW has asked all locals to delay reports until voting is completed. Many workers suspect that this would also give the UAW more time to manipulate the result to ensure passage.

The Chrysler contract is modeled on contracts already pushed through at GM and Ford, though it is significantly worse in some respects. Like the other deals, Chrysler workers will see a salary freeze over four years and the elimination of cost-of-living adjustments. This will mean a cut in real wages of thousands of dollars for each worker.

Instead of wage increases, workers will receive “competitive awards” and profit sharing. The aim is to vastly increase productivity, while completely subordinating the wages of workers to corporate profits.

The signing bonus for Chrysler workers is \$1,750, with an additional sum of the same amount paid out if the company meets unspecified financial targets. This is significantly less than the bonus for Ford and GM workers.

Ed, a worker at Chrysler’s Warren Truck Plant with 19 years seniority, said he was voting against the contract. “We didn’t get our annual raises back. We didn’t get our Christmas bonus. We gave up everything.

“Of those who I have talked with, some are scared and glad they have a job. Others are pissed off like me.

We have already gone two or three years without any raises. If the contract passes the way it is now, we will go another four years without raises.”

A worker with 15 years in the auto plants said, “They should bring the tier two workers up to higher pay. They are trying to split the vote.”

All three auto makers are seeking to significantly expand second-tier workers, who will make an entry wage of \$15.78, half of the wage of senior workers. After four years, second-tier wages rise to just under \$20 an hour. Chrysler is offering buyout packages with the hope of pushing out older, better-paid workers.

As part of the Obama administration’s forced restructuring of the auto industry in 2009, the UAW agreed to a no-strike pledge at Chrysler and GM. If the contract is rejected, it will go to binding arbitration, which the union is using to browbeat workers into voting “yes.”

The UAW wrote on its Facebook page Wednesday, “There is nothing left to be negotiated. If membership decides that this contract is not agreeable, then an arbitrator would decide for us. This is very clear.” The union is threatening that if this happens, even the meager signing bonus could be eliminated.

Expressing the widespread anger at the UAW among auto workers, Ed said, “I think Bob King and his group wants to pacify Toyota. They want to get in their plants and represent their workers. The only way to get that is to make sure we don’t strike. So what I think they are going to try to do is to use the threat of arbitration to make us cave in.”

Other workers expressed their anger and distrust toward the UAW on the union’s Facebook page. “We are tired of the BS being fed us by the international,” one worker complained. Another worker reported that Warren Stamping had voted down the contract. “I would like to hear the results of the ratification votes from other locals. If they wont tell us, let’s tell each other.”

The UAW used similar tactics to intimidate workers

at Ford. Ford, which did not go through bankruptcy in 2009, does not have a no-strike pledge. However, the UAW made clear that the union would not defend workers if they voted down the contract, saying that they would lose their jobs to replacement workers in the event of a strike.

After ratification, Ford executives quickly went public with fulsome praise for the deal, with pledges for immediate handouts to investors, including the UAW union officials. The annual increase in labor costs is estimated at only one percent over the life of the contract, and a similar figure has been cited for GM. This is the lowest increase in labor costs in four decades.

All the contract details remain to be uncovered, but they include a host of new work rules aimed at extracting more out of workers for less pay.

Lewis Booth, Ford’s chief financial officer, said that the company would consider reinstating a dividend for shareholders, while he hoped that the new contract would lead to a restoration of the “investment grade” rating for the company’s debt.

Ford indicated that thanks to the new deal, by 2015 second-tier workers will make up a far higher percentage of workers than is currently the case.



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