

On eve of emergency manager take-over

Unions move to ram through concessions against Detroit workers

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With the state-appointed emergency manager about to take over Detroit, Michigan on March 25, the city's unions are seeking to enforce sweeping concessions against municipal employees and teachers. The proposals give a glimpse of the draconian measures awaiting residents throughout the city.

Workers are facing a bipartisan gang-up, which includes Republican governor Rick Snyder and his handpicked emergency manager Kevyn Orr. Orr is a life-long Democrat and a bankruptcy attorney who imposed the Obama administration's cost-cutting demands on Chrysler workers in 2009.

The mayor and the City Council, whose salaries and powers will be eliminated when Orr takes control, have postured as opponents of the emergency manager. However, they fully agree that workers must sacrifice their jobs, living standards and essential services to guarantee payments to the wealthy bondholders who control the city's debt.

The city's unions, in particular the Detroit Federation of Teachers (DFT) and the American Federation of State, County and Municipal Employees (AFSCME), also insist that workers pay for the financial crisis, which is the result of decades of deindustrialization, tax cuts for big business and the diversion of city resources for debt payments.

The unions have another incentive as well. They are rushing to sign long-term contracts with the city in advance of the March 28 implementation of the state's new "right-to-work" law. The law will end the automatic deduction of union dues from workers' paychecks and make union membership and dues payment voluntary.

In order to preserve its dues income and institutional interests, the union bureaucracy has made it clear it is willing to hand over everything and sign bogus "contracts" that are little more than slave charters, guaranteeing management free reign to slash wages and pensions and destroy working conditions. In any case, under the new emergency manager law, Orr has dictatorial powers to tear up any labor agreement and impose his own terms.

Water and sewerage workers

AFSCME Council 25 President Al Garrett has already signaled his willingness to impose deep wage and benefit concessions on the city's 3,000 AFSCME-represented members, asking only that bondholders be forced to take some cosmetic losses in order to give the appearance of "equal sacrifice."

AFSCME is demanding workers at the Water and Sewerage Department—members of Locals 207, 2394 and 2920—accept a six-year deal, which will impose a pay freeze for the life of the contract, schedule 10-12 hour shifts, facilitate the firing of workers and impose higher worker contributions for health care and pension benefits.

Moreover, the agreement is not even a contract in any serious sense, since the federal judge overseeing the water department or the emergency manager can reopen it after July. If there is no deal within 30 days of renewed negotiations, the judge or EM can unilaterally impose a new contract and slash pensions, wages and other benefits.

The agreement would, however, guarantee the continued payment of union dues into AFSCME's bank accounts for the next six years.

Last October, water and sewerage workers struck against similar demands, while fighting plans to privatize the department and contract out of as many as 81 percent of the workforce. To a great extent, AFSCME Local 207 called the strike to exert pressure on the judge to lift restrictions on the amount of time union officials could leave work and get paid for "union business," and to preserve their position as bargaining agents with the city.

In the end, Local 207 and AFSCME Council 25 conspired to isolate and shut down the struggle, preventing it from becoming the starting point of a broader mobilization against Mayor Bing and Governor Snyder. After being betrayed, workers at Local 207 voted out the leadership. In order to cover for itself, the new leadership is calling for a "no" vote on the contract.

So discredited is the union that barely 50 of the 900 AFSCME-represented water department workers attended informational meetings about the proposed contract on Wednesday. Those who spoke with the WSWS denounced the sellout. "It's an automatic 'no' vote for me," one worker said. "Especially since the strike, management has tried to bait and get rid of people. If a machine breaks down, they blame us even though it's a mechanical issue, and write you up."

Referring to Local 207, he said, “They should have called out everybody for the strike. They shouldn’t put a contract they know is bad to a vote. The contract is being pushed through so they can collect money. They are acting like a collection agency, so they should just be a collection agency. We can’t afford another cut. We need the 10 percent plus retro [back-pay] back, not a \$700 signing bonus that will be taxed by half.”

Mike, a water and sewerage worker with five years, said “As for Council 25,

only people who haven’t represented the workers properly would be afraid that they’re going to stop getting paid by the workers. It’s not about the workers, it’s about maintaining a certain lifestyle for these people.”

Detroit teachers

The Detroit Federation of Teachers is pursuing the same path. At a union meeting Tuesday—in which only two hundred of the nearly 4,000 union teachers attended—DFT officials attempted to intimidate teachers into accepting a new round of wage and benefit concessions demanded by the Detroit Public Schools. DPS has been under the control of an emergency financial manager since the state’s previous Democratic governor, Jennifer Granholm, appointed one in March 2009.

Since then, thousands of teachers have lost their jobs or seen their wages and benefits slashed, including through the so-called Termination Incentive Plan agreed to by the DFT. The plan forces teachers to “donate” 10 percent of their annual wages to the district—redeemable only if teachers still have a job when they retire. Meanwhile, scores of public schools have been closed and many converted into for-profit charters in a city Obama’s education secretary declared “ground zero” for the president’s corporate-backed school “reform.”

After the previous three-year agreement expired in June 2012, DPS Emergency Financial Manager Roy Roberts, a former General Motors executive, suspended collective bargaining and unilaterally imposed an “edict” further attacking the living standards and working conditions of teachers.

DFT President Keith Johnson asked teachers to “approve an amended version of the imposed conditions, or ‘edict’...as a ‘collective bargaining agreement,’ which will last through June 30, 2016. The proposed deal will sanction and end to class size limits and force teachers to accept a continued pay freeze. Pay steps—i.e., raises according to seniority—will be curtailed. Teachers will receive “bonuses” only if there is an “improvement in the District’s financial condition.” This in a city on the verge of bankruptcy!

In the summary of the deal handed out to teachers, Johnson writes, “This settlement falls far short of what we hoped to achieve and what you deserve in a collective bargaining agreement...Our critics say this is a terrible deal, and they are correct. It is. What would be worse would be the loss of our ability to continue to fight. Do you REALLY want to further empower the Republican

legislature to have dominion over DPS? Do you REALLY want to see the end of your union protection? If you don’t, support our effort to keep up the fight.”

In fact, the very first proposal in the summary package makes it clear the only thing the DFT is protecting is the bloated salaries of Johnson and the rest of the union bureaucracy. The deal will maintain the requirement that all teachers pay union dues or service fees to the DFT, with the proviso that if a teacher is 30 days in arrears the school district “shall dismiss said employee accordingly.”

In addition to maintaining the automatic dues check-off system, it will continue the district’s practice of paying union officials’ salaries and benefits.

During the question and answer period at Tuesday’s meeting, one teacher asked Johnson, “How bad does it have to get before DFT will say ‘vote no’?” Her comment reflected the sentiment among teachers who have languished through a long line of sellout contracts. Johnson’s only response was that the contract would “let us continue the fight” and that the “real battle will be the ballot box in 2014.” This implied that the election of a Democratic governor would resolve the problem, even though the last one put the public schools under the control the emergency financial manager.

After the meeting, teachers spoke with the WSWS. “I think the situation is horrible,” Vinny said. “How can you support yourself if they cut your pay like this? The whole thing is unfair. We took two pay cuts [in the last contract].”

Patrick, a high school teacher, said, “Under TIP (Termination Incentive Plan), we were cut \$250 a paycheck, or \$500 a month. We are supposed to get this back when we retire. But teachers are suffering in Detroit. I would say we are living from paycheck to paycheck. I really don’t know how people get by.”

He added, “I have problems with [President Obama’s] Race to the Top. It doesn’t resolve problems. There is too much emphasis on the teacher when the real issue is understanding and doing something about poverty.

“There are so many problems in big city schools. The majority of our kids don’t get nutritious meals. There are so many real problems that need to be focused on other than tests. If there was an exploration of poverty, then the real problems can be tackled rather than blaming the teachers.”

Referring to the takeover by the emergency manager, he said, “This whole policy is not about educating the kids. It is about cutting the budget. If they could outsource the teachers they would. What is happening is criminal.”



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