

Detroit water and sewerage workers reject concession demands

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City workers at Detroit's giant wastewater treatment plant overwhelming voted to reject a contract pushed by the American Federation of State, County and Municipal Employees (AFSCME) Council 25 last week. According to the AFSCME Local 207, the deal was defeated 301 to 36.

Water workers at another local unit also rejected the deal, while workers at a third unit passed it. More than two-thirds of the city's 1,000 water workers abstained, however, expressing the widespread alienation and disdain of workers toward AFSCME, which is identified as an arm of city management.

The six-year deal would have imposed a pay freeze for the life of the contract, allowed 10-12 hour shifts, facilitated the firing of workers and imposed higher worker contributions for health care and pension benefits. It also allowed unlimited outsourcing at the sewerage treatment plant, which is a prime target for privatization. Plans have already been outlined to outsource 81 percent of the jobs of the current workforce.

In rejecting the deal, city workers gave voice to the deep opposition building up against the installation of the unelected Emergency Financial Manager by Governor Rick Snyder. Kevyn Orr, a Washington DC bankruptcy attorney with close ties to the Obama administration, assumed his role on Monday, armed with dictatorial powers to tear up labor agreements, slash essential programs and sell off public assets.

Jones Day, Orr's former law firm, which has been retained by Detroit Mayor David Bing for other city matters, has represented Merrill Lynch, Citigroup, UBS AG, JPMorgan Chase and other investment firms that control the bulk of Detroit's municipal bonds and other debt.

"The defeat of the contract is a good thing,"

Raymond, a worker with 12 years at the treatment plant said. "It lets them know they're not dealing with a bunch of fools. They're giving away our jobs, and we're supposed to let them run over us for a few pennies?"

"As long as I've been with the city, I haven't had a decent contract," Raymond added. "The treatment plant makes billions, and they want to get rid of step increases, which only amount to 20 cents a year, and convert it into a buddy system, where only people they like will get raises. I've been in a sweatshop before, in a non-union auto parts factory, and that's what they want here. They think that they can get away with anything and give us peanuts with no repercussions, but we're not as dumb as they think."

The defeated deal could hardly have been called a "contract," since the incoming Emergency Financial Manager or the federal judge currently overseeing the water department could reopen the agreement after July. If there is no deal within 30 days of renewed negotiations, the judge or EFM could unilaterally impose a new contract and slash pensions, wages and other benefits.

AFSCME Council 25 President Al Garrett pressed for passage of the sellout in advance of the new "right-to-work" law in Michigan that goes into effect Thursday. The law will make union membership and the payment of dues voluntary. The Detroit Federation of Teachers and other unions throughout the state have rushed to sign long-term deals, which impose deep wage and benefit concessions, in exchange for the continuing the mandatory deduction of dues from workers' paychecks.

"Council 25 is working with city management," Raymond said. "That is the bottom line. Everything the city wants, Council 25 tries to get us to sign. [Garrett]

doesn't work for us. Why doesn't he just take a job with the city?"

Emergency manager Orr has particularly targeted the wastewater treatment plant—one of the largest in the US with assets estimated at \$6 billion—for privatization. Boasting that the water and sewerage department enjoyed a high bond rating and has a positive net cash level, Orr told the *Detroit Free Press*, "If you're able to do a structure with either a regional authority or privatization, it flows cash positive to the city... Everything—leasing, sale/leaseback, privatization, 99-year leases with a reversion to the city—everything's on the table."

Commenting on the EFM, Raymond said, "It's ridiculous. We don't need an EFM that comes from Rick Snyder. He is headed straight for the working class and poor. They put a black face on him to say he is for you, but Snyder is for the rich man and is taking money from the poor. They want to sell off something worth billions for \$50 million a year. That doesn't add up."

AFSCME has long functioned on behalf of Democratic administrations in Detroit, blocking any struggle against mass layoffs and attacks on city workers' living standards. Garrett is currently aligning himself with the City Council and proponents of racial politics, including Al Sharpton and Jesse Jackson, who are posturing as opponents of the EFM. They all support the continued attack on city workers and social programs to pay off the big bondholders. They are concerned, however, that the EFM will cut them out of the spoils from the sale of public assets and provoke social opposition that threatens their wealth and power.

For its part, AFSCME Local 207 called for a "no" vote on the contract. The local leadership includes members of the City Workers for Justice, a pseudo-left group also aligned with the black Democratic Party establishment in Detroit, which seeks to keep workers tied to the trade unions.

A leaflet passed out by the group said, "Union dues are necessary for our unions to survive. And while this contract would mean that our union dues would continue to be deducted from our checks, it would undermine the very basis for those dues: a union and a contract. A union must be an organization that fights to win for its members, not just a dues collection agency."

The group's main claim is that workers can defend

their interests through a lawsuit filed by the union against the US district judge overseeing the operations of the water department. Last September, Local 207 called a strike to pressure the judge to listen to their case, which included complaints over limiting the time union officials were permitted to be off the job on "union business."

The local, along with AFSCME Council 25, quickly shut down the strike, blocking the development of a much wider mobilization of the working class against the impending takeover of the city. In January, workers in Local 207 voted out President John Riehl, the leader of the City Workers for Justice faction.



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