

General Motors in drive to cut skilled trades jobs in US plants

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General Motors is seeking to eliminate skilled trades jobs at its factories as part of a drive to cut costs and eliminate higher paid workers who currently earn \$32 an hour. The economics are simple. According to a 2011 estimate by the Center for Automotive Research in Ann Arbor, Michigan, GM saves an estimated \$57,000 a year for every skilled trades worker it replaces with a new hire making the lower second tier wage of \$15 per hour.

According to a report in the *Detroit News*, GM is counting on investments in new equipment, which does not break down as frequently and consequently requires less maintenance, in order to reduce the number of tool and die technicians, electricians, mechanics and other skilled tradesmen.

GM is offering buyouts to its skilled trades workers at selected locations similar to the buyouts it offered in 2011. Under terms of that deal, skilled trades workers were offered \$65,000 and an additional \$10,000 in their pension.

In January, GM announced plans to close its Grand Blanc Weld Tool Center, near Flint, Michigan. The move will displace some 343 workers, who are being offered transfers to Flint Tool and Die, Warren Tech Center in suburban Detroit or the Parma Metal Center near Cleveland. Skilled trades and non-skilled trades workers at the Grand Blanc facility are being offered buyouts.

In addition to skilled workers, GM is also anxious to push out higher seniority production workers earning the higher first-tier wage of \$28 an hour. Since the 2009 forced bankruptcy and restructuring of GM by the Obama administration the company has hired some 18,000 hourly production workers, most earning the second-tier wage.

Tracy, a first-tier worker at the General Motors Delta

Township plant outside of Lansing, Michigan, told the WSWS, “I am one of the ones they would love to get rid of. There are rumors (about the buyout), but that is all we hear. We have a lot of lower tier workers at the plant.”

Speaking about the second tier workers, Tracy added, “I never thought it was right having the same people working right beside me and making half the money and benefits. The union has opened the floodgates and now they are coming in droves. They have been kicking a lot of us out who have been in quality control forever and putting us back on the assembly line. I just feel the quality of our cars will go down if they have less experienced people.”

The US-based auto companies are seeking to replicate the model at the nonunion plants operated by Korean and Japanese automakers where skilled trades workers are not limited to one specialty and are expected to perform a variety of jobs, including work on the assembly line. These measures are being implemented with the collaboration and support of the United Auto Workers. Under the terms of the 2011 contract agreement the number of skilled trades classifications was reduced from 27 to 5. The UAW also agreed to a draconian attendance policy, designed to make it much easier for the auto companies to fire workers.

A veteran worker at the GM Warren transmission plant outside of Detroit said, “They are tired of paying \$30 and more an hour. That is why they are trying to get rid of skilled trades, so they can outsource the work to other companies. They have been cutting skilled trades in my location, but its not just happening in Michigan, it is happening in Ohio and other states too.”

She said GM was looking for any excuse to drive out older workers, both skilled and production, in order to replace them with lower paid second tier workers.

“There is a war going on and a lot of seasoned workers are going out. Management definitely wants to take full control. You have team leaders now acting like management, treating co-workers like they are beneath them. They are like the Gestapo. They want to eliminate as many veteran workers as possible. We are going backwards, not only with the pay, but with the conditions of work.”

Tracy, the GM Delta Township worker, agreed, “You give them a reason and they are firing you because you are making top money. We are wracking our bodies. It is just not a place now where I would want my children to have to work.

“I don’t put a whole lot of faith in the union. I told them, I am not for the Right to Work, but how long do you think people will keep paying dues if you don’t show them anything? They are giving away all that people fought for.”



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