

Detroit emergency manager prepares privatization of trash collection

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Detroit's emergency manager Kevyn Orr is making preparations to privatize the city's trash collection, according to a report in the *Detroit Free Press* this week. Supposedly to avert a Chapter 9 bankruptcy, the measure would sell off all the city's sanitation services to a private contractor.

Orr's office claims that privatization will provide weekly trash collection, a stepped-up schedule of bulk waste hauling and save the city \$15 million a year, adding, "Every dollar of cost that we take out of the budget is a dollar that can go someplace else."

This will mean the loss of jobs of all the department's employees, affecting 60 to 70 drivers and up to 150 workers total. Orr's spokesman, Bill Nowling, claims that the city's current employees will be offered jobs with whatever private company wins the bid, but the assertion is completely toothless. Firstly, the city would have no authority over who would be hired by the new entity. More to the point is that the greater each workers' accumulated seniority and pension, the less likely any new employer would be to offer a job.

Larry Roehrig, secretary-treasurer of American Federation of State, County and Municipal Employees (AFSCME) Council 25, who negotiated the agreement with Republic Services during the sell-off in Flint, in exchange for preventing any actions by workers, spoke on the experience. "You are left at the mercy of an entity called capitalism and profit. It's not about the delivery of service," he said. "It's about maximizing profit."

He pointed out that workers who are hired by the private company are hurt because they can't take their city pensions and seniority with them.

Representatives of two of the largest trash hauling companies likely to submit bids on the services,

Republic Services and Waste Management Corporation, declined comment on any plans or discussion being held with Detroit.

Teamsters Local 214 Vice President Joseph Valenti Jr. told the *Free Press* that the union, which organizes Detroit's drivers, has watched as sanitation workers' pay and benefits have been slashed over the years. Today, workers make from \$15 to \$19 an hour. In response to the moves to privatize the department, Valenti says he is hoping to meet with Orr: "We're willing to work with you in whatever way we can. The Teamsters have always been willing to do whatever it takes to make it work."

The approach of Richard Mack, a lawyer for Detroit city workers unions, is to warn the city that privatization will cost more in the long run and that "once the city gets rid of all its trucks and equipment, the change orders come in ... and then you're at the mercy of contractors who'll bleed you dry."

If there was any question that the unions would lead a struggle to mobilize workers against turning over this vital city service to for-profit corporations, these statements should make it clear.

The local press has been hailing the announcement as proof of the correctness of the installation of the emergency manager. In a June 12 editorial entitled, "Talkin' trash about Detroit restructuring," the *Detroit Free Press* lays out its reactionary argument. Saying that because "There's not enough money, outdated work rules create cumbersome inflexibility, the city tries to do too much—and doesn't do any of it as well as it should."

Calling the privatization of the Detroit Sanitation Department "the low-hanging fruit of improving city services," the editorial blames the city's anti-privatization ordinances and procurement processes

that effectively exclude low bidding outside contractors and lauds the dictatorial authority of the emergency manager to make it “simple.”

It adds: “And let’s not forget the city’s unions, virulently opposed to any form of privatization—whether or not it’s in the best interest of residents.” This approaches the heart of the matter—city workers, who must sacrifice their jobs and wages, don’t count in this arithmetic. Every penny that can be squeezed from them is supposedly added to “the best interest of residents,” but in reality goes to fatten the returns of bondholders and investors. The *Free Press* concludes breathlessly, “This is an object lesson in the power of the emergency manager.”

World Socialist Web Site reporters spoke with city workers at the main sanitation yard on Detroit’s west side about the news of the move to privatize the department.

A worker in the yard with 20 years with the city, when asked about Kevyn Orr—Detroit’s unelected emergency manager—said, “I haven’t gotten a raise in 10 years, on top of having to pay more into medical. He doesn’t care, we are struggling trying to make it. And the next thing you know, they want more cuts.”

Workers expressed interested in the Detroit mayoral campaign of the Socialist Equality Party. None of the other mayoral campaigns had come to speak with them. Two workers purchased the program of the Socialist Equality Party.

“What do we have to look forward to? [The government] gave [the banks] billions of dollars and didn’t bother asking what they did with it. They don’t care. We have got to organize from the ground up,” another worker explained.

If Orr’s plans to privatize sanitation services go through, “They are going to make us reapply. They’re cutting jobs, wages, and it’s not like they’re cutting our bills down. What we need is a revolution. All these other countries are having theirs,” he added.



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