

# AFSCME union pushes through deal against Detroit city workers

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The city of Detroit announced the ratification of a series of labor agreements Friday, including a five-year contract with the American Federation of State County and Municipal Employees (AFSCME) Council 25, the largest city worker union. Under the agreements, 3,500 workers who had wages frozen in 2010 and slashed by 10 percent two years ago will receive pay raises of 2.5 percent in 2016, 2017 and 2018.

The deal was announced at a joint press conference by AFSCME official Ed McNeil and Emergency Manager Kevyn Orr, underscoring the active participation of the union bureaucracy in the attacks on the working class demanded by the bankruptcy court and the big banks.

“Despite the challenges associated with the largest municipal bankruptcy in American history, labor and management have forged a path forward that secures the future for working people and the citizens they serve,” AFSCME Council 25 president Al Garrett said in a statement.

“This represents one of our contributions to try to move the city forward,” McNeil said, claiming the deal had been “overwhelmingly supported” without revealing the actual ratification vote.

In fact, the deal was drawn up in behind-the-scenes talks overseen by US District Judge Victoria Roberts and most workers remain unaware of even the most basic features of the contract. The deal will form a key component of the “Grand Bargain” and Plan of Adjustment drawn up by Orr, which includes huge cuts to pensions and retiree health care—which will set the precedent for the nationwide use of the bankruptcy courts to attack retiree benefits—as well as the privatization of city assets such as the Detroit Institute of Arts (DIA) and the Detroit Water and Sewerage Department (DWSD).

Far from opposing the bankruptcy process the unions have not organized any mass demonstrations, let alone strikes. In fact, while initially posturing as opponents, the

union executives support the restructuring of the city by Wall Street and have solely been concerned with securing their own cut from the carving up of public assets.

Once the bankruptcy process got rolling, the unions pushed hard for the sale of city assets, in particularly the priceless masterpieces of the DIA. In a comment summing up the bureaucracy’s contempt for the working class and its cultural needs, McNeil said in reference to the DIA, “You can’t eat art.”

Orr initially sought to circumvent the unions and unilaterally impose the demands of the banks. However, US Bankruptcy Judge Steven Rhodes and federal mediator Gerald Rosen decided instead to rely on the unions to suppress popular opposition and push through the attacks. In a clear indication of his sensitivity to popular outrage against this conspiracy, Rhodes fled the courtroom in response to the vocal opposition of a single protestor late last year.

“This agreement allows us to get a level of stability and progress as we move forward,” Orr said during the signing ceremony at AFSCME headquarters in downtown Detroit. AFSCME Council 25 President Al Garrett praised the deal, insisting it was the best city workers could hope for. “The agreements we have achieved are, in our view, the best path forward for city employees and retirees. They simply cannot risk the further serious reductions in pension, pay and job security if the plan, and our collective bargaining agreements, are not approved.”

In exchange for its collaboration, AFSCME and other unions have been given control of a half-billion dollar retiree health care trust fund known as the Voluntary Employees’ Beneficiary Association or VEBA. In addition to sanctioning unprecedented cuts in pensions and health care benefits for 23,500 retired city workers, the new deals open the way for the further elimination of jobs through the privatization of city services and layoffs.

A Detroit Water and Sewerage Department worker told

the WSWs, “AFSCME got nothing for us in Friday’s deal. They just raised our wages back to the level they were at two years ago. City of Detroit workers have not had a raise in 15 years. All this deal is getting us is the 10 percent they cut two years ago. Even that 10 percent was still on top of the 10 percent more cut during the previous decade.

“They’re trying to sell off the water department and privatize everything. They are riding down the time, like in the fourth quarter of a basketball game. They are stringing all the workers along until they get what they want. They want massive drop in labor costs and privatize the city’s most valuable assets.

“In 2012, everyone took a 10 percent pay cut, everybody in the water department and the city. The reason they’re giving it back is because they hope it will offset the anger against the cuts to our pension,” he said.

“AFSCME is urging us to vote ‘yes’ on the grand bargain,” the worker continued. “Al Garrett has got a backroom deal going that will benefit him in the long run. This deal is only going to benefit the Al Garretts, the folks running the unions.

“AFSCME didn’t back us when the strike [DWSD strike of 2012] happened. They left us out there by ourselves. The leadership with the union just caved in, instead of fighting for the people. We could have won if the whole city walked out, we never would have had the 10 percent cut and the Emergency Manager wouldn’t be here.

“They were meeting with management when all this first went down. They crossed the picket line to tell us to stop striking and go back to work. They’re selling out the people for their own interests, to protect their dues. If they really wanted to fight, they have plenty of means,” the DWSD worker said.



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