

# Detroit water workers reject concession demands

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Workers at the Detroit Water and Sewerage Department (DWSD) voted overwhelmingly to reject concessions being demanded by the city's emergency manager in a ballot taken Tuesday. According to reports, the vote to reject the city's "final offer" was 233 to 26.

The agreement, which would run through 2018, would give management a freehand to increase outsourcing, destroy the jobs of current workers and move to the privatization of the third largest municipally owned water system in the nation.

Management would have the "sole discretion" to set up new job titles and reclassify employees denied a new title as temporary Special Project Technicians. These workers would become "at will" employees subject to arbitrary termination. A private consulting firm has already proposed eliminating 81 percent of the workforce. The contract is essentially a means to accelerate the purging of senior workers and replace them with a workforce, which has no rights or benefits.

A veteran water department worker said he was glad the contract was voted down and added that many workers had not even seen the "final offer" in writing. "You can't accept this BS. Especially after the City Council voted themselves a raise. Then they turn around and say they don't have any money."

The vote is an indication of the deep opposition to the restructuring of the city by the bankruptcy court and the Wall Street banks that stand behind it. It takes place as the DWSD has shut off water service to nearly 20,000 households since March for failing to pay their bills. The brutal policy is part of Detroit Emergency Manager Kevyn Orr's bankruptcy restructuring plans, which calls for the elimination of essential services, including water, electricity and fire protections, to whole areas of the city deemed too poor for investment. The water

department is also seeking to remove bad debts from its books in order to become more attractive to investors seeking to privatize it.

Facing popular outrage over this inhumane policy, Orr announced Tuesday that he was relinquishing control of the water department to Mayor Mike Duggan. Duggan will oversee day-to-day operations and selections to the board of commissioners while Orr will maintain overall control over the fate of the system.

Following the July 21 announcement of a 15-day "pause" in water shutoffs, the handover to Duggan is the latest public relations move to mollify public anger. In a public statement Duggan said the city would help those in need of assistance, but that all outstanding bills would have to be paid because there would be no federal, state or local funding to relieve residents from the burden of the city's exorbitantly high water rates. By claiming that all those with "genuine" needs are being helped, the water department, with the help of Duggan and the media, are preparing to accelerate the shutoff of thousands of others who will be branded as scofflaws and illegal users.

The American Federation of State, County and Municipal Employees, the largest city worker union has joined the Grand Bargain conspiracy crafted by the bankruptcy court against the city's 32,000 active and retired employees. The deal imposes unprecedented attacks on pensions—previously protected against "impairment" by the state constitution—and reduces city payments for retiree health care by 90 percent. In addition, it paves the way for the privatization of the city's famed art museum and other public assets.

In April, AFSCME and a coalition of 13 other unions rammed through a five-year deal on other city workers. 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. Announcing the deal, AFSCME official Ed McNeil said, “The unions are critical partners in the effort to bring our city back. We are on the front lines. We know operationally what needs to be done to save money and improve services. This agreement in principle offers an opportunity for the unions to provide regular input and guidance to city management.”

The leadership of AFSCME Local 207 called for a ‘no’ vote from water workers, claiming that this would pressure Orr to return with a better offer. Over the next several weeks, there will be intensive behind-the-scenes maneuvers between AFSCME, Orr, Bankruptcy Judge Steven Rhodes and Mayor Duggan to wear down opposition while perhaps offering a sweetener to the AFSCME Local 207 bureaucracy.

The chief concern of the local officials is that the current DWSD leadership under director Sue McCormick has restricted their privileges and is moving to cut the local AFSCME bureaucracy out of the picture. Union officials complain that they are not allowed time off of work for “union business” and that the local may be dissolved and taken over by the Teamsters and the Operating Engineers.

In 2012, then-AFSCME Local 207 President John Riehl, along with the current acting local president Michael Mulholland, isolated and betrayed the strike of DSWD workers. Adamantly opposed to organizing a rebellion against AFSCME Council 25 and appealing to a section of the Detroit political establishment on the basis of racial politics, Riehl, Mulholland & Co. blocked the development of a unified struggle by city workers, just months before the installation of the city’s unelected emergency manager who would throw the city into bankruptcy.

The Local 207 leadership, which is aligned with the pseudo-left organization By Any Means Necessary, has done everything to politically disarm workers and reinforce the domination of the trade union apparatus and the Democratic Party. After the vote, Mulholland issued a statement calling on Mayor Duggan to remove DWSD Director Sue McCormick, claiming Duggan “was elected to serve the people of Detroit.”

Mulholland complains, “McCormick will not bargain a fair contract with DWSD unions” and wants to “break up our union and put workers in unions of

McCormick’s choosing.” He concludes by calling on “Mayor Duggan to meet with the AFSCME Local 207 Bargaining Team to hammer out a fair contract that serves the interests of Detroit, all the rate payers, and the workers who keep DWSD running.”

This is a fraud. The Democratic Party mayor earned his credentials and his personal fortune as a “turnaround specialist” at the Detroit Medical Center where he oversaw the slashing of hospital workers’ jobs and wages. His cost-cutting measures at the DMC were designed to attract a private company to buy the publicly owned system. In 2010, for-profit Vanguard Health Care, owned by the Blackstone Group, a private equity firm, purchased the hospitals in a deal that netted Duggan more than \$2.4 million, including stock options from Vanguard.

A genuine struggle against the attack on city workers is only possible if workers organize independently of all factions of AFSCME and the other unions, which function as nothing more than the labor policemen for the Democrats and Republicans and the Wall Street firms behind the looting of Detroit. The Socialist Equality Party calls for the formation of independent rank-and-file committees to fight for the mobilization of all workers in the Detroit metro area against the attack on jobs, living standards and other social rights. To contact the SEP see: <http://www.socialequality.com>



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