

Detroit water department lays off all building maintenance workers

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In an unpublicized move, the Detroit Water and Sewerage Department (DWSD) is laying off 35 building maintenance workers and replacing them with commercially contracted janitorial services. A notification dated March 23 was sent to DWSD employees informing workers of the change, effective Monday, April 6, 2015.

The affected employees are members of AFSCME Local 207. Mike Mulholland, president of the local, told the *World Socialist Web Site* that the union was not informed of the layoffs before the notices were sent to their members and that they had learned about the job cuts only when they heard rumors from employees. Mulholland said he had learned that the city workers receiving layoff notices were told they could reapply for the jobs with the commercial contractors at the poverty wage rate of \$8.25 an hour with no benefits.

If this is true, it is a further indication of the impotence of the union, which has so far not lifted a finger to defend the victimized workers. Indeed, throughout the bankruptcy process AFSCME blocked any independent mobilization of workers against the attacks on workers or retirees, eventually agreeing to a deal that cut pensions in exchange for union control of a half-billion-dollar retiree health care trust fund.

The notice sent by DWSD informed all employees that the contract for the commercial janitorial services would begin on Monday, April 6 and asked workers to be patient and cooperative as the contractors begin the job, which they are unfamiliar with.

The layoff of the janitorial workers is part of a broader assault being carried out against water department employees as plans are laid for the eventual privatization of the operation.

The DWSD has been preparing the transition to the newly created Great Lakes Water Authority (GLWA)

since early 2014 under what it calls its “Optimization Plan.” When the new entity comes into effect in July of this year, most of the employees of the DWSD will become GLWA employees and will be handed over to a new local union, which has already signed a five-year contract with the GLWA.

Last year, all DWSD employees were instructed to reapply for their own jobs in preparation for the reorganization of the department. The creation of the GLWA was a product of the forced bankruptcy of Detroit as part of an effort to monetize this extremely valuable asset of the city and move toward its transformation into a profit-making operation. The creation of the GLWA was part of an end run around the Detroit City Charter, which had contained certain safeguards against the privatization of the water department.

This did not of course mean that investors did not make huge profits through the holding of municipal water bonds. In fact the speculative deals entered into by the City of Detroit, such as the interest rate swaps—which bankruptcy judge Steven Rhodes was forced to admit were likely illegal—went a long way toward undermining Detroit’s financial situation, providing justification for the financial vultures to force the city into bankruptcy.

The reapplication process has provided management with a carte blanche to select employees at will and reassign them to its best advantage. DWSD management is in the process of culling through the 1,400 current employees and determining which workers to get rid of as “undesirable.” At the same time they are breaking down job classifications through “lateral training.” The goal is to create a subservient and low-paid workforce, making the operation more attractive to investors.

The unions, rather than fighting this scheme, have conspired behind the scenes with management to straitjacket workers to prevent them from organizing any opposition.

Last April, 14 Detroit city employees unions agreed to five-year contracts as part of the bankruptcy negotiations. AFSCME Region 25 President Ed McNeil and spokesman for the Coalition of Detroit Unions stated at the time, “This agreement, in principle, offers an opportunity for the unions to provide regular input and guidance to city management.”

The extended contracts were negotiated by the unions to lock in the automatic dues checkoff in advance of Michigan becoming a Right-to-Work state. This ensured the continued flow of dues into the unions’ treasuries for another five years.

Workers who will be assigned to the GLWA will be moved into the Operating Engineers Union Local 324, which has already signed a 10-year contract with the new entity. Included are some paltry wage increases, which not only don’t make up for inflation, but they don’t recoup the 10 percent cut city workers were dealt years ago.

Last September, in a communique to members of AFSCME Council 25, the union explained that there was no choice but to sign paperwork for a status change: “It is my understanding that you are being presented with a status change for the new position, which includes the union you will be assigned to: and in most cases that union may not be AFSCME. Several members have called, expressing their objection to being placed in another union. Therefore, Michigan AFSCME Council 25 suggests the following: Accept your new position. Sign your stays change, but include these words ‘signing under duress.’ This will allow you to accept your promotion, while Council 25 continues the fight against the DWSD’s attempt to destroy our union.”

DWSD management reportedly maintains a list of employees that will not be reassigned due to supposed bad attendance. Most of these workers have been placed in this category because they have taken leaves based on the US Department of Labor’s Family and Medical Leave Act (FMLA), entitling employees to take “unpaid, job-protected leave for specific family and medical reasons.” Those taking FMLA time off for the covered reasons are protected by law from being

discriminated against by their employer, yet DWSD management is still planning to get rid of them.

The reorganization of the DWSD and preparations for privatization are also behind the recently announced water rate hikes throughout the Metro Detroit area and the city’s publicized intention to resume water cutoffs to as many as 28,000 households this spring. The aim is to improve the balance sheet of the city’s water operations, making it more attractive to private investors.

The decision to deny water to thousands of working class families and the assault on water department employees puts the ruthlessness and the cruelty of the ruling elite on display. It continues the attack begun with the Detroit bankruptcy, which eliminated most retiree health benefits and slashed pensions. These events are setting a precedent for attacks on working people across the United States and indeed internationally.



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