

As contract talks set to start

Ford threatens mass layoffs at Michigan truck plant

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On July 9 Ford Motor Company announced that production of the Focus and C-Max models, currently assembled at its Michigan Assembly Plant (MAP) in Wayne, Michigan, would be moved to a location outside the US, probably in Mexico. The announcement, issued on the eve of contract talks set to start this week with the United Auto Workers, is a blatant act of intimidation. It not only directly threatens the jobs of the 4,000 workers employed at the plant, but by implication any section of workers who resist company demands for wage and benefit cuts.

Over the term of the current four-year contract, where workers were saddled with a raft of concessions, Ford and other US automakers have racked up record profits totaling \$73 billion.

On April 28 of this year, Ford announced a first quarter pre-tax profit of \$1.4 billion, up \$24 million from the same period in 2014. It marked 23 consecutive quarters of profitability for the company.

Meanwhile, there has been no letup by the corporations in the drive for deeper cuts. In late April, Ford announced the permanent layoff of 700 workers on the weekend shift, or C-crew, at MAP, effective from June 22.

Since the introduction of tier-two workers, making half pay with reduced medical benefits under the Obama-brokered restructuring of 2009, the auto companies have pushed their advantage to further divide the workforce, with lower-paid temporary contractors brought into the plants and further cuts to each group of new hires under the contract.

The auto companies clearly hope to use the threat to jobs to dampen widespread expectations among workers for a substantial wage increase and the

overthrow of the hated two-tier system. After a decade-long wage freeze, made worse by the loss of cost of living protection, which itself amounted to approximately \$6,000 per year for every employee, workers are eager to recoup the attacks to their living standard.

In years long past, the threat of a strike and lost production meant auto companies would shy away from being the so-called target during negotiations. Today they are competing to be selected for the target position because the auto companies calculate that a competitive advantage can be obtained by enlisting the union to impose ever-greater attacks on the workforce. In this competition, Ford Motor is reputed to have the closest relations with the UAW.

Ford's announcement and the ensuing coverage by all the media touting a surge of auto production in Mexico is intended to pit autoworkers in the two countries against their co-workers on the other side of the border. The UAW policy of subordinating workers to the profit requirement of US automaker facilitates this, painting Mexican workers as the enemy of American workers.

The union is feigning surprise and shock at the announcement by Ford of the shift of production to Mexico, but in reality, it welcomes the attack as a means of bludgeoning workers into accepting management's demands for further cost savings.

Ford UAW vice president Jimmy Settles, one of the union's highest paid functionaries, with total annual compensation in excess of \$200,000, said that a new goal in contract talks would be to win a future product for the Wayne plant to save jobs. When one strips away the cynical posturing, the plan is to use the threat of

mass layoffs to blackmail workers to accept new attacks on working conditions and living standards.

Since 2008, auto jobs in Mexico have risen 40% to a total of 675,000 in 2014. During the same interval, jobs in the U.S. rose just 15%, to a total of 900,000. Ford will spend \$2.5 billion on a new engine plant and transmission plant in Chihuahua and Guanajuato adding 3,800 employees.

Every global corporation exploits national divisions in their drive to cut labor costs. Ford produces the Focus in China, Argentina, Germany, Russia, Thailand, Taiwan and Vietnam. American autoworkers must reach out to these workers to launch a unified struggle against the common enemy. This requires a break from the UAW and its pro capitalist and nationalist program based on the defense of the national interests of American big business.

Workers going into the Michigan Assembly plant on Friday afternoon reacted with anger to the company provocation while expressing disgust with the compliant attitude of the UAW. Many stopped to speak with reporters of the *World Socialist Web Site*. Typical comments included, “We don’t have a union,” and “They are in bed with the company.” Several took time to discuss the events in Greece and our perspective for world socialism.

The UAW is increasingly isolated. “We haven’t had a base rate pay raise in over 10 years,” said one older worker who went on to explain, “We gave up our cost of living. That was \$6,000 out of my gross income. How do you make that up to me?”

“Then there was the equality of sacrifice grievance. We voted down the contract when the union was telling us, ‘You have to make sacrifices to keep your job.’”

“Within six months all of management got their bonuses: the performance bonus, production bonus and the Christmas bonus. We got nothing. That is when Bob King filed the equality of sacrifice grievance. They said, ‘We’ll get it for you but you have to sign the contract.’ That was a downright lie by the union.

“They lie to us and they don’t support us according to the contract. There is no such thing as a grievance anymore. They raised our union dues mid contract to about \$75 dollars a month. They said that was to reestablish the strike fund. What happened to the strike fund? They said they had to put that into the general fund. As far as I’m concerned that is just to line the

pockets of the UAW leaders. Their signing bonus was probably triple what ours was.

“They keep going after our medical benefits. My co-pays are going through the roof. I don’t trust Jimmy Settles. They have the mindset of Ford Motor Company. They will smile in your face and stab you in the back. We don’t have a union anymore. The UAW is part of Ford.”



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