

# US, Mexican and Canadian autoworkers face common fight

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As negotiations for new labor agreements got underway last month, Ford, General Motors and Fiat Chrysler threatened to shift more production to Mexico and other lower-cost countries unless US autoworkers accept a new round of wage and benefit concessions. This was highlighted by Ford's announcement that it was shifting production of its Focus and C-Max models from Michigan Assembly Plant in suburban Detroit to a "location outside of the United States."

Various media reports have pointed to the automakers' Mexican operations as the trump card in negotiations with the United Auto Workers. For its part, the UAW has already signaled its willingness to ignore workers' demands for significant wage improvements and to impose even further concessions in exchange for supposed product commitments at US factories.

The efforts by the auto companies, along with the UAW, to put a gun to the head of workers must be rejected. The fight for a good-paying and secure job, however, raises the necessity for an international strategy for autoworkers.

The globalization of production, particularly since the bipartisan passage of the North America Free Trade Agreement (NAFTA) in 1994, has created an integrated auto industry throughout Canada, the United States and Mexico. This has enabled the global auto giants, with the assistance of the nationally based unions, to pit workers on the continent against each other in a fratricidal competition for jobs.

The UAW has proven incapable of responding in any progressive manner to this challenge. Instead, it has promoted the most backward nationalist sentiments, accusing Japanese, Mexican and other workers of "stealing" American jobs. At the same, in the name of making the US-based corporations more competitive, the UAW has isolated and betrayed struggles—like the 1998 GM Flint and 2008 American Axle strikes—and colluded in the destruction of hundreds of thousands of jobs and the relentless reduction of workers' wages, benefits and work conditions.

The slashing of wages is, in fact, at the center of the

UAW's "growth strategy." In his report to the UAW special bargaining convention earlier this year, Vice President Jimmy Settles, who is in charge of negotiations with Ford, boasted that the UAW had made the automaker's US plants so competitive that it relocated production from Mexico, China, Turkey and other low wage countries back to the US, adding 3,000 more dues-paying members.

Although Canadian and American autoworkers were both in the UAW since its founding in the 1930s and had engaged in joint struggles, by 1985 the Canadian-based and US-based union bureaucracies split the international union along national lines.

The Canadian Auto Workers—now called Unifor—has responded to the wage-cutting agreements signed by the UAW in the US, and the even lower wages in Mexico, by imposing concessions on its members—including an ten-year waiting period for new hires to reach top pay—in an effort to convince the auto companies not to quit Canada entirely.

## The Mexican auto industry

Exploiting the chronic poverty in the country of 114 million—where a third of the population lives on less than \$5 a day—global auto companies, like the US Big Three, VW, Toyota, Nissan and others have transformed Mexico into a cheap labor platform that exports 80 percent of its vehicles to the United States and the world market. Since the 2008 economic crisis, the number of Mexican autoworkers has risen 38 percent, going from 490,000 to 675,000. During the same period, US auto-manufacturing employment grew 15 percent, to nearly 903,000.

Global automakers have 18 factories in Mexico, many of them built in the past 10 years, and expect to build five more over the next four years, increasing production by an additional 50 percent, to nearly five million vehicles by 2022. Mexico has already overtaken Canada and now

produces more vehicles than every European country except Germany.

In many cases, US-based automakers produce the same models on both sides of the border. GM, for example, has three models—the Sonic, Silverado, and Sierra—which it produces in the two countries, making it easy to shift production back and forth in response to currency fluctuations and any signs of working class resistance and other social and political unrest.

While wages vary from region to region and factory to factory, Mexican autoworkers are paid an average of 90 pesos (US\$5.64) an hour compared to \$27.78 for their American counterparts. Total labor costs, including wages and benefits, average 129 pesos (US\$8) an hour in Mexico, compared to \$58 in the US for GM and \$38 at Volkswagen's factory in Tennessee, the lowest hourly cost in the US, according to the Center for Automotive Research.

Autoworker wages in Mexico are now below the pay of comparable workers in China, where a series of strikes in 2010 led to a rise in auto industry wages. Productivity at Mexican plants—where a line worker often labors 12 hours, four times a week—has risen twice as fast as workers' wages since 2005.

Wages in the auto industry, however, are still higher than Mexico's minimum of 73 pesos or \$4.50 per day. This has led tens of thousands of workers to flood into towns like Hermosillo (Ford), Puebla (VW), Saltillo (GM) and Aguascalientes, Mexico's "Motor City."

But instead of a better life, autoworkers face the same degrading conditions that are familiar to factory workers the world over: long hours, dangerous and exhausting work, stagnant wages, and brutal exploitation, including sexual harassment, from supervisors.

A US Ford worker who has worked on both sides of the border told the *World Socialist Web Site* about the dangerous working conditions at the Mexican auto parts plant where he worked. "At a place I was working, a guy fell and cracked his head open; he died right away, half of his brains were on the floor, and the ambulance came and picked him up. And they told his family he died in the ambulance on the way to the hospital! It's horrible, but it's a common practice."

Mexican autoworkers are not simply passive victims. Over the past 20 years, workers have fought against these conditions. The Nissan plant in Aguascalientes saw 1,700 workers engage in a one-day strike in 2004. At the Honda plant in El Salto, 2,000 workers went on strike in 2013. Roughly 13,000 workers at the Volkswagen plant in Puebla, near Mexico City, struck in 2001, 2006 and 2009.

Like their US and Canadian counter-parts, however, Mexican workers are straitjacketed with trade unions that are controlled by the corporations and the big business political

parties. Many autoworkers are "organized" by the Confederation of Mexican Workers (CTM), which has been dominated since its inception by the Institutional Revolutionary Party (PRI) of current president Enrique Peña Nieto. The government-controlled union negotiates contracts behind the backs of workers and works closely with the companies to enforce concessions.

As the Ford worker who has experience with both the UAW and the Mexican auto unions told the WSWS, "The huge similarity is that the highest up in the union are basically looking out for their own well-being. There's a lack of interest for low-level workers, a total lack. They try to use their whole power to promote their own interests."

In recent years, there have been increasing clashes between autoworkers and the gangsters who run the CTM unions. Fearing the possibility that a rebellion against the CTM could lead to a radical upsurge of Mexican workers, which could serve as a catalyst for a unified movement of the working class across the North American continent, a coalition of US and European unions have sought to construct "free and independent unions" in Mexico, based on the corporatist model of "labor-management partnership" and explicit rejection of socialism and genuine internationalism.

This effort has been led by the phony "global union" IndustriAll, which was founded in 2012.

Its head, former IG Metall leader Berthold Huber, has just been promoted to supervisory board chairman at VW, where he is currently preparing a restructuring plan that will attack the jobs and wages of the company's 600,000 worldwide employees, including in Mexico.

Autoworkers around the world face the same enemies and the same struggles. The struggle facing autoworkers cannot be left in the hands of the unions, which are nothing more than tools of corporate management. The Socialist Equality Party urges workers to build rank-and-file action committees, democratically controlled by workers and free of the control of the UAW.

In opposition to the nationalism of the UAW, Unifor and IG Metall, the Socialist Equality Party will do everything possible to assist US workers in establishing lines of communication with their brothers and sisters internationally and to organize a common industrial and political struggle against the global capitalist system.



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