

Fiat Chrysler workers sending UAW-backed deal to defeat

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Fiat Chrysler workers at most of the automaker's US plants, including several of its largest manufacturing facilities, have rejected a four-year labor agreement being pushed by the United Auto Workers. With two-thirds of the Fiat Chrysler workers already voting, the contract appears to be heading to a resounding defeat.

In the latest blow to the union's efforts to ram through the deal, UAW Local 7 officially announced on Sunday that 66 percent of production workers and 77 percent of skilled workers voted "no" at Jefferson North Assembly Plant, the company's largest factory in Detroit. The UAW International ordered the local to delay releasing the results of Friday's vote, fearing it would encourage a tidal wave of rejections.

Nevertheless "the margin of defeat has been growing," the *Detroit Free Press*, a mouthpiece for the auto companies, complained Sunday night, after the Jefferson vote total was released. Last Friday, 77 percent of production workers and 65 percent of skilled workers voted down the deal in Kokomo, Indiana, where nearly 5,000 work at company transmission plants. The deal was also decisively defeated at Trenton Engine in suburban Detroit; the Toledo Machining Plant in Perrysburg, Ohio; Sterling Stamping outside Detroit; Mopar parts in Centerline, Michigan and parts depots in Los Angeles, Atlanta and Aurora, Colorado.

In voting "no," workers are defying the campaign by the UAW, the companies and the corporate-controlled media, which have all sought to palm off this sellout deal as an advance for workers. The stand being taken by autoworkers is an expression of deep opposition in the working class, which has long been suppressed by the UAW and other pro-company unions.

Fiat Chrysler Automobiles (FCA) workers are not only speaking for autoworkers, but for tens of millions of workers in the United States who have suffered through the longest period of wage stagnation since the Great Depression, even as corporate profits, CEO pay and the stock markets have hit record highs during the so-called economic recovery.

Autoworkers have only defeated a national contract

backed by the UAW once before. In 2009, Ford workers rejected the efforts of the UAW to impose the same terms that Obama forced on GM and Chrysler workers during the administrations' wage-cutting restructuring of the auto industry. In 2011, skilled trades workers at FCA voted down the deal only to have the UAW ignore its own bylaws and push through the contract anyway.

A majority of FCA's 37,000 workers would have to accept the deal for it to pass, a scenario that is increasingly unlikely. In advance of a meeting on Sunday of workers from the Toledo Jeep Assembly Complex, however, UAW Vice President Norwood Jewell told the *Detroit News* that there is still a "mathematical" chance the deal would pass, an ominous suggestion that the UAW still has various tricks up its sleeve.

Expressing his contempt for autoworkers, Jewell declared, "My job right now is to explain things, answer all their questions and let some of them vent."

The vast majority of Jeep workers boycotted Sunday's meeting, already convinced that they would vote against the deal and in no mood for more double-talk and lies from union officials. The hundreds who did show gave Jewell, a chief architect of the sellout, an unwelcome reception, peppering him with angry questions.

Jewell claimed workers did not understand the complexities of the contract. He said they had been prejudiced against the deal by social media, an oblique reference to the WSWs Autoworker Newsletter, which has won a widespread following among workers.

Workers, however, understand perfectly what the contract would do. Older, tier-one workers would receive an average 1.5 percent increase per year, below the rate of inflation. These workers have not had a raise in more than a decade, resulting in a 22 percent loss in real wages. The hated two-tier system first accepted by the UAW in 2007 remains, condemning 17,000 FCA workers to substandard wages and benefits, with vague promises to reach a new permanently lower cap of \$25.35 by 2022. Mopar and axle operators would be capped at an even lower wage.

Jewell has sought to defend the UAW's blatant disregard of its pledge in 2011 to restore the 25 percent cap on the proportion of second-tier workers. "I can't help what they told you," he told Kokomo workers last Friday. Jewell claimed the UAW's promise to restore the caps, which was contained in its 2011 contract "highlights," had been a "typo."

With 7,000 tier-two workers due to be turned into tier-one workers, receiving a \$10 an hour pay increase, the UAW has simply dumped this demand. Instead the company and the UAW are seeking—through a combination of vicious speedup, an absentee policy that will facilitate dismissals and early retirement packages contained in the deal—to rid the industry of higher-paid autoworkers and establish a new, permanently lower pay scale.

This was spelled out by the industry web site, *Automotive News*, which wrote Saturday, "In a few years, there will be only one pay tier for UAW members at the Detroit 3—just as they demanded.

"But it won't be the one they wanted. If the union's tentative contract with Fiat Chrysler is any indication, the surviving tier will be the lower one: The rich, traditional jobs will go away over time, replaced by a class of auto workers earning less in wages and benefits than the highest-paid today."

In return, the UAW is being given control of the provision of health benefits through the expansion of a so-called "co-op," the details of which are not even included in the contract. The "co-op" would be modeled off the \$60 billion retiree medical benefits Voluntary Employee Beneficiary Association (VEBA). The expansion of this slush fund would give the UAW executives and their Wall Street advisors added incentive to cut benefits and increase co-pays, deductibles and other out-of-pocket costs in line with the Obama administration's goal of shifting health care cost to workers.

If a "yes" vote is declared at this point, it can only be due to massive fraud on the part of the UAW. The likely defeat of the contract has inspired workers throughout the auto industry, with GM and Ford workers praising their brothers and sisters for standing up to the company and the union. However, it would be fatal mistake to believe the UAW will now turnaround and seek a better offer.

Although they have been shocked by the resistance of workers, there is no doubt that union and company executives, along with officials from the Obama administration, are already preparing a strategy to try to wear down opposition, divide workers and impose the dictates of the corporate and financial elite. This will likely include the threats of plant shutdowns and mass layoffs to blackmail workers into submission.

The UAW may simply drag things out by extending the contract indefinitely. As the *Detroit Free Press* noted, "Why would CEO Sergio Marchionne be in a hurry to sit down and hash out an even more expensive contract? Marchionne is widely regarded as a shrewd negotiator who knows how to use pressure as leverage."

If the current contract is extended, the UAW would also continue to collect union dues from workers in Michigan and Indiana because the provisions of "right-to-work" laws in those states do not go into affect until the present contract expires.

The UAW may even call a bogus strike as it did in 2007 in order to let off steam, undermine the fighting capacity of workers and impose another sellout. Already, the media has cited the comments of various official dissidents who are encouraging illusions that the UAW will come back with a better contract, if pressured.

Workers must reject such claims. The UAW is not a workers organization that is answerable to the rank-and-file, but a multi-billion dollar business whose interests are diametrically opposed to the working class.

The sentiment expressed in the "no" vote must now take independent organizational form. The WSWS calls for the establishment of independent organizations of autoworkers, democratically elected and controlled by rank-and-file workers and free from the dictatorial control of the UAW company union.

The conduct of the negotiations and the struggle as a whole must be taken out of the hands of the UAW. The rank-and-file committees should demand an end to the secret negotiations and a full disclosure of the proposals and counter-proposals by the company and the UAW.

Such rank-and-file action committees will form the basis for uniting Fiat Chrysler workers with GM and Ford workers to prepare a common struggle, mobilizing workers throughout the United States and internationally.



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