

Two more plants overwhelmingly reject UAW-Fiat Chrysler deal, ensuring its defeat

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Autoworkers at Fiat Chrysler's Toledo Jeep Assembly Plant and the Sterling Heights Assembly Plant overwhelmingly rejected an agreement backed by the United Auto Workers in voting held on Tuesday.

While official figures have not yet been announced, a committeeman at the Toledo plant reported on social media that 87 percent of production workers voted against the deal, along with 80 percent of skilled trades workers. Toledo workers also rejected a local agreement that included a no strike clause.

If confirmed, this would be the largest percentage "no" vote reported so far. Voter turnout at the plant was at 80 percent.

At Sterling Heights, 72 percent of production workers and 65 percent of skilled trades workers rejected the deal. The last remaining plants will vote tomorrow, including in Belvidere, Illinois and at Warren Stamping.

The vote in Toledo followed a combative "information" meeting led by UAW Vice President Norwood Jewell on Sunday, with workers peppering an angry and hostile Jewell with questions. (See, "A revealing clash between Toledo Jeep workers and UAW Vice President Norwood Jewell")

About two-thirds of FCA workers around the country had voted on the contract going into Tuesday, with most plants reporting "no" votes by large majorities. These include a transmission complex in Kokomo, Indiana; the Toledo Machining Plant in Perrysburg, Ohio; and Jefferson North Assembly Plant, Trenton Engine, Mack Avenue Engine Complex, Sterling Stamping and the main Mopar parts facility, all in the Detroit area.

On Tuesday morning, the UAW reported that a narrow majority of production workers at the Warren Truck Plant in Metro Detroit voted "yes," the first major assembly plant not to report a "no" vote. However, these results were immediately challenged by Warren Truck workers, who cited discrepancies in the voting process, including

errors in the ballot early on that led to a partial revote.

A Jeep worker told the WSWs Autoworker Newsletter that "The Warren vote controversy got a lot of anger on top of a already angry membership today." The overwhelming opposition to the deal announced two weeks ago has taken both the company and the UAW by surprise. The two parties conspired behind closed doors to reach the deal, which includes a preservation of the hated two-tier wage system; insulting wage increases for tier-one workers who have suffered a decade long wage freeze; and a pledge by the UAW to support a corporate restructuring process that will likely include many layoffs.

Workers are outraged by the failure of the UAW and the company to honor a 25 percent cap of lower-paid tier-two workers that was included in the union's 2011 contract. The ultimate aim of the company is to push out all tier-one workers through a combination of speed-up and early retirement, permanently lowering the wages of the workforce as a whole.

A major component of the agreement is a planned restructuring of health care benefits for current workers, through the establishment of a UAW-run health care "co-op" modeled on the Voluntary Employees' Beneficiary Association (VEBA) set up in 2007. The UAW would gain access to another multi-billion-dollar slush fund and would be tasked with cutting benefits in line with the Obama administration's strategy of shifting health care costs from the corporations to workers.

With a "no" vote now practically inevitable, the UAW is scrambling to implement a new strategy aimed at securing passage of the contract. The union is working behind the scenes with company officials and the Obama administration in an effort to suppress or dissipate the anger of workers.

The *Detroit Free Press*, which is close to both the auto companies and the UAW, reported that UAW President Dennis Williams is considering a number of options in the

event that the contract is defeated: “Go back to the bargaining table with Fiat Chrysler CEO Sergio Marchionne and try to win a better agreement;” “Conduct a re-vote on the same contract;” or “Put Fiat Chrysler on hold and negotiate a new agreement with either General Motors and Ford before returning to Fiat Chrysler.”

If a new vote is held, either on the same contract or a slightly modified agreement that includes all the basic components of the first deal, it will be accompanied by an escalation of intimidation, including threats of plant closures and mass layoffs if workers do not back the deal. If the UAW turns its attention to Ford or GM, it will be with the aim of pushing through an agreement there before returning to another vote at Fiat Chrysler.

Absolutely excluded by the UAW is any effort to mobilize workers in opposition to the demands of the companies. Instead, the union functions as a labor police force, with the wealthy officials who control the organization determined to defend their own interests—including substantial stock holdings in the auto companies—through an intensification of the exploitation of the workers they claim to represent.

Part of the strategy of the UAW may be to call limited strike action, with the aim of letting off steam and wearing down opposition. This is the significance of the announcement by UAW Vice President Jimmy Settles of a five-day notice before possible strike action at the Ford Kansas City Assembly Plant over a local contract issue.

In a nervous note to Ford workers, Settles said he is “fully aware that there are many questions and concerns regarding negotiations” between the UAW and Ford. “I ask that you not read too much into the details of the FCA tentative agreement,” he added. “Until we have reached a tentative agreement, there is no way to guess what our contract will possess.” This is said by the lead negotiator for UAW at Ford.

Settles and the UAW are deeply worried that the opposition among Fiat Chrysler workers will spread to Ford and GM, and that the anger among auto workers will develop into a struggle against the companies, the UAW and the Obama administration.

Beyond the immediate fate of the UAW-FCA contract, there are growing concerns within the ruling class that the massive “no” vote at Fiat Chrysler is part of a breakdown in the decades-long role of the UAW and the unions as a whole in suppressing the class struggle.

In an article published on Tuesday, *Detroit News* columnist Daniel Howes worried that a rejection of the deal “shows Old Detroit is not yet dead, proof that

competitive reality cannot necessarily overcome unrealistic expectations in a post-bailout era.” In other words, the autoworkers are refusing to accept that they should be forced to continually give back pay and benefits in order to ensure the profits of the auto companies.

Complaining that the UAW did not do enough to sell the deal, Howes cites the comments of Sean McAlinden, chief economist at the Ann Arbor-based Center for Automotive Research. The UAW “under-performed for management,” McAlinden fumed. “They can’t control their people.”

A failure of the unions to “control their people”—that is, enforce the demands of the auto companies and the ruling class—has far-reaching implications. The anger that has been exposed in the “no” vote at FCA is a reflection of seething discontent in the working class, amidst record social inequality and the continual offensive against jobs and living standards. The class struggle, long artificially suppressed with the critical assistance of the unions, is beginning to erupt to the surface.

In rejecting the UAW-FCA deal, autoworkers have taken a courageous stand in defiance of the joint campaign of intimidation and lies. The vote is only the beginning, however. The UAW will not respond by bringing back a better deal, but by intensifying its conspiracy with the auto companies. The auto companies will also be considering actions aimed at punishing workers for their opposition.

The WSWS urges workers to take action now to break the UAW-corporate conspiracy by forming rank-and-file action committees, independent of the unions, to organize opposition and prepare the next stage of the struggle. The next stage of the UAW’s campaign of lies and maneuvers must be consciously and actively resisted.

Efforts must be made to establish firm lines of communication between Fiat Chrysler, GM and Ford workers, while mobilizing all auto workers and the working class as a whole—in the United States and internationally—in a common struggle against the dictates of the corporations and their allies in the unions.



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