New details from FCA-UAW contract reveal plan to create casual labor workforce

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The WSWS urges auto and other workers to sign up for the Autoworker Newsletter *and leave your comments. Sign up for the Autoworker Newsletter Facebook page* here.

Workers are growing increasingly suspicious of the many pitfalls and traps hidden in the second tentative agreement reached by Fiat Chrysler and the United Auto Workers union earlier this month. The UAW is trying to push through the sellout contract in ratification votes scheduled for Tuesday and Wednesday this week.

As workers report their findings to the *World Socialist Web Site Autoworker Newsletter,* it is becoming increasingly clear the new agreement is aimed at eliminating higher paid workers and creating a permanently lower-paid work force with little or no rights.

Though the UAW has sought to keep the contents of the deal secret by dumping thousands of pages on its web site and giving workers little time to prepare for this week's vote, workers are poring over the documents and discovering new drawbacks each day.

One Michigan worker with knowledge of the subject told the WSWS that the agreement allows the company to lay off senior workers, forcing them to take one of two miserable options. Either they accept a temporary position at a lower wage and reduced benefits, or they face unemployment. The catch is that workers who choose the second option will not receive unemployment benefits because many states prohibit workers from receiving unemployment benefits if they reject a job offer.

"It's a 'trick bag' or better known as 'Hobson's Choice' for the employee," the worker told the WSWS.

According to Paragraphs E and F of page 2 of the Supplemental Agreements section of the contract, "At the time of a reduction in force, a seniority employee who is scheduled to be indefinitely laid off from the plant pursuant to such a reduction may request to displace a Temporary Employee."

Moreover, "Such employee shall also be provided the level of life, accidental death and dismemberment insurance, and the HSM (Hospital-Surgical-Medical) coverage, *but not Supplemental Employment Benefits* (SUB)." (Emphasis added).

The Michigan worker says, "with this language FCA can move each and every seniority employee to temporary status AT WILL simply by laying them off, and it does NOT have to be in any sort of economic downturn. And with this language FCA can convert each and EVERY seniority employee to temporary status without SUB or Pension Benefits. If you thought Alternative Work Schedules were bad, wait till you get your head around THIS ONE!!!"

The new agreement also cuts funding for SUB benefits. Page 133 of the benefits portion of the contract notes that after the 2011 contract, "the parties agreed that the SUB Plan no longer needed to be funded by the Trust and that the Trust would be terminated."

In other words, the UAW is colluding with management to exploit the economic distress of laid off workers and to force them into the status of temporary workers. Last week it was revealed that the contract would allow a doubling of the percentage of temps in the factories—from four percent to eight percent. It will also allow the company to use temps 365 days a year, instead of just on Fridays, Mondays, weekends and holidays.

In addition, a Ford worker contacted the WSWS to send a warning message to Chrysler workers regarding the profit sharing plan.

"To Chrysler workers: they're dangling a carrot and it is a lie!"

The worker explained that "the FCA Highlights are touting the Profit Sharing Plan as 'improved' and 'payout based on uncapped compensated hours'…What the IUAW (International UAW) is not telling the membership is that the FCA pay-in is capped. Therefore, the 'pool' amount being divided up by 'uncapped compensated hours' is not going up as the overtime hours are going up."

It appears that the UAW is using a cheap accounting method to dupe workers out of profit sharing money while selling profit sharing as a "plus" in the highlights. The highlights say, "we will return to a method where the more hours you work, the bigger your share of the profit sharing pool will be."

But, the Ford worker says, "this not only saves the company money, but it also sets up another point of division among the ranks," adding later: "Sure, the high hour checks are bigger than those with low hours, but unless the formula gets changed, the more one member makes the less someone else makes."

In other words, the UAW has expanded the multi-tier system to profit sharing!

The UAW rejected another autoworker's appeal for further information about this issue. A letter from Al Wilson, a bureaucrat from Dennis Williams' office, notes that the worker's "appeal is respectfully denied…the matter is closed and there shall be no further appeal."

This was not due to a misunderstanding. According to documents provided to the WSWS, one UAW bureaucrat wrote to the UAW-Ford National Programs Center that, "the question that [the autoworker] raises is a good one, and we spent a lot of time talking about this when we were working on the profit sharing section."

Autoworkers may not have the resources to hire high-powered lawyers to read the contract for them, but in the days since the contract was released they have found plenty of bombshells like these.

What is emerging is that the new contract lays the framework for an unprecedented assault on workers' wages and living standards. Senior workers may be forced to accept temporary work and SUB benefits may be slashed while workers are fleeced out of profit-sharing funds. On top of this, none of the demands of workers are met in this deal: the Alternative Work Schedule is maintained, overtime after eight hours is not restored, a multi-tiered system remains intact, there will be no cost-of-living-adjustment, and the door is wide open to a co-op type healthcare scam.

The *WSWS Autoworker Newsletter* calls on workers to treat this second deal as they did the first: with an overwhelming "no!" We urge workers to circulate our statement and build up opposition to reject the sellout.

In an effort to overcome the resistance demonstrated in the 2-to-1 rejection of the first deal, the UAW is forcing workers to vote in a 2-day span, to prevent the "no" vote from gaining momentum. It is also keeping a lid on how votes will be counted, although workers at Warren Truck in suburban Detroit have expressed widespread suspicions of vote-rigging. Farm equipment workers have also leveled such charges against the UAW in the recent John Deere vote.

In recent weeks the UAW has spun a web of lies with the help of the BerlinRosen public relations firm. Workers can expect the UAW to pull every trick to ensure the sellout contract is ratified, including intimidation, lies and job threats.

The powerful movement in the first 'no' vote should be taken to the next stage through the establishment of rank-and-file factory committees to monitor the votes and take the conduct of this struggle out of the hands of the UAW. FCA workers should reach out to all autoworkers—at GM, Ford, in the parts factories and transplants in the US, and among workers internationally—to begin a counter-offensive against the decades of union-backed concessions.