

# Widespread anger and opposition in wake of ratification of Fiat Chrysler sellout

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The United Auto Workers announced on Thursday that an agreement covering more than 40,000 workers at Fiat Chrysler (FCA) in the United States had passed. The ratification comes three weeks after an upsurge of opposition among autoworkers led to the landslide defeat of an earlier UAW-FCA deal.

According to the UAW, workers voted by a margin of 77 percent for production workers and 72 percent for skilled trades in favor of the agreement, with some plants backing the deal by more than 85 percent. There is more than ample reason to question the integrity of these numbers. After being stunned by the earlier “no” vote, the UAW was determined to announce a substantial “yes” vote by whatever means at its disposal. Counting of the ballots is carried out by union officials, without any independent oversight by the workers themselves.

If the agreement was in fact approved by a majority of the workers, then this was the product of an aggressive campaign by the UAW, backed by both the company and the corporate media, that included a combination of lies, threats, the fomenting of divisions between workers and economic blackmail. The substantial opposition expressed in the “no” vote has not disappeared, but workers have absolutely no confidence that the UAW will carry out a struggle or offer anything better.

Hailing the new agreement Thursday, UAW President Dennis Williams claimed that it “affords UAW members a strong wage package and job security,” while Vice President Norwood Jewell declared that it “provides substantial wage gains, fairness in the workplace, and job security.” In the corporate media, the deal is universally presented as having ended the two-tier wage system by creating a “path” to tier-one wages. These are all lies.

From the standpoint of the company, the most important issue was to permanently lower base wage and benefit costs. This has been accomplished by assuring that no caps are placed on the percentage of second-tier workers

(now designated with the Orwellian term, “in progression employees”) receiving lower wages, with no pension and inferior health care benefits.

As part of its efforts to push through a contract in 2011, the UAW claimed that a 25 percent cap would be restored in 2015. In fact, the percentage of tier-two workers now stands at 45 percent and will increase substantially in the coming years, as the company systematically forces out tier-one workers through layoffs and speedups spurred by various profit-sharing schemes.

The contract also includes a provision doubling the number of even lower-paid “temporary” workers that the company can hire, while creating a mechanism for forcing seniority workers to accept these temporary positions. Already, “temporary” and “part-time” workers make up a substantial portion of the workforce—in effect, a third or fourth tier—often laboring for years without being offered a permanent position.

With the contract passed, the UAW and the FCA will now move to implement a broad array of plans, including significant restructuring of operations and job cuts. Behind the scenes, the UAW is still seeking to set up a union-run health care “co-op” to take over the provision of benefits for current workers, with the UAW tasked with slashing costs and reducing coverage. This is in line with the overall drive spearheaded by the Obama administration to slash health care costs for corporations and the government.

Summing of the difference between the two contracts, Kristin Dzikczek, director of the industry-connected Center for Automotive Research, told the *Detroit Free Press*, “I think they packaged it in a way that was much more appealing even though it likely doesn’t cost Chrysler more money than the first agreement.”

A repeated theme of comments to the WSWS in the wake of the contract ratification is deep distrust of the entire process.

A second tier worker at Jefferson Assembly told the WSWS that she and coworkers questioned the validity of the vote totals released by the UAW. “We don’t believe that both the local and national agreements were passed, because there was a surge of ‘no’ votes at the end. It was the same contract, they just shifted the money around. We are wondering if it was rigged.”

She added, “The temporary part time workers no longer get profit sharing. I find that very unfair. Plus, they can hire more temporary employees, which means they are going to get rid of full time workers.”

There are also reports that workers from Jefferson Assembly in Detroit who participated in a protest last month outside of UAW headquarters at Solidarity House faced retaliation. One informed source told the WSWS that one worker who participated was demoted illegally and at least two others were fired, though they were later reinstated. Two other workers were warned by their UAW steward to be careful what they were doing and not be interviewed on television.

A veteran worker at the Warren Truck Assembly plant in suburban Detroit pointed to a certain feeling of resignation in the face of the incessant media and union propaganda. “I think people were just done with it. The sentiment is ‘what can you do about it?’” He added, “The UAW officials are going to stay in their cushy jobs.”

He continued, “The only thing they did was to add a \$1,000 signing bonus. They robbed Peter to pay Paul. I knew it would pass the second time. They wanted this to go through quickly before Chrysler announced its third quarter profits.”

The contract, he said, set the stage for a drastic overall reduction in the wages and benefits of autoworkers. “Tier one workers are a dying breed. My group is the last to have pensions and \$30 an hour. They are promising the tier-two workers \$28 or \$29 an hour, but they will never see that. I don’t know how you can promise something eight years in the future under terms of a four year contract.”

A second tier worker at the Toledo Jeep complex, where the UAW reported a ratification margin of 55–45 percent, said there was widespread anger over the vote. “Most people aren’t happy.” Pointing to the ratification bonus he remarked, “It was a quick payday for some.” But, he added, “there will be a layoff for at least a year,” referring to Fiat Chrysler’s announced plans to shift the production of the Jeep Cherokee out of Toledo and build a new line of the Jeep Wrangler instead.

“There will be a long fight ahead. I don’t see it being that closed since everyone was so pissed off.” He reported, however, that the UAW pulled out the stops to get a “yes” vote. “They lied to the temporary part-time workers. They told them they would get one-half the signing bonus, which wasn’t true. They also had a UAW steward out there telling workers that if they voted ‘no’ again the contract would go to arbitration. That was a stipulation under the [2009 auto] bailout, but that ended.”

He said that the *World Socialist Web Site* had been one of the targets of attack by the UAW. “A lot of untruths were spoken. But the worst they could say was that the WSWS were communists. But the UAW was built by socialists. It doesn’t make any sense. This isn’t the 1950s anymore.”

Following the Fiat Chrysler vote, the UAW said Thursday that it would now turn its attention to negotiating a deal with General Motors. The largest US automaker reported a 40 percent increase in profits in the third quarter of 2015, with a \$3.1 billion operating profit from its North American operations. The huge profits are the result of relentless cost cutting, which has seen the per vehicle labor costs of the major automakers cut by 50 percent since 2007.

The Fiat Chrysler settlement will now be used as the “model” for contracts at the other companies, with modifications based on the particular interests of GM and Ford.

The experience of the FCA-UAW agreement has demonstrated that the interests of workers can not be defended within the framework of the UAW. In the UAW, autoworkers confront a hostile force. It functions as a labor police force and a business in its own right. It is not a “working class organization” over which the membership has any democratic control.



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