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Michigan GM workers denounce UAW sellout deal

Jerry White 30 October 2015

Workers at GM's massive Delta Township Assembly Plant near Lansing, Michigan are angered over the new agreement reached with the United Auto Workers, which maintains the hated two-tier wage and benefit system.

"This deal does not eliminate the two-tier system," said a young worker with three years at the plant said. "I'm working next to a guy who is making \$10 more an hour than me.

"The UAW said they would get rid of the tiers but they didn't. They also said we would get traditional benefits but we're not equal. The health care is not the same, and we don't get real pensions," the young worker told the WSWS *Autoworker Newsletter* Thursday afternoon.

Asked about GM's third quarter profit report released last week that showed the company making a record \$3.3 billion in North American pre-tax earnings, up from \$2.5 billion, he said, "That should be the cornerstone to get regular wages. The company is making billions of dollars but they are not bringing us up."

Based on the concessions the UAW handed over to GM since 2007, the company made a staggering profit margin of 11.8 percent in the third quarter. Far from boosting the living standards of workers, GM has funneled \$10 billion of its \$25 billion cash hoard to its Wall Street investors, in the form of stock buybacks and dividend payments. If the \$10 billion was spent on workers instead, each one of the company's 53,000 employees would be paid a \$186,000 bonus this year.

The UAW, which controls 9 percent of GM's stock through the UAW Retiree Medical Benefits Trust, is seeking to ram through a contract that will establish a permanently lower pay and benefit scale throughout the industry. Modeled on the sellout deal pushed through at Fiat Chrysler last week—after FCA workers rejected the first by a two-to-one margin—the contract includes an insulting wage increase for older workers who have not had a raise in a decade and establishes a whole new series of tiers for temps, GM Components Holding workers and others.

"I'm opposed to this contract for many reasons," a veteran Delta Township worker said. "First of all, they say that second tier workers will come up to \$29 in eight years, even though the contract only lasts four. I don't think they will ever see top wages."

The Delta Township plant employs 3,500 workers who produce 1,100 vehicles on three shifts, five days a week. The factory produces GM's highly profitable larger SUV cross-over models, the GMC Acadia, Buick Enclave and Chevrolet Traverse. Some of these vehicles have a list price of \$49,875, nearly twice the annual take home pay for a second-tier worker.

As workers came pouring out of the paint shop area, they enthusiastically took copies of the *Autoworker Newsletter* from campaigners. Many gave short sharp comments denouncing the contract and the UAW. After about a half hour, several officials from UAW Local 652 came out and tried to dissuade workers from taking the newsletters. Once that failed they returned with plant security insisting that campaigners "leave our private property."

With workers standing around, the UAW officials did not even try to defend the rotten agreement they were trying to ram down workers' throats. When campaigners challenged them to explain their support for the deal, one union official lamely claimed he had not read the contract yet.

A first tier worker at the plant later told the WSWS, "Everyone at Lansing Delta is saying vote no, vote no, vote no." Referring to the UAW, he said, "They are crooks, every one of them are crooks.

"What they are doing to the second tier is wrong. They are working next to their co-workers on the line making a pittance. They can't get their teeth fixed, their eyes right.

"It is hard enough making it on what we are making. We should be getting COLA back, a substantial raise."

Comments on the factory's Facebook page were equally damning. "I will never endorse the reduction of middle class workers. The union preached about the workers at foreign automakers using long-term temps.... Now they are endorsing a contract allowing company's to use long-term temps....The lower we cut ourselves the working class the easier we make it for mega corporations to do it."

Another worker wrote, "This whole 'temp' job economy is not fostering a greater work base. It only serves the executives and Temp agencies. People want permanent jobs! Workers want to be equal to the guys and gals they are working side by side with earning equal pay, benefits, and a sense of belonging."

The WSWS also spoke with workers in other states. A veteran worker at GM's Fairfax plant, near Kansas City, said, "They are making us vote on the contract Friday. There is no way that workers with families who have to take care of a home and sleep can read hundreds of pages in 24 hours.

"The UAW International and the local create divisions between the temps, the first and second tiers, and think to keep us from uniting against them. I've begun to look at the contract and there are so many areas where it says one thing towards the beginning, which makes people think they got something, only to contradict it later on. Take the supposed moratorium on outsourcing. If you read further it says this can be suspended or there can be waivers if the UAW and the company agree this in the best financial interests of the company. Then outsourcing can be discussed.

"There is also health care. Towards the beginning it says there will be no union-run co-op. Then later it says they agree that it would be better financially if it was run by a trust. Well who is going to run this trust? Williams said there would be no trust, but this is just

like the VEBA."

A tier-one worker with 14 years' experience at the Lordstown, Ohio GM plant added,

"We're getting screwed by the companies and the union. I have no faith in the UAW. They make so much money they can't relate to people on the floor. We don't even know these people who say they're our representatives. They just get dropped into place. How can we trust them when the UAW has stock in GM?

"I've been at the same wage for twelve years. To stay at the same wage that long, you start to fall in the hole. Then they come along and offer these signing bonuses. It's not like workers are going to use that to go on a vacation. They're going to try to use it to get out of the hole.

"The contract is a joke. They already had it set and ready to go a long time ago. I hope the contract gets turned down."



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