

“The UAW doesn’t give a damn about the workers”

GM Subsystems workers demand equal pay

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Autoworkers’ demands for the elimination of the hated two-tier wage system have dominated much of the discussion around the 2015 US auto contract negotiations. Less known is the fact that hundreds of workers at GM plants across the country are working side-by-side with regular GM employees making wages even below the current tier-two schedule under “exceptions” to the national agreement permitted by the United Auto Workers.

Among these “exceptions” are workers employed by GM Subsystems Manufacturing LLC, a wholly owned subsidiary of General Motors. The workers are employed in a manufacturing capacity by GM, but they are not covered by the national UAW-GM agreement. Instead they work under terms of separate sweetheart deals negotiated by the UAW with inferior pay and benefits.

For example, workers at the GM Brownstown, Michigan Battery Plant south of Detroit build the lithium ion battery for the Chevrolet Volt, Opel Ampera and Cadillac ELR. They earn starting wages of just \$13 an hour with top pay of \$14.85. They are employed by GM Subsystems and pay dues of \$36 a month to the UAW, but they are not covered by the national UAW-GM agreement.

A battery plant worker told the WSWs, “To see a decent check we have to work seven days a week if that is available. With a weekly paycheck of \$350 and five people to support it is hard. I have to drive all the way from Detroit relying on a car that I pray will start each morning.”

The plant opened in 2010 under the administration of Michigan Democratic Governor Jennifer Granholm to much fanfare. It was in part funded by grants provided by the Obama administration under terms of the 2009 Recovery and Reinvestment Act as well as state of

Michigan tax credits.

When the battery plant first opened it was nonunion, the first nonunion plant to be opened by GM in 30 years. Workers later voted to join the UAW under a card check procedure, which allows union representation without an election. The UAW then went on to agree to wages and work rules far inferior to those under the national UAW-GM agreement.

The workers at the plant go through the same screening process as regular GM employees, only they earn substantially less money. The battery plant worker said, “Whatever they call it, we still work for General Motors. We work under GM people. We get a GM discount. Our badges say GM. We want to be under the national GM contract, but they don’t want that at all.”

She added, “There is a high turnover rate. I feel we were used.”

The contract for the 70 workers at the battery plant expired in April. At the time GM offered a mere \$1.50 increase in the top wage over the life of a four-year agreement. In May the Brownstown workers voted by a 100 percent margin for strike, but the UAW did not call a walkout. Instead they told the workers that no contract would be signed until after the national GM contract was settled. Workers were warned that if they struck they were on their own.

Other GM Subsystems workers are employed in assembly plants, in many cases doing jobs identical to those of regular GM employees, but for vastly inferior pay. They do a wide variety of jobs including kitting, putting together batches of parts for assembly.

A retired GM worker spoke to the WSWs about conditions facing contract workers at General Motors. His son works at the Orion Assembly plant north of Detroit as a temporary worker for GM Subsystems. GM recently announced 500 layoffs starting in December at

the plant.

“There are three tiers at GM and people don’t realize it. We used to do sub-assembly in the plants as tier-one workers. But GM farmed it out. There are now 700 GM Subsystems workers across the country at different plants. They are doing the same work as someone next to them, but getting less money. It is a way of keeping labor rates low. Wages range from \$8 an hour to \$13 an hour and they are under the UAW. Those are poverty wages. My son has a degree in biochemistry, but there are no other jobs out there.”

He said that he was a former AC Spark Plug worker who went to Delphi when GM sold its parts operations. “It is the same thing that happened to us at Delphi. GM sold their parts division to keep the wages down. We went through hell.”

Workers for GM Subsystems at Orion and other plants pay dues to the UAW but are not covered by the national agreement and do not get the same pay and benefits.

The retired GM worker told the WSWS, “The UAW is not going to bring up their wages in the current contract. The GM Subsystems workers are being left behind. How are they getting away with it? My generation struck for this next generation coming up.

“These kids have a right not to pay union dues. This one is a slap in the face. The UAW doesn’t give a damn about the workers. They just tell you the good things about the contract, not the bad. This is bad. The UAW will fail from within. These kids need a voice, and they are not getting it from the UAW. The UAW is a business. All they are looking for is more union dues.”

Last month GM announced it would eliminate the second shift at Orion due to slow sales of the Chevrolet Sonic and Buick Verano. The cuts will affect about 500 hourly workers, of which some will be able to transfer to the Detroit Hamtramck Assembly Plant.

The Orion plant was closed as part of the 2009 restructuring of GM. It was reopened in 2010 under vague language in the UAW contract demanded by Obama’s Auto Task Force that allows GM and the UAW to administer “innovative labor agreement provisions” related to the production of small cars. This allowed the facility to operate with 40 percent of the workforce under the lower, second tier wage.

This was “grandfathered in from the Obama

bankruptcy,” a fourth-generation autoworker at the Orion plant said. “They were supposed to move second tier workers over to tier one every time higher paid workers quit or were fired. But the union signed a side deal and this promise was never kept. They sold us BS.

“Now there are all these companies—GM Subsystems, Aramark, which hires electrician helpers, JLL (Jones Lang Lasalle), LINC, VQQ—inside the plant. They told us to pass referrals onto our relatives to hire into GM but then they were hired by LINC, which paid \$9 an hour. They were then brought into the union at \$15 an hour but they have crap benefits and crap representation, with one committeeman from our local covering 250 people. For that they have to pay union dues.”

The Orion plant laid off several hundred workers earlier this year. The retired GM worker noted, “[My son] is being laid off because of the cuts. All the temps are being laid off, but they don’t have the right to transfer to other plants.

“GM talks about ‘jobs, jobs, jobs.’ But these big companies don’t care about jobs because they want to keep people begging for work.”



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