Freightliner announces nearly 1,000 layoffs at North Carolina plant

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Commercial truck manufacturer Freightliner has told the United Auto Workers that it is laying off 936 workers at its plant in Cleveland, North Carolina, reducing the workforce by a third. The last day of work will be Friday, according to a company statement cited by local television news station WSOC 9. The supposed "temporary adjustment" will reduce hourly employment at the plant from 3,100 to 2,200.

The layoff notice follows the announcement by Volvo Trucks North America last month that it is cutting 734 jobs—one quarter of the workforce—at its New River Valley assembly plant in Dublin, Virginia. The layoffs were a shot across the bow of Volvo workers who have voted to approve a strike when their current five-year labor agreement expires on March 16.

Freightliner workers told WSOC 9 that the plant manager called a meeting to announce the job cuts just as the shift began on Monday. "It's going to hurt a lot of people," Tezia Purefoy, a mother of two who got a call from her husband after his shift ended, told the station. Her husband, who started working at Freightliner last year, will get full-time pay through March, but she said it will be hard to find jobs that pay that well in the county.

The factory is owned by Stuttgart, Germany-based Daimler AG, which produces Mercedes Benz luxury cars and is the world's largest manufacturer of heavy-duty trucks. Daimler Truck North America (DTNA) produces trucks under the Freightliner and Western Star brands. DTNA also owns Thomas Built school busses and Detroit Diesel, an engine, transmission and axle manufacturer.

The Cleveland plant, which opened in 1989, is the company's largest and most profitable facility. It also has truck facilities in Mt. Holly and Gastonia, North Carolina.

"DTNA is reducing output by one-third at the Cleveland Facility in anticipation of a softer North American truck market in 2016, which will be somewhat below the very strong market of 2015," the company said in an announcement, adding, "DTNA has no further comment on the layoffs."

The UAW will help the company impose its job cuts. At DTNA, its record of betrayal is appalling.

The UAW became the bargaining agent at the Cleveland plant in 2003 after reaching a so-called neutrality agreement with the company, which allowed the UAW to bypass a secret ballot vote by workers and gain recognition after a majority of workers signed authorization cards. Unbeknownst to the workers, however, in 2000 the UAW had signed a secret deal with management pledging concessions in exchange for the neutrality agreement.

When negotiations for a new contract began in 2007, Freightliner announced plans to cut 1,200 jobs to press its demands for an expanded two-tier wage structure, cuts to retiree health care, and a pay freeze for the majority of workers. The bargaining committee—unaware of the sweetheart deal the UAW signed to gain recognition—acted on the near unanimous strike authorization by workers and called a walkout on April 2, 2007, the day after the threatened layoffs were to take place.

Within hours, UAW Region 8 Director Gary Casteel and other officials denounced the strike as illegal and threatened that anyone participating could be disciplined up to termination. The UAW forced workers back to their jobs, took over negotiations and pushed through the deal originally rejected by the elected bargaining committee. When workers voted down the contract, the UAW ordered a revote and then threatened and browbeat workers to secure ratification.

Several bargaining committee members were fired with the tacit approval of the UAW, which then tried five local 3520 officials on the charge of "behavior unbecoming of a union member" for leading a strike unauthorized by the UAW International.

In 2013, the International Association of Machinists and several other unions betrayed a three-week strike of Daimler Truck workers in Portland, Oregon after workers rebelled against the company's concession demands.

In May 2014, the UAW pushed through a four-year deal at the Freightliner's plants in Cleveland, Mt. Holly and Gastonia, North Carolina, which included miniscule wage increases and allowed DTNA to dump its future obligations to pay retiree health care benefits.

According to the industry web site *Transport Topics*, the contract included a 3 percent wage increase in the first and third years, with 3 percent lump-sum bonuses in the second and fourth years, and a $7,000 ratification bonus. As in the auto industry, the truck manufacturer funneled hundreds of millions of dollars into a newly established retiree health care trust fund, known as a Voluntary Employees' Beneficiary Association, or VEBA. Such funds, which put the UAW in charge of the rationing of health care to current and future retirees, have been a source of lucrative income and investment opportunities for the businessmen who run the UAW.

Praising the deal, Martin Daum, DTNA's CEO, said in a statement at the time, "The ongoing close collaboration with the UAW has resulted in a contract that will help assure continued manufacturing excellence and market leadership." Gary Casteel hailed the new VEBA and returned the praise, saying, "The UAW is thankful to have this collaborative relationship" with DTNA.

In addition to Freightliner and Volvo, the UAW has overseen the concessionary deals at Mack, Navistar International and Peterbilt truck. In February 2015, despite large profit and sales gains, the UAW pushed a new four-year deal past 1,500 Navistar (formerly International Harvester) workers at a truck assembly plant in Springfield, Ohio; an engine plant in Melrose Park, Illinois; and parts distribution centers in Atlanta, Dallas and York, Pennsylvania.

The deal, which included "lean manufacturing rule changes," according to industry analysts, was praised by Norwood Jewell, UAW vice president in charge of the Heavy Truck Department, as "an example of how working men and women and companies can work together so that everyone wins."

UAW International President Dennis Williams has sat on Navistar's corporate board of directors since 2006. The company pays him $120,000 a year—in addition to his more than $200,000 salary and disbursements from the UAW—to impose its dictates.

"We benefited from the fact that Dennis Williams is on our board of directors," Navistar CEO Troy Clarke said after the ratification of the pro-company deal. "He was very supportive of us taking the time needed to negotiate the right agreement…"

Last June, with the sanction of the UAW, Navistar shut its Indianapolis, Indiana foundry and truck engine manufacturing facility, laying off the final 20 workers at the complex, which once employed 2,000 UAW members.

As the recent experience of the 140,000 Fiat Chrysler, General Motors and Ford workers demonstrates, any fight by truck workers will require a rebellion against the UAW, which is tool of corporate management and the government that masquerades as a "union." Workers should build new forms of self-representation and struggle, including factory committees democratically elected and controlled by the rank-and-file, to oppose layoffs and plant closings and begin the fight for the unification of the working class against the profit system.