

“We need to unite workers everywhere”

# Rank-and-file Lake Orion workers organize opposition to GM-UAW deal to hire low wage subcontract labor

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A movement is building among rank-and-file workers at the General Motors Lake Orion assembly plant in the north suburbs of Detroit against an agreement signed by the United Auto Workers to hire lower paid contract workers from GM Subsystems LLC. The agreement involves replacing some 150 regular GM employees in the materials department who earn full pay and benefits.

Workers at GM Subsystems LLC, a wholly owned GM subsidiary, start at just \$15 an hour, about half of the pay for senior, tier-one workers. Earlier this year, UAW Vice President for General Motors Cindy Estrada, with the support of the leadership of UAW Local 5960 at the Lake Orion plant, signed a memorandum of understanding (MOU) bringing in the subcontract workers. In typical fashion, the UAW claimed the deal was necessary to preserve jobs.

The UAW signed a similar MOU covering the Lordstown, Ohio, plant. The agreement at Lordstown was particularly provocative given that it became public in the wake of the announced layoff of the second shift at the factory, imperiling some 1,500 jobs.

The Lake Orion plant is being prepared to build and test autonomous vehicles. The facility currently employs around 1,000 workers who build the Chevrolet Sonic. Many workers feel that their facility may be next for layoffs given slowing car sales.

GM is seeking to reassure investors that it will impose further cost cutting measures with the collaboration of the UAW.

Last month, Lake Orion workers confronted Local 5960 officials at a packed union meeting, demanding to know why the UAW had signed a secret deal behind their backs. Before the union meeting, a group of workers circulated a

letter denouncing the MOU and calling on workers to mobilize in opposition.

It read in part, “The time to act is now against the mistreatment and mismanagement of our collective workforce. Both the UAW and GM have decided that it is in our best interest to outsource the materials department without first consulting the membership here at Orion Assembly. Our local leadership admittedly signed the MOU in February and withheld this information from us. This is at a minimum a violation of our right to fair representation and collective bargaining.”

It continued, “It is the duty of every member at Orion Assembly to take action and stand up for what is fair for all of us. We must inform ourselves of all things that influence and regulate our day to day lives on the shop floor and be prepared to act as a vigilant, collective workforce.”

A Lake Orion worker told the World Socialist Web Site *Autoworker Newsletter*, “In this MOU they are surrendering the remainder of our material jobs.

“When this first hit the floor the local denied it. The next day they came out with a memo saying they were also signing off on it. So we had a general membership meeting, but before the meeting workers organized their own meeting. We knew they weren’t giving us the whole scoop.

“Our chairman told us there were three other MOUs, but they would not impact us, so they weren’t releasing them. At the meeting there was a motion to go over the MOUs in detail.

“Our factory is treated like a stepchild. Our plant is an experimental plant. In other words, it’s their laboratory to get things into the plant they want to spread to other

plants.”

The Lake Orion plant was initially slated for closure as part of the 2009 GM bankruptcy. The factory re-opened in 2011 under a sellout agreement signed by the UAW staffing the facility with tier-two workers making one-half standard wages. In addition, a third tier of subcontract workers was brought in, with wages as little as \$9 an hour.

Currently only three GM plants build passenger cars: Lake Orion, Lordstown and the Detroit-Hamtramck facility.

To tamp down anger over the backroom deal, Estrada issued a statement in April after the MOUs became public. Estrada’s charity is under scrutiny as part of the federal probe of UAW corruption.

In her letter, Estrada defended the agreement to bring in GM Subsystems workers. Warning of the threat of layoffs she wrote, “GM would like to walk away from the UAW, shut down our plants and move work and future technology to cheaper locations outside the U.S.—which GM’s competitors are already doing. We pushed hard against the bigger changes GM wanted and entered into an agreement that we feel will result in the long-term job security of our members and communities.”

The claim that concessions will “save” jobs is the same lie that the UAW has peddled for 40 years. During that time the auto companies have destroyed hundreds of thousands of jobs while gutting the wages, benefits and working conditions of autoworkers. The UAW has not lifted a finger to fight a single plant closure, while attempting to divert workers anger against their brother workers overseas.

The Lake Orion worker continued, “We are the only American car company that is still building cars. Their spiel is: ‘Cars aren’t selling,’ and we have to make concessions. At all three plants they are pushing out higher paid workers and bringing in third party contractors.

“The LLC workers don’t support it either. They are refusing to sign up for jobs.

“They are bringing in workers who are undertrained that will make the jobs more dangerous. One woman was rushed through the training process. She was driving a tucker (an electric cart that pulls a train of parts). She almost turned it over on a worker for lack of training.

“Someone who has been there 25 years should be on the job. It was a more desirable job because you aren’t on the line. You have time to sit down.”

Another Lake Orion worker said, “They are trying to pit

LLC and GM workers against each other.”

She described conditions in the plant. “On some of the jobs you are constantly busy. I didn’t even have time to go to the bathroom.

“You don’t know whether you are working 8 or 9 hours on the shift until 1:30pm. When they put you on launch mode they can work you up to 12 hours. Next year, when we build the autonomous vehicle, we will have to work 12 hours.”

She was angry that the UAW was doing a fundraiser at the plant for the workers being laid off at Lordstown, while refusing to wage any kind of fight to defend jobs.

“We need to unite workers everywhere,” she said. “With the teachers, all the big companies and corporations, not just workers at GM.”

The mounting resistance to the efforts of the auto companies and their puppets in the UAW to squeeze ever-greater profits off the backs of workers demonstrates the critical need for a new program and strategy.

Efforts to pressure the UAW are futile. As the corruption scandal and the endless series of rotten agreements and concessions contracts have exposed, the UAW is not a workers organization, but a pro-company labor contractor.

Workers need new democratic forms of shop floor organization, rank-and-file factory committees, to oppose layoffs and speed-ups and fight for the abolition of all wage differentials and the restoration of past concessions, including full cost of living. The first step is to declare all the MOUs and corrupt contracts signed by the UAW null and void. This fight requires the mobilization of workers throughout the US and internationally as part of a joint struggle.



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