

“GM has made all of these profits and we’re getting shafted”

Autoworkers speak out as GM Warren Transmission plant closes after 78 years of operation

Our reporters
2 August 2019

August 1 was the last day of production at the General Motors Warren Transmission plant, just north of the city of Detroit. The sprawling 2.1 million square foot facility opened in 1941 and has been operated by GM since 1958. It once employed upwards of 4,000 workers.

When production ended Thursday only 200 workers were left. The closure of the facility was the latest blow to the Detroit area, which has seen the destruction of hundreds of thousands of auto industry jobs over the last four decades. The shutdown was part of the plant closures and mass layoffs announced by GM last November, targeting five plants in the US and Canada and eliminating 14,500 white collar and production jobs.

The \$6.5 billion in costs GM expects to save from the closures is a fraction of the \$25 billion the company has squandered in recent years on stock buybacks and dividend payments for its richest investors and corporate executives.

“This really hurts,” Billy, a skilled tradesman, told the *World Socialist Web Site Autoworker Newsletter*. “I hired in 1989 and thirty years, almost to the day, I’m set to be laid off. This was the first GM plant in the country to receive the BQRS (Built in Quality Supply Base) rating for quality, and this is how they reward us.”

Eric, a worker with over a decade at the plant, agreed. “This is devastating for communities. The auto companies want to force higher-paid workers into retirement and replace them with lower-wage and temp workers. These workers don’t have any stability, they can’t afford to buy a car, let alone a house. This is to maximize profits. The union and the companies want workers just to adjust to having someone making half your wage working right next to you. But this has got to change.”

The closure was used as a photo op for various Democratic Party leaders in advance of the Democratic Party presidential debate held this week in Detroit. In a press event outside the plant Democratic National Committee Chairman Tom Perez and Michigan Congressman Dan Kildee postured as champions of workers.

The claim by the Democrats that they defend the interests of workers is an utter fraud. Tens of thousands of jobs were wiped out in the forced restructuring and bankruptcy of Chrysler and General Motors ten years ago by the Democratic Obama administration. The Wall Street asset strippers on Obama’s White House Auto Task Force also imposed a 50 percent pay cut on all new hires.

The United Auto Workers is using the shutdown of the Warren plant to launch another nationalistic rant against Mexican and Chinese workers. “They chose not to give us a new job. Instead they chose to invest in Mexico and China,” UAW Local 909 President Ghana Goodwin-Dye declared at the meeting with the Democrats. In face of the global assault taking place on auto jobs, the Trump administration, the Democrats and the unions have lined up to promote trade war and militarism against the overseas rivals of US capitalism. This has been coupled with demands for ever-greater sacrifice by workers in the name of “competitiveness.”

“I’m really upset with the UAW,” Eric told the *WSWS Autoworker Newsletter*. “They didn’t do a thing to fight this plant closing. It’s terrible all the things we gave up: COLA (Cost of Living Adjustment), two-tier wages, the expansion of contract workers. They said concessions would save our jobs.

“There were around 4,000 workers here when I started

in 1989, now there are only a handful left to shut the plant. Last week all the assembly guys were done. We were supposed to end yesterday,” Eric said. “Then they told us to stay another two days. That is the way management treats us.”

Billy said he was laid off in December 2017 and then forced to relocate to Tonawanda, New York. “It was either take a forced retirement or move to another state. I had one week to choose.”

Workers are under pressure to make a decision on transferring, Billy said. “I’ve got until September 15 to decide to transfer to Flint, where I might have to go as a production worker,” Eric said.

When reporters from the *WSWS Autoworker Newsletter* pointed to the growing resistance of autoworkers around the world to the attacks by the global corporations, citing the rebellion of the maquiladora workers in Matamoros, Mexico early this year, he said, “Amen, for the Mexican workers. They don’t want to be slave labor.”

The closure of the Warren transmission plant takes place as the Detroit automakers released their second-quarter profit results. Fiat Chrysler led the way, posting \$1.7 billion on its North American operations, an 8.9 percent pre-tax margin on investment, up from 8 percent one year ago.

General Motors reported second-quarter net income of \$2.4 billion, up 1.6 percent from a year ago, which it attributed to cost-cutting and sales of its high-profit margin pickup trucks.

Ford market shares fell sharply after it announced a lower than expected net income of \$148 million in the second quarter. The company took substantial charges due to restructuring moves in South America and Europe, where it has announced 12,000 jobs cuts. All global automakers are under enormous pressure from the financial markets to maintain profit levels in the face of declining sales and the mounting trade tensions being stoked by the Trump administration.

“They want to force out all the higher-paid legacy workers and get cheaper contract and temporary workers,” Billy said. “It’s all about the \$6.5 billion [GM CEO Mary] Barra says she wants to save. What about my life? What about my kids and grandkids? What does it matter to her?”

“They say they want to go towards electric vehicles. We were making electric transmissions for the Chevy Bolt. Why are they doing this? It’s for their shareholders. It’s like a stab in the back.”

Joe, a worker with 13 years at the plant, said, “The UAW should oppose this. But they have an interest in GM, with the stocks and the retiree health care fund. It’s the workers who are taking the brunt of this, not the union reps downtown. We have to relocate our families and we are the ones stressing over whether or not we have a job. GM has made all of these profits and the workers are getting shafted.

“There were around 1,500 workers here when I hired in back in 2006. I was a temp for a year-and-a-half with no rights. The majority of workers have retired from here, it’s like attrition to get rid of higher-paid workers. Around 10 percent of the workers here are contract workers.”

The *WSWS Autoworker Newsletter* and the Socialist Equality Party have called for an international fight to defend auto jobs and oppose the GM plant closures. This fight must be carried out in direct opposition to the UAW, which in collaboration with the auto corporations and the Democratic Party defends the capitalist system and promotes the lie that foreign workers are “stealing American jobs,” pitting workers against each other in a race to the bottom.

This requires the independent mobilization of the working class through the construction of factory and workplace committees to serve as the democratic voice of workers.

Responding to the *WSWS* reporters’ call for the building of rank-and-file factory committees independent of the UAW, Eric said, “You have to start from the ground up if workers are going to stand up against the conglomerate of the UAW. It’s going to have to come from the young workers, the second tier, temp and contract workers, who have nothing to lose.”



To contact the *WSWS* and the
Socialist Equality Party visit:

wsws.org/contact