

# UAW sanctions plant closings, expansion of temps in new GM deal

## Workers must organize now to defeat the sellout

Jerry White  
17 October 2019

In the tentative agreement reached with General Motors (GM) early Wednesday, the United Auto Workers union (UAW) has sanctioned the closure of the Lordstown assembly plant and transmission factories in Maryland and Michigan, according to sources who spoke with the *Detroit News*.

The four-year contract, the *News* writes, “is expected to confirm the wind-down of three plants identified last November for closure, the people said. Those plants include Lordstown Assembly in northeast Ohio, Baltimore Operations in Maryland and Warren Transmission in southeast Michigan. Detroit-Hamtramck Assembly would continue to operate, building a new electric truck.”

The revelation exposes the bogus claims by UAW Vice President Terry Dittes that the union had “achieved major wins for UAW-GM members.” It also exposes the lie that the UAW is fighting to stop plant closures and preserve the jobs of UAW members.

The *Detroit News* further reported that sources “familiar with the situation said the agreement follows the broad contours of the proposals GM publicly detailed twice over the last month.” Only a week ago, the UAW was denouncing these proposals as an insult to autoworkers, which they had supposedly rejected.

They include wage increases that barely keep pace with inflation—3 percent base wage increases in two of the years and 4 percent lump-sum bonuses, which are not added to the base rate, the other two years. Raises of 3-4 percent for workers who have suffered a 16 percent decline in real wages since 2010 are identical to those in the sellout contract the UAW rammed through over massive rank-and-file opposition in 2015. In the last three years alone, GM has made \$35 billion in North American profits and has squandered at least \$10 billion on stock buybacks.

Sources also report that the deal talks about a three-year “pathway” for temporary part-time workers (TPTs), who make \$17 an hour and have few benefits and no rights, to transition to full-time permanent status. Any such provision will be worthless, since there will be nothing to stop the company from laying off part-timers to prevent them from meeting the requirement of a certain number of years of consecutive work.

The real purpose of this provision will be to allow GM to rapidly expand part-time and temp labor at the expense of full-time jobs.

Wall Street has responded favorably to the deal, with the company’s shares closing up 1.1 percent on Wednesday while major market indexes declined. Just before the announcement of the agreement, a Bank of America analyst warned that investors would “react negatively if management is perceived to have caved into labor’s demands and GM’s long-term competitiveness is threatened.”

Workers must organize now to oppose and defeat this sellout contract. The conditions exist to broaden the strike and mobilize the immense support for the GM workers that exists among workers and young people all across the country and around the world. The strike—the first major auto strike in the US in more than four decades—is part of an upsurge of class struggles internationally. It has inspired workers from Mexico and Canada to Europe, India, Africa and China.

Both GM and the UAW are rushing to end the strike now in large part because they want to block a united fight by autoworkers and other sections of the working class. It is no accident that the deal has been announced at the same time that UAW Mack-Volvo Truck workers and thousands of copper miners have walked out, and 30,000 teachers are walking out in Chicago.

### How to defeat the sellout and win the strike

\* There must be no return to work without a ratification vote, and workers must be given a week to study the full contract proposal, including all side agreements, before voting on the deal.

\* Rank-and-file monitors must be present to oversee the voting to prevent ballot-stuffing or other forms of vote-rigging.

\* The first step is to establish rank-and-file committees independent of the union in all plants to take the conduct of the

strike out of the hands of the bribed company stooges who run the UAW and expand the strike to Ford, Fiat Chrysler and the parts industry.

In defeating the sellout and spreading the strike, GM workers in the US must unify with autoworkers in Canada, Mexico and throughout the world to fight the global restructuring being carried out by the giant transnational corporations. The closure of the Lordstown, Baltimore and Warren, Michigan plants, plus the Oshawa assembly plant in Ontario, Canada, is part of a wave of international plant closings and mass layoffs by GM over the last several years in Australia, Argentina, Belgium, Chile, China, Germany, the UK, India, Indonesia, Korea, South Africa, Venezuela and other countries.

It is critical that workers be clear that they face in the UAW an enemy no less determined than GM and Wall Street. This labor syndicate led by business executives who pull in six-figure salaries cannot be reformed or pressured by the ranks to defend their interests. Workers need to build new organizations of struggle that they control to fight for what they need, not what the corporations say they can afford to give.

Over the last decade-and-a-half, the UAW has given GM the green light to close over 30 factories in the US, including major assembly plants in California, Delaware, Georgia, Louisiana, Michigan, New Jersey, Ohio, Oklahoma, Texas and Wisconsin. Since 2005, the number of UAW hourly workers at GM has fallen from 86,000 to barely 48,000.

The plant closings, along with UAW-backed wage and benefit concessions, have allowed GM to cut its hourly labor costs from \$16 billion in 2005 to \$5 billion today. The new deal will accelerate the reduction in labor costs.

The UAW is reportedly claiming that the tentative contract will “save or retain” 9,000 jobs, but many will be third-party contract jobs topping out at \$17 an hour or other low-paid jobs, including workers hired by Workhorse, an outside firm that is said to be building an electric battery plant near the shuttered Lordstown factory.

The reported designation of an electric pickup truck for the Detroit-Hamtramck plant, which was originally scheduled to close in January, is expected to involve the expansion of low-paid contract workers and temps.

A former UAW local committeeman who spoke to the WSWS *Autoworker Newsletter* discussed the fraudulent character of the talk of converting TPTs into full-timers. “My understanding is that the agreement will contain a ‘pathway’ to full-time for temporary part-time workers. But you have to look at the language: it will say for ‘consecutive work,’ and what does that mean? Even if, after three years, a TPT will be rolled over, what if they are laid off at two-and-a-half years, then rehired? There will be a catch. We all remember how the companies worked new hires for 89 days, then laid them off before they could get ‘hired.’”

Referring to other aspects of the tentative agreement, he said, “There will be a ‘pathway’ but no guaranteed pensions.

Instead, workers will have to set up a 401(k) and invest in it. The company will put a little in, but there’s no guarantee under this new agreement.

“The auto industry was one of the first to guarantee a pension, but now they’re getting out of it. They’re also getting out of health care. Already if you are ‘Social Security eligible (age 62)’ they’ll cut your pension to deduct it, whether you draw or not. So, if you get \$3,000 a month in pension and turn 62, the Social Security allotment of, say, \$1,400 will be deducted and you’ll only receive \$1,600. Nobody else does that, only the UAW.

“Nobody is talking about the retirees anymore. We, baby boomers, have illnesses, were subjected to asbestos, lead and have a lot of sick individuals. Once the concessions were made—eliminating the ‘fifth check,’ cutting COLA—they don’t come back. Pensions don’t keep up. We live in the ‘richest country’ but our people can’t eat. They put this all through after throwing bankruptcy on the table. But Mary Barra makes enough to keep two or three whole plants working.”

The UAW is convening its GM Council, a body of local union officers, in Detroit Thursday morning to rubber-stamp the deal and prepare its campaign to intimidate workers into voting for it. The UAW then hopes to impose similar concessionary deals on Ford and Fiat Chrysler workers.

The former committeeman warned that the UAW “will expedite the ratification process so that workers are back on the job in the middle or end of next week. ... I firmly believe people need to get the full contract and read everything. People on the line want to see the proposal now and not just have the leadership vote. Integrity has gone out the window.”

Mary, a retired GM worker who has been forced to work at multiple plants, said, “History repeats itself. The same corrupt UAW leaders and their families continue to control, brainwash, belittle and demean the rank and file. With the existing UAW and local leaders, who needs enemies?”



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**