

UAW continues blackout on Fiat Chrysler negotiations as media talks of possible strike

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The WSWW Autoworker Newsletter is holding its next online meeting Thursday at 7 p.m. Eastern Time to discuss how to oppose the UAW's pro-company conspiracies and fight for workers' interests. To register, go to wsws.org/autocall

The United Auto Workers is conducting contract talks with Fiat Chrysler behind an information blackout. Chrysler is the last of the Detroit automakers to enter talks with the UAW after the union narrowly forced through sellout contracts at General Motors and Ford.

In the financial press, there has been speculation that FCA, which recently announced a proposed merger with French-based PSA Group, may not be willing to settle for terms similar to those agreed by GM and Ford and press for additional cuts, raising the possibility of a strike by its 47,000 workers.

FCA currently enjoys a cost advantage over Ford and GM because it employs a larger percentage of lower compensated temporary and second tier workers. In their new contracts, those companies agreed to miserly increases, a shortened progression period of “only” four years and a pathway to regular employment which will be unattainable for most temporary workers—but even that may be too much for FCA to be willing to match.

FCA currently employs some 20,000 workers hired after 2007 under the lower second tier wage, compared to 18,500 at Ford and 17,000 at GM. “They are looking at significant cost increases,” said Kristen Dziczek, an analyst for the Center for Automotive Research, quoted in an Associated Press story. The number of temporary workers at Ford is nominally capped at 8 percent, although the new contract allows both Ford and the UAW to mutually agree to waive this limit, while FCA employs 11 percent, with some plants employing significantly more.

Fiat Chrysler has made more than \$10 billion in net profits since 2016. Its labor costs are \$55 an hour

compared to \$61 per hour at Ford and \$63 per hour at GM. Despite this, the company has issued significantly smaller profit-sharing checks than the other two Detroit automakers.

Under these conditions, said Dziczek, “A strike isn’t out of the question.”

However, Fiat Chrysler workers know from experience the UAW will do everything to sabotage their struggle. Fiat Chrysler workers rejected the first sellout deal in 2015, the first time in three decades that autoworkers rejected a national contract, sparking a rank and file rebellion by autoworkers against the corrupt UAW. The UAW finally rammed through a new deal, virtually identical to the one Fiat Chrysler workers had rejected, after hiring a public relations firm and launching a campaign of lies and intimidation of workers.

Six of the top eight UAW negotiators for the current Fiat Chrysler contract have since either been indicted or named as unindicted co-conspirators in the expanding federal corruption probe into the union. The lead negotiator for that contract was UAW-FCA Vice President Norwood Jewell, now convicted for accepting company bribes.

His successor has also been named a person of interest by federal investigators and was implicated in a massive kickback scheme at the UAW-GM Center for Human Resources.

While head of the UAW’s GM department, Estrada earned the hatred of workers by signing secret memoranda of understanding with GM which allowed it to replace senior workers with contractors at the Lordstown, Ohio and Lake Orion, Michigan plants.

If the UAW feels compelled by popular anger among Fiat Chrysler workers to call a strike, as it did earlier this year at General Motors, it would only be to soften them up in order to force through the concessions it has already agreed to with the company.

This demonstrates the need for autoworkers to take the initiative out of the hands of the UAW by forming rank-and-file committees, composed of the most trusted workers, to take the contract struggle into their own hands. Workers must have full control over negotiations and the right to review all contract terms before a vote.

A temporary part time worker at the Jefferson North Assembly plant told the World Socialist Web Site *Autoworker Newsletter* that there was a strong sentiment to strike among younger workers, particularly if the contract terms offered by FCA did not at least match those given to Ford and GM workers.

A veteran worker at the FCA Sterling Stamping plant north of Detroit said, “The question of temporary workers is still a very important issue. From what I have seen it doesn’t look promising. The contracts at Ford and GM opened a way for temps to become full time, but it is not specific enough. Nothing is guaranteed. They can end up laying them off and then they have to start all over.”

The UAW-backed sellout deals at Ford and GM paved the way for an expansion of the temporary workers under the guise of offering a “pathway” for full-time status for temps. In addition to inadequate wage increases and a freeze for retirees the Ford and GM contracts sanctioned plant closings, including the shutdown of the historic Lordstown Assembly, and in the case of Ford expanded electronic of workers and imposed a more onerous disciplinary policy.

“They didn’t end up getting anything that I could see,” the Sterling Stamping worker said, referring to workers at Ford and GM. She added, “We haven’t had a raise in God knows how long. The bonus was taken away from retirees.”

She said that a strike seemed to be a possibility: “GM and Ford are bigger than Chrysler and they are not likely to offer us the same deal, saying they can’t afford it.”

The utter hostility of the UAW toward workers was expressed in the Facebook post of one UAW official, Michael Robinson, who said “Everyone of them locals should lose there [sic] product now and in the future,” referring to workers at Ford plants who voted to reject the sellout deal negotiated by the UAW. He later “apologized.”

Another FCA Jefferson North said she did not like the deal the UAW forced through on GM and Ford workers. “I think they should have kept striking,” she said. “After Ford and GM, I don’t think we will get anything from Chrysler.

“What they did to the retirees was unfair. They got

nothing. I don’t trust the UAW any more. They will just show us highlights. Every time you ask a question they will answer ‘they can do that.’ Just like in the last two contracts, they will say ‘be glad you have a job.’

“In 2009 [UAW negotiator] said we should sign this to save Chrysler. Then they went bankrupt. They were all in cahoots together along with [the late UAW Vice President] Holiefield.”

King was indicted and pled guilty in 2017 to charges of taking illegal payouts from Fiat Chrysler to hand the company favorable contract terms. So far 10 UAW officials and staff members have been indicated by federal prosecutors and 7 have pled guilty.

The contract talks at FCA take place amid signs of a global economic downturn. While FCA has made plans to expand production in Detroit through the construction of a new assembly plant, the company recently eliminated a shift at its Belvidere, Illinois facility and there is speculation that FCA may close the plant. The company still plans to lay off approximately 1,500 workers at the end of the year at its Windsor, Ontario plant that builds the Chrysler Pacifica van.

Like Ford and GM, FCA is seeking to drive out older, better paid workers and bring in more contingent workers who are paid less and have few or no benefits. At every step, the UAW has abetted this process, dividing the workforce into ever greater number of tiers and sub-tiers and pitting “legacy” workers against temps and second-tier workers.

FCA workers must draw the lessons of the betrayals of the UAW. The just demands of auto workers for job security, decent wage, pensions, an end to tiers and the bringing up of temporary workers to full-time status can only be met through an all-out struggle mobilizing all auto workers and auto parts workers in the US and internationally in a common struggle.



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