

General Motors imposes wage cuts and layoffs on Brazilian workers with aid of unions

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On Monday, March 30, General Motors announced layoffs starting on April 13 at all of its plants in Brazil, affecting more than 15,000 workers. Under a deal worked out with the unions, the workers will see their net wages cut by between 10 and 25 percent, along with the suspension of benefits.

For GM, the agreement could slash payroll expenses by more than 60 percent. Besides promoting a direct cut in salaries, the company will use the layoffs regime provided under Brazilian law, which gives it the opportunity to stop making half of jobless payments. The other half is deducted from the Workers' Support Fund (FAT), as an advance on unemployment benefits, i.e., it is paid for by the workers themselves.

The measure will also have a decisive impact on the thousands of workers at GM's suppliers. At the Gravataí Assembly Plant, in Rio Grande do Sul, where GM directly hires 3,000 workers, there are another 3,000 working for third-party auto parts suppliers.

The unions have celebrated this deal as a way to save jobs. However, it provides no guarantee of job stability for the workers. On the contrary. In recent years, these layoff agreements at GM, as at other companies, have always been followed by mass permanent job cuts.

Before making its public announcement, GM had already been meeting with the unions to draw up the strategy for approving this attack. As attested to by the president of the Metalworkers Union of São Caetano, Aparecido Inácio da Silva, in an interview published last Thursday: "I am talking—and it hasn't started today—with the company to reach the best path from April 13 on."

The union, led by the reactionary Força Sindical, which officially represents around 7,800 GM workers in São Caetano do Sul, in the state of São Paulo, by the next day announced that it had just "concluded the layoff agreement with the management of General Motors."

After announcing that it had reached the agreement, the union said that it would consult the workers through an application that would be made available on its website. This application was never posted on the site, but Cidão do Sindicato (as Aparecido Inácio da Silva is known) declared to *Estado de São Paulo* on Monday that the online voting was already coming to

an end, with "majority acceptance."

The Metalworkers Union of Gravataí (Simmgra), directed by Força Sindical, announced the result of the vote even before it was held! In an interview with *Jornal do Comércio*, the president of Simmgra, Valcir Ascari, had already taken for granted that the 3,000 workers at Montadora de Gravataí would agree with the union.

The online vote, held on Wednesday, was a complete scam. The workers had only from 8 a.m. to 6 p.m. to vote, and during that period the site was offline. The union instructed the workers to "update the page until they get a connection" and deleted comments protesting the holding of the vote under these conditions.

The unions make little effort to hide their role as another layer of GM management, working to guarantee the company's profits. As Cidão do Sindicato said: "We respect and defend the rights of the workers, worried about their health, but we have to see the issue of production, no one can afford compromises if there is no income."

The Metalworkers Union of Joinville, in Santa Catarina, where GM has an engine plant, had not made a statement about the layoffs. However, the positions taken by the union, which is affiliated to the CUT, the union federation led by the Workers Party, leaves no room for doubt about the interests it represents.

The president of the union and director of the National Metalworkers Confederation, Rodolfo de Ramos, has repeatedly defended the attempts of the state's extreme right-wing governor, Carlos Moisés, to make workers return to their jobs. Ramos regretted that the largest company in which his union operates restarted production on Monday with only 30 percent of the workforce, when 50 percent could already have returned. According to him, the union is "at the disposal of the companies ... to guarantee income, employment and the continuity of the productive process and the effective resumption of the economy."

With the support of the CUT union, the government of Santa Catarina advances the same line as Brazil's fascist President Jair Bolsonaro, who was elected to the Brazilian presidency as the candidate of the Christian Social Party, of which Moisés is also a member. This policy of promoting mass infection of the workers by COVID-19 was confronted by a wildcat strike of

meat-processing workers in the south of the state, on February 19.

Workers on the night shift at the Forquilha plant of JBS, the Brazilian-based meat processing conglomerate, left work in the middle of the shift, and those who arrived for the morning shift refused to enter and protested outside the company. The workers denounced the extremely unsafe conditions, with some 600 workers crammed in on top of each other in a closed shed. The demonstration was repressed by the state Military Police, who attacked the workers with pepper spray and arrested the press secretary of the SINTIACR union, who had arrived on the scene.

The Brazilian working class needs to confront the demand by the capitalists that they choose between returning to work and infecting themselves and their families with the deadly new coronavirus, or that they sink into poverty, including starvation, as Bolsonaro has threatened.

Companies in different sectors, from services to industry, are promoting mass layoffs and pay cuts for workers in the midst of the pandemic. Bus companies will leave some 70,000 workers without wages in April, and layoffs are spreading in the garages. In several cities across the country, bus drivers and ticket collectors have staged protests. The last one took place on March 31 in the state of Pernambuco, where more than 100 workers received a notice of dismissal and suspension of wages as soon as they arrived at work.

The workers cannot face this wave of attacks by seeking support from the pro-corporate unions like the CUT and Força Sindical. But the so-called opposition unions are no alternative. Workers at the General Motors plant in São José dos Campos have a long experience of defeats presided over by the Metalworkers' Union affiliated to the CSP-Conlutas federation, led by the Morenoites of PSTU.

Since 2010, two thirds of the 12,000 GM workers in São José dos Campos have been fired. In 2012 and 2015, the union defended the layoff programs proposed by the company as workers' victories, protecting their jobs. These same "protected" workers were subsequently fired. In the name of a policy of competition for investments against other units of the company in Brazil and around the world, the union in 2019 defended the reduction of wages and benefits of the São José dos Campos workers.

The PSTU-led union, postured as an opponent of GM's new proposal for layoffs with reductions in wages and criticized the other unions for having accepted it. It stated that this "weakens the struggle, because it is better that everyone sticks together." Union officials then met with the company on Wednesday to present alternative proposals.

In a live transmission on Facebook, the union's vice president Renato Almeida told the workers that the union made a counterproposal that layoffs be carried out based on "the model that we have previously agreed to with the company." He admitted that in this agreement, "which we have already

reached with GM and which we are reaching [right now] with other companies in the region, the worker already has some kind of loss. And we are making this concession to get through this moment."

This new lowering of workers' conditions, which is the inevitable result of these negotiations, will be justified by the union because of its isolation, i.e., although they tried to get a "better" deal, they were forced to make concessions after the other unions had already capitulated.

In fact, it is impossible for GM workers in São José dos Campos to achieve conquests isolated from their colleagues in the other plants. But this isolation is not a "natural order" of things; it is a product of the very structure of the unions, which divides the workers and incites competition among them.

Even at a time when assemblies and voting are taking place online, no union—including that of São José dos Campos—will propose that they take place in a unified fashion.

Hundreds of workers from São José dos Campos wrote on Facebook that they are against any form of layoff: "We've already given up many rights to GM, lowered our salaries, accepted the layoffs ... lowered our profit sharing, and so on. And it [GM] only promised investment and a lot of things and in the end it didn't give us anything; we can't lose more than we are losing," said one of them.

To take forward their demands, workers must definitively break with the reactionary structure of the unions and appeal directly to their co-workers in the other plants, forming rank-and-file committees in each workplace. Social media and the internet can be used as powerful tools in this struggle.

In the locations where the concessions agreements have been approved, through rigged or non-existent votes presided over by the trade unions, workers should reject these decisions and demand new ballots under their direct control.

These rank-and-file committees will permit the Brazilian workers to unify their struggles internationally, drawing up a global strategy of opposition to the globally coordinated attacks by the transnational corporations. This must include the demands that the massive wealth of the corporations and the ruling oligarchy be expropriated and placed at the disposal of society to fight the coronavirus pandemic, and that industries be retooled to produce desperately needed medical equipment and vital necessities.

The appeal by General Motors workers in Silao, Mexico for unity with their colleagues striking in the US and Canada, should be joined by GM workers in Brazil.



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