

# Union imposes job cuts and outsourcing at Mercedes-Benz Brazil

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22 November 2022

On November 12, the trade union at the Mercedes-Benz (Daimler) plant in São Bernardo do Campo (SMABC) in the ABC industrial region managed to approve a program of layoffs and outsourcing. The cuts have been prepared since early September when the company announced its goal of 3,600 layoffs and the outsourcing of multiple sectors of the plant.

Throughout this whole period, the union has worked alongside Mercedes to impose the cuts, suppressing workers' struggles while claiming to negotiate in their interests with the bosses. In recent weeks, after returning from a visit to the company's headquarters in Germany, union officials promoted the layoffs as the only alternative to the company closing the factory.

Holding the workers hostage to what the company says is "possible," the SMABC fraudulently presented a Voluntary Layoff Plan (PDV) as a "victory" and promoted approval of the cuts as the "agreement that guarantees the future of the São Bernardo plant."

After assembling workers in front of the SMABC headquarters on November 12, the union executive director, Aroaldo da Silva, explained that he convinced Mercedes management to extend the cuts to the entire plant to "reduce the impact" of outsourcing. Silva cynically declared, "We didn't want what we saw in the last period to happen: very sad moments for autoworkers, for our region, such as the closing of Ford, Toyota and so many other companies of the industry. And guaranteeing the future of the plant was to discuss this restructuring plan that the company was proposing."

Moisés Selérges, president of SMABC, also tried to sell the layoff program to the workers. He declared in an interview with *Rede TVT*, "In the negotiation process, what we did was to reduce the impact of outsourcing. That is, the company dreamed of

outsourcing the entire logistics sector and we guaranteed at the negotiation table that part of the logistics will remain at Mercedes."

Two months ago, union bureaucrats ended a strike opposing cuts at Mercedes after three days, assuring workers that the union "will not accept layoffs of workers." They lied to the workers. When, on the same occasion, Selérges said that "in a negotiation process not everything that the union wants will prevail, but also not everything that the company wants will prevail," he was already determined to impose the layoffs.

Far from being an exception, the role of the union at Mercedes in suppressing the workers' struggle is the same throughout the industry and in other sectors as well.

In April of this year, maneuvers by the same SMABC defeated a three-day strike by 600 Toyota workers in São Bernardo against the closure of their plant. On April 11, after the Regional Labor Court of the state of São Paulo created a "negotiation table for probing the viability of the plant remaining in the city," the union presented the court's decision as a "victory" and called for a return to work. The suppression of the workers' strike allowed Toyota to complete the plant closure in June.

As part of the global restructuring of the auto industry and the race to produce electric and autonomous vehicles, multiple plants have been closed and thousands of jobs destroyed. In 2021, Ford shut down all of its manufacturing operations in Brazil. The cuts were imposed after the corporations had amassed large profits while workers were forced to remain in closing factories, getting contaminated with successive outbreaks of COVID-19.

Far from protecting jobs and "lessening the impact,"

the unions' subordinating workers to corporate interests and the "mediation" of the courts only prevented an organized response and allowed companies to implement the cuts and closures.

Today, in the midst of the turn to world war, with the escalating conflict of the imperialist governments of the US and Europe against Russia and China, the main Brazilian trade union federations are preparing to suppress all opposition to the new government of Luis Inácio Lula da Silva of the Workers Party (PT), which will be completely subordinated to the interests of the large transnational corporations.

During this year's presidential election campaign of the PT, while Lula announced that he would bring "political stability" and attract foreign investments to the country, the CUT and Força Sindical presented the corporatist "Industry 10+" plan to the new government. One of its central proposals is the creation of "multipartite" commissions, formed by unions, businessmen and government authorities.

An important reference to the current proposal of the unions is the policy of the "sectoral chambers" created by the Brazilian bourgeoisie in the late 1980s and early 1990s as new corporatist bodies to control the immense economic crisis and, above all, the response of the working class.

Establishing a collaboration between state, business and unions to define sector-specific policies, the sectoral chambers served to divide the working class, to allow large-scale privatizations, and to prevent a renewal of the massive strike wave of the early 1980s that had fatally wounded the military regime. The PT supported this as a crucial policy for Brazilian capitalism's stability, with then representative Aloizio Mercadante (now technical coordinator of Lula's transition of government) having presented the amendment that included unions in the sectoral chambers in 1991.

As in the past, the current proposal for "multipartite" commissions would also serve to police all workers' movements in industry and to suppress strikes and protests that are emerging as the Brazilian and international working class confronts the immense increase in the cost of living and years of wage cuts.

Workers should not accept the union-imposed layoffs at Mercedes as a *fait accompli*. The workers were prevented from mounting a struggle against these

attacks because the union deliberately sabotaged their organizing efforts and lied about their goals.

Workers at Mercedes and other companies need to organize themselves in rank-and-file committees to mount a real struggle against the cuts imposed by the unions, to break the isolation imposed by these organizations and to form an alliance with workers across the ABC industrial region, the country and internationally.



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