

# Amid the widening auto jobs bloodbath, exposures of further UAW corruption fuels rank-and-file anger

Shannon Jones  
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Plans by the auto companies for cost cutting, including the elimination of tens of thousands of jobs, are accelerating and deepening the crisis of the United Auto Workers apparatus, which is already reeling from a renewed investigation into corruption.

The revelation by UAW Vice President Rich Boyer that he and UAW President Shawn Fain knew that Stellantis planned to cut thousands of temporary part-time workers or supplemental employees (SEs) has further deepened the crisis of the UAW apparatus.

The mounting anger among rank-and-file workers over the 2023 contract sellout is shown by the fact that an article posted earlier this week by the *World Socialist Web Site* on Boyer's letter acknowledging that the whole UAW leadership knew about the upcoming mass firings of SEs has gained a wide readership. It has been viewed more than 20,000 times.

Earlier this month, the federal monitor overseeing the UAW said his office was investigating renewed allegations of corruption in the union's top leadership, including Fain himself. The monitor said the Fain administration was obstructing the probe by stonewalling the release of thousands of relevant documents.

The months since the signing of the 2023 auto contracts have seen Fain's claims of a "historic" win exposed as lies. Instead of SEs being hired full-time, thousands were fired. Far from achieving "work-life balance," the UAW agreed to lift limits on forced overtime, with Stellantis imposing 7-day, 10-hour work schedules at some locations. Meanwhile, inflation continues to ravage workers' paychecks.

In the intervening months, the UAW negotiated substandard contracts at Freightliner and the new Ultium Cells battery plant in Lordstown, Ohio, and betrayed the courageous strike by University of California academic workers against the Gaza genocide and the police crackdown on campus protests.

Upon learning of the investigation into Shawn Fain and the UAW leadership, a Stellantis Trenton Engine worker told the WSWs, "It's really not looking good for UAW workers. The union wants us to believe whatever they throw to us, but it's all the same dirty bird. If you looked at Fain trying to sell us the contract online, he told lies—with all the drama. It was like a movie. You could see people were angry from the comments, because they knew it was bad."

Currently, the Stellantis Trenton Engine plant is on critical status, forcing workers to put in long hours of overtime. "No one cares about what we are dealing with. The North Plant here closed. Some workers were sent to other plants, higher seniority workers came to the South Plant, and others retired and took the buyout.

"The rank and file were tricked. He didn't look out for the skilled trades people, or production workers or anyone. And those poor young people who believed him and they lost their jobs."

A GM Flint worker told the WSWs, "When Fain started, he claimed he was going to fight for us, saying he was pushing for everything—the rolling over the temps, bringing our wages up after years of concessions. The reality? We do not have a voice in this plant. None of the most profitable plants were called out [on strike] except GM Arlington, and that was only at the last minute. We should have all gone out. The flow of profits was not interrupted!

"Fain and the rest of them all knew this was a horrible contract. The only ones they kept the truth from was us. So now they're being investigated, but will anything come of it?

"The job has become so stressful, both physically and emotionally. And of course, there's no way we can buy the trucks we build."

The auto companies reported near record profits last year despite the derisory "stand up strike" called by the UAW last fall that allowed management to keep its most profitable factories running full production. In the wake of the contract

settlement, General Motors announced the issuance of lavish dividends and a \$10 billion stock buyback to enrich investors. Earlier this month GM announced another \$6 billion share buyback, further outraging workers.

Meanwhile, Stellantis investors rewarded CEO Carlos Tavares with a 60 percent boost in compensation to a total of \$39 million, including a \$10.7 million incentive for meeting electrification and software targets.

The mounting attacks on jobs and working conditions by Stellantis, Ford and GM confirm the warnings made last year by the *World Socialist Web Site* that the 2023 contract would facilitate automakers' plans for a jobs bloodbath in the transition to electric vehicle production.

These preparations are far advanced, as confirmed by the remarks of Stellantis CEO Carlos Tavares in a recent interview in the French newspaper *Le Monde*. Tavares bluntly spelled out his intentions to escalate the company's savage cost cutting aimed at making workers pay for the transition to electric vehicles. This will entail the wholesale elimination of jobs and the shifting of production to lower cost regions.

Tavares spoke about a "Darwinian" struggle by automakers to survive under conditions of cutthroat competition, particularly from Chinese EV makers and Tesla. He predicted a consolidation among major automakers, as each seeks to boost operating margins while at the same time providing big payouts to shareholders.

He told *Le Monde*, "Those who feel protected by customs duties are naive. The only protection that exists is performance. ... That's what I keep telling my unions." The newspaper then commented, "Manufacturers who fail to reduce the cost gap with Chinese brands—which he estimates at 30 percent—will fall prey."

Recent cuts to US white collar jobs are just a foretaste. *Le Monde* stated, "Stellantis wants to take advantage of the fact that in Brazil or India, an engineer's salary costs 25 percent to 30 percent less than in Europe or the US."

"Between 2021 and 2023, Stellantis' workforce shrunk by 12 percent in Europe and 13 percent in the US. In France, a collective severance agreement hopes to lay off a further 1,300 people by August 2025."

Stellantis plans to be able to produce electric vehicles at the same cost as gas-powered vehicles by 2027, Tavares said. To achieve that, the company aims to slash assembly costs by 40 percent in its factories. Much of that will come through the elimination of jobs.

Further, the company plans to outsource parts production, with predictions that "by 2028, 80 percent of supplies will have to come from low-cost countries."

Ford and General Motors are carrying out their own cost cutting. Ford is halfway through a restructuring plan of

2,300 job cuts in Germany, and additional cuts are expected. Ford said earlier this month that it plans to cut up to another 1,600 jobs at its assembly plant in Valencia, Spain.

Meanwhile, Ford is further lowering its production plans for EVs. The cuts have already resulted in the elimination of a shift at its Rouge Electric Vehicle Center in Dearborn, Michigan.

The ferment among rank-and-file workers is revealed in the following exchange, which was posted on the Facebook page of UAW Local 598 at the General Motors Flint Truck plant.

Question from worker: "How is it that you claim that the negotiators got everything they could out of GM for this contract and they have been able to find the money for 16 billion dollars in stock buy backs and a 33 percent dividend payment increase while we are getting a 3 percent raise, seems like the negotiators either didn't know what gm had or care more about the GM stock they own than the members."

Answer from UAW official: "(B)ankrupting GM was never part of the plan. When we say we took everything we could get it, is reflective in a 9 billion dollar contract 3 times more than any other. The term got everything we could is not every penny GM has, we took everything we could get..."

Of course, not only did the "stand up strike" not "bankrupt" GM, it ensured bumper profits. However, the UAW had no qualms about "bankrupting" workers through layoffs and below-inflation pay increases.

Events are demonstrating that the election of Fain and other "reform" candidates to the UAW apparatus did not alter the pro-corporate character of the UAW. This underscores the importance of the call by Mack Trucks autoworker and socialist Will Lehman, who ran for UAW president against Fain, for the transfer of power from the apparatus to workers on the shop floor through the building of rank-and-file committees.

*To get information about build a rank-and-file committee in your plant, fill out the form below.*



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