

Union prepares to suppress opposition to GM's job cuts in Brazil

Eduardo Parati
20 September 2024

Less than a year after the Morenoite-controlled São José dos Campos Metalworkers Union (SindMetalSJC) suppressed a strike by autoworkers at three plants in the Brazilian state of São Paulo against the cutting of 1,245 jobs and the false promise of job stability, GM is once again counting on the services of this corrupt organization to suppress opposition to a new round of job cuts.

In an assembly in the courtyard of GM's plant in São José dos Campos on Monday, its more than 3,000 workers rejected by a large majority the two proposals presented by CSP-Conlutas, the union bureaucracy affiliated to the Unified Socialist Workers Party (PSTU), after meetings with the automaker. In the first, GM offered a one-year collective agreement, a 1 percent wage increase above inflation, food vouchers worth US\$90 and profit-sharing payouts in 2025 adjusted for inflation.

The second proposal by GM offered a two-year collective agreement, no real wage increase, US\$126 in food vouchers, US\$4,500 in profit-sharing payouts in 2025 and adjusted for inflation in 2026. Critically, GM points out that it will be able to invest in the plant and make future hires in case workers accept this proposal. The company and the union are promoting US\$1.26 billion in investments in Brazil announced by the automaker in January.

The proposals negotiated by the union were presented to the workers at the end of August, after GM promised to hire 200 temporary workers starting in October. Earlier this month, GM confirmed its investment from the beginning of the year in the São José dos Campos and São Caetano do Sul plants, in the ABC industrial region also in São Paulo. The automaker, however, did not announce how much would be invested in each of the plants. The president of SindMetalSJC, who was present during the company's announcement, said, "We are optimistic about the announcement and hope that industrialization will resume not only in the state, but throughout the country."

Against all the "optimism" and illusions promoted by the union bureaucrats, GM workers showed their determination to fight at Monday's assembly. However, afraid that a possible immediate strike would get out of hand, the union is entirely focused on diverting autoworkers' opposition once again into negotiations with the company, which have taken place since Tuesday. This maneuver by the union only serves to give the company time to prepare and weaken the workers' will to fight.

Critically, the union bureaucrats are seeking to cover up the serious threat of further job cuts, which has met massive

opposition among workers in recent months. This was confirmed this Thursday, when the workers were presented with a contract proposal similar to those from Monday, while being told to accept another round of job cuts under the guise of a "Voluntary Dismissal Program," or PDV.

To help GM impose cuts on better-paid workers, SindMetalSJC has been promoting their cuts through PDVs. At the same time, the union seeks to divide these workers from the most exploited sections of temporary contract workers, presenting the PDV as the possibility of opening up new temporary positions in the factory.

In December of last year, after a 17-day strike in October and November against the dismissal of 1,200 workers at GM's three plants in São Paulo, SindMetalSJC's general secretary, Valmir Mariano, declared that the "PDV was already on our agenda as an alternative to arbitrary dismissals." In other words, the cuts were acceptable as long as they were carried out with the union as mediator.

This year, GM carried out more job cuts. In May, 50 employees in São José dos Campos were fired after supposedly winning job stability in negotiations between GM and the union. More recently, on July 26 and 29, 2,000 factory workers staged work stoppages after GM announced another 50 job cuts.

The stoppages at the end of July were a direct response to the union's false promises that repeated concessions and subordination to GM's "restructuring" plans would bring investments to the plant and would mean the protection of jobs and the opening of new positions.

With the cuts, SindMetalSJC leaders were forced to admit the complete bankruptcy of this prospect, stating on their website: "GM also claims the need to reduce the wage bill, which is a contradiction, since the company's net profit grew by 14.3 percent in this year's second quarter."

The stoppages at the end of July were suppressed under the same union strategy, which promoted GM's promise of "stability" for everyone in the plant for two months while presenting the layoffs as an irreversible fact. SindMetalSJC leaders said that during this period, the union "demanded stability for everyone, the reinstatement of those dismissed and, if the cuts were inevitable, the opening of a Voluntary Dismissal Program (PDV)."

During the assembly on Monday, the union leaders themselves admitted that there was no guarantee from GM of hiring or investments at the São José dos Campos plant, contrary to what was announced by the company and promoted by the union in

recent weeks. This means that temporary workers are under immediate threat of not having their contracts renewed, even under the one-year temporary regime.

The widespread rejection of the contracts put forward earlier this week by the union shows that workers are on alert against the threat of new attacks on jobs and are not willing to tolerate new attacks on working conditions and living standards. However, workers cannot wait for the union to take the reins of their opposition, or trust that it will defend their demands for jobs and wages. Last year's strike holds valuable lessons for workers' struggles.

In October 2023, workers halted production after suddenly being informed via mail that GM would cut 1,245 jobs under the cover of the PDV. The strike involved the automaker's three plants in the state of São Paulo and threatened to spread throughout the auto industry. The seriousness with which the ruling elite viewed this strike was reflected in the pre-emptive involvement of union leaders and ministers from the government of President Luís Inácio Lula da Silva of the Workers Party (PT), who defended the Regional Labor Court (TRT) as the ultimate arbiter of workers' demands. In reality, this inevitably meant the suppression of the workers in favor of the company and the imposition of cuts.

During the strike that began in October, the unions at all plants, including SindMetalSJC at São José dos Campos, joined the government in promoting negotiations with the TRT as a "great victory" that would protect jobs. After three weeks, the strike was finally suppressed. Since then, SindMetalSJC acted as the representative of the Lula government, promoting the illusion that the automakers' investments between December last year and January this year would protect jobs and bring new ones.

On January 24, the president of GM International, Shilpan Amin, met with Lula to announce an investment of R\$7 billion between 2024 and 2028. According to the agência gov website, "these investments would be used for significant improvements in production capacity and conditions, as well as technological development, particularly in the areas of electric vehicles, renewable energies and pollutant control."

In reality, the global automotive industry has used the energy transition to carry out massive restructuring, combining billion-dollar investments with cuts in jobs, wages and benefits. The investment announcements at the beginning of the year by GM and all the major automakers came at the same time as they cut their number of jobs to 98,900 in December, the lowest number since 2006.

At GM's São José dos Campos plant alone, the number of workers has fallen from 12,000 at the start of the 2010s to just over 3,000 today. Last year, 700 workers at the São José dos Campos plant alone joined the PDV proposed by GM and defended by the union.

This level of employment was the result of massive cuts from 2013 onwards, with the cooling of anti-cyclical economic policies under Dilma Rousseff's PT government.

These cuts would have been impossible without the help of the unions in the PT's orbit and are being implemented today with the indispensable role of the pseudo-left and its unions. SindMetalSJC and CSP-Conlutas have played a crucial role in defending the cuts

under the toxic cover of economic nationalism and militarism while the Lula government ruthlessly implements austerity policies to guarantee the national industry's "competitiveness" and the interests of the big corporations.

The only way to fight the imposition of new cuts and guarantee the interests of the GM workers and the entire automotive industry is by waging a struggle independent of the trade union organizations, which have long since become veritable police agencies inside the factories.

In addition, the autoworkers at the São José plant must link their struggle to that of workers throughout the industry in Brazil and internationally. In June, Renault workers in the southern state of Paraná went on strike demanding more jobs to keep up with the intensification of the production line. As of this week, workers at Brazil's largest defense company, Avibras, have been on strike for two years, after Avibras went into receivership. SindMetalSJC has defended a militaristic and chauvinistic perspective to suppress workers' interests as they rejected another layoff at the plant, located near São José dos Campos.

In the US, the current strike of 33,000 Boeing workers is taking place after Stellantis announced the layoff of more than 2,400 workers a month ago at the Warren Truck Assembly Plant. Throughout August, workers at the Dakkota Integrated Systems auto parts plant in Chicago staged a powerful strike that defeated four consecutive sellout agreements negotiated by the UAW.

In Europe, thousands protested in Belgium on Monday against the threatened closure of Audi, while in Germany, Volkswagen recently announced that it may do the same and eliminate thousands of jobs.

This movement expresses an objective unity of industrial workers around the world. In many places, grassroots committees independent of the unions are being set up to unify the struggle across national borders. These committees are being unified by the International Workers Alliance of Rank-and-File Committees (IWA-RFC), launched by the International Committee of the Fourth International to help workers organize their struggles internationally.



To contact the WSWs and the Socialist Equality Party visit:

[wsws.org/contact](https://www.wsws.org/contact)