

UAW keeps FCA workers in the dark on contract talks, painting corruption exposures as “outside distractions”

Marcus Day
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The United Auto Workers union is continuing to keep more than 47,000 autoworkers in the dark on the content of its discussions with Fiat Chrysler Automobiles (FCA) on a new four-year labor contract. The UAW is desperate to find a means to enact the pro-corporate agreement at FCA, which is similar or even worse than the deals it pushed through at General Motors and Ford despite broad opposition from workers.

However, UAW officials face a considerable obstacle in the form of the unprecedented and ever-widening corruption scandal, which in recent weeks has conclusively exposed the union’s highest ranks as bribed company agents.

Last Wednesday, General Motors filed an explosive lawsuit against its rival FCA, stating that the UAW had been transformed into an “FCA-controlled enterprise.” The same day, UAW President Gary Jones resigned, having previously been on paid leave as the federal investigation narrowed in on him and a multi-million-dollar embezzlement scheme led by Jones and his former aides.

In a letter to FCA workers Monday, UAW-FCA Vice President Cindy Estrada attempted to pretend as if these events had no bearing on otherwise pristine negotiations, writing, “Since our Brothers and Sisters at Ford ratified their National Agreement, your National Negotiating Team has intensified our discussions with FCA. While we have had a *few outside distractions* since then, your negotiators have remained focused on resolving all your outstanding demands” (emphasis added).

At the same time, Estrada—who herself has been implicated in the corruption scandal and had her charity under scrutiny—signaled to financial and corporate observers the UAW’s intentions to continue to serve its role of loyally carrying out the company’s demands. “The

National Parties have negotiated every day, and long hours since then. Much progress has been made but we still have some difficult issues to resolve. Your negotiators are committed to bargaining a pattern agreement that meets the needs of the membership and provides long term job security.”

Workers at GM would have much to say to FCA workers about their bitter experience with what Estrada really means by the “needs of the membership” and “long term job security.” At the now-shuttered Lordstown plant, Estrada negotiated a deal behind workers’ backs that allowed GM to shed full-time jobs and hire low-paid contract workers through a wholly owned subsidiary known as GM Subsystems. The deal, which Estrada said would help save the plant, did no such thing. Instead the UAW sanctioned the closure of the iconic assembly plant in the current contract.

In its own statement, FCA indicated that it would demand concessions in return for investment promises, stating, “FCA welcomes the opportunity to move our discussions with the UAW forward in order to reach an agreement that will allow us to continue investing in our future and create opportunities for our employees, their families and the communities where we live and work.”

What is the “pattern” agreement which the UAW secured at GM and Ford?

At both companies, the contracts backed by the UAW allow the closure of plants and slashing of jobs—Lordstown, the Warren, Michigan and Baltimore, Maryland transmission plants in GM’s case, and the Romeo Engine Plant in Ford’s. The deals enable both companies to greatly expand their use of temporary workers, while presenting temps with a mirage of a “pathway to full-time employment,” which is in fact riddled with loopholes. And at each, the hated wage and

benefit tier system was maintained. The UAW will also jointly oversee the introduction of new technologies, including video monitoring, to speed up workers and victimize them if they don't keep up.

Industry analysts have noted that the cost-cutting measures in the pattern deal may not be adequate for FCA, which has a larger second-tier and temporary workforce than GM and Ford. The company is seeking to lay the groundwork for a massive escalation of attacks on jobs and working conditions worldwide, having announced plans to merge with Europe's PSA Group. The latter company is led by CEO Carlos Tavares, who has garnered a reputation even among auto executives as a ruthless cost-cutter and "turnaround" specialist.

Given the obviously corrupt relations between the UAW and FCA—with GM's lawsuit asserting that late FCA CEO Sergio Marchionne himself ordered the bribing of union officials—the business press has speculated that the UAW may be forced to call a strike out of fear that workers will rebel against another sweetheart deal for FCA. However, even if the UAW were to call a strike, it would use it as a weapon not against the company, but against workers, with the aim of isolating them and starving them into submission, as the UAW did at GM.

In order to prevent a new and even-more dangerous sellout, FCA workers must take matters into their own hands and form rank-and-file factory committees independent of the UAW, marshalling the support of workers at GM and Ford in order to launch a fightback for workers' interests.

In recent days, workers have taken to Facebook to report that FCA is firing temporary employees or placing them "on call" during the final stretch of contract talks.

"FCA is placing temporary employees with two years employment on call and taking disciplinary action to terminate employment," wrote one Chrysler worker. "I think that FCA is shedding temporary employees that would be rolled over to in-progression/full-time under the newly negotiated contract in light of pressure from the GM lawsuit.

"The new collective bargaining agreement will bring FCA's labor costs in line with Ford and General Motors, then PSA Chrysler will hire new temporary employees, giving them three years before contractually making them in-progression/full-time—if ever. Shady and sneaky Cindy Estrada at her best."

A Chrysler Kokomo worker in Indiana told the WSWs *Autoworker Newsletter*, "We heard that as of right now there are no more temps being utilized in the Tipton

transmission plant. The people in the Chrysler plants are working in fear every day of their lives and the pressure from the union and the company is unbelievable. The workers have no faith in the local union, and it destroys people's families from the pressure of working in such a hostile environment. The people on the floor don't know why they are paying union dues because they feel like they are not represented at all."

A senior worker at FCA's Belvidere Assembly Plant, 70 miles west of Chicago, also spoke to the *Autoworker Newsletter* about the UAW corruption scandal. "The corruption thing, it probably goes back to about 2001, if you want my opinion," he said. "And they all took advantage of it, I believe."

He said the greater exploitation of temporary workers contained in the UAW's "pattern" agreement with the Big Three would be widely opposed by workers at FCA, noting that workers at Belvidere had routinely voted down UAW-backed concessions deals in previous years. "I'm not sure how they're going to get around the temps and all that BS. This new temporary deal that they negotiated is going to be a gold mine for the corporation!"

The worker expressed his outrage over the UAW's sabotage and isolation of the GM strike. "If you're really dealing with \$800 million dollars in the strike account, then we all should've been out." Denouncing GM's subsequent firing of workers for critical comments made during the strike on social media, he said, "What happened to our rights and freedom of speech?"

Commenting on the growth of inequality, he continued, "They just keep making more and more money. When is the playing field going to level out? The rich keep getting richer and the poor keep getting poorer."



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