

Points to Consider for Rejecting Further Concessions

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Lindsay Hinshelwood, Oakville Assembly Complex, CAW Local 707

In response to February 17th's developments in the auto industry, we must consider the following:

- 1) We have been given no details or loan conditions for the bailouts other than to be told that workers must make concessions.

- 2) That the bailout amount has increased, but regardless of this amount, there is the possibility that one or more of the Big 3 can still seek Chapter 11 bankruptcy protection.

- 3) Out of 18 countries offering bailouts, Canada and the US are the only ones demanding concessions from workers.

- 4) Chapter 11 is bankruptcy protection, it is not Chapter 7 receivership. Many corporations restructure using this option. The companies still continue to operate. It protects the assets of the corporations, while allowing them to restructure and pay off debt interest free. A corporation can operate for 10 -15 years under Chapter 11.

- 5) The wages and benefits of production workers are the value-added cost of the product, it is the assembly line workers who produce the wealth for the company.

- 6) We cannot be forced to accept concessions. Further concessions will not prevent layoffs, lost jobs or plant closures and will only deepen the economic crisis.

- 7) Lowering the wages and benefits of autoworkers will have a domino effect on all workers, labour and white collar, unionized or not.

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