

#2 - Workers' Fight group from the Ford Dagenham plant in Britain, near London.

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Hi to everyone on the Soldiers of Solidarity website!

This is the **Workers' Fight** group from the Ford Dagenham plant in Britain, near London. We thought you might be interested in hearing about the latest misdoings of the "World Company" on our side of the Atlantic. Especially because these antics look strikingly similar to those you have already experienced in the US, from what we've heard and from what we can see on your website.

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20 November 2011

This is the background

- A pension cut : Early this year Ford told the plant union leaders (convenors) that there'd be a lower annual increase in pensions: normally they increase every year in line with inflation according to an inflation index called the Retail Price Index; Ford simply changed the index to one which doesn't take housing costs into account called the CPI, which significantly understates cost of living increases. This is likely to mean an average loss to pensioners of around £20,000 (\$31,610) to £30,000 (\$47,415), over a pension lifetime.

When the union officials made an initial threat to strike over this, Ford paid a bribe (literally!!). It offered to pay workers in the plants 5 payments each worth around 1% of annual pay, over the next 4 years, in exchange for the union's agreement to the pension cut, while claiming this was purely a "goodwill payment" and nothing to do with the CPI change. The union officials withdrew their strike threat, and agreed to accept the cut. There was no consultation of the workforce, let alone current pensioners. As a result, many workers (not to mention pensioners) feel robbed by the company and cheated by the union leaders.

- The 2-year contract covering all Ford workers in Britain ends in November. Ford came up with a "first offer" on 29 September, which was ridiculous - 2% wage rise for each of 2 years, when inflation was at 5.6%! This wasn't serious. It was just the usual manoeuvre for the sake of the next round of bargaining.

Then came the second offer, with a 6% wage increase for the first year and, for the second year, inflation plus 0.25%, with at least 2% guaranteed. In addition, the retirement lump sum was increased by 20% as an enticement to prospective pensioners after the fiasco over the de facto cut in pensions earlier this year.

The really ominous stuff was hidden in the small print, in the form of two innocuous-sounding sentences - at least in the copy of the deal which was handed out to ordinary workers. From April 2012, all new starters would be taken on, on lower wages (about 20% less than the previous starting rates) and from 2013, the existing pension fund would be closed to new starts (meaning that they would be shifted onto a much worse money-purchase scheme, where pensions would depend totally on the chaos of the stock market without Ford taking any responsibility if they turn into junk).

Despite the lousy wage increase, but above all, despite the introduction of this 2-tier status among workers and the closure of the company final salary pension to new entrants, the union leadership recommended acceptance of the deal. However, this time they did have to organise an in-plant vote across all the British plants.

Regardless of the national leadership's recommendation, the hourly-paid workers voted against the deal, by 3,201 votes against 2,999 (51.6% against). This is the first time since the 1988 pay strike that a pay deal has been rejected across all Ford plants like this.

More significantly though, at the Dagenham estate (engine production and stamping), Ford's main production site in Britain, the "No" vote was 63%!

The voting figures Bridgend Dagenham Dagenham Daventry Dunton Halewood Southampton

TOTAL

were as follows:

	Yes	No
petrol engines	771	964
diesel engines	758	1,347
stamping and tooling	214	332
parts warehouse	147	189
R&D	265	186
transmission	412	116
transit van cabs	432	67
	2,999	3,201

Since the results were announced, the UNITE negotiators for the hourly-paid majority have been keeping a low profile. However, those representing the staff and foremen (who have their own separate bargaining process), walked out of the talks and there are rumours that they may call a national ballot over strike action. If so, there will be strong pressure on the UNITE leadership to be seen to do the same for the hourly-paid.

In any case, anger is brewing. Let's hope that this time round, Ford won't get away with its attempt to boost profits on our backs and split our ranks with this unacceptable 2-tier system which, as everyone realises, only paves the way for pay cuts for everybody. We will let you know what happens next.

In solidarity, **Workers' Fight**

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