

Country Reports to 3rd online meeting of International Coordinating Group
from Brazil, Germany, India, South Africa

International Automotive Workers Virtual Conference

BRAZILIAN REPORT

January, 2022

Mass Protests Against the Bolsonaro Government's Lack of Policies to Confront the Pandemic and Corruption, Attacks On Workers' Rights And The Effects of Labor Flexibility and Precariousness Midst Pandemic

In Brazil, politically, the year 2021 began tense, with more threats to democracy by Bolsonaro. We faced a lack of oxygen during the health crisis in Manaus (Amazonas), a criminal experiment in which patients were used as guinea pigs to test drugs that were ineffective against covid, and several corruption scandals involving the purchase of vaccines.

Outrage over Bolsonaro's "vaccine theft" sparked a wave of protests to oust him. A total of six major demonstrations took place across the country.

Many of the protests also denounced the destruction of the Amazon and the genocide of the indigenous people and traditional peoples.

In Brazil, we suffered a setback with an accelerated rate of deforestation from the Amazon rainforest, unbridled mining, and illegal mining damaging rivers and forests.

We watch in horror the systematic extermination of our population, especially the poor, quilombolas (former slave communities) and indigenous people.

Attacks on workers

The pandemic has also deepened labor precariousness and increased the number of workers in informal jobs or outsourced.

The objective of the Bolsonaro government has been, since the beginning, to remove rights, as occurred with the approval of the payroll exemption for workers. This measure allows companies to stop paying the 20% social security contribution on employees' salaries and replace it by a tax on gross revenue, ranging from 1% to 4.5%.

Another proposal of the Bolsonaro government was to make the worker responsible, when "trained and equipped", for the lack of use of personal protective equipment in cases of work accidents. A loophole has been designed to enable companies to escape liability for workplace accidents and deaths, a practice Brazil shamelessly exemplifies.

These attacks were all presented with the promise that they would serve to guarantee the maintenance of jobs. But, in practice, what we have seen over the past years is that unemployment has continued to haunt Brazilian workers - the country currently has about 14 million unemployed.

In moments of crisis, as recently in the pandemic, layoffs have worsened, regardless of the millionaire tax breaks granted to companies or even other measures such as ultraliberal reforms to reduce salaries and rights.

And such benefits granted to companies have not prevented large automakers from closing plants in Brazil.

The Ford Co announced on January 11, 2021 their decision to end vehicle production at its three plants in Brazil in 2021.

The pandemic accelerated the automaker's restructuring plans. Even though it is cruel to close plants amidst the pandemic. Layoffs reached 5,000 direct jobs plus 5 to 6 times of indirect jobs.

We observed in the last period how the legal system serves the interests of both capital and employers, criminalizing union activity as well as the political activism of union activists.

One example is the case of Antonio Macapá that was convicted arbitrarily to 16 days in jail for defending, when he was president of the Metal Worker Union, the jobs of the workers at the General Motors plant in Sao Jose dos Campos, Sao Paulo.

Solidarity

International solidarity proved to be fundamental for us to stand firm against the attacks on the working class in the midst of the pandemic.

In Brazil, we had an experience in this regard, with the international support received by the mobilization of LG workers in the country.

With the announcement of the global closure of the cellphone production division of LG, we were harshly affected in a moment when the Coronavirus pandemic and the genocidal behavior of the Jair Bolsonaro administration turned the country into a landscape of chaos and desolation.

LG took this action after years of exploiting the country's workforce, especially women (the majority of the sector), which impacted thousands of jobs, both direct and indirect.

We must keep the fight

We cannot accept this, especially during this worrying period of health crisis, deepening misery due to the economic crisis, and lack of jobs and food.

The struggle is the only way, therefore!

And we must be inspired by the combativeness and independent struggle of governments and bosses, like the case of the metalworkers from GM-Silao, in Mexico, who are mobilizing against the

company and the employer's union, with attitudes anti-worker, company-union agreement and resist the intimidation and threats, organizing under an independent union SINTTIA, born from the Generando Movimiento workers movement in Silao to fight for your first real contract.

Workers cannot afford to pay for the crisis! We will fight back!

Country Report Germany January 12, 2022

The coronavirus pandemic is currently dominating the public debate. Since there is no general vaccination obligation and only 72% of the population has been vaccinated so far, the virus can spread rapidly. 115,000 deaths have been reported since the beginning of the pandemic. Car companies insist on keeping production going at all costs to protect their profits. Those who are not vaccinated must show up for a test every day. There are demonstrations and protests against the Corona protection measures and related restrictions, which are supported and promoted by reactionary and fascist forces. This combines in a rallying point with Corona deniers, conspiracy theorists and esotericists who represent a petty-bourgeois egoistic ideology of freedom. This egoism is contrary to the proletarian ideology of freedom and undermines social solidarity. We see it as very important that we take a clear stand, that this dispute be fought out among the automotive workers.

At the same time, however, the Corona health crisis has been superimposed for months on the overall all-round crisis development, with worldwide economic and financial crisis and the accelerated steps towards the transition to a global climate and environmental catastrophe. The destructive flood disaster in Germany last year led to 138 deaths and material damage of 33 billion euros. Among other things, it completely destroyed a plant of the supplier ZF.

As a new phenomenon, a worldwide logistics and raw materials crisis has emerged. There is a shortage of semiconductor chips and raw materials such as aluminum, which are needed for car production. This resulted in constant and sometimes prolonged production stoppages in Germany in 2021. 10.1% fewer cars were produced compared with 2020. In 2020, however, there were already declines due to the Corona lockdown. With 3.1 million passenger cars produced in 2021, the lowest level since 1975 was reached.

The profits of the monopolies will not be touched. Car companies aren't the only ones reporting record profits for 2021, as the government and unemployment insurance funds have paid short-time work benefits and social security. One in eight (105,000) in the auto and supplier industry was on short-time work in June 2021. In November, short-time work was still registered for 19,000.

In Germany, the cost of energy, such as electricity, heating, fuel has risen by over 20% in the last six months. The inflation rate in December was 5.3%, the highest inflation rate since 1992. This puts an additional burden on workers and their families and a discussion about a wage supplement or additional premiums is unfolding. In some companies, such as Daimler, a bonus of 6,000 euros is being paid to soften the emerging contradictions. After the federal election on September 26, 2021, a so called "traffic light" government formed from the Social Democratic Party, the Greens and the Liberal Party. Individual concessions were agreed, such as the introduction of a 12-euro minimum wage per hour or investments in environmental and climate policy measures, which, however, do not even reach the targets agreed by the 2015 World Climate Conference in Paris. The new government advertises "awakening" and "renewal," included more young people and women in the government, and raises hopes among many people that this government will do better. This has allowed the government to stabilize for the time being. This will not last,

but it is making our work more difficult at the moment, especially since intimidation and anti-communist reservations are not abating.

Corona's crisis management continues to operate only "on sight". Measures are decided only in the short term. It has failed. The burdens of the crisis are being dumped on the masses, while production in the factories is to continue under all circumstances.

Even before the federal elections, there were individual strikes and trade union days of action, such as at the aircraft manufacturer Airbus, where 13,000 jobs are to be eliminated and plants closed, or in the health and care sector in view of the catastrophic overload on employees with relatively low pay and staff shortages. In addition to wage increases, the ver.di union fought for agreements on more nursing staff in the collective bargaining agreement.

Shortly after the elections, there was a great success of international workers' unity and solidarity. The Stellantis group, which includes Opel and PSA, attempted a cold closure of the plant in Eisenach at the end of 2021. Militant colleagues from the IAC movement and the corporate coordination at Stellantis-GM had uncovered this and immediately established contact with their colleagues at PSA in Sochaux in France. The workforce and the CGT union declared their solidarity and that they would not be played off against each other. We as ICOG had informed about this at the beginning of October and called for worldwide solidarity.

Already on July 2, 2021, delegations of the IAC from all Opel sites took part in a rally in Sochaux against the planned job destruction at PSA. Now 35 colleagues from several PSA sites took part in a rally in Eisenach on October 29. They were joined in solidarity by 200 colleagues from VW in Zwickau and others from Opel Rüsselsheim, Opel Bochum and VW Kassel. The call was made by the IG Metall trade union, which at the same time mobilized 50,000 metalworkers for further demonstrations. The bosses of Stellantis and Opel gave in and since January 6, 2022, Opel in Eisenach is producing again and a planned outsourcing of the Opel sites in Rüsselsheim and Eisenach is off the table for the time being.

In November, there were several protest actions at automotive suppliers with strikes and action days against plant closures and job destruction, such as at ZF, Mahle and Bosch. The background to this is the so-called "transformation" from the combustion engine to the electric car, which is destroying tens of thousands of jobs in Germany alone. VW is gearing up for the transition to electric drives as Tesla's biggest competitor. In 2022, Tesla will start a large plant for pure electric cars in Gruenheide near Berlin. This dispute has revived the social chauvinism that the workforces have to deal with. The workforce is to be blackmailed into concessions and played off against each other with the allocation of production of electric models. The German government's decision to put 15 million electric vehicles on the road by 2030 promotes "Germany First" thinking, including materially with subsidies totaling 3.1 billion from the state for e-car buyers, with up to a 9,000 euro subsidy per vehicle. Just over 1 million electric vehicles are already registered in Germany, including 625,260 vehicles in 2021 alone.

Corona is making it difficult to organize meetings of IAC groups at the moment. In Braunschweig and Wolfsburg, activists held a protest in front of the VW gate against the dismissal of temporary workers. For the workers' school Paraalang Crispin Beltran in the Philippines last year, also supported by initiatives of the IAC movement in Germany, more than 10,100 euros in donations were collected.

Indian automobile sector is in trouble from last few years. Covid-19 pandemic affected more with regular problems. **Sale of automobile sector in various segments is decreased.** It is affected due to the following reasons.

Major part is due to **shortage of semiconductor chips.** That's why waiting period of vehicles is increased and booking is canceled. Due to the pandemic spare part, manpower and other Logistic costs are increased. Result of all this thing is **cars price are increased.** **Due to the pandemic** the uncertainty of future earning resources is experienced by the people in the critical condition of lockdown and restrictions announced by the government so they controlled their expenses. Some amount trying to saving for future medical expenses and food expenses if necessary in future; resulting postponed the car purchasing by middle class family and auto market goes down.

Another thing is petrol and diesel price in India are increased rapidly near about 110 rupees (1,30 Euro) per liter petrol and near about 100 rupees (1,18 Euro) per liter Diesel. This high price of petrol and diesel resulting vehicle becomes more expensive that's why sale of cars decreased and auto industry going in trouble.

For auto sector also Indian Government encourages foreign investment in auto sector and allows 100% foreign direct investment FDI. From 2021 various steps are also taken and Implemented by the Union Government for boosting the automobile sector. In budget of 2021-22 voluntary vehicle scrapping policy is announced by the Central Government, which may boost demand of the new vehicles. Union government planning for set up of electric vehicles. Electrical vehicles manufacturing and infrastructure set up for that is a priority of the central government and various automobile companies or OEM. But there are many restrictions and obstacles in this type of the auto mobility, mainly the high cost of the vehicle, charging station unavailability, very high cost of battery and a replacement of the battery frequently after 5 years, these are the drawbacks of electrical vehicles observed and that's why there is no special attraction to these electric vehicles. But various auto manufacturers are planned to expand the electric vehicles manufacturing in future.

From last few years top 5 Multinational companies of automobile manufacturers are taken exit from India. Result of this number of jobs at lost. General Motors, MAN, Fiat, Harley Davidson, and UM Motorcycle are the main players who will go to exit from India. Maruti-Suzuki CEO and MD say in all four segments of industry, passenger cars, two wheeler, commercial vehicles and three-wheeler growth rate is coming down. Pandemic uncertainty, Health of our peoples, Global shortage of semiconductor, rising commodity price, is the upcoming main challenges for sales efficiency along with regular tension.

Ford India Plant is going to close up to June 2022. Final wage compensations amount after the closing of Ford India is going on by negotiation with the Union. There are different groups created in Union. Management proposed various proposals depending upon the age of the employee, service years completed in ford and many other things. Currently 50 days gross payment is a proposal from management but this is not a sufficient amount, that's why there is uncertainty in any decision.

General Motors already closed and stopped its operations from Talegaon plant. Management of General Motors terminated all the employees which are the members of union. The legal battle is in court. All the issues between employees Union and General Motors is going in industrial court. Local court has given the order to General Motors management to pay 50% wages from April 2022 to all the employees who are illegally terminated.

Maruti-Suzuki employees union took an initiative for creation of the forum or front of all the unions from auto manufacturers and supply chain industries. One joint meeting was planned in New Delhi but postponed due to newly restrictions of covid-19.

ICOG 3rd video online meeting on 23 January 2022

Country Report South Africa

One of our biggest Auto manufacturing organization the VW has dismissed 14 Worker Leaders. They are charged for inciting an unlawful strike and they have pleaded not guilty to the charges. There was a mini-Strike that lasted few hours that was meant to put pressure upon management to address disagreements on Covid relief Funds. As a results, all the 20 Shop stewards for were charged for Inciting the Strike, 14 of them were dismissed after pleading not guilty and 6 remained in the organisation after pleading guilty. The 14 dismissed worker leaders are being legally represented by a NUMSA TRADE UNION whereas the 6 remaining at their work are represented by a private lawyer. The IAWC committee in South Africa would like to ask for a declaration of Solidarity from ICOG. We call upon ICOG to pledge solidarity and call for unity on all workers affected both the 6 remaining and the 14 dismissed.

At MBSA the separation of Buses and Trucks from the Passenger Car was done and finalised on the 1st of December 2021. This means workers who worked side by side over the years for the same company, today they are separate as well. It is also reported that the organization has gone back from a 3 Shifts model into a 2 Shifts model. In the month of February there is a plan of a 2 weeks layoffs because of the shortages of the Chip which is a worldwide challenge presently.

The privatization of state owned Enterprises continues unchallenged as most of the Trade Union Federations have strong relations with the government of the day through the ANC, COSATU and the SACP. This phenomenon is accompanied by heavy outsourcing in the Private Sector especially in the Automotive Industry where companies are being broken down into small units that are sold to some former workers and employees as new suppliers.

These 2 concepts "Privatization and Outsourcing" often result, as per the design, to several job losses. To several Benefits loss and severe reduction whilst on the other hand we witness the ever growing of workload per worker and employee. The numbers of unemployed people keep on increasing as a results of the implementation of the 2 concepts.

It is a worldwide known fact right now that South Africa is going through the Omicron Variant of COVID19 pandemic phase. We are said to be the 1st country to have this type of mutation recorded. But some scientists suggest that some countries in Europe have had this mutation before South Africa, but they decided to hide and not report it as such. It is these type controversial conversations amongst the science communities themselves that serve to water down campaigns that are aimed at encouraging the citizens to go out in their numbers to get VACINATED. Several companies have set up Vaccination Stations in their work places so as to encourage and support workers who want to be vaccinated. The number of deaths and infections as a results of the Omicron variant remain significantly lower than the of all the previous phases of the Pandemic.