

# **UAW abandons jobs fight at General Motors**

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Fifty-four days after the first of two strikes at Flint, Michigan GM plants began, the United Auto Workers leadership agreed to a settlement which opens the way for the further destruction of auto workers' jobs and an erosion of their working conditions. The deal was hailed by Wall Street analysts who said the \$2.5 billion cost of the strike was worth it because GM could now press ahead with its restructuring plans to eliminate tens of thousands of jobs to match the labor savings already achieved by its domestic and international competitors.

At the heart of the agreement is the UAW officials' commitment to drive up the productivity of their 9,200 members at the Flint Metal Center and the Delphi Flint East plants in exchange for a temporary delay in GM's plans to close or sell the plants. The company agreed to fulfill its previous pledge to invest \$180 million at the Flint Metal Center and not to close or sell the Delphi plant for another 16 months. The UAW pledged not to call another strike at the Delphi plant before then. Despite a dozen local strikes against GM, similar agreements have done nothing to stop the automaker's shutdown or selloff of 30 plants and elimination of nearly 70,000 jobs since 1992.

GM and the UAW will establish a labor-management committee to boost the Metal Center's productivity by at least 15 percent. They also have productivity goals at the Flint Delphi plant. But neither GM nor the UAW explained what agreements they had entered into there, saying they were awaiting the ratification vote by UAW members. The work pace at both plants is already brutal, producing many on-the-job injuries and heart attacks among a work force whose average age is 50.

In addition the UAW acceded to the company's demands to settle other local contract disputes in order to prevent further crippling strikes once the Flint conflicts were settled. The settlement includes agreements at Local 599, representing 2,700 workers at

the Buick City plant, which is scheduled to close by September 1999; and at UAW Locals 23 and 1292, representing workers at two threatened stamping plants in Indianapolis, Indiana and Grand Blanc, Michigan.

The UAW also announced it had the 'framework' for an agreement at Local 696, representing workers at two Delphi Chassis brake plants in Dayton, Ohio. Following a 17-day strike in 1996 at the Dayton plants that crippled the company's North American operations, GM announced it would shut one of the two brake plants. As in the agreement at the Delphi East plant, the UAW has agreed to ban any local strikes in Dayton in exchange for a promise that the company will not sell or close the plants until late 1999.

Sources close to the negotiations say the union may seek to extend the no-sale pledge in national contract talks next year, in exchange for agreeing to a contract running for four years instead of the usual three.

The agreement to settle these local disputes indicates that the UAW is all but abandoning the strike weapon. What will follow is pressure from the UAW International to settle similar disputes at Bowling Green, Kentucky; Janesville, Wisconsin; the Saturn plant in Spring Hill, Tennessee and other plants where workers have voted for strike authorization to fight job threats and poor working conditions.

Indeed, the UAW Vice President Richard Shoemaker announced at the press conference that to avoid future strikes the agreement would establish a new high level labor-management body to settle disputes before walkouts break out. Shoemaker said it would create guidelines for a 'new process that will result in more frequent discussions of people at the highest level of both corporations so the parties can focus on problems and commitments ... to ensure that we can resolve things before they reach a crisis.'

UAW President Stephen Yokich announced that the union leaders want a closer relationship with GM,

along the lines the UAW enjoys with Ford and Chrysler. The UAW has called far fewer strikes against these companies, while collaborating in the elimination of half their work forces and imposing cost reductions which outstrip GM's. GM Vice President Gerald Knechtel stated that he hoped a new relationship with the UAW was possible because the company was determined to overcome its problem of being the highest-cost producer of cars.

GM's board is scheduled to meet August 3 to discuss a major restructuring of its North American operations, including the shutting down of plants, consolidation of operations and the possible sale of its Delphi Automotive Systems parts unit. Wall Street analysts have called for GM to slash 50,000 jobs over the next five years to be competitive in the world market.

In agreeing to the settlement GM dropped its grievance and lawsuit which had charged that the UAW's strikes were in violation of the national agreement. If the arbitrator had ruled in the company's favor, a legal precedent would have been set to ban such local strikes in the future and the union could have been held liable for up to \$2 billion in damages. Concern over the prospects for an unfavorable ruling undoubtedly gave the union an incentive to settle before the arbitrator ruled some time this week.

Moreover, there were signs that if the strike continued the UAW would have had a harder time controlling the rank and file. Workers in plants in Romulus, Michigan and Bowling Green, Kentucky, protested against using parts that GM had purchased from outside suppliers to circumvent the strikebound plants in Flint, and the strike votes at other UAW locals indicated growing support for a decisive struggle against the company's downsizing plans.

Pinning its ratification hopes on the hardship felt by the workers, who have subsisted on \$150 a week for nearly two months, the union has provided a lump-sum ratification bonus of a full week's pay, paid from a joint UAW-GM training fund. (The UAW leadership rejected a proposal to double strike pay at its Las Vegas convention last month.) The ratification vote was set for Wednesday morning, only hours after the settlement was reached and before workers will have a chance to study the agreement.

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