Teamsters carhaulers face strike deadline

Jerry White 29 May 1999

The contract covering 12,200 Teamsters carhaulers expires midnight Monday and a strike could be launched that would quickly disrupt the US auto industry. A walkout would include drivers, mechanics, yard and office workers employed by the trucking companies that ship vehicles from auto factories, rail yards and ports to car dealerships.

The carhauling firms, which are enjoying revenues of \$2 billion and record profits, are demanding substantial concessions from workers. These include imposition of a two-tier wage scale for new hires, increased contributions from workers for healthcare coverage and flexible work rules to allow 24-hour, seven-day-a-week operation. The industry complained that it is under pressure from the US automakers to lower prices even as it faces competition from improving railroads and lower cost nonunion carriers.

Teamsters members who are seeking higher wages, improved pensions and job security voted by a 96 percent margin to authorize a strike. In 1995 the carhaulers struck Ryder System Inc. for 32 days, and they have repeatedly shown their willingness to fight give-back demands. For its part the Teamsters leaders, including former President Ron Carey in 1995, have signed one concessions contract after another.

The dispute is the first for new Teamsters President James P. Hoffa, whose three-year term officially began May 1. He has stated that he would stand up to the companies' demands and reverse the decimation of the union in the industry. While Hoffa's boasts are hollow—given his record in the betrayal of such struggles as the Detroit newspaper workers strike and his long ties to the most corrupt elements in the union—he is under considerable pressure to posture as a militant, at least at the beginning of the dispute.

Over the last two decades, since the deregulation of the trucking industry, thousands of carhaulers' jobs have been destroyed and workers' living standards and working conditions have sharply eroded. From 55 unionized carhauling companies in 1975, there are only 25 today. Before deregulation nearly all US vehicles were transported by unionized carriers; the portion is 29 percent today.

Among the Teamsters rank and file there is growing determination to recoup their losses and protect the conditions of future generations, particularly since the trucking and automotive companies are boasting of their record profits. In a letter to carhaulers Hoffa indicated that he is willing to continue negotiations past the May 31 deadline, but he may not be able to avoid a strike for long.

Analysts and auto company executives are taking the threat of a strike very seriously. A walkout could seriously disrupt the sales of new cars and light trucks that are on track to beat the record of 16.02 million vehicles sold in 1986.

At GM, for instance, 38 of the company's 44 distribution centers are served exclusively by Teamsters. GM, Ford and Chrysler, who have their own contract negotiations with the United Auto Workers this summer, are determined not to lose any market share or potential profits and have developed contingency plans to circumvent the strike, including the possible use of nonunion carriers

Hoffa and UAW President Stephen Yokich have appeared on joint platforms pledging that their unions will support each other in contract negotiations. This has been chiefly said for internal consumption because of the growing disquiet in the ranks. In reality, the two unions are currently engaged in a bitter turf battle over organizing workers at the Honda assembly plant in Marysville, Ohio.

If a strike is called, it could be against one, several or all of the 17 carhaulers covered by the Teamsters contract. But industry observers expect the union, if it strikes, will target Allied Holdings of Decatur, Georgia, which controls 65 percent of the new vehicle hauling business at all of the major US and foreign-owned car companies.

The Teamsters have hinted at the reactionary politics they would pursue in the event of a strike. In an effort to infuse anti-Mexican chauvinism into the struggle and divert the anger of workers the union is seeking a contract provision to prohibit the use of Mexican drivers to transport cars in the United States under the North American Free Trade Agreement.



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