

# UAW releases “highlighter” of new pro-company agreement with Fiat Chrysler

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On Friday afternoon, the United Auto Workers published a 20-page “highlighter” of the new tentative agreement between the union and Fiat Chrysler. Despite efforts by the UAW to portray the new deal in the rosiest of terms, the agreement is practically identical to the one they tried to ram through two weeks ago.

In a signed letter, UAW President Dennis Williams and Vice President Norwood Jewell call the agreement “one of the richest ever negotiated.”

This, like everything else the UAW has said to workers over the last three weeks, is a lie.

None of the main demands of workers have been met in the new deal, which enshrines multiple tiers, maintains the Alternative Work Schedule, does not include cost of living adjustments, gives nothing to retirees, threatens pensions and allows the company to fire workers for attendance problems.

On top of this, the proposed contract threatens substantial job cuts and may force many workers to move their families across the country.

Furthermore, the UAW has once again provided only highlights of a deal that workers are expected to labor under for four years. The UAW was forced to give up the full contract before the last vote, and workers should not have to vote again until they have had ample time to see and read through the whole contract.

Here are ten real “highlights” of the proposed agreement.

## **1. Enshrined multi-tier system with limited raises over eight years**

The new agreement not only fails to get rid of the tiered system, it solidifies it as the permanent norm in the auto industry. Under the deal, no workers with less than four years of experience already will reach the \$29 ceiling within the life of the contract.

Nobody should assume that the wage increases slated to take place beyond the life of the contract will actually

take place. Vice President Norwood Jewell himself admitted at last month’s Local 1700 informational meeting in Sterling Heights that the terms of the 2007 agreement “doesn’t matter because in 2011 you negotiated a new agreement.” But even if all second-tier workers make it to \$29 per hour after eight years, this figure is still below what tier-one workers currently make. In other words, the UAW is helping the company create a new, permanently lower pay scale. In 2005, autoworkers made \$28 per hour. If this agreement passes, it means that in the nearly 20 years from 2005 to 2023, autoworkers will have received a raise of exactly one dollar.

## **2. No changes to tier-one wages from last proposed agreement**

To the UAW, “substantial gains” means nothing for tier-one workers—the new deal includes the same less-than-a-dollar pay increases in years one and three of the contract, with a taxable lump sum of four percent of the previous year’s wages in years two and four.

Under the new performance-based profit sharing and phony quality achievement and World Class Manufacturing schemes, speedups will also be used to physically break down the older workers and drive them out.

## **3. No cap on the percentage of tier-two workers**

There will be no immediate bump of workers to the first tier to meet a 25 percent cap, as promised by the UAW in its “highlights” for the 2011 contract. This is a major demand for FCA, as it wants to make tier-two workers the majority, if not the entirety, of the workforce over the next several years.

If the cap had been adhered to, it would have meant the instant transfer of 7,000 workers into the first tier. This promise was simply ignored by the UAW and the company and is proof that nothing is sacred to the UAW-corporate alliance.

## **4. No change to Alternative Work Schedule**

According to the highlights, the UAW bargainers “were successful in securing language that allows the union to request meetings with the company to communicate its desire to end an Alternative Work Schedule.”

Workers would be justified in asking: If all the UAW can get is language that allows the union to request future meetings, what in the world have they been doing for the last months of negotiation? What did the UAW trade away to secure this “substantial gain?” How stupid does the UAW think workers are?

The hated AWS will remain intact under the agreement, as will the lack of overtime after eight hours. Workers will have to continue working miserable swing shifts that ruin their sleep patterns, hurt their bodies and severely reduce family time.

### **5. No Cost of Living Adjustment**

The new contract leaves workers prone to growing costs of living and market swings. Though gas prices and inflation are currently low, for example, if gas prices rise to last year’s high of \$3.74 per gallon, each fill-up will cost over \$20 more. An inflation rate rise to 2011 levels would practically erase the wage gains for tier-one workers.

### **6. Job losses in Indiana and Michigan**

According to the highlights, several plants are subject to major job losses. Indiana Transmission Plant II may lose 450 jobs while Warren Truck Assembly in Michigan has a “potential workforce reduction of 2,406.”

The fact that certain other plants include workforce increases is an indication that some workers are going to be forced to pack up their families and move to wherever there is work. At the same time, FCA will use shifts in production to increase the percentage of lower paid workers coming in at \$19 an hour.

The highlights do not address whether workers would lose seniority if forced to transfer, as they have at other auto companies.

### **7. Firing for absences and tardiness**

According to the highlights, the company can still fire workers for absences, and likely for tardiness, too. According to the highlights, “members with more than 2 tardies in a 12-month period of active on-roll employment will follow the Progressive Discipline Guidelines chart.”

### **8. Nothing for retirees**

All the agreement provides retirees is an insulting \$1,000 car voucher, which will hardly cover the sales tax on a new Chrysler automobile.

### **9. Vaguely worded promises to cut health care costs**

Though the UAW claims it has taken the health co-op

out of the deal for the moment, the highlights include a vaguely worded pledge to “tackle the issue” of rising health care costs with the company after ratification.

The document provides barely any details about what is being planned, with the UAW simply punting the issue by stating, “We must work together and figure out a solution that takes advantage of our collective knowledge and experience... We will tackle this issue by asking the companies to share data and support health care studies.”

### **10. Scant protection for cuts to pensions**

Although the highlights claim the UAW has won “groundbreaking protections for our members and their pension benefits,” all they say is that if the company is unable to make pension payments due to underfunding, certain benefits will be restored if “the pension plan’s funding level returns to legally required levels.”

In other words, based on the language in the highlights, it appears that the UAW is telling the company it will not put up a fight if the pension plan is underfunded *and stays underfunded*. The so-called “groundbreaking protections” are only triggered if the underfunded plan... becomes fully funded.

The *World Socialist Web Site* calls on workers to reject this miserable deal as they did the last agreement.

The UAW and FCA are seeking to exploit workers’ financial hardship to wear them down and ram through the same deal with different wording. By giving larger wage increases to tier-two workers with five to eight years experience and larger signing bonuses to tier-one workers, the UAW-FCA alliance thinks it can divide workers and force a “yes” vote.

But workers can wage a campaign to spread the truth about the new agreement, through the establishment of independent rank-and-file factory committees. Such a campaign must include real informational meetings, established independently by the workers, where the full contract is discussed and deliberated. Workers must take it upon themselves to counter the UAW-FCA lies, build support for another massive “no” vote and launch a real fight against the auto companies.



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