

# Ten facts autoworkers need to know about the Nexteer tentative agreement

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The contract presented by the United Auto Workers and Nexteer Automotive to 3,350 workers in Saginaw, Michigan would guarantee four-and-a-half years of poverty wages and dictatorial plant conditions. In all of its most important elements, the new deal is little more than a rehash of the one workers rejected by a 97.5 percent margin on December 6.

The new tentative agreement was presented to workers on Friday, several days after the UAW ended a phony 20-hour strike before it could damage the bottom lines of Nexteer, GM and other automakers. If the new deal is accepted, it would be a disaster for parts workers and a goldmine for the company, which posted \$420 million in gross profits last year—a 25 percent increase from 2013.

The fact that the UAW presented such a deal proves that it is an agency of the corporations whose job is to increase the exploitation of workers and suppress their resistance to the dictates of big business.

The *WSWS Autoworker Newsletter* presents below an initial analysis of the facts of the contract.

## **Contract Fact #1: Factoring for inflation, wages will fall or remain stagnant**

*Language:* Wages stay at \$30 for skilled trades and rise by little over one dollar over four-and-a-half years for semi-skilled and specialized workers. For production workers, the Year 5 wage will rise to \$15.88 or \$17.77, depending on present wages.

*Translation:* When factoring for inflation, \$15.88 will be worth less than \$14 by 2019, while \$17.77 will be worth \$16. In other words, production workers will see their wages stagnate after the initial ratification bump, while wages will actually *decrease* for skilled, semi-skilled and production workers. New hires will be paid a poverty wage of \$13 an hour.

## **Contract Fact #2: Contract creates dictatorship on the shop floor**

*Language:* Workers can be punished for “the making or publishing of malicious statements concerning any employee, the company or its products,” “immoral conduct,” “horseplay,” “jostling,” “distracting the attention of others,” “causing confusion by unnecessary demonstration of any kind on Company premises,” “wasting time,” “loitering in toilets,” “distributing merchandise on Company time,” “unauthorized

distribution of literature, written or printed matter of any description in working areas on Company premises during working time,” “posting...in any form on bulletin boards or company property at any time without specific approval of management” and “littering” (Article XXV Section 21).

*Translation:* Workers at Nexteer have no freedom of speech. They cannot post or distribute their beliefs, they cannot assemble and they cannot speak out. What’s more, disciplinary action remains on a worker’s record for two years—longer than the 18 months listed in the last contract. The contract provides that workers must keep silent and behave as loyal supporters of Nexteer Automotive and the UAW.

## **Contract Fact #3: Contract allows corporate “undercover agents” to police workers**

*Language:* The contract sanctions the “use of undercover agents” to monitor the workers and report their activities to the company and the UAW (Article VII Section 5).

*Translation:* The UAW is letting the company spy on the workers and target for victimization workers who speak out against poor working conditions and mistreatment by the UAW-corporate alliance. Only an organization that fully represents the company could agree to such insulting terms.

## **Contract Fact #4: Contract retains Alternative Work Schedule**

*Language:* “The Company shall have the sole right to change individual shift hours” (Article XI Section 2).

*Translation:* Workers are at the whim of the corporation when it comes to setting work hours. All the company needs to do is give 14 days notice and it can force workers to work whenever they please, including workweeks with grueling 12-hour shifts. Seniority does not matter in determining shift hours, and the company can change start times each week if they so choose.

## **Contract Fact #5: Contract retains Critical Plant Status:**

*Language:* The company can dictate when to set up critical plant status for 60 days, allowing the company to “be exempt from the provisions of this agreement that limit or restrict the right of the Company to require employees to work daily overtime or on Saturdays or Sundays or entitle employees to decline to work at such times” (Article XI Section 5), and “the Company will be allowed to mandate a maximum of 10 hours

Monday thru Friday and 8 hours on Saturday and Sunday” (Article XIII).

*Translation:* This is akin to an “on call” provision, where the company can force workers to do as it pleases, when it pleases. The company need only give seven days notice, down from 15 days.

**Contract Fact #6: Mandatory overtime maintained**

*Language:* “Hours in excess of nine hours worked per shift shall be voluntary, except as otherwise provided in this agreement...employees may be required to work Saturdays” (Article XI Section 5). “Management can force one additional hour of overtime per day” (Article XI Section 8).

*Translation:* The 8-hour day, a right won by the working class at the turn of the 20th century, does not exist for Nexteer workers. Just as under the last contract, the company can force workers to work an hour late, and can decide this as late as it pleases. Note that if the plant is granted critical status, the company can extend 8-hour shifts to 10-hour shifts.

**Contract Fact #7: Health care under attack**

*Language:* The new tentative agreement increases annual deductibles from \$300 for one person and \$600 to more than one to \$500 and \$1,000, respectively. The company’s share of co-insurance has decreased from 90 percent to 80 percent, with workers and their families picking up the rest. The out-of-pocket maximum is a crushing \$13,700 for a family and \$6,850 for single workers.

*Translation:* The UAW and the corporation are attacking workers’ health care. Many workers have pointed out that the rise in cost of the deductible alone will override the \$2,000 signing bonus over the course of the contract.

**Contract Fact #8: Skilled trades under attack**

*Language:* “The parties understand in order to maximize the efficiency of the operation it is necessary to allow, and expect, employees to perform tasks outside a strict line of demarcation between classifications. Employees regardless of job classifications, can perform work, deemed ‘incidental’ to the primary task provided they are qualified to do so and can perform the tasks in a safe manner,” and “the parties have agreed that the Company shall subcontract any facility related maintenance work” (Article XIV, Section 2).

*Translation:* The company is subcontracting work that should be done by skilled trades workers who will be forced to do other work so the company can slash jobs.

**Contract Fact #9: Contract based on UAW-management alliance against workers**

*Language:* “The UAW will promptly remove from such union bulletin boards, upon the written request of management, any material which is libelous, scurrilous, or detrimental to the labor-management relationship” (Article I Section 2).

“The parties also discussed the value in visibly communicating the partnership of the UAW and Nexteer Automotive. As such, the parties agreed that the joint leadership at all levels of the organization should take

advantage of opportunities to visibly display this partnership to our employees and our customers externally” (Article I Section 1).

Regarding the grievance procedure, “if we are to be successful, labor and management must work together as members of the same team” (Article VI Section 1).

*Translation:* The UAW is committed to suppress any expression of independent opposition from workers and subordinate the needs of workers to the profit demands of the corporation, regardless of how “detrimental” this is to workers.

**Contract Fact #10: Basic theme of contract: Workers to be hyper-exploited for profit**

*Language:* “This Understanding is intended to improve the operational efficiency across the site, while maintaining the competitive cost structure necessary for preserving jobs at the Saginaw Site” (Memorandum of Understanding on Alternative Work Schedule).

“The parties recognize that the Company’s ability to be competitive and to manufacture products safely at a world-class quality, cost, and timing levels is contingent upon improving productivity, equipment, quality awareness, flexibility, and the stability of the workforce” (Article XXV Section 20).

*Translation:* The contract is not to protect the jobs, work conditions and livelihoods of workers. Instead it is a contract between two business entities—Nexteer and the UAW—to increase the exploitation of workers through speedups, job cuts and the joint victimization of militant workers.

As the experience of the Fiat Chrysler, Ford and GM workers shows, everything the UAW says about “significant gains” in a contract is a lie. There are no doubt more hidden details in the tentative agreement and we urge workers to send their findings to the *WSWS Autoworker Newsletter*.

We urge workers to hold discussions independently of the UAW to exchange information and mount a campaign to defeat this sellout, and defend any worker who is victimized for speaking out. A rejection should be the starting point for the formation of factory committees, democratically elected by workers themselves and committed to the methods of the class struggle, not class collaboration.



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