

After the Big Three contracts

# Auto companies cheat retirees while posting record sales

Eric London  
21 December 2015

In the most recent contracts, the Big Three auto companies and their allies in the United Auto Workers gave nearly 600,000 retired autoworkers little more than a slap in the face. Though workers have given decades of their lives to the companies, the companies responded with an insulting \$250 per year at Ford, a \$500 lump sum at GM and a \$1,000 voucher to purchase a company car at Fiat Chrysler (FCA). The UAW, which still takes retirees' dues money each month, did not even let retirees vote on the deal.

The *World Socialist Web Site Autoworker Newsletter* spoke to one retiree at GM's Fort Wayne Assembly Plant in Indiana who has been cheated out of her \$8,000 signing bonus because the UAW and company say she retired just weeks before the date laid out in the contract. In other words, workers are discovering many hidden tricks in the contract that benefit the company.

"I should get my \$8,000 that was promised to me when I voted on the contract, but they say I can't get it now," the newly retired autoworker said. "I feel like they did me wrong on this money."

After ramming through the contracts by a combination of threats, lies and fraud, the UAW has treated their corporate partners to four more years of low labor costs and high profits.

Wall Street, the auto companies and the UAW have all hailed the contract, and the auto industry is now licking its chops at potentially record profits in the coming period. J.D. Power announced last week that December is expected to see record auto sales in the US.

J.D. Power Senior Vice President John Humphrey announced: "With continued record transaction prices, consumers are on pace to spend more than \$44 billion on new vehicles in December and \$437 billion on new vehicles in 2015, both record levels."

Current autoworkers and retirees will see very little of this revenue. Most of the profits will end up in the pockets of Wall Street investors and the corporate executives who made tens of millions last year (GM's Mary Barra: \$16.2 million, Ford's Mark Fields: \$18.6 million, FCA's Sergio Marchionne: \$72 million), while the UAW will doubtless get their cut through its corporate stock ownership and numerous "joint program" schemes.

The immense profits of the corporations flow from the exploited labor of hundreds of thousands of autoworkers, including the recently retired Fort Wayne worker who said that she is being fleeced by the company and the UAW out of more than her \$8,000 signing bonus.

"We make 1,500 trucks a day at Fort Wayne Assembly," she said, noting, "That's 500 per shift, per day. I'm glad to be out of the plant, because it's like when you walk in you're under their control, the company tells you what you can and can't do. A lot of people associate GM with prison. They use every opportunity to control you, and you have no control. They make you feel like a child."

The Fort Wayne Assembly Plant is one of GM's most productive plants. It is a massive facility—3.03 million square feet located on 716 acres alongside Interstate 69. About 4,000 workers staff 34.9 miles of assembly lines that wrap through the factory.

The plant produces the best-selling Chevrolet Silverado and the GMC Sierra. These pickup trucks are not cheap: A double cab 2016 Silverado runs at at least \$35,500, and the GMC Sierra starts at \$27,500. With the expansion of the two-tier wage and benefit system and the new pay ceiling lowered to \$29 an hour, the company expects to make major profits off of these vehicles.

The Fort Wayne retiree explained how retirees are treated under the new contract. "Even though I need to go

to the doctor, I have to wait until January to make an appointment because the contract says if I go this year I have to pay the whole yearly deductible. Our benefits have changed a lot, and the coverage is worse. I have to pay out-of-pocket for specialist visits. We've done all we could to help make the company so why penalize us when we retire? Now that I'm on a fixed income I have to pay out more? That doesn't make sense.

"To the company, the truck is the most important thing. They make you come to work early on every holiday so you've got barely any time with kids. And it's straight time for coming in early.

"And the UAW raised dues rates, but they don't do anything for workers. Our union dues went from two hours to two-and-a-half hours a month, but representation was the same and when it came to the contract they didn't fight for what we wanted. They give more money to their bank accounts for themselves.

"The UAW was very distanced from us. They don't tell us anything about what is going on. The International and Local UAW leaders are trying to make their pockets fat—that was all that really mattered. When they did layoffs in 2007, the sons or daughters of UAW officials were protected."

A campaign team from the *World Socialist Web Site* recently distributed the *Autoworker Newsletter* at the plant and was greeted with interest by workers.

"What you're doing with the *Autoworker Newsletter*, you're our voice because we don't have a voice," the retiree said. "You are an outlet for us workers and I appreciate that. Keep up the good work."

Another worker at the plant said, "I think the contract sucks. On top of everything else, they are going after our vacation time. It's obvious what they think about us when they think one or two weeks of vacation per year is too much time off. The company would prefer to work us to death, and the union agrees."



To contact the WSWWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](http://wsws.org/contact)**