"We work harder for pennies"

Striking Chicago-area mechanics denounce auto dealerships' contract offer

Jessica Goldstein 7 August 2017

Around 2,000 auto mechanics from 130 Chicago-area new car dealerships struck August 1 after rejecting the employers' final offer. Workers are furious that after years of concessions, including a three-year pay freeze, dealers have offered only a paltry wage increase and have refused to budge on key issues involving work schedules and paths to apprenticeships and promotions.

The walkout followed an overwhelming strike vote. Auto dealers are attempting to continue operations with non-striking personnel. However, only minor repairs and servicing is still being done. About one third of the 420 dealerships in the Chicago area are involved in the job action.

The World Socialist Web Site interviewed two journeymen mechanics, Gary and Rory, on August 2 at the Buick-GMC dealership in North Riverside, Illinois, a suburb of Chicago. The workers expressed anger over falling living standards and a critical attitude toward their union, the International Association of Machinists (IAM) Auto Mechanics Local 701.

One of the mechanics' main demands is for 40-hours' guaranteed pay. Currently mechanics are only guaranteed a minimum of 34 hours. An enormous source of frustration is that mechanics are not paid for the actual hours they work, but rather on the basis of a standard set by the auto makers dictating how much time a particular repair or service is supposed to take. "We have to be here for 40 hours before we can get paid for 34."

Gary told the WSWS how essentially a mechanic must be on the clock for forty hours before they can get paid for thirty-four part-labor hours. Mechanics can get paid for more than thirty-four hours if they work on more jobs, but "what has been happening lately, is that with all of the technology, and all the new vehicles, it gets harder and harder to break even. The manufacturer puts a labor time on everything that we do on the car. So, if they put a labor time of say, 6/10 of an hour on a part, but it takes us over an hour to do it, then we get 6/10 of an hour."

Rory said, "If we're here [at the dealership] 40-50 hours, and we only get to that 34 [part-labor hours], then we're only getting 34.

"15, 20 years ago, you could at least break even and meet the allotted time given for each job," Gary continued, "With the technology now in the newer cars, we're trained on a specific part of a vehicle that we may not see again for six months to a year. We then have to re-visit that part of the vehicle, and figure out all over again how it works."

Due to the changes in automobile technology, mechanics are working on parts that need less frequent maintenance, a difference from decades ago, when mechanics were able to gain regular experience on parts because they worked on them more frequently. Because of these changes, mechanics must constantly re-train themselves at their own expense.

"We're sort of on commission. Years ago, you could work 40 hours per week and put in more than the 34 hours [of part-labor], and make more money that way. Now, we're lucky if we even get to that 34 hours in a 40-hour week."

"The manufacturers are paying us less to do the same stuff that we used to do," Gary said.

"If there's a part that takes an hour to repair, and they skim off maybe ten, twenty percent to take it down to 8/10ths of an hour, then that's good for the companies like General Motors, Ford, and Fiat Chrysler because they make more money. But it's not good for us."

Mechanics also want to end the current system, where dealers assign more jobs to certain workers, in favor of a more equitable system. While dealers claim the current system allows them to incentivize their most productive workers, the result is that workers are pressured to work at breakneck speed and cut corners.

Rory explained how the Obama administration's 2009 bailout and restructuring of the auto industry spurred the auto manufacturers to find more creative ways to squeeze workers, including mechanics. "When they ran into the problem when they were all in debt, they had to figure out how they were going to make more money. So, they thought, 'Well, we have to pay [the workers] less so we can still have our jets, our cars, and they have to work harder.' And that's what we do, we work harder for pennies."

Auto mechanics are highly skilled workers who must complete extensive training. The tools that mechanics use are very expensive, and can cost anywhere from \$50,000 to \$75,000 per kit, not including the tool box itself, which can run on average an extra \$10,000 to \$20,000. The mechanics must pay for the tools themselves on their dwindling salaries. To get parts needed to make repairs, mechanics spend time calling parts dealers, time for which they are not paid.

The WSWS asked what the attitude of the union was regarding tools and training. Rory replied that if pressed on this issue union officials say, "No, if we do that, they'll just get someone to replace us."

While reports indicate dealers have offered mechanics a raise of 5 percent per year, most of this increase is in the form of productivity incentives, which are difficult, if not impossible to reach, with the regular pay increase amounting to only 1.25 percent.

This paltry figure is nowhere near sufficient to cover the rising costs of housing, food, health care, and education in the area and will result in a real loss of purchasing power over the next few years. Cook County has one the highest costs of living in the state of Illinois, with property taxes seeing an increase of 6-9 percent in the next fiscal year.

The WSWS asked if the wage increase in the contract would be sufficient to provide a decent standard of living for the auto mechanics that would allow them, for example, to send their children to college. Rory replied, "No, it most definitely wouldn't. I have three

kids, and as it is, I can't even afford to take them to the circus when it comes into town."

Gary and Rory explained that the IAM forced them to vote for a three-year pay freeze during their last contract negotiation three years ago. "The company wasn't doing so well," Rory told the WSWS, "so we voted on a three-year pay freeze. The reason we're out here is because we haven't gotten a raise in three years. We thought that they'd remember that, and give us a raise on our next contract. But they didn't do that."

The pay freeze was in effect during a period in which the auto companies were all experiencing record sales and profits. Now, as auto sales have dipped in the past year, the union is working with the corporation to keep profits flowing in while at the same time staving off the growing opposition of the workers.

As it stands, the paltry increase now proposed by the union would be virtually impossible to enforce, since management can arbitrarily assign lower hourly rates to each part creating a situation where mechanics could work extremely long hours just to meet the minimum requirement negotiated by the union.



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