

“We voted to go on strike, then they presented us with a BS contract”

Indiana Lear auto parts workers overwhelmingly reject UAW-backed contract proposal

Marcus Day
16 October 2018

Workers at Lear Corporation’s northwest Indiana seating plant voted overwhelmingly Sunday to reject a contract proposal backed by the United Auto Workers union and the company. Workers voted the proposal down by approximately 74 percent. Earlier this month, workers had voted to authorize strike action by 90 percent.

Lear, a Fortune 500 company headquartered in Southfield, Michigan, employs roughly 165,000 workers in 36 countries, manufacturing automobile seating and electrical distribution systems. Close to 900 workers at the company’s factories in Hammond and Portage, Indiana, assemble seats for the popular Ford Explorer SUV, which is produced at the nearby Chicago Assembly Plant.

In voting to reject the contract, Lear workers have demonstrated their determination to fight back after decades of declining wages, reductions in benefits, and attacks on working conditions imposed by the auto companies with the assistance of the UAW. The decisive contract rejection vote is yet another expression of the growth of the class struggle.

Currently thousands of hotel workers are on strike in more than a half dozen major US cities and tens of thousands United Parcel Service workers are locked in a battle with the Teamsters after voting to reject a union-backed concessions contract that the Teamsters bureaucracy nonetheless declare ratified.

Many of the workers at Lear who voted “no” on Sunday will not have forgotten, nor forgiven, the swindle imposed on them by the UAW during the last contract negotiations.

In 2014, workers at Lear’s Hammond plant—hundreds of whom were second-tier earning poverty wages starting at just \$11 an hour and capped at \$16 an hour—went on strike in the hopes of ending the two-tier system. The strike had the potential to quickly disrupt production at Ford’s Chicago Assembly Plant, which operates on the “just-in-time” model of production.

Within 24 hours, however, the UAW shut down the strike, triumphantly claiming that the end of the tier system at Lear had been secured. “The tide is turning for auto parts workers ... The agreement is a victory not just for the 760 workers at our plant, but for thousands of auto workers across the country who do the same hard work we do and want to be able to reach the middle class,” wrote UAW Local 2335 President Jaime Luna.

Luna, apparently, thought workers were fools.

The truth was that the UAW had agreed to the creation of a new class of “sub-assembly” workers, transferring hundreds of workers from Hammond to a new facility in Portage, Indiana. Starting wages for these workers were to be \$11 and top pay would eventually be capped at \$15.25—lower than the previous limit of \$16 for second-tier workers.

Additionally, “legacy” workers at Hammond hired before 2009 received a raise of just \$1.58 over the life of the four-year contract, effectively a pay cut with inflation taken into account.

The UAW attempted to use the bogus claim of “ending two-tier” at Lear to lull workers at the Detroit Three automakers going into the 2015 contract negotiations. Meanwhile, Lear executives openly boasted of the deal’s benefits to the company, with Tim DiDonato, Lear’s senior vice president of human resources, stating that the subassembly category was a “breakthrough,” adding, “That is a whole different rate that makes us economically competitive ... This contract was well within our budget.”

In the current contract negotiations, the UAW has done everything possible to once again keep workers in the dark and conceal its behind-the-scenes maneuvers with the company. Local 2335 issued no public demands prior to the negotiations beginning, and neither the UAW nor Lear has released the full details of the tentative agreement.

The deal was first announced on October 3, the same day the strike authorization vote was released. At the time, Local 2335’s Luna attempted to present ratification as a foregone

conclusion, stating, “The new agreement will go into effect as soon as the membership accepts it by majority vote at a ratification meeting.” Luna praised the deal, writing that it would “help us support our families with a better wage.”

On UAW Local 2335’s Facebook page, a number of workers challenged the UAW’s attempt to rush through the contract vote. Pam wrote, “Will they answer our questions instead of telling us to vote first like last time?” Others demanded several days to study the proposal.

In response to the comments, UAW 2335 President Jaime Luna curtly replied, “Everything is done at the ratification meeting.” Jesse replied, “Why is that? I think we should have a day or two to read it ourselves before voting.” Luna did not respond.

Many workers have taken to social media to express elation that the deal was rejected, and angrily described various aspects of the agreement, including the continuation of the two-tier system, low wages along with inadequate vacation time and medical benefits.

Jerome wrote, “Dawg I was so mad to drive out there and read all that BS in that damn packet.” Another said, “We voted to go on strike, then they presented us with a BS contract... which is still two tier.” Art, summing up the proposal, commented, “For real that was a joke.”

Other workers were galled at the immense sums of money being raked in by the company and its executives, while they struggle to survive and raise families on poverty wages. Tracy commented, “When you work for a company whose first quarter profits were \$353.7 million and Raymond E. Scott the CEO makes an annual income of \$5.344 million and is ok with offering \$1 raise...pathetic!”

Lear pulled in over \$1.3 billion in profit last year. This year, the company has continued to see its sales and income rise to new record highs.

The company is building a \$30 million plant in Hammond, projected to open in April 2019, that will consolidate the current Hammond facility and the factory in Portage. Lear successfully stoked a bidding war between a number of cities to build the plant, and at least \$4 million of the construction costs will be offset via tax incentives from the city of Hammond.

While Lear workers have shown immense courage in rejecting the UAW-backed sellout, they must be on guard against any illusions that they can successfully “send the union back to the table” to secure a proposal that meets their needs. Bitter experience—from the Detroit Three sellout contracts in 2015 to the Teamsters’ attempt to nullify the contract rejection vote at UPS this year—has shown again and again that the unions objectively function as cheap labor contractors and an arm of management for the corporations. They will simply repackage or rephrase the original deal and attempt to force it through with a combination of lies and intimidation.

In nearby Kokomo, Indiana, UAW Local 685 has defied a near-unanimous strike authorization vote over hundreds of

unresolved health and safety grievances at Fiat Chrysler’s transmission plants. At Allison Transmission in Indianapolis, after claiming that an agreement was ratified in December 2017, the UAW has since stonewalled workers’ demands to receive a copy of the actual contract.

The treachery of the unions has not been limited to the United States. Earlier this year, Lear workers in Ontario, Canada, went on strike, forcing Fiat Chrysler to idle its Brampton assembly plant. Workers voted by 98 percent to reject a contract proposal pushed by the company and the Unifor union, which maintained the low-wage regime.

However, the company responded not by offering a better deal, but by holding the threat of plant closure over workers’ heads. Unifor, far from mounting an effort to expand the struggle and oppose the company’s plans, instead rammed through a ratification vote on a deal little better than the one workers initially rejected.

All over the world, workers are looking for a way to make a stand. But in order to advance their interests, it is necessary to form new organizations—rank-and-file committees—independent of and opposed to the unions and their pro-corporate, anti-worker program. Such committees are objectively needed to take up the day-to-day functions long abandoned by the UAW, from the resolution of grievances to the enforcement of safety standards.

At Lear, workers should elect rank-and-file strike committees that can raise demands that take as their starting point workers’ needs, such as workers’ oversight of all contract negotiations; the real end of the tier system, the conversion of all workers to top pay, and an immediate 40 percent wage increase; the restoration of cost-of-living increases; fully funded, freely provided pensions and health care; workers’ control over line speed, safety, and production; and more.

However, workers cannot carry out a successful struggle against Lear, a powerful multinational company, on their own. It is necessary to appeal to and create joint, fighting organizations with the millions of other workers—at the Detroit Three automakers, the steel mills, UPS, Amazon, and beyond—to fight against the profit interests of the corporations and super-rich, and to secure the interests of the working class as a whole.



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