

“The last three contracts we gave back, gave back and gave back”

## Striking Volvo truck workers in Virginia demand restoration of UAW-backed concessions

Ed Hightower  
20 April 2021

Nearly 3,000 truck manufacturing workers at Volvo Truck’s New River Valley (NRV) assembly plant are continuing their strike, which began on April 17, for improved wages and working conditions. The workers, who are members of the United Auto Workers union, assemble all of Volvo’s tractor-trailer trucks for the North American market. The plant is located in Dublin, Virginia, 50 miles southwest of Roanoke.

Volvo Trucks North America (VTNA) is owned by Swedish auto giant Volvo Group, which acquired competitor Mack Trucks in 2000. Together Volvo and Mack trucks comprise around 16 percent of the North American heavy truck market. Although Volvo Group generated over \$3.4 billion profit in 2020—with an 8.4 percent profit margin—the company is determined to maintain low labor costs in the US.

“The last three contracts we gave back, gave back and gave back. Meanwhile the company keeps making money hand over fist,” a veteran worker who finished her picket duty for the day told the *World Socialist Web Site* about the mood of striking workers. “We don’t want to strike but we don’t want to work for minimum wage either.”

Referring to the company’s efforts to purge the plant of higher-paid veteran workers and replace them with workers being paid far less under a multi-tier wage system, another worker told the WSWS, “Volvo will no longer tolerate the core group; they want to eliminate the core group altogether.”

In fighting to recoup years of lost wages and benefits Volvo workers are not only fighting the multinational corporation. They are also fighting the UAW, which agreed to every one of the concessions that robbed the workers and their families of income and economic security.

It is also a matter of public record that the same UAW executives who negotiated many of these concessionary

deals were found guilty of taking company bribes or embezzling union dues, according to the criminal investigation by the US Justice Department. For this reason alone, Volvo workers should consider these deals null and void, and not stop their struggle until they recoup all of the givebacks accepted by the corrupt UAW officials.

Late UAW Vice President General Holiefield, then the head of the union’s Heavy Truck Department, negotiated the rotten 2008 contract with Volvo Trucks that imposed the two-tier wage system, modeled on what he and other UAW officials forced on Chrysler, Ford and GM workers in 2007. This followed the betrayal of the courageous eight-week strike of Volvo Truck workers by Holiefield.

Holiefield also rammed through the five-year 2011 UAW-Volvo contract. At the time, VTNA CEO Denny Slagle thanked the UAW for signing a deal that “increases Volvo Trucks’ long-term competitiveness.”

According to the FBI, Holiefield, who remained head of the UAW Heavy Truck and Chrysler departments until he was forced to retire in 2014, was paid millions in bribes, funneled through the UAW-Chrysler Training Center in Detroit. This was part of a scheme by Fiat Chrysler executives to keep UAW officials “fat, dumb and happy.” When these revelations came to light in 2017, Detroit’s FBI chief David P. Gelios said the indictment “calls into question the integrity of contracts negotiated during the course of this criminal conspiracy.”

The UAW-Volvo contract negotiations in 2015-2016 were overseen by then UAW Secretary Treasurer Gary Casteel, and resulted in the UAW imposing a contract that expanded the tiers of low-paid workers, provided one-time lump sum payments instead of standard hourly raises and included a paltry wage increase that was devoured by inflation and increased healthcare costs.

With the contract expiration approaching in late 2015,

Volvo provocatively laid off nearly a quarter of NRV's workforce. Workers responded with a 96.3 percent vote to authorize a strike. Throughout months of contract talks, Casteel kept the details of negotiations with the company secret, as the company prepared another round of layoffs. The company and the UAW used this to batter down resistance and impose yet another concessionary contract in 2016. "Our positive working relationship with the UAW was in evidence throughout negotiations," Franky Marchand, the plant's vice president, said at the time. This "helped us reach an agreement that ensures the plant's competitiveness," he boasted.

Casteel quietly retired from his UAW post in 2018 as the corruption probe led to one indictment after another, leading to guilty pleas from two former presidents, Dennis Williams and Gary Jones. As secretary-treasurer, Casteel was no doubt intimately aware of how UAW officials were embezzling union dues to pay for Palm Springs golf holidays and other junkets. Instead of going to jail, however, Casteel became a "cooperating witness" and threw in his lot with federal prosecutors.

The rank-and-file committee is independent of the pro-corporate UAW, so that workers can organize their own struggle.

It is noteworthy that Casteel, as UAW Region 8 director in 2007, also railroaded the "Freightliner Five". These were the members of UAW Local 3520 bargaining committee at the Freightliner plant in Cleveland, North Carolina who called a strike in April 2007 when the truck manufacturer insisted on a two-tier wage system, cuts to retiree healthcare and a pay freeze for most employees. What the bargaining committee did not know was that the UAW International had agreed to sign a pro-company deal in exchange for the company's "neutrality" during a union organizing drive. Casteel and Co. denounced the strike as illegal and unauthorized, and orchestrated the termination of the five bargaining committee members before imposing the sweetheart contract.

In 2019, Ray Curry—described as Casteel's "protégé"—was in charge of the Heavy Truck Department when the UAW isolated the Volvo-Mack strike and imposed another deal dictated by the company. Curry is now conspiring to betray the current strike.

By its long record of imposing contracts essentially written by Volvo management—resulting in an estimated labor cost reduction of 25 percent over the last three deals—the UAW has given up any moral authority to conduct negotiations or this strike on behalf of workers. Therefore, Volvo Truck workers should immediately elect a rank-and-file strike and negotiating committee, consisting of trusted and militant workers, who will fight for what workers need, not what the

company and their stooges in the UAW say is affordable. This includes the abolition of the hated two-tier system and a 25 percent across-the-board wage increase.

At the same time, the rank-and-file committee should demand that the UAW immediately pay \$750 in weekly strike benefits to all striking workers. The Strike and Defense Fund, now valued at \$790 million, belongs to workers and it should be used to sustain Volvo workers and their families in this critical battle instead of padding the salaries of Solidarity House executives.

There is a growing mood of resistance in the working class more than a year into a pandemic, which has seen the corporations and the pandemic billionaires enrich themselves, while nearly 600,000 have died and workers have been forced to labor in unsafe factories and warehouses. In recent weeks, strikes have broken out among Alabama coal miners, ATI steelworkers in Pennsylvania and other states, nurses in Worcester, Massachusetts and Columbia grad student workers in New York City. Last week, Stellantis (formerly Fiat Chrysler) workers in Detroit downed their tools and rebelled against the company and the UAW, which are concealing outbreaks and forcing workers to work even after being exposed to co-workers with COVID-19.

By joining the growing national and international networks of rank-and-file committees being formed by autoworkers, educators, Amazon workers and others, Volvo workers can reach out and unify their struggle with broader sections of workers, including coal miners and educators in Virginia and throughout the region. The *World Socialist Web Site* and the Socialist Equality Party will do everything possible to assist Volvo workers to form these committees and mobilize the broadest support for your strike. To get more information about rank-and-file committees, contact us today.



To contact the WSWs and the Socialist Equality Party visit:

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