

Workers at Nexteer Automotive in Saginaw, Michigan demand details of tentative agreement negotiated by UAW

Sam Wayne, Jesse Thomas
10 May 2021

Workers at Nexteer Automotive in Saginaw, Michigan are voicing concerns over a new tentative agreement reached on May 8 between United Auto Workers Local 699 and Nexteer. This deal comes just two months after a vote by workers against a sellout five-year agreement. Workers overwhelmingly expressed hostility to the agreement, voting 85 percent against. However, the UAW refused to set a strike date even though the previous contract expired in March 2020.

Details of the most recent tentative agreement have still not been disclosed to rank-and-file workers. Workers contacted by the *World Socialist Web Site Autoworker Newsletter* expressed outrage over the fact that the contract was being kept hidden from the rank-and-file.

The Saginaw plant, which builds steering systems, was formerly part of General Motors before being spun off in 1999 to Delphi. It was later acquired by Chinese-owned auto parts supplier Pacific Century Motors.

“I’m furious right now with things at the plant,” one worker said, “I know many of my coworkers feel the same. A new tentative agreement is supposed to be coming this week, and the management and the local (UAW) are going to try to push through another rotten contract just like they did to us last time.”

In 2015, Local 699 pushed through a five-year sellout contract that continued the two-tier wage system and imposed an inferior health care plan while also detailing a long list of infractions for which workers can face discipline. This contract evoked enormous opposition from workers and was only pushed through after workers were subjected to a campaign of threats and intimidation by the union.

The worker also spoke about the token strike called by the UAW in 2015 intended to let workers blow off steam. “I was part of that phony ‘strike’ in 2015. It didn’t even last 18 hours before they told us to get back to work before we could even see the deal.” The worker continued, “Local 699 tells us that we need the International’s (UAW) approval to strike, but why should that be? They don’t represent us. They’re working behind the scenes to make deals with the companies. The International totally stinks.”

The pattern of sellouts carried out by the union has resulted in a steady erosion in conditions, safety, and job security at the Nexteer plant. These issues have only been exacerbated during the pandemic. As the Nexteer worker explained, “In the beginning of the pandemic I got laid off. When I was brought back in May 2020, I was shuffled around, and now I’m making \$4 per hour less than I was before. I used to be at \$19.70, whereas now I make \$15.88 per hour. To add insult to injury, now people are getting sick. We had 11 new cases of COVID just last week.”

Workers expressed strong opposition to the multi-tier wage structure. “With the existing tier system,” the worker explained, “it’s common that you could be working the line with someone on the exact same job, but not making the same pay. The bosses and the union have a bunch of different titles for types of employees and these supposedly represent different specializations. But at the end of the day, these distinctions are just bull. It’s another way to pay differently for the same work. What kind of solidarity is that?”

Under a Facebook post by Local 699 announcing the tentative agreement, workers took to the comments

section to voice their opposition. Commenting on the hated tier system, one worker writes, “If new hire/production is still a pay scale [it’s] a NO from me. Everyone equal pay or f[***] off.”

Recalling the fact that the union had workers vote on the 2015 contract before distributing it to workers, one commenter wrote, “Hopefully we will be able to view [the agreement] before voting like last time.”

The announcement of the new tentative agreement follows the eruption of a factional battle within the Local 699 leadership over allegations of corruption. Just a week before the tentative agreement was announced, a five-page letter from the Local 699 treasurer and financial secretary, Rhonda Fritz, was posted on the Local 699 Facebook page. In the letter, which has a stamp indicating approval for posting by the local president, Fritz reports a “suspected loss, misappropriation or embezzlement of union dues and funds.” The letter points to discrepancies in numbers for spending reported in the local’s bookkeeping and what was officially reported to the national UAW.

Fritz explains in the letter, “Either prior officers and officials have not completely reported the totals to the national level or they have pooled some of the union members’ reimbursement fees in these figures.” The letter calls attention to funds spent on entertainment, hotels, restaurants, and travel, which totaled \$341,323 between 2013 and 2018. In comparison, just \$53,595 was spent on legal fees, according to the local’s UAW Accountability page, to which the letter provides a link. Fritz ultimately blames members of the previous administration for the problems and has called for an investigation.

In a statement given to WNEM television in Saginaw, UAW regional director Steve Dawes disagreed with the approach taken by the local union, calling the letter “reckless behavior” that “gives people the wrong perception.”

Whatever the truth of the allegations, workers are questioning the timing of the letter. As one worker posted on Facebook, “The report states that we are investigating mismanagement of funds between the years 2013-2018. I am curious as to why this is being reported now... in 2021, and not earlier.”

Another wrote, “I’m skeptical of the timing of this publication. Is it possible that the prior and current ‘leadership’ has known this for at least a few years and

it’s only coming out now to create the illusion that the current leadership is worthy of being elected again?”

Allegations of corruption within the local are entirely credible, given the exposure of massive corruption within the top UAW leadership that has sent two former presidents to prison, including Dennis Williams, who was handed a two-year sentence for embezzlement last week.

What the UAW corruption investigation has revealed above all is the transformation of the UAW into a business, led by corporatist officials who benefit from the exploitation of workers. No faction of the UAW apparatus represents the interests of workers.

The UAW has collaborated in a decades-long assault by the auto companies on the jobs and living standards of autoworkers. This has taken a particularly brutal form in the auto parts industry. In the case of the future Nexteer, the UAW sanctioned the spinoff of the plant by General Motors to Delphi in 1999. The spinoff entailed a drastic assault on wages and pensions, culminating in the declaration of bankruptcy by Delphi. The plant was reacquired by GM and then sold in 2010 to Pacific Century Motors. Further concessions have followed.

Workers need to draw the lessons of these experiences and take the struggle into their own hands by building an independent rank-and-file committee to advance and fight for their own demands including the abolition of tiers, a substantial wage increase to offset decades of concessions, fully paid medical benefits and a halt to victimizations. No confidence can be placed in any faction of the UAW bureaucracy, but workers must rely on their own independent initiative and strength, joining their fight with brother and sister workers at Volvo in Virginia, Warrior Met coal miners in Alabama and striking steelworkers at Allegheny Technologies.

We encourage workers at the Nexteer Saginaw plant to contact the WSWs Autoworkers Newsletter and read about our call for the International Workers Alliance of Rank-and-File Committees.



To contact the WSWs and the
Socialist Equality Party visit:

wsws.org/contact