

# Workers voice anger at UAW over two-year contract extension at truck maker Navistar

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The United Auto Workers sent a memo this Tuesday warning of job cuts in order to force through a two-year contract extension until 2024 covering 1,400 Navistar workers in Springfield, Ohio. The company produces medium duty trucks in a joint venture with General Motors. In a demonstration of their determination to fight, workers voted down the last UAW/Navistar contract by 98 percent in December 2018.

GM is proposing to increase the production rate of vehicles on its two lines at Springfield Assembly Plant (SAP). The UAW claims in exchange for GM shifting production to SAP, “they would guarantee the number of people working”, and, “GM would cover wages and benefits for employees at the plant.”

Navistar workers quickly took to Facebook to voice their incredulity at the UAW-management proposal, “As far as guaranteed number of workers, what’s the number? They have been outside the boundaries of the contract on set numbers on numerous occasions, so that means jack shit to me,” one worker posted.

Navistar announced in May it would call back 350 workers that were on indefinite layoff, and add 200 new workers at Springfield Assembly Plant (SAP). Production Assembly worker positions at SAP are listed on Indeed.com as having starting pay set at the poverty wage level \$17 per hour.

This contract extension is also tied to the company breaking ground on a new 900,000 square foot plant in San Antonio, Texas where it’s expected to employ 600 workers. However, no worker should give the slightest credence to these promises.

The US-based multinational truck manufacturer Navistar International had 13,000 employees in 2019. It was founded as International Harvester in Chicago, Illinois in 1902 and currently produces trucks, buses, and engines in Brazil, Mexico, Canada, Argentina,

China, and South Africa.

Navistar announced an initial layoff of 250 Navistar employees at the company’s research and technical center in Lisle, Illinois this past January.

In February 2020, 85 workers, members of the United Steelworkers, struck the Navistar plant in Joliet, Illinois. Management proposed a 12-year wage freeze and threatened to slash jobs by 10 percent. The USW did not issue a call for a united effort of all Navistar workers to fight the cuts.

When 650 workers at the Chatham, Ontario, Canada Navistar heavy duty truck assembly plant tied to the Canadian Auto Workers union (CAW) struck in 2002, the union declared victory after six-week strike, agreeing to a deal that included increased production requirement through mandatory overtime and the abandonment of 1,000 previously laid off workers.

Moreover, the UAW’s role as junior partner to the corporations is demonstrated by the seat given by management to a UAW official on the company’s board of directors. Disgraced former UAW president Dennis Williams, convicted of embezzling union funds, held a seat on the Navistar board of directors until 2017, where he pulled in \$120,000 a year for acting as a rubber stamp for management cuts. The UAW got the board seat in return for allowing the company to unload its pension obligations.

Another UAW hack, Jeffrey A. Dokho, head of the union’s research department, has held the Navistar board seat since Williams stepped down.

In March, Navistar shareholders approved an offer by global transportation giant Traton SE to purchase the company for \$3.7 billion. The initial go-ahead was given by notorious corporate raider Carl Icahn, a major Navistar shareholder. Ichan is chairman of auto parts maker Federal-Mogul. He amassed his \$16.7 billion

fortune by cutting thousands of jobs at companies that he targeted for takeover. Traton SE has 82,600 employees and pulled in \$27.5 billion in revenue in 2020. The company itself was created through the merging of Scania, MAN and Volkswagen Truck and Bus, itself a subsidiary of Volkswagen AG based in Wolfsburg, Germany.

“Navistar and Traton were on track to realize the \$500 million in cumulative synergies they said they would see over a five-year period,” said Navistar Chief Financial Officer Walter Borst in comments to *Transport Topics* last October. Borst’s remarks portended looming jobs cuts as a result of the deal.

The acquisition is likely to bring about more attacks on the order of the 3,500 cuts at Traton Trucks subsidiary MAN Truck & Bus in Germany and Austria. The cuts are being rubber-stamped by the IG Metall trade union.

A *World Socialist Web Site* report revealed that a top IG Metall official, Bernd Osterloh, had altogether dropped the pretense of representing worker interests to take up a post as a human resources chief for Volkswagen. Osterloh’s new annual salary of €2 million, or US\$2.4 million, exposes the company-union joint works council, which Osterloh headed, as merely a vehicle to push concessions.

Navistar workers should follow the example of Volvo New River Valley (NRV) truck workers, who overwhelmingly have twice rejected tentative agreements negotiated by the UAW. The workers resumed strike action Monday. Speaking of the Volvo struggle, Freightliner Truck workers in Cleveland, North Carolina contacted by the WSWS recounted their 2018 experience with a sellout deal forced through by the UAW. “They got us here at the UAW Local 3520 a six-year pile of crap deal. Somebody, somewhere, got paid! International (UAW)?” Another worker stated, “Hope you all do better than we did with Freightliner. UAW has been selling us out for years.”

UAW secretary-treasurer Ray Curry, head of the UAW heavy truck department, has led the drive to push through concessions onto the nearly 3,000 Volvo NRV workers. Curry is the second highest paid UAW official, with a \$236,608 annual salary, while Volvo strikes receive a paltry \$275 a week in strike pay.

“The UAW always threatens us whenever we vote ‘no’ on one of their rotten contracts. It’s not the

company that does it, they leave it to the UAW thugs to threaten that the company will up and move to Mexico unless we accept the contract,” a Volvo NRV worker and member of the Volvo Workers Rank-and-File Committee (VWRFC) told the WSWS. The Volvo Workers Rank-and-File committee has led the movement to reject the second UAW/Volvo tentative agreement.

Volvo Trucks North America (VTNA) is based in Gothenburg, Sweden and had 52,154 employees in 2016 and \$3.68 billion in 2020 pandemic profits.

The Volvo NRV workers join 1,000 Warrior Met coal miners in Alabama, ATI steelworkers, Texas ExxonMobil refinery workers, nurses in Massachusetts, and struggles by NYU and Columbia University graduate students. Strikes are expanding around the globe, including walkouts by coal miners in Chile and autoworkers in India opposing unsafe conditions as the pandemic ravages that country.

In all of these struggles, workers are confronting the fact that the corporatist trade unions are doing all in their power to isolate and defeat strikes in order to impose the dictates of management.

Workers need an international strategy against global giants like Navistar and Volvo. The International Committee of the Fourth International (ICFI) calls for the formation of the International Workers Alliance of Rank-and-File Committees (IWA-RFC) to lead the struggle. Contact the WSWS to take up this fight.



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