

UAW and Volvo resume talks as striking Volvo Trucks workers kept in the dark

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Representatives from the United Auto Workers (UAW) and Volvo Trucks North America resumed formal negotiations at a hotel in Charlotte, North Carolina Wednesday. The strike by nearly 3,000 workers at the global truck manufacturer's New River Valley plant in Dublin, Virginia is now in its third week.

The sessions are not “negotiations” involving two antagonistic parties. Instead, the UAW and Volvo executives are working out a joint strategy to beat back the resistance of striking workers who have decisively defeated two pro-company proposals backed by the UAW.

Last Thursday, Franky Marchand, vice president of Volvo Group and general manager of the New River Valley plant, released a statement declaring that the company would not return to the bargaining table until “the process for the new round of negotiations is clear to all”—in other words, until management received sufficient assurances from the UAW that it would ram through its agreement without failure. One can safely assume that UAW Secretary-Treasurer Ray Curry and other negotiators have given the company such assurances and are now implementing their “process” of wearing down the opposition of workers to another sellout deal.

On the eve of the talks, Volvo Group posted a series of supposed “negotiation updates” on its web site, which make it clear the Swedish multinational has no intention of backing away from its concession demands. The first contract proposals included a de facto cut in real wages given the rise in inflation and steep hikes in out-of-pocket medical expenses for current and retired workers. It also maintained the two-tier wage system, first accepted by the UAW in 2008, which discriminates against younger workers and provides further incentive to management to purge the factory of more senior, higher paid workers.

In a section on frequently asked questions, the PR people for Volvo Group seek to justify the demand to

double out-of-pocket medical costs for workers, from the current \$1,500 for a family to \$3,000 by 2026. A chart on the page includes higher deductibles and co-pays under the category of “large transportation and aerospace companies.” There is also a chart of the pathetically low average hourly factory wages in Virginia (\$17.78) and nationally (\$18). This presumably justifies Volvo's proposal for a \$20 starting wage next year for workers assembling long-haul trucks selling for \$170,000 or more.

As for the refusal to cover more medical expenses for retirees who are barely surviving on their pensions, the website says, “The massive, rising cost of retiree healthcare isn't an isolated Volvo or NRV problem; it's a national challenge. The hard truth is that there's likely not a company left in the United States that can guarantee its people—hourly or salaried—that they won't have to worry about retiree health care costs, even after 30 or more years of work.”

The company addressed these concerns in the two tentative agreements, the website claims, pointing to a pathetic monthly addition of \$41.25 for pensioners and a \$500 annual bonus for the workers who labored their whole lives producing the company's profits.

While the giant corporation is crying broke, Volvo Group is expected to announce a further surge in profits in the second quarter—after almost doubling profits to \$1 billion in the first three months of 2020. It is also planning to approve \$2.3 billion in dividend payouts to investors when the company convenes an “extraordinary general meeting” of shareholders on June 29.

Wall Street has given Volvo a vote of confidence for its cost-cutting measures, with the Fitch agency upgrading the company's credit rating from BBB+ to A-.

The UAW has done nothing to respond to Volvo's corporate propaganda. That is because its chief negotiators reviewed the same labor cost comparisons and incorporated them in the two previous agreements. In

addition, as of Wednesday evening, neither the UAW International nor Local 2069 Facebook pages have posted anything about the first negotiations since the nearly three-week-long strike began.

“Volvo has a question-and-answer page, and the UAW hasn’t come out to refute any of it,” a striking worker told the *World Socialist Web Site*. “It’s typical UAW bull crap that they are keeping the talks a big secret.”

On the Local 2069 Facebook page, there were several angry posts about the lack of information. One worker commented, “Communication would be awesome,” while a second responded, “I agree but it won’t happen.”

The Volvo Workers Rank-and-File Committee, which has led the fight against the sellout agreements, issued an open letter on June 14 to UAW President Rory Gamble, Secretary-Treasurer Ray Curry and Local 2069 President Matt Blondino. Among its demands were that the UAW spell out its negotiating position, open the negotiations to rank-and-file oversight, and hold twice-weekly membership meetings for workers to have their questions answered. In addition, the VWRFC demanded full income for striking workers and the mobilization of all UAW members, starting with the Mack-Volvo workers at plants in Maryland and Pennsylvania to strengthen the strike.

With the UAW ignoring these demands, workers on the picket line Wednesday morning confronted UAW negotiators who showed up for a photo-op before traveling to Charlotte. The officials included Region 8 UAW International Servicing Representatives Dave Perkins and Dave Snyder, and the president of the UAW Mack Truck Council Doug Irvine.

Perkins is also a former president of UAW Local 171 at the Volvo-Mack powertrain plant in Hagerstown, Maryland. The local and UAW International have kept Mack workers on the job even though the strike has caused temporary layoffs at the plant, which builds engines and transmissions for the Volvo-branded trucks assembled in Virginia.

Under a photo of the three UAW officials posted on the Local 2069 Facebook page, striking workers left several angry comments. “We all told them what we thought of the last TA (tentative agreement) this morning and what we’re expecting,” one worker wrote. Another said, “I think they are just bull-shitting us. The International doesn’t care about us and never has.”

Pointing to the last three contracts the UAW agreed to, another worker posted, “All we really want is what we already had and made concessions so they could SUPPOSEDLY stay in Virginia and keep building trucks,

so they wouldn’t move to Mexico. Now they’re making billions and got greedy and want us to keep giving while they keep taking. It’s time for them to give back what we already had.”

The UAW is also continuing to black out any information about the Volvo strike on its website and Facebook page. The executives at the UAW’s misnamed Solidarity House headquarters in Detroit fear if other autoworkers learn about the rebellion of the Volvo workers, they will support it, up to and including joint action to shut down the auto and truck manufacturing industries and overturn decades of UAW-backed concessions.

The terrible impact of four decades of the UAW and other industrial unions’ support for wage-cutting was highlighted by the headline of a *Wall Street Journal* article earlier this week, which proclaimed, “Wage gains at factories fall behind growth in fast food.”

The article noted that the \$23.41 per hour that factory workers made on average in April is only 27 percent more than average pay for retail workers, according to the US Labor Department, down from a 40 percent premium for factory workers 10 years ago. Factory work pays 56 percent more than restaurant and fast-food jobs, the data shows, down from 83 percent a decade ago.

“They’re acting like the union has to us in the past months, like it’s the best thing since sliced bread,” a member of the Volvo Workers Rank-and-File Committee told the WSWS. “But all it is, is just a little better than the poverty line. As long as we are doing just above the average, it’s the gold standard, they claim.”

Responding to the call by the WSWS *Autoworker Newsletter* for Mack-Volvo and all autoworkers to form rank-and-file solidarity committees to break the isolation of the strike, he said, “That would help keep the company workers of Volvo in the know and learn how other Volvo and Mack plant members are experiencing troubles at any of the plants.” Appealing to autoworkers in Detroit and other industrial cities to build solidarity committees, he added, “That way we can all unite together for any plant’s troubles, and it wouldn’t be every plant for itself like it has been.”



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