CNH threatens to cut off health benefits in provocation against striking workers

Marcus Day
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Work at CNH? Contact the WSWS and share your thoughts on the strike. Comments will be kept anonymous.

CNH, the global agricultural and construction equipment maker, is planning to terminate health care coverage for approximately 1,200 striking workers in Wisconsin and Iowa this Friday, according to a Facebook post Saturday by United Auto Workers (UAW) Local 180. The company has yet to publicly confirm the move.

If CNH proceeds with the threat, it would mark a major escalation of the company's hardball, strikebreaking tactics. It is increasingly clear that CNH management is determined to throttle workers' wages below inflation and enforce other concessions, even as the firm is coming off of record profits in 2021, and handing hundreds of millions to investors via dividends and stock buybacks.

A worker at the Burlington plant who wished to remain anonymous told the WSWS, "Supposedly the company informed everyone that their benefits will be cut off May 13 in an automated call, although I didn't get one.

"It just blows my mind, how they can sit there and say, 'Oh, we care about our people,' and then the next day they say we're going to cut off your insurance."

CNH's move to terminate workers' health benefits mirrors similar threats made during the 2019 General Motors strike (which the company later rescinded) and the 2021 John Deere strike. But in each of these cases, the apparent retreat of the companies represented tactical maneuvers, as the corporations sought to smooth the way for the UAW to impose their demands.

While the UAW has feigned opposition to the company's attacks, it is in fact seeking to disarm workers and facilitate the company's strikebreaking efforts.

In its Facebook post announcing the benefits cutoff, Local 180 officials criticized the move and encouraged statements of protest be sent to CNH's chief negotiator.

However, the UAW bureaucracy is doing nothing to seriously mobilize support for the strike among workers in the auto industry, nor at John Deere and Caterpillar, in the face of blatant corporate strikebreaking. Instead, the union has trotted out phony "support" from big-business Democratic Party politicians such as Wisconsin Governor Tony Evers, Racine's mayor and various Democratic candidates in the 2022 midterm elections.

The UAW is following the same divide-and-conquer strategy it deployed against walkouts at John Deere and Volvo Trucks last year, hoping to prevent the strike from catalyzing a much broader movement for higher wages among workers.

To date, the UAW International has published only two perfunctory press releases on its website about the walkout, deliberately keeping its hundreds of thousands of members in the dark about it. The union is working in tandem with the corporate press, which has almost entirely blacked out coverage of the strike, aside from sporadic reports in local media outlets.

Workers at CNH, meanwhile, are similarly being subjected to an information blackout. They have been provided essentially no concrete details about what UAW officials are supposedly demanding from the company, nor what the company is countering with. The silence can only mean that the union is preparing a settlement which would utterly fail to meet workers' demands for the restoration of wage and benefit concessions the UAW previously imposed in 2004, 2010 and 2016.

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While the UAW has stated that it will pay for temporary medical benefits for workers out of its strike fund, it will not cover dental or vision benefits, leaving workers potentially on the hook for thousands of dollars in the event of an emergency.

CNH's threat to terminate health benefits, insofar as it would draw on the union's strike fund, is also a shot across the bow at the UAW bureaucracy, aimed at pressuring it to more rapidly attempt to push through the company's terms.

The union officialdom has long used the strike fund as a slush fund to bankroll the perks and privileges of the UAW apparatus. Despite two major strikes last year at Deere and Volvo, the UAW's strike fund actually *increased* in 2021, topping $800 million by the end of the year. Indeed, while workers on the picket lines in Racine and Burlington have yet to receive their first measly $275 weekly strike check, UAW officers such as President Ray Curry and Vice President Chuck Browning are continuing to receive their bloated six-figure incomes.

In a conference call with investors last week, CNH CEO Scott Wine reiterated management's determination to implement its "contingency plan" and maintain operations during the strike, which it has thus far sought to do largely with supervisory personnel, as well as some outside scabs.

Remarkably, in a "letter of understanding" from the 2016-2021 contract with CNH, the UAW went so far as to contractually agree to "recognize" the company's right to continue operations during a strike by using salaried employees as scabs, absurdly presenting this as a safeguard against the hiring of permanent replacements.

The letter stated, "During those few instances in which a strike has occurred, the UAW recognizes CNH must continue to protect equipment, facilities and, most importantly, fulfill its commitments to customers by using salary employees as are available to continue critically necessary operations in an orderly manner." The letter continued, "This course of action by the Companies has served both parties well."

It must be stated: any so-called "union" which approves in such groveling terms to company strikebreaking is in fact nothing but an appendage of management and cheap labor contractor.

The isolation of the strike by the UAW poses serious dangers and leaves workers vulnerable to the possibility of violent corporate attacks. Already, CNH workers in Burlington reported on Facebook two instances of workers being struck by vehicles while picketing.

Workers in Racine and Burlington cannot be left to fight their struggle alone against a transnational giant such as CNH, which has the backing of Wall Street. In initiating their strike, they have demonstrated immense courage, taking a stand not just for themselves, but for the interests of the working class as a whole.

Workers at CNH have taken significant first steps in taking matters into their own hands. The recently initiated CNH Workers Rank-and-File Committee issued a statement last week, Expand the CNH strike to fight for a $10 raise and COLA! In addition to major pay increases, the statement demands fully paid health benefits, the restoration of the eight-hour day, and health coverage for retirees and their families.

The expansion of the strike is a burning and objective necessity. With the overwhelming majority of CNH's plants in the US nonunion and continuing to operate, the path to the struggle's success lies through the mobilization of ever-broader sections of the working class—throughout CNH's operations, at Deere and Caterpillar, in the auto industry and beyond. For this support to be mobilized, a network of rank-and-file committees at every factory and workplace, independent of the pro-corporate unions, must be built.

To join the CNH Workers Rank-and-File Committee, email cnhrfc@gmail.com, or text ?(262) 676-2381. To talk to some at the WSWS about joining or forming a committee at your workplace, fill out the form below:

To contact the WSWS and the Socialist Equality Party visit:

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