“Every year they are making record profits, record after record. Where does that money go? Not to us.”

Workers react as UAW rolls out new sellout deal at Detroit Diesel

Shannon Jones
20 May 2022

Contract information meetings held Friday by United Auto Workers Local 163 confirm that a new tentative agreement at Detroit Diesel contains no significant improvements over a deal which workers rejected a week ago by nearly 80 percent.

The new agreement contains no cost of living adjustments and only a one half percentage first year pay increase over the original offer from 3.5 to 4 percent (less than half the current rate of inflation), with smaller increases the fifth and sixth years of the contract. The deal only makes minor changes to the hated two-tier structure and still imposes higher medical out of pocket costs. The six-year agreement covers 1,300 workers who build engines at the company’s facility in Redford, Michigan west of Detroit.

To sell this contract, the UAW is resorting to lies and threats. It is also trying to sweeten the bitter pill by increasing the signing bonus to $7,000 from $6,000 and adding four percent lump sum payments in the second, third and fourth years of the contract.

Since these are bonuses and not raises, they do not add to base wages and are therefore not used to calculate overtime, vacation, sick pay and other benefits. In any event, after deductions for union dues and taxes these lump sum payments will be significantly reduced. Nevertheless, the UAW claims this is a “great” deal.

Such claims should be rejected with contempt. The UAW ran roughshod over the democratic will of the membership, refusing to carry out a strike which workers voted by 98 percent to authorize, instead extending the current contract and then accepting a deal that would result in a massive cut in real wages. Even after workers turned down the company’s supposed “final offer” by a 4-1 margin, the UAW refused to call a strike or set a strike deadline. Now it expects workers to vote with only a few day’s notice on another miserable offer.

A worker who had reviewed the highlights told the *World Socialist Web Site Autoworker Newsletter*, –“It seems like the same contract, they just tweaked a couple of things. My coworker said the same thing. I just watched the video they sent me to the phone. I don’t see a lot of information. The $1,500 on the backend of the contract they’re moving to the front end. Going forward six years, no one knows what’s going to happen with inflation like it is now.”

In an effort to stifle opposition and prevent workers from asking questions, the union shut off the Facebook livestream for the information meetings, making vague reference to rules issued by a UAW Monitor appointed in the wake of the corruption scandal. Why the Monitor wanted the UAW to shut off information to the membership, shop chair “Gibby” Gibson did not explain. Local 163 had previously shut down commenting on its Facebook pages after a large number of critical posts began appearing.

Voting on the new agreement will take place in the plant on Tuesday May 24, which will give workers hardly any time to review the agreement and talk about it with coworkers. Most departments are not operating on the weekend, giving workers just Monday to discuss and raise questions.

© World Socialist Web Site

The contract at Detroit Diesel is being watched very closely by workers at the Detroit automakers. The national auto agreement covering Ford, General Motors and Stellantis expires next year and the fight at Diesel could well set a precedent for 2023. With inflation raging, the restoration of cost-of-living raises is a major concern.

Detroit Diesel workers are in a strong position to achieve their full demands. Daimler Trucks, the parent of Detroit Diesel, recorded an 11 percent year over year rise in earnings before interest and taxes in the first quarter of 2022 to €651 million, up from €588 million in 2021 ($620 million). According to an investor relations news release the company says it expects further strong sales and earnings for the rest of 2022. Mercedes-Benz, which spun off Daimler Trucks earlier this year, recorded $2.5 billion in profits in 2021.

Everything depends on workers taking the initiative by mobilizing their own independent strength through the construction of a rank-and-file committee to campaign for the rejection of the contract and prepare for strike action. Workers need to develop channels of communication outside the structure of the UAW, which attempts to shut down discussion and intimidate opposition.

"We should get more than what they are offering," a worker told the *Autoworker Newsletter*. "They are making record profits. It's pretty bad. The UAW has no intention of going on strike."

The worker noted that UAW President Ray Curry was sitting on the Mercedes-Benz board of directors earning a salary of $150,000 per year.

"In six years, all the tier one workers will be ready for retirement, so they will have all those people out.

"People have been saying if you put something on Facebook they will come after you. I guess you have to get an attorney.

"They [the UAW] are definitely not interested in getting cost of living back. They didn't even talk about it. It is looking pretty dire right now, but people shouldn't give up.

"I am telling people after all these years of concessions; we should get something. Every year they are making record profits, record after record. Where does that money go, not to us? And they pay zero taxes. Under Trump, some companies paid zero taxes. All we got back was $100 last year for gainsharing. I am hoping it will be voted down again."

The World Socialist Web Site Au*toworker Newsletter* calls for the rejection the new tentative agreement. Workers should demand strike action to win a contract that meets their real needs, not one dictated by management.

We recommend the following proposals as a starting point:

• Cost-of-living adjustments (COLA) fully indexed to inflation;

• A 40 percent wage increase to catch up with inflation and make up for decades of concessions and wage stagnation;

• Fully paid medical, with no deductibles and co-pays;

• A three-year maximum contract expiration;

• Workers' control over health and safety, including the right to refuse to work in case of a coronavirus outbreak; and

• Restoration of full pensions and retiree health care for all classes of workers.

Workers who are interested in organizing a rank-and-file committee can contact the WSWS Autoworker Newsletter for assistance.

To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact

© World Socialist Web Site