# “The contract was a joke”: CNH workers reject pro-company agreement, extend 8-month strike

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*CNH workers: For assistance in forming a rank-and-file committee, fill out the form at the bottom of this article.*

On Saturday, CNH workers in Racine, Wisconsin and Burlington, Iowa voted by 55 to 45 percent to reject the company’s “last, best, and final offer.” The contract rejection is a powerful repudiation of the company’s and the United Auto Worker’s attempt to isolate and grind workers into accepting a pro-company contract.

The “no” vote marks a new stage in CNH workers’ eight-month strike, which began last May. It is part of a global offensive by workers against austerity that will escalate this year. The most important step now is to break the imposed isolation of the UAW apparatus by developing rank-and-file committees to link up with workers at different plants and in different industries.

The UAW has kept the 1,000 workers at both plants isolated throughout their strike, maintaining a near blackout on their website and social media. While CNH workers rejected the contract due to inadequate wage increases and rising health care costs, the vote breakdown showed that workers in Racine opposed the contract and workers in Iowa narrowly favored the contract. No doubt, the majority who voted “yes” to the contract did so because the UAW presented no viable alternative to winning the contract workers want.

CNH workers, however, remain determined to fight. A Burlington, Iowa CNH worker told the *World Socialist Web Site*, “The contract was a joke. I would have lost money and been demoted, and the insurance changes would have hurt any future employees.”

A CNH worker from Racine, Wisconsin said, “The contract proposal wasn’t where I expected it to be. It could have been better. A lot of people are struggling to find extra jobs. People need money, and we all have bills due.

“Our raise should be able to go up much more,” she said of the current proposals. “We should be able to afford everything instead of sitting here and struggling. These companies wouldn’t make these profits if it weren’t for us. If starting pay is $18, I’m saying that’s not enough to be working 12 hours a day, multiple days a week. And for a lot of people this is not our only job, we have to work multiple jobs. We should get paid more and get better benefits, and we should get our pension back.

“The health care they offered was worse than what we have. The deductible went down, but we have to pay more out of pocket per month. They made it look like they’re giving us more options, but they’re not better.

“Once we started striking, they cut off our medical benefits. It affected especially older people who’ve been here for years. All these people with heart problems, arthritis, what are they supposed to do? Without these medicines, you’re telling them they’re going to die.

“There was a person who was supposed to retire, but they were sick. Their medical bills were messing them up, to the point that they couldn’t even do Christmas or holidays. They could barely keep their head above water. That’s too much.

“The company is trying to get rid of all the experienced workers so they can get what they want. They want experienced workers out so they can get new people and get their profits. But even they have to make a living… The company doesn’t care about us. They’re making billions.

“Cost of everything is going up. My rent has gone up. If they don’t pay me enough, I can’t stay anywhere. I can’t live on the street… Rent used to be for one bedroom around $650-700 [a month]. Now one bedroom is over $900.

“With inflation out of control, they should be able to accommodate us. Without us, there would be no company. They may have started the company, but we do the work.”

Another CNH worker in Racine said, “It could be better. Obviously, I think people would have voted ‘yes’ if they had been given a better deal.

“I’m eager to get back to work, and with this runaway inflation it would be nice to be making significantly more

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than an entry level job. That's necessary. The lump sum bonuses are also undermined really quickly by our low wages, but also taxes.

"The health care costs were going to take away from our baseline pay. Those costs are a big part of your pay. I'm not somebody who has a problem with HSA, but they even made that unworkable. It's too bad we haven't gotten to a deal yet.

"It'd be great to get a cut of the massive profits the company is making off us," he added.

In response, the company is playing hardball and called for a revote on the same contract in the hopes that it will pass. A representative from CNH told the *Des Moines Register*, "The company strongly encourages the union to allow the employees to reconsider their position in another vote so that the employees can return to work. While we await the union's next step, CNH Industrial remains committed to honoring and meeting the needs and demands of our customers, and, therefore, we will continue operations at both our Burlington and Racine sites."

When the UAW announced the vote for Saturday, the union gave workers scant details on what the contract contained. Still, the information available confirmed the contract met none of the workers' demands.

The contract would have increased wages by just 23-38 percent over four years, according to a statement released by CNH, and included a ratification bonus of $4,500, which would not make up for months of lost income from the strike. It excluded COLA (cost-of-living raises) to keep up with rising prices, despite record-high inflation hovering over 8 percent in 2022. It allowed the company to force workers to work two hours of overtime per day, resulting in shifts of 11 or 12 hours for many workers, and would have increased health care premiums by 12.5 percent.

Significantly, the contract included language that stated new hires would have been placed on a different health insurance with expensive deductibles, leading to a de facto new tier. This refutes the UAW's lying pledge to remove the tier system altogether and is a warning to workers in other industries, including Caterpillar and the Big Three automakers.

Leading up to the vote, the union local leadership sought to distance itself from the contract, despite approving it for a vote. "It needs to get voted down," President Yasin Mahdi of UAW Local 180 in Racine, Wisconsin, told the *Milwaukee Journal Sentinel*, calling the contract a "waste of paper." Meanwhile, Local 807 President Nick Guernsey in Burlington, Iowa, told the *Des Moines Register*, "We were able to make significant improvements to leave a little bit better taste in our mouths."

UAW leaders are undoubtedly attempting to buy themselves some credibility among striking CNH workers in fear of an all-out rebellion. At the same time, the UAW apparatus is hoping to further divide CNH workers in Iowa and Wisconsin, which must be opposed.

Workers should place no trust in the same union apparatus that has isolated them and forced workers to live on poverty wages, even as CNH reports massive profits. According to its most recent earnings report, CNH made a profit of $599 million in the third quarter, up 22 percent from last year's $460 million in profits.

Since the strike began eight months ago, workers have sacrificed their livelihoods to fight for improved conditions for themselves and their co-workers. The UAW is giving workers a $400 weekly strike pay, while the UAW leadership continues to receive full compensation, with many receiving six-figure salaries.

With workers voting down the contract, the UAW will undoubtedly attempt to force through an agreement that meets the company's demands. From the struggles of Big Three autoworkers to John Deere and Volvo, time after time, the union has responded to "no" votes by a determined effort to ram through a pro-company contract. The UAW apparatus sees the CNH workers' "no" vote as a problem, and its solution will be to wear workers down and put forward another pro-company contract until workers accept it.

The task is to counter the isolation by the UAW with the creation of rank-and-file committees at both plants and to link up with workers in different plants in different industries. CNH workers should call upon their brothers and sisters at Deere, Caterpillar, GM, Stellantis and Ford to wage a joint struggle for higher wages and decent working conditions. Rank-and-file factory committees, democratically controlled by most self-sacrificing and militant workers, can wage a struggle to fight and win what workers need.

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