

UAW rams through contract at CNH with new health care tier, shutting down nearly 9-month-long strike

Marcus Day
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Work at CNH? We want to hear what you think of the contract: Fill out the form at the end to send us your comments.

On Saturday, the United Auto Workers union announced that a four-year contract at CNH Industrial had been ratified, ending a nearly nine-month-long strike by roughly 1,100 agricultural and construction equipment manufacturing workers in Racine, Wisconsin, and Burlington, Iowa.

The contract—which the UAW headquarters euphemistically described as “an improved last, best and final offer” in its statement—is aimed at setting a precedent for painful new concessions, particularly in health care benefits, throughout the auto, truck manufacturing and heavy equipment industries.

The UAW apparatus moved rapidly in the latter half of last week to hold a vote on the company’s demands. On Thursday, UAW President Ray Curry told the Associated Press that a deal would be reached “within the next week or two,” adding, “We believe that there is going to be an offer that’s there that the membership will see in a different light, with adjustments, not the same offer.”

Sometime that same day, however, the UAW locals in Racine and Burlington began informing workers that the union had agreed to put another “last, best and final” offer from the company to a vote on Saturday. Neither the UAW nor the company issued any public statements in advance of the vote, and workers were provided no information about the proposal prior to ratification meetings on Saturday.

The contract passed by a margin of a little over 60 percent, a source told the WSWS, indicating there remained substantial opposition to the contract despite the rush to push it through.

In the UAW statement announcing ratification, President Curry praised the deal, saying, “This agreement reflects the effort of a determined bargaining team and members being on an almost nine-month strike.”

In reality, the “improved” contract proposal was little changed from the “last, best and final offer” workers voted down just two weeks ago.

“There were just a couple of minor things that had changed,” a worker at the CNH plant in Burlington told the WSWS. “We didn’t find out what had changed till the meeting before the

vote. We get the ratification bonus in 30 days instead of 60 days, and one of the pay grades was changed. There wasn’t a whole lot that really changed.”

Significantly, workers said they were told by UAW lawyers at the ratification meeting that the company would begin hiring permanent replacements on Monday if workers again voted to reject the contract—in effect, undergoing a “vote” with a gun to their heads.

Moreover, it is questionable whether workers were provided adequate notice, particularly in Racine, given the rapid two-day turnaround between the announcement and the vote itself. A worker in Racine told the WSWS, “I didn’t find out about the vote till I went to the picket at 2:00 p.m.,” he said. “Then I went to the union hall and was told I had till 8:00 p.m. to vote. If they sent any information, I didn’t see it.”

While the full details of the contract have yet to be released and may not be known for weeks or months, it is nonetheless clear that it is intended to be the opening shot in a new wave of corporate restructuring permanently lowering manufacturing workers’ living standards. The contract will:

- Create a new tier in health care benefits, forcing new hires onto high deductible health plans, making injuries and major illnesses potentially catastrophic financially;
- Raise health care premiums for current workers by 5 percent in the second year of the deal and by a yet-to-be-determined amount in years three and four (with “no cap” on premium hikes those years), significantly eating up the wage increases in the contract;
- Exclude COLA (cost-of-living allowance) raises. By dropping one of the workers’ major demands, the contract will allow living standards to be further eroded by inflation, which has remained at the highest level in decades; and
- Allow the company to impose mandatory overtime.

Another worker in Racine, explaining why he had voted no on the contract, told the WSWS: “What I had hoped to get out of all this would be to get closer to what other companies in the area are doing. Specifically, sick time and PA [personal] time, cost of living, profit sharing, improvements to our 401k. None of that happened, and we actually lost a yearly contribution

from the company into our retirement savings.

“Other companies in the area are paying higher wages with better benefits,” he continued. “CNH is a global company that brings in billions in profits. To me there is absolutely no reason for us not to be compensated for the work we do, and the amount of time we are required to be in the plant to do it.”

Commenting on the contract, another Racine worker said, “We thought it sucked and was complete garbage.” In response to the UAW President Curry’s claims that bargainers had won an “improved” contract, the worker added, “That’s all BS. The International was tired of paying us and wanted us to sign.”

In the UAW’s statement announcing ratification, UAW Vice President Chuck Browning, head of the union’s Agricultural Implements Department, wrote, “Combined with the incredible support from our members, it’s remarkable what had to be endured to achieve this contract.”

The statement is shot through with hypocrisy. The UAW apparatus is chiefly responsible for the poverty strike pay and isolation workers had to “endure” for more than eight months on the picket lines. In July, the UAW’s ruling Administration Caucus engineered a vote to rescind an increase in strike pay on the last day of the union’s convention, lowering it from \$500 a week back to \$400. The UAW bureaucracy has long used its strike assets, which totaled more than \$815 million in 2021, as a slush fund to supplement the privileges of the union officialdom.

For his part, Browning—whose annual compensation in 2021 exceeded \$208,000—and hundreds of other officials with six-figure incomes at the UAW’s “Solidarity House” headquarters never missed a paycheck during the strike.

The worker in Burlington said he thought that the financial pressures of attempting to survive on the low strike pay played a role in the vote. “I’m sure it had effect on some of the people. I know some people weren’t able to find a good second job or supplemental income. Some people were hurting more than others.”

The contract pushed through by the UAW confirms the warnings of the WSWs, which stated after the first vote earlier this month: “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 strike at CNH bears critical lessons for workers everywhere, particularly the 5,000 Caterpillar workers and 150,000 Big Three autoworkers whose contracts expire this year.

Throughout the struggle, CNH workers demonstrated enormous determination and resistance. Having seen CNH reap billions in profits in recent years, workers were seeking to reverse concessions previously given up by the UAW

bureaucracy, including years of stagnating wages, deteriorating health and retirement benefits and working conditions.

From the outset, however, the UAW apparatus worked to keep the strikers in isolation and did nothing to stop the company’s strikebreaking activities. The union posted just two statements on its national website on the strike in all of 2022, with the aim of keeping hundreds of thousands of other UAW members in the dark about the strike.

The January 8 vote on the company’s “last, best and final offer,” which the UAW’s national leadership sought to maintain an air of “neutrality” on, was an attempt to take the measure of the opposition which remained among workers, while maintaining a certain degree of “plausible deniability” in the event of an overwhelming no vote. Feeling that they had sufficiently worn down workers’ resistance, the UAW apparatus then sprang a vote on workers with little notice two weeks later, on a contract that was virtually unchanged from the one workers had just recently voted to reject.

The anti-democratic tactics pursued by the UAW executives—keeping workers uninformed, isolating them from each other, holding repeated votes until workers get it “right”—have characterized a number of struggles in recent years, including at Volvo Trucks and John Deere in 2021 and at the University of California late last year. At the same time, the UAW bureaucracy has sought to ride roughshod over workers’ democratic rights in the union’s ongoing national elections, which saw an astonishingly low 9 percent vote turnout driven by deliberate voter suppression, as uncovered by Will Lehman, a Mack Trucks worker and UAW candidate for president.

Workers at CNH will be returning to plants where none of the basic problems they struck over—wages, health care, the end of tier divisions, reasonable working hours—have been resolved. Opposition to the inevitable attempts by the company to enforce speed-up and impose the cost of lost production onto workers will erupt, sooner rather than later.

The essential task remains the organization of this opposition at CNH and elsewhere through the formation of rank-and-file committees, which will transfer power away from the unaccountable UAW bureaucracy and into the hands of workers themselves.



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