

# UAW negotiates massive wage cut for Caterpillar workers

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*Text CAT to (866) 847-1086 to sign up for updates from the Caterpillar Workers Rank-and-File Committee or discuss joining.*

In a deal with the Caterpillar corporation, the corrupt apparatus of the United Auto Workers has accepted what will result in a massive cut in workers' real wages in the course of the six-year contract.

The *World Socialist Web Site* emphatically endorses the call of the Caterpillar workers' section of the International Workers' Alliance of Rank and File Committees for the repudiation of the contract.

CAT workers are not only fighting the company and the powerful corporate and political interests that stand behind it. Like workers at Volvo Trucks, John Deere, CNH, the University of California and elsewhere have learned before them, they are also fighting the United Auto Workers bureaucracy, which is working diligently to prevent a strike and impose yet another pro-company deal.

In January, CAT workers voted by 99 percent to authorize a strike.

As the midnight contract expiration approached on Tuesday, calls for walkouts spread rapidly, despite the desperate pleas of UAW officials that workers stay on the job. Shortly after the deadline passed, the UAW suddenly announced a "last-minute" deal, without releasing any details, and the union headquarters declared that it would make no public statements until after ratification votes were held.

However, the UAW's self-serving "highlights," which workers provided to the WSWS, make it clear this is a criminal betrayal of workers' needs. Wage increases total just 19 percent over six years, which, when calculated on an annualized basis, amounts to less than 3 percent a year. At the same time, the UAW agreed to a 2 percent annual increase in health care premiums. With a current official inflation rate of 6.4 percent—which is far below the real rate experienced by workers when they pay for food, gas and essential services—the agreement will result in a staggering loss of income over the life of the agreement.

The level of exploitation of CAT workers is enormous. In 2022, CAT made \$18 billion in gross profits, up 17 percent from the year before. Over the last five years it has distributed more than \$23 billion to its investors, or roughly \$12.6 million every day.

This is not just a matter of a particularly greedy company, but rather the policy of the whole ruling class. Sitting on CAT's board of directors are current executives and directors of Fortune 500 companies, from Blackstone, Boeing and Cargill to Chevron, General Motors and Lockheed Martin—along with former US senators and presidential cabinet members.

These representatives of the ruling class know full well that a victory by CAT workers would open the floodgates for tens of millions of workers to demand inflation-busting wage increases and cost-of-living protections. This would upend the "virtuous" economic climate that has prevailed in the US for decades based on the suppression of wages and the funneling of almost all wealth gains to America's corporate and financial oligarchy.

The corrupt officials of the UAW bureaucracy hoped they could drag out their well-worn playbook to push through another sellout contract—concealing the details while working to divide workers with signing bonuses on the one hand and intimidation and threats of job losses on the other.

The effort of the UAW to force through a concessions contract coincides with the conclusion of the second round of the first-ever direct election of the UAW president. Vote counting is nearly complete in the run-off election, which was held despite the fact that the first round was never certified and the court-appointed monitor has still not replied to the protest from UAW presidential candidate and rank-and-file worker Will Lehman, exposing the massive campaign of voter suppression in the first round.

Whether incumbent UAW President Ray Curry or longtime UAW International bureaucrat Shawn Fain wins, the union apparatus will continue its collusion with the corporations and the government against the working class.

But this has met with overwhelming opposition from

Caterpillar workers, who are determined not to be fooled again. Knowing that nothing that comes out of the mouths of the UAW bureaucrats can be believed, a group of militant workers have formed the Caterpillar Workers Rank-and-File Committee to exchange and distribute information and campaign to defeat the deal. They have called for the preparation of strike action to win the demands that workers need, not what Caterpillar and the UAW say is affordable.

In a statement issued Wednesday, the committee demands a 50 percent wage increase for all workers to make up for years of frozen or falling wages; cost-of-living raises (COLA) to protect workers against inflation; at least two weeks of paid personal time for all workers; a sharp reduction in out-of-pocket health expenses for current workers and retirees; and the restoration of pensions for all workers, with sufficient payments to provide a decent retirement.

To fight for these demands, the committee is making an appeal to all sections of Caterpillar workers to unite, including CAT workers at United Steelworkers or non-union plants; rank-and-file white collar workers; workers at Caterpillar's parts suppliers; and CAT workers in other countries.

While Caterpillar is a "ruthless opponent," the committee statement declares:

Caterpillar workers are part of a vast and globally interconnected network of production. Workers everywhere are looking for a way to fight back against inflation and sweatshop working conditions, and Cat workers in Northern Ireland and France have both carried out strikes in the past year.

Moreover, over 150,000 autoworkers at Ford, General Motors and Stellantis (Chrysler) in both the US and Canada are facing major contract fights this year, as well as hundreds of thousands of UPS workers. All these workers have suffered under tier systems which are despised. More and more workers see the need for a united struggle.

The resistance of CAT workers is part of a global upsurge of the working class, including the massive demonstrations and strikes by workers in France, the UK and Sri Lanka against the demand that they pay for the capitalist economic crisis and the ever-growing cost of the war against Russia.

In the United States, the Biden administration has relied on the AFL-CIO bureaucracy to block strikes by oil refinery workers, West Coast dock workers, railroad workers and other key sections of the working class over the last two

years, and to impose wage increases that are even lower than those for non-union workers.

This has only served to further discredit the union apparatus and fuel ever greater anger over falling living standards, intolerable working conditions and the explosion of social inequality. Increasingly, workers on the railroads, in public and higher education, in health care, auto and other industries are building rank-and-file committees to oppose the sabotage of their struggles by the the union bureaucracy and link up their forces to fight against capitalist exploitation.

The most conscious expression of this revolt has been the campaign of Mack Trucks worker Will Lehman for UAW president. Lehman centered his campaign on the demand for the abolition of the pro-corporate UAW bureaucracy and the transfer of decision-making power to workers on the shop floor. To achieve this, he has called for the expansion of a network of rank-and-file committees in every factory and workplace, as part of the International Workers' Alliance of Rank-and-File Committees (IWA-RFC).

Running as a socialist and fighter for the international unity of the working class, Lehman won nearly 5,000 votes in the first round of the elections late last year, despite the efforts of the entrenched UAW bureaucracy to suppress the vote, resulting in less than 10 percent of the 1.1 million eligible UAW members casting votes.

The advance made in the Lehman campaign must now be brought forward in the explosive development of the class struggle this year, of which the fight at CAT is only the first stage. To counter the demands of the corporations for more concessions, aided and abetted by the UAW apparatus, requires the building of a network of rank-and-file committees to organize and coordinate a powerful counteroffensive of the entire working class.

Workers at the Detroit Three automakers and every section of the working class in the US and internationally should provide CAT workers with the broadest support to win this decisive fight.



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