

# Caterpillar workers at forefront of escalating class conflict in US

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Opposition by 7,000 Caterpillar workers in the United States continues to grow against a contract proposal brought back by the United Auto Workers that would cut their real pay by 20 percent or more over the life of the six-year labor agreement.

During “informational meetings” this week in Decatur, Illinois, angry workers challenged UAW officials over the details of the deal. After releasing only a few pages of “highlights,” union officials have since refused to broadly distribute the full contract language, instead declaring that workers can only read the over 100-page document at the union hall.

The showdown with the giant construction and mining equipment maker is the first of a number of major struggles on the horizon among industrial workers in the US this year, which are being driven by painful increases in the cost of living and worsening sweatshop conditions at workplaces.

After a nominal decline in the decades-high inflation rate over the last few months, consumer prices turned higher again in January, according to a report by the US Labor Department on Tuesday. The Consumer Price Index rose 0.5 percent at the beginning of 2023, which translates into an annual rate of 6.4 percent. Due to rising costs, real average hourly earnings fell 0.2 percent in January, according to a separate report from the Bureau of Labor Statistics.

Overall, real hourly wages fell 1.8 percent between January 2022 and January 2023, even as corporations such as Caterpillar continued to take in billions in profits annually.

Rising living expenses are fueling the militancy of Caterpillar workers. Even the “highlights” distributed by the UAW, designed to present the deal in the best possible light, show the new contract would lead to a devastating wage cut. 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 annual increases up to 2 percent in health care premiums. While health insurance was fully paid by the company as recently as the 1990s, this has been successively bargained away by the union officials, with “employer-provided” health care coverage currently at an exorbitant \$490 a month for a family.

The fight by Caterpillar workers is part of the growing

rebellion against the UAW bureaucracy, which over the last two years has included battles at Volvo Trucks, Deere & Co., CNH and the University of California. It takes place as workers at the Dana Driveline Plant in Toledo, Ohio recently formed a rank-and-file committee to demand the reinstatement of more than 50 workers unjustly fired by the company with the complicity of the UAW. The Dana workers are also demanding an end to sweatshop conditions at the factory, which produces axles for the nearby Stellantis Jeep plant.

On Wednesday night, Caterpillar workers, as well as Dana, General Motors, Mack Trucks and other autoworkers, attended a meeting co-hosted by the Caterpillar Rank-and-File Committee and the WSWWS to discuss the UAW’s sellout agreement at CAT and the construction of a rank-and-file movement to fight back.

“This is our time,” John, a member of the Caterpillar committee in Decatur, Illinois, said in concluding the event. “Join this movement. This is our chance to push and make it understood that we are tired of doing this with these corporations, with this 1 percent and 5 percent. The multibillionaire corporations that continue to put their boot on our neck in order to get their products out, and not recognize that we are people and not just a number.”

Caterpillar workers have also continued to speak out against the UAW deal in recent days. “I have been here since I was 19 and have seen what struggles people go through,” a Caterpillar worker in East Peoria, Illinois wrote in a comment sent to the *World Socialist Web Site*. “This contract does nothing for us with less than 10 years. Most people in the plant would agree that if you aren’t near the 20-year mark, you pretty much get nothing. They want to take our bonuses away and give us more Y time [Paid Absence Allowance] but only give us a measly \$7 combined raise over the next 6 years.

“They give more vacation for 20 years’ service when the turnaround rate is ridiculous in all the plants. Most people are lucky to get past four years without being laid off or fired. And who knows what they will take away from us in the next contract anyways? But they can give the shareholders billions but basically tell all the workers who get them their billions through our hard-earned labor to bend over and take it. It’s time the UAW takes a stand and give these workers what they

deserved!”

Commenting on the impossibly high living costs, a Caterpillar worker in Decatur, Illinois wrote, “Wow, this is too much. Eggs are \$8.00. Gas goes from \$3 to \$4 in a flash. Apartments and houses used to be \$200-300 a month, now are \$800-900 a month. We get our two weeks’ vacation taken in the first of the year for what they say is summer and Christmas shutdown. But it seems like people who have been at CAT longer than me say every six to seven years at contract time we seem to lose or get shafted, and the ones involved seem to move around and ghost after it is all said and done. We get less and less every six years.”

The stand taken by Caterpillar workers has generated widespread support, including from salaried and non-union employees. A white collar Caterpillar worker from the company’s non-union plant in Lafayette, Indiana wrote, “Me and many, many other white-collar workers here at our facility support the UAW workers and appreciate their battle with the UAW and Caterpillar. We also realize that all they are doing helps all white-collar workers get better pay and benefits that have been stripped away from us all. Thank you for all that you are doing. We fully support these efforts!”

A retiree added, “CAT has never had a good contract since the early 1980s. They are the biggest corporate thief. Their UAW workers are treated like trash thrown out of the window. They have raided the retirees’ hard-earned retirement. My take-home retirement is \$832 a month after 33.7 years of CAT service.”

The UAW bureaucracy is employing its well-rehearsed methods to try to ram through another contract: concealing information from workers, pitting one section against another, dangling signing bonuses, holding rushed ratification votes before workers can study and discuss the entire deal. Union officials have insisted that the deal is the best workers can get and have attempted to intimidate workers, instead of the company, with the prospect of a drawn-out, isolated strike.

Refusing to allow the UAW apparatus to lead workers to another defeat, a group of class-conscious workers in Decatur, East Peoria and other plants have formed the Caterpillar Workers Rank-and-File Committee (CWRFC) as a new center of workers’ power and democratic decision-making.

On Wednesday, the committee issued a statement demanding that the full contract be posted online, mass meetings held to discuss it, and workers be given an additional week to study the agreement before voting. “If these demands are not met, CAT workers should reject this deal as a matter of principle. It’s not just our interests on the line—this contract will affect our families, retirees, the next generation, as well as workers at other companies.”

Insisting that it is time to “take a stand for our rights and interests, which for too long have been trampled on in the name of profits and ‘shareholder value,’” the statement reiterated the demands of the CAT-RFC: a 50 percent wage increase to make

up for years of frozen or falling wages, the restoration of Cost-of-Living Allowances (COLA), double-time for hours worked over eight hours or work on weekends, and the immediate abolition of the two-tier wage and benefit system. The committee also calls for at least two weeks of paid personal time, a massive reduction in out-of-pocket medical expenses and the restoration of fully paid pensions and a two-year, not six-year, contract.

Beyond Caterpillar, sentiment among workers for a fight is also quickly brewing. Seven hundred and fifty Temple University academic workers are continuing their strike after rejecting a contract backed by the local affiliate of the American Federation of Teachers by 92 percent. In coming weeks and months, hundreds of thousands of workers face contract expirations at the New York City transit system, the US Postal Service, UPS, GE Aerospace, the Big Three automakers in the US and Canada, and Mack Trucks.

This upsurge is part of an international process, including the mass strikes and protests by millions of Greek, French and Sri Lankan workers over the last several days, and the continuing strikes by UK and German workers against demands that they pay for the economic crisis and cost of the US/NATO war against Russia.

Like their counterparts around the world, Caterpillar workers face a political struggle against the corporate-controlled parties and the capitalist system they defend. The Biden administration is backing the Federal Reserve’s policy of raising interests rates to drive up unemployment and beat back workers’ wage demands. The White House is also relying upon the UAW and other union bureaucracies to suppress working class resistance as it prepares for direct military conflict against Russia and China.

These plans are increasingly being undermined by the rebellion of workers against the corporatist unions and the organization of new, worker-controlled committees, which are coordinating their struggles through the International Workers Alliance of Rank-and-File Committees (IWA-RFC).



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