

UAW quietly reinstated rule limiting strike pay for workers with second jobs

Shannon Jones
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Are you an autoworker? Tell us what you think about the change to the UAW's strike pay rules.

In a further indication of the plans of the United Auto Workers bureaucracy to sabotage the struggle of 150,000 Big Three autoworkers this year, it has come to light that the UAW International quietly reinstated a rule limiting the amount of strike pay workers can receive if they take on outside jobs during a walkout.

During the 2019 strike against General Motors the UAW had waived the rule, meaning that workers could supplement their strike pay by holding second jobs without being penalized. The rule was also waived during the nearly nine-month-long strike at CNH Industrial in 2022-2023.

However, according to “Frequently asked questions” on strike pay currently posted on the UAW website, if striking UAW members receive gross outside pay higher than their weekly strike benefit, then they will receive no income from the UAW’s strike fund. Weekly strike pay is currently a paltry \$500. Workers at battery maker Clarios confirmed to the WSWS that UAW officials told them they would not receive their strike pay if they earned more than \$499 from outside jobs during their recent 40-day-long strike.

The UAW publicly acknowledged the rule limiting strike pay is now in effect in response to a question from industry publication *Automotive News*. It is not exactly clear when the change took place. The UAW had not responded to a request for clarification by the WSWS *Autoworker Newsletter* at the time of this writing.

Closed-door contract “negotiations” between the United Auto Workers and the Detroit automakers officially started last week, with President Shawn Fain seeking to burnish his credibility by forgoing the traditional handshake with auto executives. The gesture was part of the posturing by the UAW leadership as it attempts to present a militant façade, the better to head off and contain the explosive anger of autoworkers reeling from the impact of inflation after decades of concessions. Fain ascended to the UAW president’s office in March, following an election fundamentally marred by widespread voter disenfranchisement, resulting in turnout in the first round of only 9 percent, and only a little higher in the runoff.

Since the \$500 weekly strike benefit is far less than what is

needed to survive, the rule restricting outside earnings is aimed at significantly undermining the ability of workers to withstand a longer strike. Any attempt by the UAW apparatus to justify the rule by claiming “lack of resources” would not hold water, given that the strike fund stands at over \$825 million.

The main reason behind reinstating the rule is precisely to undermine effective strike action by increasing financial pressures on workers, who are determined to win major advances in wages and working conditions in this year’s contract struggle. The calculation is that workers facing foreclosure on a home or car can be more easily coerced into accepting a rotten settlement.

There are growing signs of the strategy being pursued by the companies and the UAW bureaucracy to beat back the powerful desire to fight that is building up among workers. Temporary workers at plants such as General Motors Flint and Ford Chicago have seen their hours cut substantially recently, with no resistance from the UAW, also putting workers under increased economic duress in the months before a possible strike.

Workers contacted by the WSWS responded angrily to the news of the reimplementing of the rule limiting strike pay.

A member of the Warren Truck Rank-and-File Committee told the WSWS *Autoworker Newsletter*, “A lot of people at the plant are talking about getting a second job if there is a strike. Because, \$500 a week, how are you going to live on that?”

“They figure if we get a second job, with the strike benefits, we can strike forever. By taking that away they figure they can force us back. That’s not right. We can’t let them get away with that.”

A Stellantis worker in Kokomo, Indiana, said about the rule change, “I think it’s an indicator that the new administration might just be smoke and mirrors and more of the same corrupt sellouts.”

“That’s messed up,” a worker at Ford Kansas City Assembly told the WSWS. “They made all that money from over decades, and then they try to limit the money they give to us? They’re wrong for that.”

Reflecting concerns among the automakers, the article by *Automotive News* initially reporting the rule change expressed the worry that the lifting of the limits on outside income could

provide workers more clout in the event of a strike. The article, headlined “UAW negotiations could be costly for Detroit 3—especially if 2019 rule returns,” stated, “Things could get really, really interesting if the UAW reimplements a temporary change in union rules from 2019 that—coupled with the severe worker shortage now roiling the U.S. economy—could shift the traditional power dynamic in negotiations.”

Pointing out the obvious, the article notes that the UAW’s reimplementation of the rule limiting outside income “effectively hamstring[s] what could be powerful leverage in the upcoming negotiations.”

“Starting pay in a GM assembly plant today is roughly \$17 an hour,” it continues, “while even fast food restaurants are regularly advertising jobs at up to \$18 an hour to start, at least in the Detroit area.”

Noting the relatively high proportion of job openings compared to available workers which remain in many areas, the author remarked that strikers “could be quickly and efficiently absorbed” into the job market should they seek to supplement their pay during a walkout.

The ability of workers to switch jobs and seek out better pay has been a significant factor in the growing militancy and self-confidence of workers. The union bureaucracies, operating on behalf of corporate management, have sought to counteract the relative advantages workers have seen from the labor shortages. Unionized workers have repeatedly seen wage increases below those received by nonunion workers over the last two years, prompting some employers to ask unions to allow “market rate” wages in order to attract applicants and retain employees.

The UAW’s rule limiting workers’ outside income during a strike is not an oversight or accident. It is part of a deliberate policy aimed at undermining the workers’ position in the event of a strike, strengthening the companies’ position, and defending the stranglehold of the UAW bureaucracy over the more than \$1 billion in assets derived from workers’ dues.

Despite the media hype about the “changed” and supposedly more militant UAW under President Shawn Fain, the reality is that the pro-corporate union bureaucracy remains in place.

The real character of Fain’s administration was made quickly evident during the strike by workers at the Clarios battery plant in Holland, Ohio. The \$500 cap on outside earnings helped the UAW wear down the resistance of strikers by imposing added financial hardships. Despite growing calls by workers at Big Three plants to enforce a ban on scab-made batteries, the UAW apparatus ordered assembly workers to continue handling parts made by company replacements at the struck plant. The UAW leadership ultimately forced through a sellout deal that was virtually identical to the rotten agreement workers had twice voted down previously, both times by wide margins.

The UAW under Fain & Co. has also raised no objection to the declaration by Stellantis of “critical status” at Warren Truck, Detroit Assembly Complex-Jefferson, Dundee Engine, Kokomo Engine and other plants, allowing seven-day operation

and mandatory shifts of up to 12 hours. The brutal schedule is clearly part of plans by management to stockpile vehicles in preparation for a potential strike.

The UAW leadership fears a prolonged strike at the Big Three for several reasons. The UAW long ago abandoned any defense of workers’ interests, handing back all the hard-won gains of previous generations in one concession contract after another. In its place it adopted the corporatist program of union-management-government collaboration. The UAW depends for its funding and its very existence on the patronage and support it receives from the auto companies.

Further, since the 1980s changes in the UAW constitution have allowed the diversion of a portion of the strike fund to pay the operating expenses of the union apparatus. The depletion of the strike fund could therefore impact the incomes of the bloated Solidarity House bureaucracy and its hundreds of highly paid officials.

The strategy explicitly adopted by Fain is to win the support of the Biden administration to bring the UAW into the new electric vehicle plants. For its part, the White House expects the UAW to suppress workers’ opposition to the massive concessions that the auto companies are seeking, as they attempt to impose the cost of the transition to EVs onto the backs of workers. The Biden administration sees the expansion of low-wage, low-cost EV production as critical to plans for trade war and shooting war against Russia and China.

A statement recently issued by the Autoworkers Rank-and-File Committee Network, “What autoworkers need to win the 2023 Big Three contract battle,” calls for strike pay to be raised to \$1,000 a week, as part of the mobilization of an all-out fight against the companies. It states, “The UAW’s strike fund, which stands at \$825 million, has been used for decades by the bureaucracy as a slush fund for its own privileges. But the strike fund was built with our dues money and must be used to provide adequate resources for our struggles.”

The UAW’s efforts to limit strike pay further underscores the urgency of the tasks facing workers. There is not a moment to lose. Workers should begin organizing local committees now in every plant and join the growing network of rank-and-file committees. Such committees will provide a means for workers to leverage their enormous objective strength, coordinate their struggles across the auto industry in the US and other countries, and abolish the pro-corporate union bureaucracy and place decision-making in the hands of rank-and-file workers.



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