UAW announces sellout deal, orders Ford strikers back to work

Jerry White 25 October 2023

Join an emergency meeting Friday at 7 p.m. Eastern / 6 p.m. Central to discuss the implications of the UAW-Ford deal and how to organize to defeat the sellout. Register here to attend.

Sign up for text message updates on the Detroit Three contract fight by texting AUTO to (866) 847-1086.

On Wednesday evening, United Auto Workers President Shawn Fain announced that the UAW had reached a tentative agreement with Ford Motor Co. for a new four-and-a-half-year contract covering 57,000 workers. The UAW ordered picket lines shut down at plants in Michigan, Illinois and Kentucky and instructed 16,600 workers involved in the UAW's partial "stand up strike" to immediately return to work before seeing, let alone voting on, the proposed deal.

With UAW Vice President Chuck Browning at his side, Fain claimed that the agreement was a "historic victory." What few details he and Browning revealed in their ten-minute video, however, demonstrates it is an utter betrayal of the interests of the 146,000 Ford, GM and Stellantis workers.

Rank-and-file Ford workers must organize now to defeat the sellout contract. At stake are not just the livelihoods of current Ford workers and their families, but those of the entire working class. In every factory, workers should expand the network of rank-and-file committees to transfer power and decision-making from the UAW apparatus to the workers on the shop floor.

Workers must demand the immediate release of the full contract, sufficient time to study and discuss it, and rank-and-file oversight of all voting to prevent the UAW bureaucracy from rigging the vote.

In one of the clearest signs that the contract is what corporate management wants and will entail attacks on jobs and wages, President Biden swiftly praised the agreement in a statement Wednesday.

"This tentative agreement provides a record raise to autoworkers who have sacrificed so much to ensure our iconic Big Three companies can still lead the world in quality and innovation," Biden said. "This tentative agreement is a testament to the power of employers and employees coming together to work out their differences at the bargaining table in a manner that *helps businesses succeed* while helping workers secure pay and benefits they can raise a family on and retire with dignity and respect." [Emphasis added.]

Biden's praise of the agreement should be taken by autoworkers as a warning. This is the same president who played a key role as vice president under Obama in imposing the 2009 restructuring of the auto industry and the enactment of the tier system. Biden and the US Congress also outlawed a strike by 110,000 railroad workers last year and imposed a pro-company contract. If the UAW-Ford deal is trumpeted by Biden, then it can only mean it is a betrayal of workers' demands.

According to the details of the deal released so far, it includes a 25 percent wage increase between now and March 2028, including an 11 percent raise upon ratification. This is negligible given the fact that prices have risen by at least 20 percent since the last contract the UAW signed in

2019, and ongoing economic instability could lead to another sharp spike in inflation over the next 54 months.

With the restoration of some type of cost-of-living adjustment (COLA), which the UAW previously gave up, and a \$5,000 signing bonus, Browning boasted that wages would go up 33 percent by the end of the contract. But no matter how it is spun, the 25 percent raise is a major climbdown from the 40 percent raise, *plus COLA*, that Fain claimed he was fighting for.

For all the UAW's bluster about squeezing the company for "every penny possible" with threats of more limited strikes, Ford only increased its offer by 2 percentage points—or just \$3,100 more per worker over the entirety of the contract.

Fain and Browning claimed the deal included more raises than the last 22 years combined and was worth four times more than the UAW agreement in 2019, which both Fain and Browning endorsed. But the fact is the deal does not come near what the UAW bureaucracy has handed back to the corporations over decades.

Since 2003, real hourly wages of production workers have fallen by 30 percent—and even more if temporary workers are included. By the end of the proposed agreement, the top-paid Ford workers would receive \$40 an hour, below what an average autoworker was making in 1976 when adjusted for inflation. Starting wages for full-time workers by the end of the contract would only be \$28 an hour.

In addition, it is already clear that the deal does nothing to address the other central demands of workers:

• It would retain the hated two-tier system the UAW agreed to in 2007 and expanded to all new hires in 2009. Second-tier workers will still have to wait three years, if they are not laid off, to reach full pay.

• It excludes fully paid pensions or retiree healthcare benefits, major demands of workers.

• While it raises wages for lower-paid workers at Sterling Axle and Rawsonville components plants in Michigan, the UAW has already signaled it is willing to accept a new tier of low-paid workers in the EV battery plants, as long as it collects dues from the workers.

• UAW officials said temporary workers would get 150 percent raises, but said nothing about workers' demands to abolish this system of indentured servitude and convert all temps to full-time positions. According to Ford's last offer, current temps with 90 days of service will be converted to full-time employees, with a raise to \$21 per hour for remaining and future temps. The UAW has not said how long future temps will have to wait before being converted to full-time status.

• Above all, the deal will pave the way for the destruction of hundreds of thousands of jobs as the auto industry converts to electric vehicle production. The "right" the UAW bureaucrats claim they won to strike over plant closures is meaningless. It is not aimed not at securing workers' jobs but rather at ensuring that the UAW will be the cheap labor supplier of "displaced" workers into new, low-paying EV plants.

Ford CEO Jim Farley praised the deal, saying in a statement, "Ford is

proud to assemble the most vehicles in America and employ the most hourly autoworkers. We are focused on restarting Kentucky Truck Plant, Michigan Assembly Plant and Chicago Assembly Plant, calling 20,000 Ford employees back to work and shipping our full lineup to our customers again."

"This is just like the closed-door deal the UAW did with Obama and Biden in 2009"

Workers who spoke to the *World Socialist Web Site* denounced the deal. "We haven't gotten anything back from what was taken away from us 15 years ago. So how is it 'historic'?" a veteran worker at Ford's Dearborn Truck Plant and member of the Ford Rouge Rank-and-File Committee said. "When company chairman Bill Ford spoke last, it was like he was saying, 'You should be grateful to have a job.' The same day, he was laying off the C Crew and the REV-C [Rouge Electric Vehicle Center]. He was definitely threatening our jobs.

"We come to work, and we are miserable because of all the stuff we have to deal with. Now the UAW is not really telling us anything. We are the money maker. We should've been shut down from the beginning. It's the same with General Motors and Stellantis. We should all be shut down."

A worker at the Stellantis Toledo Jeep Complex and member of the Toledo Jeep Rank-and-File Committee told the WSWS, "As word was traveling around the picket line about the 25 percent raise, people were getting more and more pissed off. ... This is just like the closed-door deal the UAW did with Obama and Biden in 2009, when they took everything away.

"It's just like that labor studies guy [Art Wheaton] from Cornell University said, Fain called strikes at a few more profitable plants to make it look like the UAW was doing everything it could do to win our demands. Now, they are going to posture and try to sell it to us by telling us this is the best we can do.

"But on the picket lines workers are in no mood to accept another sellout. When we were first called out, there were all sorts of convoys and politicians acting like cheerleaders coming to our picket line. Now the mood is serious. Workers want to stop scabs from coming in, and they are challenging the union officials too. In a few days, as this sinks in, guys are going to be discussing how to defeat this sellout and wage a real, not phony, strike."

A striking worker at GM's Delta Township Assembly Plant and member of the Lansing GM Rank-and-File Committee told the WSWS, "Everyone is struggling to pay bills with the strike pay. But we know GM can do better. Everyone wants tiers and temporary work to go away. They say they've got the pay for CCA and GMCH up, but there's still tiers and temps. Workers are going to realize this deal is a sellout, and our rank-andfile committees are going to lead the fight to defeat it."

The deal was announced the day before Ford releases its third quarter earnings report, which is expected to show continuing high revenues and profits. In the second quarter, Ford made more than \$3 billion and projected that it would make \$11 to \$12 billion for 2023.

The quarterly report will also demonstrate how little Fain's "stand-up strike" policy has affected Ford's bottom line. GM, which announced more than \$3 billion in third quarter profits, only lost \$200 million in the third quarter due to the strike, less than one-half of 1 percent of its quarterly revenue of over \$44 billion.

Fain waited over a month before calling out any of the Big Three's major profit-making plants. Even so, before sending workers back to work Wednesday, the strike never involved more than 40,000 UAW members,

although all 146,000 at GM, Ford and Stellantis voted by 97 percent to strike on September 14. Nevertheless, Fain claimed the sellout was a "major victory" for his "stand-up strike" policy.

In fact, from the beginning, the UAW bureaucracy was collaborating with the Biden administration to suppress the resistance of autoworkers to the massive attack on workers' jobs and living standards as the industry transitions to EVs.

At the same time, the Biden administration is utilizing the services of the UAW to prevent any disruption of its efforts to transform the US into a wartime economy. This is underscored by the fact that the UAW announced a last-minute deal to prevent a strike by 1,100 General Dynamics workers against the major Pentagon defense contractor. The deal at Ford will be used to try to shut down other strikes, including the powerful rebellion by 4,000 Mack Trucks workers in Pennsylvania, Maryland and Florida, who rejected a Fain-backed contract.

Shutting down the Ford workers' strikes before workers have a chance to scrutinize this deal only underscores the contempt that Fain and the rest of the UAW bureaucracy have towards rank-and-file workers and exposes as a lie their claims that "the members have the final say."

The UAW Ford Council, made up of handpicked national and local officials, will gather in Detroit this Sunday to rubber-stamp the deal. Fain said that after that, the "changed pages and highlighters" of the deal will be posted online, before he holds a carefully vetted Facebook event to discuss the details. Local union officials will be given their marching orders before local meetings are held on the deal before workers vote.

UAW bureaucrats, who have kept workers in the dark for months and blocked them from using their full strength to win their demands, cannot be trusted to oversee the ratification process.

Will Lehman: "We have to have democratic oversight of the voting so that workers can defeat this deal"

Big Three workers should take the lead from the Mack Trucks Rank-and-File Committee, which led the fight to defeat the sellout contract backed by Fain and force a strike. The committee has called for rank-and-file oversight over all negotiations and has appealed to GM, Ford and Stellantis workers for an all-out strike to break the resistance of the corporations to their demands.

Will Lehman, a member of the Mack Trucks committee and a rank-andfile candidate for UAW president in last year's election, told the WSWS, "Fain and his administration have issued back-to-work orders for Ford workers without any of the Ford workers seeing the full details of the agreement the bureaucracy has hashed out with Ford behind closed doors.

"This means that the few Ford workers who were actually permitted to strike will be back without a contract. This is another slap in the face of the old policy of 'no contract, no work.' Is there any reason for the full agreement not to be immediately released? What did they agree upon if it is not available for immediate release? What is immediately apparent is that, despite the claim of tiers being eliminated for some, they are certainly not eliminated for all.

"A progression to top wage is a tier and an attack on equal pay for equal work. The UAW claims it will be releasing the full agreement by Sunday. Workers need to carefully examine it in its entirety for ourselves and make its pitfalls publicly known to all others. We need as many eyes on this as possible to avoid another sellout. We have to have democratic oversight of the voting so that workers can defeat this deal and prepare a genuine strike to win all our demands."



To contact the WSWS and the Socialist Equality Party visit:

wsws.org/contact