

Vote NO on the UAW sellout contracts at Ford, Stellantis and GM!

Autoworkers Rank-and-File Committee Network
6 November 2023

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Dear Brothers and Sisters,

The United Auto Workers leadership is trying to rush through votes on its agreements with the Big Three automakers that will determine our fate for the next four and a half years and beyond. A coordinated and massive propaganda campaign has been launched, with the UAW executives, President Biden, the corporate media and the auto bosses joining all together to tell us these are “historic” contracts we must endorse.

An examination of the details of the agreements, however, reveals that UAW President Shawn Fain and the rest of the UAW bureaucracy have completely sold us out. In addition to dropping our core demands, the deals will give the corporations the most important thing they are after: a free hand to decimate jobs as they transition to electric vehicle production.

This is why the Autoworkers Rank-and-File Committees Network calls for a “no” vote and for this sellout deal to be overwhelmingly rejected.

While there are some differences in each contract, the main elements are similar.

- **WAGES:** The 25 percent wage increase is far below the 40-46 percent Fain said he was fighting for. It will barely make up for the 22 percent rise in consumer prices we have suffered since the last contract. By the end of the contract in 2028, top pay will be around \$40 an hour, less than what workers made in 2007 in inflation-adjusted dollars!

- **COLA:** The UAW agreed to the inferior COLA formula it had in 2009, which does not keep up with the real rise in inflation. To make matters worse, the company will claw back up to \$0.10 an hour for every quarterly COLA adjustment we get, supposedly to pay for higher healthcare costs. We are already living paycheck to paycheck due to the record rise in the cost of basic necessities, plus higher interest rates for car, home, credit card and student loan debts. We need full COLA and no claw-backs!

- **TIERS:** We demanded the abolition of tiers, and we

meant it. But the agreement allows the hated tier system to continue, only shortening the “progression” period from eight to three years. This will take longer if workers are laid off. Also, what happened to our demand for the restoration of company-paid pensions and retiree health benefits, which the UAW gave up in 2009?

- **TEMPS:** Fain claims the “era of perma-temps is over.” In fact, the UAW has agreed to its continuation. At GM and Ford, only “temporary full-time,” not “temporary part-time,” workers are being rolled over after 90 days. At GM, there is no language at all about part-time temps being rolled over. In the UAW-Stellantis deal, only 1,957 current temps are being rolled over. While the UAW claims all temps will be rolled over after nine months of “continuous service,” the Stellantis and GM contracts both state the companies can extend the period with the approval of the UAW.

With starting wages for new temps frozen at \$21 through 2028, the companies all have a financial incentive to lay workers off before they reach their nine-month rollover date and hire new temps for cheaper labor. There are already shift changes in the works at the Toledo Assembly Complex that could bump most TPTs out of their jobs.

- **LAYOFFS AND PLANT CLOSURES:** Company executives at Ford, GM and Stellantis plan to make up for any pay increases by destroying tens of thousands of jobs during the transition to EVs. They plan to get rid of the highest paid workers with “voluntary” buyouts, ranging from \$47,000 for 10-14 years to \$72,000 for 25 years and more.

Hidden in the UAW-Ford contract is a letter that declares that the workers at the Rouge Complex will be considered “surplus” and offered transfers to other plants, including a battery plant in Tennessee that has not opened yet and is hundreds of miles away. Stellantis is closing 19 facilities, including the Tipton Transmission Plant in Indiana and 10 Mopar parts distribution centers. Fain says the UAW “saved” the Belvidere plant, but the new EV assembly and

battery plants are not scheduled to open until 2027-28. New workers at the battery plant will be paid \$26 an hour.

With the closure of so many facilities, it is virtually certain that many workers will be forced to choose between transferring to other sites hundreds of miles away, accepting some form of buyout, or simply having to quit and attempt to find employment elsewhere, leading to disruption and economic precariousness for thousands of workers and their families.

Behind the scenes, the auto bosses and their Wall Street investors are celebrating their historic victory. The new contracts will only cost each company \$1 billion in additional costs each year—a tiny fraction of the \$500 billion in revenue they made in 2022 alone! Since 2009, the three companies have made nearly \$350 billion in profits and sharply increased executive salaries and payouts to wealthy shareholders. In anticipation of a new windfall, S&P Global upgraded Ford's credit rating to investment-grade last week after four years of keeping the company "junk" rated.

Workers will never recover from the 30 percent decline in real wages they lost over the last two decades. For years, the UAW has helped the companies keep our wage increases below the rate of inflation, and even below that of other private sector workers. Now the UAW is telling us we should celebrate because we've gotten a few dollars back. This is like telling a drowning man to be happy because he's not lying on the lake bottom anymore!

The UAW apparatus is hailing these agreements because they will allow the army of highly paid bureaucrats to collect dues from low-paid workers in the EV battery plants and obtain more positions on the expanding number of "joint labor-management" committees which are expanded in the contracts. More UAW bureaucrats will be able to stay off the floor and pad their already bloated salaries as they enforce management's demands for local concessions, job cuts and other cost reductions to "enhance competitiveness."

Although Fain claims that UAW members "are the highest authority in the union," his deeds show the opposite. Workers voted by 97 percent for an all-out strike on September 15, not an ineffective "stand up strike" that put more pressure on workers than companies. These strikes were shut down before workers saw the tentative agreements, let alone voted on them. At several locals, voting has been scheduled before "informational meetings" are even held.

Fain says workers have the right to "discuss and debate" the contracts so they can "make an informed decision." If that is the case, workers must have a full week between the informational meetings and the ratification vote to review the hundreds of pages of documents and exchange

information with each other.

There is huge opposition to these sellout contracts. But this opposition must be organized through the expansion of rank-and-file committees, which will transfer power and decision-making from the UAW apparatus to the workers on the shop floor.

The Autoworkers Rank-and-File Committees Network urges workers to carry out the following actions:

- Exchange information with each other on the hidden clauses in the contract, including on job cuts, the continuation of temp work, punitive changes in attendance policy and other areas.

- At the coming "informational meetings" workers must demand the right to speak and get answers to all their questions.

- Workers should propose and vote on a resolution demanding an additional week to review and discuss the contracts.

- At the meetings, committees of trusted workers should be elected to oversee the ratification process and prevent any manipulation of the votes.

- Resolutions should also be proposed and passed that declare that the defeat of the contract at any of the automakers will result in an immediate all-out strike by all 146,000 GM, Ford and Stellantis workers.

Fain claims that "every dime has been squeezed" out of the companies with his fraud of a "stand up strike," which forced two thirds of UAW members to stay on the job making profits for the auto companies. What would be possible if the full power of autoworkers were mobilized to fight? To realize this power, the new centers of power in the factories, the rank-and-file committees, must be expanded.

Signed,

GM Flint Rank-and-File Committee

Warren Truck Rank-and-File Committee

Toledo Jeep Rank-and-File Committee

GM Lansing Workers Rank-and-File Committee

Ford Rouge Workers Rank-and-File Committee



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