

Allison Transmission workers erupt in anger over details of UAW sellout contract: “The whole thing is loophole after loophole”

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Work at Allison Transmission? We want to hear from you: Fill out the form at the end to tell us what you think of the tentative agreement and what workers should be fighting for.

Opposition is building quickly among workers at Allison Transmission in Indianapolis, Indiana, to a sellout tentative agreement announced by the United Auto Workers union on November 22. Approximately 1,500 UAW members work at the complex.

The UAW apparatus had defied workers’ 99 percent strike authorization vote with an almost two-week contract extension before announcing a tentative agreement, stating details would be released within 48 hours. The union then backtracked and pleaded for “patience,” until finally releasing details of the agreement on the local website. “Informational” meetings on the contract are scheduled for Wednesday and voting for Friday, giving workers essentially no time to study the agreement.

A veteran Allison worker stated, “The main consensus is that the extension was planned. I could see a walkout happening, it’s pretty volatile at the plant. Ninety-nine percent of the membership wanted a strike. It’s damaged the faith in the UAW and the company.”

The contract brought back by the UAW bureaucracy is a brazen attack on workers’ living standards, with sub-inflation raises which will leave workers poorer by the end of the four-year agreement. It maintains the hated tier system and opens the door to the destruction of the eight-hour day, continuing and deepening the pro-corporate policies the UAW has imposed at the Big Three, Mack Trucks, and elsewhere this year.

According to the UAW’s contract “summary,” production workers hired on or before February 1, 2008, would receive a one-time 10 percent wage increase upon ratification, followed by lump sum payments—which do not raise base wages—of 5 percent in 2025, 2026 and 2027.

Workers hired after 2008, meanwhile, would receive wage

increases totaling 13 percent, with 10 percent at ratification and 3 percent in 2026, and 5 percent lump sum payments in alternating years.

Skilled trades, for their part, would receive only an 8 percent raise over the life of the contract, a complete slap in the face.

In addition, workers will be given a laughable “income protection” payment ranging from \$1,000 to \$1,750 annually, which will be taxed.

Starting pay for production workers depending on classification would vary from \$18.50 to \$21.12 and reach maximum pay of roughly \$20 to \$30. The pay for new hires would barely budge over the life of the contract, with the lowest classifications rising to only a little over \$19 an hour by 2027.

This flagrant attack on workers’ living standards should be rejected with the contempt it deserves. Workers should form rank-and-file committees at each facility and campaign for the largest possible “no” vote. An appeal should be made to workers at Stellantis Kokomo Transmission and GM Fort Wayne in Indiana, as well as autoworkers more broadly, for a joint struggle.

Beyond the attacks on wages, UAW agreed to numerous other concessions, many outlined in “memorandum of understanding.”

The “highlights” state that workers would have the “choice” between a high deductible and traditional PPO health insurance plan, while not explicitly stating whether premiums and deductibles would increase.

In a memorandum on page 10, the contract states that the UAW has agreed to “Alternative Work Schedules” on a “pilot” basis should a department “vote” to accept it, stating:

Notwithstanding Paragraph 8 of this Agreement, the Parties have agreed that the Company has the ability during the term of the collective bargaining

agreement to implement alternative shift schedules on a “pilot project” basis, so long as the Union is provided at least thirty (30) calendar day notice. After discussion with the Shop Committee, the Company will select the department for the pilot project. If department employees vote to approve moving forward with an alternative work schedule pilot, the alternative work schedule will be implemented for no less than six (6) months and no longer than one (1) year, unless an extension is mutually agreed.

At other auto companies, the Alternative Work Schedule often entails 10-hour or longer shifts, four days a week, at “straight time,” meaning overtime wages are not paid after eight hours. This fundamental attack on the eight-hour day has proliferated throughout the auto industry with the UAW’s assistance.

Another memorandum on “plant 14,” which primarily builds tank transmissions, states:

During the 2023 negotiations, the Company discussed at length the need for workforce flexibility within Plant 14, considering the extended period of and investment in the training of the workforce. During the term of this Agreement, the parties will meet to discuss ways in which to increase stability and skill retention in the workforce within Plant 14. The discussions will include items such as qualifications and training by classification, Transfer Rights, Shift Preference Rights, Temporary Layoff, and Surplus/Permanent Layoff, among other items important to the Union or the Company.

This language grants Allison virtually unlimited rights to dispose of the workforce as it sees fit, as it seeks to maintain the supply of tanks for the US military, especially to continue prosecuting the US-backed war in Ukraine and plans for war against China.

In the previous contract, UAW and Allison agreed on an annual cash incentive bonus compensation program (IComp), which was implemented in place of profit-sharing. According to workers, Allison picks three areas every year and, depending on performance, those areas determine the percentage of workers gross pay from the prior year. A similar incentive scheme at John Deere has been used for years to encourage dangerous levels of speedup and overwork, workers say.

Workers quickly voiced their opposition to the sellout agreement on social media. One commented, “I’m already a No on the second offer!!!” Expressing the sentiment for a strike, another worker stated, “How bout we show them who has the power. Walk after the NO vote.”

Allison workers are not buying into UAW President Shawn Fain’s rhetoric of “historic” contracts at the Big Three. One worker on Facebook said, “So where is ALLL THEEE TRUST THE PROCESS FOLKS AT NOW The process is still processing.” Workers also pointed to UAW Region 2B Director, Dave Green, reporting that he refused to authorize a strike at Allison.

“This is war”

“We’re not in it for ourselves,” the veteran Allison worker said, “we want the future to look bright. The whole thing is loophole after loophole, a company contract. It looks like it was planned out.

“We vote Friday, with only three days to look at the TA! This used to be the place to work. They would only offer two applications a year, you had to know someone to work here. Now there’s a sign begging people to come. Why would anyone work here getting dirty when you can work at Taco Bell down the street for \$17.85 with a \$2,500 signing bonus? I’m all for calling a company-wide walkout. This is war.”

For Allison Transmission workers to take this forward, there must be a massive no vote campaign against this sellout contract. However, as long as the contract process is left in the hands of the UAW bureaucracy, they will continue to bring back one pro-company contract after another, as demonstrated at Mack Trucks, Clarios, Lear, and other companies this year.

For the struggle to succeed, workers themselves must take control, forming a rank-and-file committee at Allison Transmission and connecting with workers through the International Workers Alliance of Rank-and-File Committees.



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