

UAW pushes through sellout deal: The lessons of the Allison Transmission struggle

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Are you an Allison Transmission worker? We urge you to attend the January 20 online meeting at 1pm ET to oppose the job cuts in the auto industry.

After blocking strike action by 1,500 Allison Transmission workers in Indianapolis for two months, the United Auto Workers pushed through a second sellout agreement earlier this week. UAW Local 933 officials have not released the actual vote count but claimed the deal was ratified by 81.8 percent of the workers who voted.

According to the local's union leadership's inaccurate math, 63.2 percent of production workers voting for the deal and only 14.9 percent (?) voted against it. But even if the UAW bureaucracy did not manipulate the vote—a practice union officials have long utilized—the passage of the deal was not an endorsement of the sellout agreement or the UAW apparatus. Seeing no possibility of getting anything better from the treacherous UAW leaders, the majority of Allison workers reluctantly voted to accept the agreement.

Even as UAW members were continuing to vote, in many cases under the watchful eye of management in the plant, UAW President Shawn Fain was celebrating the “big win” at Allison during his Facebook livestream event Tuesday. He noted that workers had voted down the last contract “by 95 percent” without acknowledging that the contract workers massively rejected (actually by 96.2 percent) was brought back by UAW Region 2B Director David Green and endorsed by Fain himself. He then ludicrously claimed the example of the UAW's “stand up” strike in the auto industry—which kept the vast majority of autoworkers on the job—had forced Allison to “cave” and accept a contract, which Fain claimed was “absolutely life-changing.”

The UAW's second proposal differed only slightly from the one workers overwhelmingly rejected at the beginning of December. Starting pay for production workers will rise from as low as \$14.50 to around \$20 an hour. This is well below what is defined as a “living wage” in the Indianapolis metropolitan area and substantially below what workers were making in real terms in 2007, the year General Motors sold off its Allison division to the Carlyle private equity firm.

The claim that the UAW “ended tiers” is no more honest than the similar claims about Big Three autoworkers, where the “in-progression” period to reach top pay was reduced from eight to three years. In the case of Allison, it will take four years to reach top pay, prompting workers on Facebook to post “Progression=Tiers.” The UAW also agreed to a “hybrid” cost-of-living adjustment (COLA), which does not keep up with rising prices.

Like the previous agreement, the ratified agreement includes memorandums of understanding on an “Alternative Work Schedule,” which will further eviscerate the right to an eight-hour day. It also contains language about Plant 14, where military tank transmissions are built, that will allow the company to dispose of the workforce as they see fit.

The biggest difference between the two proposals, workers told the

WSWS, was a major increase in the signing bonus to \$7,000, which included a previously withheld \$1,000 Christmas bonus. In other words, the UAW bureaucracy exploited the economic desperation of workers—itsself the product of decades of UAW betrayals, including the collusion in the shutdown of GM, Chrysler and Ford plants in the area—to get the contract passed.

Workers determined to strike when contract expired in November 2023

Having suffered decades of UAW-backed concessions and declining real wages, Allison workers were determined to strike when their contract expired last November. The company, which produces heavy duty transmissions for buses and refuse, fire, construction and military vehicles, had seen a steady increase in revenue and profit, with gross profits rising to \$1.43 billion between September 2022 and 2023, a 13.69 percent increase year-over-year.

On October 25, 2023, workers voted 99 percent to authorize the UAW to call a strike when the contract expired on November 14. Although UAW Local 933 Chairman George Freeman pledged there would be no contract extensions, when the deadline approached he suddenly announced that he had failed to give the company sufficient notice of a strike and therefore workers could not walk out.

“When the contract expired, we were going to walk out,” a worker from the Rank-and-File Committee of Allison Transmission Workers stated in comments to the WSWS. “Then when the deadline came, he claimed there had been a ‘clerical error’ and the paperwork had not been filed in time to give the company a 60-day strike notice. With that they extended us two weeks with the understanding that we would fulfill the 60-day rule, which makes no sense mathematically.”

As the second contract extension approached just before the Thanksgiving holiday, the UAW announced a tentative agreement. As the WSWS warned at the time, the UAW bureaucracy used the holiday to prevent a strike while Biden was celebrating Thanksgiving dinner at the Nantucket Island home of billionaire David Rubenstein, co-founder of the Carlyle Group.

As the WSWS has previously written:

“Carlyle is not only a vicious corporate predator, it has long had the most intimate ties with the military-intelligence apparatus, particularly in connection with the wars in Afghanistan and Iraq. The private equity firm has employed numerous war criminals from both capitalist parties, including former Defense Secretary Frank Carlucci, once its chairman, and former CIA director and

Pentagon chief Leon Panetta, a highly paid ‘consultant.’ Both George H.W. Bush and George W. Bush were directors of the company or a subsidiary.”

Throughout the fall and early winter, Fain was in daily discussions with US President Joe Biden and other White House officials as the UAW conducted its bogus “stand up” strikes to wear down the militant resistance of GM, Ford and Stellantis workers and impose company-friendly deals that would allow the companies to slash thousands of jobs as the industry converted to electric vehicle production.

After getting these contracts rammed through, the last thing the Biden administration wanted was a strike at Allison, which plays a critical role in the production and maintenance of tanks and other vehicles for US imperialism’s military confrontation with Russia, China and Iran, and the US-backed Israeli genocide against the Palestinians in Gaza.

Despite the best efforts by the UAW bureaucracy to ram through the contract in early December—just days after releasing the details to workers—the rank and file delivered a devastating rebuke to Freeman, Green and Fain.

“You’re noticing the tides turning with each and every betrayal, we’re getting stronger, and workers are looking for an alternative to the UAW bureaucracy, which keeps selling us out for the benefit of the company,” another member of the rank-and-file committee told the WSWS. “More and more of our membership want truthful answers and an alternative leadership to the current bureaucracy.

“With every backstab, people are getting more and more anxious to figure out a different route. People are tired of the rhetoric and the games. This is our livelihoods. That’s why we’ve founded the rank-and-file committee.” After seeing the outcome of the Big Three and Mack Truck contract struggles, the rank-and-file committee at Allison called for oversight of the bargaining by trusted workers and preparation for a strike connecting with workers at other plants.

After rebuke by rank and file, UAW scrambles to impose a new sellout

After the massive “no” vote by Allison workers, the UAW bureaucracy, from the region and local level to Fain himself, responded with nothing but hypocritical lies. The UAW claimed that it had “heard” the membership “loud and clear” and was ready to call a strike to force the company to meet workers’ demands. This was combined with the production of slick videos feigning concern for workers and proclaiming that the UAW was ready to call the “first major strike of 2024.”

From December to the release of the second TA, workers expressed their opposition to the UAW bureaucracy. “Just like our government, we pretty much suspect that our negotiating team is also compromised,” one worker told the WSWS. Leading the “talks” was Region 2B Director David Green, who handed GM huge local concessions as president of one of the UAW locals in Lordstown, Ohio, before the plant was shuttered with UAW backing in 2019. Green also oversaw the sellout of the strike by 500 Clarios battery workers in Toledo, Ohio in early 2023. The workers rejected two UAW-backed contracts before they were starved back to work with poverty-level strike benefits.

While workers were determined to strike to win their demands, the UAW bureaucracy’s talk of a strike was a fraud. Allison supplies transmissions for the Abrams tanks and Bradley fighting vehicles, as well as the Israel Defense Forces’ eight-wheeled Eitan Armored Fighting Vehicle.

Despite Fain’s claim that the UAW supports a “ceasefire” to stop the genocide of the Palestinian people in Gaza, the UAW assured the Biden administration that it would not allow a strike that disrupt the US or Israeli war machine. Indeed, just two days after the UAW pushed through its sellout agreement, the Pentagon announced that Allison was awarded an \$83.3 million contract to upgrade Abrams tanks for the US and its close allies.

Commenting on the present conditions in the plant, an Allison workers told the WSWS, “Now the company is jumping many steps in firing workers with little warning, for things like earbuds or being late. With these firings at Stellantis, they might try to fire the new hires before 90 days. The contract still has two tiers for four years! The union tried to scare low-paid workers with threats that this was the company’s ‘last and best offer.’”

The sellout at Allison takes place as the truth about the UAW’s “record contracts” at the Big Three is exposed for all to see. On January 12, hundreds of supplemental (temporary) employees—or SEs—were suddenly fired by Stellantis. To push through its contract last November, Fain & Co. told SEs they would be converted to full-time positions, knowing full well that the company planned to terminate nearly half of the 5,300 temporary workers. But this is only the tip of the iceberg: Stellantis, GM and Ford have all announced new layoffs, including most recently the elimination of two shifts at Ford’s Rouge Electric Vehicle Center.

Allison Transmission workers must assimilate the lessons of the Big Three, Mack Trucks, Clarios, Constellium, rail workers and other struggles, and expand the International Workers Alliance of Rank-and-File Committees.

In its recent statement in response to the Stellantis firings, the IWA-RFC wrote, “A rebellion is necessary against the entire union bureaucracy. The new UAW administration of President Shawn Fain was installed in a maneuver involving the federal government, in an election marred by fraud where more workers never received ballots than the number who actually voted, so that Fain could use dishonest phrases to cover up the next stage in the attack on jobs.”

It goes on to say, “Workers must begin now to build the counter-offensive from below. They must assert that they have every right to prepare all measures they deem necessary in defense of their livelihoods, including job actions. This requires the development of a network of rank-and-file workplace action committees in all plants, independent of and in opposition to the United Auto Workers bureaucracy.”

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