

# UAW announces 11th hour sellout deal at Daimler Trucks North America blocking strike by 7,300 workers

Aaron Edwards

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One hour before the midnight April 26 contract deadline at Daimler Truck North America (DTNA) UAW President Shawn Fain announced a “historic” contract settlement heading off a strike by 7,300 workers at six plants.

According to the few details revealed so far, the deal is patterned on the sellout contract at the Detroit-based auto companies last fall. It includes a general 25 percent wage over 4 years, including a 10 percent up front wage increase. This will leave workers far behind the rise in prices, which as workers pointed out, have risen over 22 percent in the last four years.

The deal supposedly ends wage tiers. However, this is a verbal sleight of hand. In fact, the contract merely shortens the wage progression period, but does not eliminate it.

The contract also includes cost-of-living protection and profit-sharing, however no formula was detailed. The bogus cost-of-living negotiated by the UAW at the Detroit automakers provided only pennies on the dollar. No mention was made of a signing bonus.

The announcement of the sellout evoked immediate angry responses from many workers. One posted “10 percent is crumbs in this economy.” Many others said they would vote “no.”

The last-minute settlement at Daimler Truck follows the pattern of similar last-minute deals such as at Volvo and Mack Trucks where the UAW announced a sellout deal right at the contract deadline and then sought to ram it through.

The calling off of the strike is in direct opposition to the express will of workers who voted overwhelmingly on March 8 to authorize strike action to wage an all-out fight for their demands. The strike authorization vote was supported by 96 percent of workers at 6 facilities in North Carolina, Tennessee, and Georgia. Among these facilities is a Thomas Built Bus manufacturing assembly plant in High Point, North Carolina. The plant is the largest school bus production site in North America and employs around 1,700 workers.

Workers have expressed frustrations over a number of issues including low pay that does not keep up with inflation, lack of benefits including inadequate healthcare, job security, and health and safety issues. The UAW has staged performative “practice pickets” over the last two weeks in an effort to diffuse workers anger.

To effectively wage a struggle to defeat this sellout and coordinate the struggles of workers internationally, the only way to defeat a transnational like Daimler Truck, workers must form rank and file committees in all factories.

Fain has emerged as a leading supporter of the Biden administrations militarist agenda, even appearing at a recent conference in Chicago wearing a jacket emblazon with the logo of a bomber and the slogan “Arsenal of Democracy,” referring to the World War II role of the UAW in enforcing a ban on strikes.

Daimler Truck is a massive and highly profitable global operation. It was spun off from German automaker Daimler AG (subsequently renamed the Mercedes-Benz group in 2021) and employs over 100,000 workers in 35 countries, making it the largest manufacturer of commercial vehicles in the world. In 2023 Daimler Truck recorded €5.5 billion (\$6 billion) in earnings before interest and taxes, a key measure of profit. This was an increase of 38 percent over the previous year. The company announced that they expect to exceed its 2024 earnings forecasts.

However, conditions for the workers have not improved alongside the massive profits of the company and its major investors. A starting salary for the back-breaking job of a DTNA truck assembly worker is a meager \$19.25 an hour in North Carolina. Meanwhile, inflation has raised the prices of basic necessities. Food, gas, rent, utilities, and every other basic need have become more and more difficult for workers to afford.

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Earlier this week the UAW filed an unfair labor practice suit against the company with the National Labor Relations Board. In the past, NLRB filings have been used as a diversionary tactic by union bureaucrats to either extend the contract deadline and block strike action, or, if a strike occurs, to undermine workers' demands, since wages and other economic issues cannot be the subject of an unfair labor practice strike.

The strike deadline comes as the corporate media and the Biden administration are in overdrive to present Shawn Fain and the UAW leadership as tireless champions of workers. In reality, Fain is a critical element in the plans of the Biden administration to suppress the mounting resistance of workers to war and austerity.

In the run-up to the strike authorization vote at DTNA, the UAW launched a media campaign, "Not How It Used To Be," as a stunt that served as a remarkable, if unintended, self-indictment of the UAW bureaucracy itself.

In interviews, autoworkers described having to work two jobs in order to survive. They complained about their wages not keeping up with inflation and about having no job security under terms of the very contracts endorsed and rammed through by the UAW leadership!

At Daimler Truck, Fain is preparing a repeat of the betrayal imposed on workers at the Big Three last year. Instead of mobilizing the full UAW membership to strike the auto companies, Fain called out only a handful of plants in a theatrical "stand up" strike, allowing production to continue at the most profitable facilities. The UAW quickly abandoned the popular demands it had raised at the start of negotiations and announced a pro-company settlement.

The demands of the workers to end the hated tier system were not met, despite the outright lies of Shawn Fain, who promised an end to the multi-tiered system at the beginning of the strike. Instead, the roll-over period was only shortened from eight years to three. The 25 percent pay raise over the life of the almost five-year contract did not even make up for past inflation, let alone put workers ahead. The contract failed to restore pensions and shorten the workweek, and the token cost-of-living adjustment fails to keep pace with price rises.

To sell this rotten deal, Fain claimed that all temporary workers would be made full-time shortly after ratification. Instead, the contracts opened the door for the company to carry out a jobs bloodbath, with thousands of temp workers fired instead of being converted. Now, as part of the transition to electric vehicles, which require 40 percent less production time, the Big Three automakers are cutting jobs across the board, issuing almost daily layoff announcements.

The financial reports of the Big Three further demonstrate the fraud of the UAW's "stand up" strike. Despite the

walkout, GM profits grew to \$10.1 billion in 2023, a 1.9 percent increase over 2022. Stellantis profits grew to \$20 billion in 2023, an increase of 11 percent. Ford Motor Co. made \$10.41 billion in 2023, \$1.1 billion during the fourth quarter despite the "stand up" strike.

While Fain likes to blame "corporate greed" for the brutal exploitation workers face from transnational corporations like Daimler Truck, Ford, Stellantis, GM and Volvo, the fact is that the UAW apparatus has at every step colluded with the companies behind the backs of the rank and file to maintain and extend these conditions.

In recent months, Shawn Fain has emerged as a leading supporter of the Biden administration's militarist agenda, even appearing at a recent conference in Chicago wearing a jacket emblazoned with the logo of a bomber and the slogan "Arsenal of Democracy," referring to the World War II role of the UAW in enforcing a ban on strikes.

Shawn Fain and the entire UAW apparatus endorse Biden's electoral campaign uncritically. Despite Fain's militant rhetoric, posing as leading a resurgence of the working class struggle, he is fully in the service of the Biden administration and its relentless drive to war.

Workers at DTNA cannot rely on Fain or the UAW apparatus to carry forward the struggle for better pay, benefits, and job security. To effectively wage a struggle and coordinate the struggles of workers internationally, the only way to defeat a transnational like Daimler Truck, workers must form rank-and-file committees in all factories. These committees should democratically discuss and adopt demands based on what workers need, not what management or the UAW say is "reasonable," and map out a strategy to fight.

Through the establishment of a Daimler rank-and-file committee workers can link their struggles to workers at Volvo and Mack Trucks, to Daimler workers in other countries, and to workers in other industries through our global network, the International Workers Alliance of Rank-and-File Committees.



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