

UAW announces contract at Lordstown Ultium Cells setting substandard pay standard for battery plant workers

Shannon Jones
11 June 2024

Are you an Ultium Cells worker or battery plant worker? Let us know what you think by filling out the form at the end of this article.

The United Auto Workers announced Monday that it has reached a tentative three-year agreement covering 1,600 workers at the Ultium Cells battery plant in Lordstown, Ohio, near the now shuttered General Motors assembly plant. The plant is a joint venture between GM and South Korea-based LG Energy Solution.

In announcing the deal, UAW President Shawn Fain declared, “This agreement is a gamechanger for the electric vehicle battery industry, and for the future of Lordstown and towns like it all across this country. This is the kind of agreement that makes thousands of electric vehicle battery workers want to join the UAW and fight for a better future.”

Both Ultium Cells and GM management also praised the deal.

While Fain calls the tentative contract a “gamechanger,” the few details revealed so far demonstrate the deal is an abject betrayal, setting the precedent for substandard pay for battery plant workers and electric vehicle workers more broadly. Though UAW officials boasted that Ultium Cells workers had been brought under the national UAW-GM contract, the settlement fails to even match the terms of the 2023 national auto contract, itself a sellout of workers’ demands.

In a press release Monday, the UAW said that top pay for production workers after one year would rise to \$35 an hour by the end of the agreement. That compares to a final \$42.95 top rate for GM workers. Top pay for skilled trades journeymen will increase this year to \$38.16 compared to the current GM top rate of \$42.52.

If these are the “highlights” of the agreement, one can

only imagine the concessions hidden in the full text of the deal. Ominously Josh Ayers, the UAW Local 1112 shop chairman who helped negotiate the contract, spoke of the agreement containing “language specifically tailored for Ultium Cells in Warren, Ohio.”

The UAW press release omits any mention of a cost-of-living allowance (COLA). Further, the three-year term of the agreement appears to mean that the contract expiration does not coincide with the national UAW-GM agreement, effectively separating Ultium Cells workers from the rest of GM, something the UAW claimed it had eliminated.

Further, the UAW omits any mention of the exhausting and dangerous 12-hour work schedules that Ultium workers have been subjected to, only stating that time-and-a-half pay will be required after 10 hours. Nor do they state that temps and tiers have been eliminated or that any limits have been placed on the use of lower-paid outside contract workers.

Ultium Cells workers should mobilize to defeat this deal and fight for a contract that meets their needs. This betrayal of battery plant workers poses the need for workers at Ultium Cells to take matters into their own hands by building a rank-and-file committee independent of the UAW apparatus and under the democratic control of rank-and-file workers. Ultium Cells workers should reach out to workers at GM and other workers at the Big Three to fight for a 40 percent wage increase, full pensions, cost-of-living protection and an end to all temp work and tiers.

While workers at Ultium voted in December 2022 to affiliate with the UAW, safety conditions do not appear to have improved. Last October, the US Department of Labor reported that investigators found 19 serious safety violations in a two-week period in 2023. The Occupational Safety and Health Administration (OSHA)

has proposed a fine of \$270,091 for the violations, which included failure to install guards on machines or proper training for workers on control of hazardous materials, and failure to provide eyewash stations, showers or other vital resources for the safe handling of highly volatile and toxic substances.

In one incident in August 2023, a pipeline carrying a highly toxic mix of chemicals, or slurry, ruptured, pouring the dangerous substance onto the floor and around equipment in the mixing area of the plant.

The slurry contained n-Methylpyrrolidone (NMP), a toxin that the US Environmental Protection Agency (EPA) classifies as an “unreasonable risk” to human health. The EPA does not list a safe level of exposure to the chemical. While OSHA investigated the incident, it is not clear if a citation was issued.

The proposed contract sets a low-wage standard for other Ultium Cells battery plants, including one recently opened in Spring Hill, Tennessee, and another in Lansing, Michigan. The UAW is also seeking to organize battery plants in Kentucky and Tennessee operated by BlueOval SK, a joint venture between Ford and South Korean SK On.

The UAW earlier had agreed to a substandard, near-poverty wage rate at a battery plant in Marshall, Michigan, that Ford is building.

The Ultium Cells tentative agreement sheds further light on Fain’s boast of winning a “just transition” to electric vehicles. In fact, this agreement sets in stone that the cost of the shift to EV production must be placed on the backs of workers with substandard pay, benefits and working conditions.

The UAW rammed through an “interim” agreement at Ultium Cells Lordstown last year, before the UAW-GM contract talks. While that contract raised wages, it left Ultium Cells workers far behind those at GM. Further, it separated the contract at Ultium Cells from the GM master contract negotiations.

In line with the national chauvinist program of the UAW bureaucracy, the union agreed last year that the Korean workforce at the plant, numbering in the hundreds, would not be covered by the agreement, driving a wedge between the US-born and Korean workers.

According to a report in the *New York Times*, the UAW says that about 200 workers from the old GM Lordstown Assembly, who had transferred to other GM plants outside the area, would soon return to Ultium Cells Lordstown. Forty will reportedly start next week and other groups of 40 in following weeks.

The UAW sanctioned the closure of the historic Lordstown Assembly Plant in the 2019 contract agreement, forced through following a 40-day strike. The closure was another heavy blow to the Mahoning Valley, already ravaged by decades of deindustrialization, including the virtual shutdown of steel production in Youngstown. The population has plummeted, along with living standards, and the area has been ravaged by the opioid epidemic.

During the 2023 national contract battle, the UAW bureaucracy cynically used the votes of the 1,400 Ultium Cells workers, along with 1,000 workers at GM Subsystems LLC, to get the UAW-GM sellout contract passed. Though they were not GM employees at the time, the UAW included these workers in the vote on the national GM contract to overcome the massive opposition of GM workers. Amid rank-and-file protests over the validity of the vote, the UAW announced in November 2023 that the national contract had passed by a narrow 53.24 to 46.76 percent margin, even though workers at seven of GM’s 11 assembly plants had voted to defeat it.

Since the passage of the deal, hailed as “historic” by Fain and President Biden, GM and the other Big Three automakers have launched a savage job and cost-cutting campaign to boost payouts to their Wall Street investors. On Tuesday, GM announced a new \$6 billion stock buyback program at the same time as executives released plans to reduce EV production and squeeze more profits from workers producing gasoline-powered models.

The *World Socialist Web Site* will publish a further analysis as more details become available.

We urge Ultium Cells workers and other autoworkers to fill out the form below to report on conditions and the reaction to the new contract. All information will remain confidential.



To contact the WSWs and the Socialist Equality Party visit:

wsws.org/contact