

UAW pushes through ratification of Detroit Axle contract based on cherry-picked “highlights”

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The United Auto Workers reported Saturday that workers at the Daimler Truck Detroit Axle plant in the Detroit suburb of Redford had voted to ratify a new contract. Few specifics of the agreement, which cover about 400 workers at the facility, have been made public at the time of this writing.

The UAW bureaucracy defied the near-unanimous strike vote by workers and extended the contract for nearly two days past the January 24 deadline before announcing it had reached a deal. It then rushed through a contract vote with workers indicating that they had only been provided the typical UAW cherry-picked “highlights” before voting. The union claimed 84 percent of those who voted ratified the deal.

The same weekend the UAW rammed through the Detroit Axle contract, the Teamsters announced a last-minute settlement and cancelled an impending strike by 18,000 Costco workers in five states. In both cases, workers had voted massively in favor of strike action but had been kept in the dark about negotiations while the union bureaucracies maneuvered to block a walkout.

Workers at the Detroit Axle plant build front and rear axles, as well as transmissions for Daimler Truck models, including Freightliner and Western Star trucks and Thomas Built school busses. According to the UAW, the top pay for Axle workers going into the contract was \$24.50, while Detroit Diesel engine workers at the facility, members of the same UAW local, received \$34.62 per hour in January 2024.

Daimler Truck is massively profitable. In 2023, Daimler Truck Holding AG reported a net profit of \$3.93 billion. That was an increase of 42 percent from the previous year. The company made \$2.35 billion in

the first three quarters of 2024. Daimler previously announced a \$285 million investment at the Redford facility, which houses both engine and axle manufacturing operations. For this it received \$30 million in tax abatements and subsidies from the state of Michigan.

In its official statement, the UAW claimed,

The agreement secures profit-sharing and Cost-of-Living (COLA) benefits for the first time at Detroit Axle. Additionally, the agreement will raise wages for some workers by as much as 50 percent through the life of the agreement.

The final agreement was the product of a backroom deal in which the UAW rode roughshod over a 99 percent strike authorization vote by the membership. The extension evoked considerable rank-and-file anger. As one worker told the WSWS, “What was the point in us voting on a strike if they were just going to extend it?”

Fueling workers’ anger was the gross disparity in pay between Detroit Axle workers and Detroit Diesel workers under the same roof at the Detroit Manufacturing Plant. There was uncertainty whether the 1,500 Detroit Diesel workers at the complex would be called out to honor the picket lines of Axle workers, let alone any pledge by the UAW to mobilize Daimler Truck workers across the US and globally.

A statement issued by the Network of Autoworkers Rank-and-File Committees before the strike vote called for an immediate \$10 pay increase and COLA to make

up for lost wages due to inflation and to equalize pay with Detroit Diesel workers. The committee also called for the ending of tiers, restoration of company-paid pensions, as well as for rank-and-file control over line speeds and job safety.

Even according to the limited “highlights” made available by the union, none of these demands was met. Tiers remain, only with a slightly increased wage progression. Rather than a defined benefit pension, there is only a small increase in the company match for an inferior 401(k) plan. The highlights only speak of a \$12.90 increase in the top wage progression over the life of the contract. There is no mention of the upfront wage increase or of achieving full parity with Detroit Diesel workers. The details of the cost of living and profit sharing contained in the new contract are not spelled out. It should be pointed out that the cost-of-living protection supposedly achieved in the 2023 Big Three contract at GM, Ford and Stellantis only provides pennies on the dollar for rises in the Consumer Price Index.

Pay rates at Daimler Truck Detroit Manufacturing Plant still lag behind even the terms of the sellout 2023 national auto contract and the similar Daimler Truck national agreement ratified in May 2024. Those contracts provided a 25 percent pay increase over four years that hardly compensated for inflation, let alone put workers ahead. The auto contract left in place the tier system and the widespread use of temp workers. In the wake of the contract ratification, the Detroit-based auto companies carried out a mass purge of temp workers, who had falsely been promised promotion to full-time jobs if they voted “yes” on the deal.

The sellout of the Detroit Axle workers underscores again the right wing and pro-corporate character of the UAW apparatus. It follows the shutting down of the UAW’s phony “Keep the Promise” campaign ostensibly aimed against the wave of job cuts by Stellantis. The union called off the campaign, which resulted in no actual strikes, following the resignation of Stellantis CEO Carlos Tavares. While Stellantis now claims it will reopen the shuttered Belvidere Assembly Plant in 2027 and will pause further layoffs, it has not agreed to recall any of the thousands of laid off workers.

In fact, the union bureaucracy is absolutely hostile to and incapable of waging the kind of international fight

needed to defeat transnational companies like Daimler Truck. This is shown by UAW President Shawn Fain’s statement Sunday supporting the Trump administration’s trade war policies and, in particular, the slapping of massive tariffs on goods from neighboring Mexico and Canada.

In addition to being irrational and destructive from an economic standpoint, Fain’s support for trade war pits American workers against their class brothers and sisters in Canada and Mexico and reinforces the divide-and-rule strategy of the corporations.

The nationalist program of the UAW has led to one disaster after another for workers. The Buy American campaigns have not saved a single job. In fact, the UAW has presided over the elimination of hundreds of thousands of jobs and the decimation of cities like Detroit and Flint in Michigan and Dayton, Ohio. At the same time, the wages and benefits of the remaining autoworkers have been decimated.

Fain’s cynical attempt to separate Trump’s nationalist agenda from his war on immigrants is false. The stoking of nationalist hatred against foreign workers by the UAW reinforces Trump’s fascist agitation against immigrant workers and every other form of backwardness. Both are aimed at dividing the working class and undermining its ability to resist the massive attacks on jobs and living standards that are coming.

Workers can only wage a successful fight against the transnational corporations like Daimler Truck by uniting with their class brothers and sisters in Germany, Mexico and around the world in a common fight to defend the jobs, wages and working conditions of all workers. This means joining and fighting to expand the work of the International Workers Alliance of Rank-and-File Committees (IWA-RFC).



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