

# 9 lies in the UAW contract “highlights” for Indianapolis Rolls-Royce workers

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*Rolls-Royce worker? Fill out the form at the end of this article to build a rank-and-file committee to defeat this sellout.*

With a ratification vote on a new five-year labor agreement scheduled for Wednesday, rank-and-file Rolls-Royce aircraft engine workers in Indianapolis, Indiana are challenging the claims by United Auto Workers officials that they won the “best contract in 25 years.” UAW President Shawn Fain announced a last-minute deal on February 26 and called off a strike by 800 workers who, two weeks earlier, voted to authorize a walkout by 99.5 percent.

The 20-page “highlighter” booklet distributed to workers by UAW Local 933 officials claims negotiators for the British multinational aerospace and defense company had resisted demands for a fair contract for months but suddenly capitulated after Fain entered the talks, agreeing to “all the Union’s major demands,” according to John Snow, UAW Local 933 Rolls-Royce Chairman.

These include “a double-digit General Wage Increase (GWI) and a pension increase exceeding any in the past 25 years,” Snow claims, and “the end of tiered wages, a long-overdue COLA roll-in, and an industry-leading COLA formula for all.”

Such statements only reveal the contempt the UAW bureaucrats and their PR department have for the intelligence of the rank and file. After years of packaging UAW-backed concessions as great wins, workers know how this movie will end.

“I’m voting no,” a veteran worker told the *World Socialist Web Site*. “It’s literally just a fix for what they broke in the past contract. We didn’t really gain anything over what we should have never lost. I predict once all is said and done, if it passes, you will see 4th tier get laid off, and they will bring them back as legacy workers retire. If they do that, the company isn’t giving anything.

“Yeah, they say ‘end the tiers’ but I bet these guys get laid off, most of them only have one year call back rights. They did the same crap a couple contracts back, after they said they had won all this stuff. Then the company laid off over 200 people. I didn’t see any language at all that guarantees no layoffs during the life of the contract. Which you would think would be a major point.”

Indeed, Rolls-Royce is conducting a \$400 million restructuring of its Indianapolis manufacturing complex, dubbed Project Condor. According to *Indianapolis Business Journal*, “Project Condor included a reduction of approximately 300 jobs, primarily in the maintenance department, as building and equipment upgrades reduced the need for maintenance workers.” This the UAW bureaucracy conveniently leaves out.

The first “informational meeting” being held by UAW Local 933 officials will be on Wednesday, the same day workers are being told to vote on the deal. This contract dictates the terms of workers’ lives until February 26, 2030, a five-year period sure to be filled with economic turmoil, rising inflation and a possible recession.

Before voting, they must carefully review the full contract and demand more time to discuss the agreement rather than relying solely on the highlights document, which omits or downplays concessions in the actual labor agreement.

A comparison of the self-serving “highlights” and the actual contract language contained in the 100-page agreement, known as the White Book, reveals at least nine major discrepancies.

## **1. Claim: Wage tiers are eliminated and all workers will earn at least \$40 an hour by the end of the five-year agreement**

- The language in the full agreement indicates that tier elimination will not be immediate. Instead, there is a progression system over five years, meaning newer workers will still be on a different wage scale until the contract nears expiration.

- A 3-year new hire wage progression is outlined, where wages gradually increase (70%, 80%, 90% of legacy rate).

- Tier 4 workers do not immediately reach full wages, contrary to what was suggested in the highlights document.

## **2. Claim: Double-digit general wage increases (GWI) across tiers, with specific raises for Tier 4**

- According to the full agreement: General Wage Increases (GWIs) are not uniform across all roles

- Production Support employees do not receive GWIs but instead receive lump sum payments of \$2,000 per year.

- The profit-sharing model follows a formula but retains discretionary company bonuses that can impact actual earnings.

- Some wage increases are front-loaded, meaning the largest raises occur early in the contract, with smaller raises in later years.

## **3. Claim: Cost-of-Living Adjustments (COLA) is secured and rolled into wages**

- According to the full agreement: COLA is restored, but for some workers, it is phased in over time rather than immediate.

- A five-cent deduction from COLA occurs at the end of the agreement to set a base for future COLA calculations.

## **4. Claim: Pension increased to \$65.00 per credited year of service, supplemental benefits raised**

- According to the full agreement: Pension increases are effective only from February 27, 2025, and do not retroactively adjust

previous service years.

- The 401(k) company match increases from 5 percent to 7 percent, but there is no automatic increase for previous contributions.

- Medicare supplement reimbursement increased, but only slightly (from \$1,300 to \$1,500 per year for individuals).

#### **5. Claim: The new profit-sharing model prevents company from manipulating the formula**

According to the full agreement: The profit-sharing formula is tied to Rolls-Royce's Underlying Operating Margin for the Defense Division, meaning payouts depend on corporate financial reports.

- The company still retains discretion over other forms of bonuses.

- There are no guarantees on minimum payouts, only that the formula will be used for calculations.

- The highlights document omits that if Rolls-Royce stops publicly reporting financials, the union must request internal reports, creating potential delays or disputes over payouts.

#### **6. Claim: New apprenticeship programs and expanded skilled trades classifications**

- According to the full agreement: There is a limit of 30 new apprentices and 5-10 additional journeypersons, which may not meet overall demand for skilled trades growth.

- Some skilled trades employees will not receive GWIs, instead receiving lump sum payments.

- The contract does not fully specify how new classifications will be implemented, leaving some details to management's discretion.

#### **7. Claim: Job security clauses protect against layoffs plant closures**

- In fact, in the full agreement: There are no explicit guarantees against layoffs or facility closures.

- Job security protections are vague, mostly stating that the company will "work with the union" in case of restructuring.

- The contract does not include a strict commitment to keeping all current positions, leaving room for potential downsizing.

#### **8. Claim: Improved healthcare and pension benefits**

According to the full agreement: Tier 4 workers are moved to a different healthcare plan, aligning them with employees hired after 2006.

- The company's 401(k) match does increase to 7 percent, but there are no retroactive adjustments for previous contributions.

- Healthcare benefits remain largely unchanged for most workers, with only minor increases in subsidies for Medicare supplemental insurance.

#### **9. Claim: Two new weeks of paid maternity and paternity leave for birth or adoption**

According to the full agreement: Workers must have at least one year of service to qualify.

- The leave applies to one event per year, even if both parents work for Rolls-Royce.

- There is no additional paid sick leave expansion beyond existing policies.

This summary makes it clear Shawn Fain, the Local 933

Bargaining Committee and the rest of the UAW bureaucracy are trying to sell workers a pack of lies. "This is not as Shawn Fain said a 'historic contract,'" one veteran workers who is voting "no" told the WSWs.

Another pointed to the mass job cuts at the Big Three automakers after Fain & Co. claimed the UAW had won a "life-changing" agreement for 150,000 GM, Ford and Stellantis workers in 2023. Two weeks ago, it was announced that Stellantis workers would see a 73 percent cut in their profit-sharing checks.

"In 2023, at Black Lake [the UAW-owned "training center" and country club] they were bragging about the contract they got at Stellantis and other companies. But now the workers think they were sold out with facilities closing and mass layoffs. It kind of freaks me out here, of what could happen. I don't think they went above and beyond. It does make me wonder what Fain has going on behind the scenes."

Indeed, the chief concern of Fain and the UAW bureaucracy is preventing a strike at Rolls-Royce, which could disrupt the US military machine and interfere with his cozying up to Trump, just as he did to Biden.

At Wednesday's informational meeting, rank-and-file Rolls-Royce workers should overturn the decision to ram through this contract without sufficient time to study and discuss the contract. Any contract brought to a vote should be overwhelmingly rejected based on these grounds alone.

At the same time, a committee of trusted militants should ensure the integrity of the vote and ballot counting and make sure there is no manipulation and fraud by UAW International and local officials.

The fact that this sellout deal was brought back at all underscores the need to form a rank-and-file committee of Rolls-Royce workers to prepare strike action and unite with Detroit Three autoworkers and other sections of workers, in the US, Canada, Mexico, Europe and Asia, to defend the right to secure and good-paying jobs for all.

*Fill out the form below to join the movement for rank-and-file power.*



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