

Opposition mounts to 4th UAW-backed contract at Nexteer: “They haven't changed anything”

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The International Workers Alliance of Rank-and-File Committees (IWA-RFC) is hosting an online meeting Sunday, June 7 at 4pm (EDT): “Break the isolation of the American Axle strike! Unite with Nexteer and all auto workers!” To attend the meeting register at this link.

After Nexteer Automotive workers rejected three consecutive sellout contracts, The United Auto Workers bureaucracy is trying once again to force a pro-company deal on the 1,700 workers at the company’s Saginaw, Michigan plant.

An comparison by the WSWs between the fourth tentative agreement (TA-4), dated June 1, 2026, and the third (TA-3) which workers overwhelmingly rejected on May 28–29, reveals the two documents to be virtually identical. The wage structure—the central issue workers have fought over—is entirely unchanged.

The only real difference between the two contracts is a \$500 increase in the signing bonus, from \$2,500 to \$3,000. There are also some minor adjustments to medical premiums for workers hired after May 24, 2021—reductions of roughly \$6 to \$15 per week depending on coverage tier—and two new memoranda of understanding (MOU) establishing a profit-sharing program and a contingency cost-of-living adjustment. As workers themselves make clear, these cosmetic additions are designed to manufacture the appearance of a new deal where none exists.

Like previous TAs, the latest proposal does not include any protection against layoffs, under conditions in which as many as 300 to 400 workers face job elimination over the next years through automation and consolidation. In the most cynical fashion, union officials are using the first year wage increase and the signing bonus to get “yes” votes from the lowest paid workers knowing they would be the first ones to lose their jobs after ratification.

The Nexteer Workers Rank-and-File Committee urges workers to reject TA-4 as decisively as they rejected the three contracts before it. They should demand a full week to study the complete contract language before any vote is held—and refuse to cast that vote inside the plant, under management supervision. The campaign to defeat the contract must be combined with expanding the rank-and-file committee and transferring authority from the discredited Local 699 Bargaining Committee to the workers on the shop floor.

The only way workers can enforce their 86 percent strike vote

and use their collective power against Nexteer is if they take matters into their own hands. A walkout at Nexteer would immensely strengthen the 1,000 American Axle workers on strike since Monday, and encourage a unified struggle by all parts workers to reverse decades of UAW-backed concessions.

“People are saying they haven’t changed anything,” a member of the Nexteer Rank-and-File Committee told the WSWs. “Adding the new hires right away on dental and vision was in the union’s highlights. I remember when [current Bargaining Chairman] Carl McKee was our benefit rep, he suggested that, and the company agreed to it four or five years ago, and it never happened.

“But it doesn’t cost anything to add people on for dental and vision. It’s cheap. They’re trying to sweeten up a pile of poop by adding sugar to it and get the lowest paid workers to vote for it. From what I’m hearing, people are saying, hell no, they haven’t changed anything—and it got worse.”

Under the new deal, production workers still top out at \$27 an hour—but not until 2030, after a five-year progression. Starting pay for new hires remains at \$19.50 an hour, rising to only \$21.95 by 2030. As the WSWs reported Thursday, the \$27-an-hour top rate is the roughly the same wage workers earned in 2005 at the former GM Saginaw Steering Gear plant. Adjusted for inflation, that figure is worth \$45.65 today—meaning that under this contract, workers would still be earning 40 percent less in real terms by 2030 than they did a quarter century ago.

The two new Memoranda of Understanding (MOUs)—28 and 29—deserve scrutiny precisely because the UAW is also presenting them as significant gains. The Emergency COLA provision (MOU 28) is triggered only if year-over-year inflation as measured by the CPI-W exceeds 7.5 percent. If triggered, workers would only receive a 2 percent wage adjustment. This would not roll into base wage rates or be compounded, and it would reset each contract year. The first possible adjustment date is April 1, 2028.

The Profit Sharing Program (MOU 29) offers a base payout of \$1,000 when Saginaw Operating Income meets an unspecified threshold—easily manipulated by management and its accountants—and would rise to \$2,000 if it exceeds that threshold by 10 percent. Workers must submit at least two “Ideas in Motion” suggestions per fiscal year to qualify—a management cost-cutting tool dressed up as a benefit. Neither provision offers any

guaranteed wage increase.

The current deal, like its predecessors, does include at least 10 labor-management programs that guarantee union officials time off the line, cozy meetings with executives and a career path into Solidarity House or corporate management. Set up under the pretense of addressing workers' concerns, they are, in fact, bodies to enforce cost-cutting and speed up.

They include:

1. Plant-Level PJAC (Plant Joint Activity Committee): Holds "regularly scheduled meetings between local management and the Shop Committee" on safety, overtime, ergonomics, and other day-to-day matters funnel through PJAC first.

2. Labor-Management Relationship Committee (MOU 22): Monthly meetings between HR Director (or designee), General Managers from each Business Unit, Shop Chairperson, Local 699 President and UAW International Servicing Representative on Health & Safety, Equal Application & Civil Rights, Training/Education/Engagement and NPS & Operational Effectiveness.

3. Local Joint Health & Safety Committee (LJHSC): A joint union-management body overseeing health and safety performance across the site.

4. Plant Environmental Committee includes Plant Engineering, Operations, LJHSC representatives, and others as needed. Focuses on noise abatement, audiometric testing, and environmental compliance. Reports quarterly to the Site Safety Review Board (SSRB).

5. Subcontracting Committee: Three union members (at least one Shop Committee member) and three management members, co-chaired. Reviews future facilities/maintenance work to evaluate whether it should be brought in-house versus contracted out. In other words, the union can underbid outside contractors.

There are at least five other corporatist schemes outlined in the contract, including, **Joint Healthcare Committee** to contain costs for the company, **Joint Voluntary Overtime App Committee**, **Skilled Trades & Apprentice Committee**, **Future Work & New Technology Committee** and **Savings Distribution Program Committee**.

Joint committees will also oversee the new profit sharing and emergency COLA, ensuring that whatever promises are made will soon be scuttled.

The union's handling of the contract release has itself become a flashpoint. Local 699 officials only posted the 257-page PDF at 2:30 Thursday afternoon—nearly three days after the bargaining committee claimed it had reached a deal with management.

In a letter released at 9:41 am on Tuesday, June 2, the bargaining committee stated: "A complete PDF copy of TA 4 will be uploaded later today so that every member has the opportunity to review the agreement in its entirety before voting." That promise went by the wayside for nearly three days. As of this writing, Local 699 officials have not announced when or where the contract "rollout" meetings or the ratification vote itself will be held.

Past rollout meetings have been held inside the plant, with management given the floor to promote the deal while union officials maintained a complicit silence. There are widespread

suspicions that the union intends to hold the ratification vote inside the factory as well—which would be a transparent attempt to use corporate surveillance and peer pressure to reverse three previous rejections.

A second RFC member explained the bureaucracy's calculation: "The International is really pushing this. [UAW Region 1D Director Steve] Dawes thinks the reason it failed was because 500–600 workers did not vote on the last TA. They want the vote in the plant, not at the hall like they normally do, to get more workers to vote. But the ones who failed to vote are fed up with the way the bargaining is going. They don't see anything better, so they're just going to sit by and let it go. If the bargaining committee tries to strong-arm people into voting, that's just going to turn more people off. They're already thinking the union is working for the company—and why should I vote for something that's going to keep me in poverty for another five years?"

The revolt of the Nexteer workers is part of a broader movement of auto parts workers seeking to overturn decades of UAW-backed concessions. Less than 200 miles from Saginaw, 1,000 American Axle workers at Three Rivers, Michigan, backed by a 98 percent strike authorization, walked out Monday in the first strike at that company since 2008. Workers at Detroit-based Bridgewater Interiors also rejected a UAW-backed contract and there is widespread opposition to another sellout deal at Dana.

A combined strike by Nexteer and American Axle workers could halt assembly lines within days—precisely why the UAW apparatus is working night and day to prevent it. The rank-and-file committee member noted: "If we were out with the American Axle workers, we would not only squeeze our two companies but also the Big Three. But the International is keeping us from striking."

The fight at Nexteer is inseparable from the fight at American Axle, Dana, Bridgewater and auto parts plants across the country. The power to win lies in the unified action of workers across the industry, organized through rank-and-file committees independent of a bureaucracy that has spent four decades colluding with management to impoverish them.

Contact the Nexteer Workers Rank-and-File Committee at nexteerworkersrfc@gmail.com or text (947) 622-2198.



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