

# Dana, Magna workers face critical contract fights, as UAW seeks to extend pattern of betrayals

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*Are you a Dana or Magna Seating worker? Fill out the form at the end of this article to tell us what you think about the contract struggle. Any information you provide will be kept anonymous.*

In the wake of the United Auto Workers-engineered sellouts at American Axle, Nexteer and Bridgewater Interiors, thousands of auto parts workers at Dana and Magna Seating face continuing contract struggles over low pay and intolerable working conditions.

Contract talks for the master wage agreement covering US Dana workers are set to resume July 7 in Cincinnati, Ohio. The Dana master contract covers more than 4,000 Dana workers, who are members of the United Auto Workers and the United Steelworkers, which have a coordinated bargaining agreement.

In June, Dana workers decisively rejected a tentative agreement brought back by the UAW, but the union refused to call a strike and instead agreed to extend the contract. Under the rejected agreement, the hated tier system was preserved and expanded, new-hire pay was frozen at \$20 an hour, rising to just \$25 after four years, while pay for senior workers was capped at \$28 an hour. Given Dana's high turnover, this incentivizes management to continue targeting veteran workers in order to maintain a poverty-wage workforce.

A worker from the Dana Pottstown, Pennsylvania plant told the *World Socialist Web Site*, "It was a sellout contract, and I voted no, again, with \$4 over four years with only half the members showing up to vote. The improvements were for skilled trades not production. It was a piss contract," she said, adding, "We're still on an extension."

Another Dana worker posted on Facebook, "I'm soooooo tired of the people who are supposed to be working for us, and whom we pay, acting as if we don't see the BS that they're trying to pull on us! EVERYBODY (UAW and USW Dana Members) should be pissed at this point especially how everything unfolded after we voted!"

A worker posting about the recently rejected contract wrote, "We have not received a profit share almost the whole duration of this contract minus the crumbs they threw us this year ... that ratification bonus should be made good on that.

"Low wage increases but no cost of living language—you want to force these raises on us there should be bare minimum cost of living language put in this contract to protect us from any future

events that could happen.

"They need to go back and get this straightened out. The fact people voted 'yes' to this is baffling what do you see here that would make you vote yes?"

At the same time, 900 workers at the Magna Seating plant in the Detroit enclave of Highland Park, Michigan, face a looming contract expiration. Starting pay for assemblers at the plant who build seating systems for Stellantis and other automakers is \$17.50 an hour.

Another 300 workers at Allison Off-Highway in Lafayette, Indiana, members of UAW Local 2317, voted by 89 percent to authorize a strike in May but have been kept on the job by the UAW. The plant was taken over from Dana by Allison Transmission earlier this year as part of Dana's \$2.7 billion sale of its Off-Highway division.

Auto parts workers are battling not only ruthless transnational corporations but also the UAW apparatus, which has colluded with management to impose contracts that fail to end the oppressive conditions in the auto parts industry, including low wages, overwork and unsafe working conditions.

At Nexteer, the UAW forced workers to vote four times before pushing through a four-year sellout agreement that workers had rejected three times. The fourth vote was held inside the plant under the eyes of management and amid a barrage of threats from union officials. In opposition to the UAW bureaucracy's attempts to crush opposition, workers formed the Nexteer Workers Rank-and-File Committee to counter the lies and intimidation used by both union officials and management to crush opposition. The experience demonstrated that the only way for workers to fight and win their demands is to organize independently of the pro-company union bureaucracy.

At American Axle, after 10 days on strike, the UAW rushed through a ratification vote on the eve of the union's Constitutional Convention in Detroit.

The UAW reported last week that workers at Bridgewater Interiors ratified an agreement after overwhelmingly rejecting an initial contract proposal in May. The UAW engineered a snap vote without giving workers adequate time to review the full contract or discuss it among themselves. The union secured ratification by offering a \$2,000 signing bonus and front-loading wage increases for newer hires. The contract preserves the tier system, with

starting pay set at a poverty-level \$20 an hour and rising to only \$29 over a four-year progression.

Workers at the Dana Toledo Driveline plant voted by a crushing 90 percent to reject the last tentative agreement, providing the margin of defeat for the contract.

The WSWS reported on the mass firings of workers at the Toledo Dana plant in 2023. Within a matter of months, 60 to 80 workers were fired with the collusion of the UAW, most of them senior employees with clean records. With the support of the International Workers Alliance of Rank-and-File Committees (IWA-RFC), workers at the plant formed a rank-and-file committee to oppose the firings and appealed to workers at the Stellantis Toledo Jeep Complex for support.

Under the previous five-year sellout agreement imposed over widespread opposition in 2021, the starting wage at Dana was set at \$18 an hour and top pay was capped at a poverty-level \$22.50 an hour. The agreement allowed the company to implement an Alternative Work Schedule (AWS) with 10- and 12-hour days and weekend crews, effectively eliminating overtime pay for weekend work. AWS workers did not receive overtime until after 10 hours in a day.

At Magna's Highland Park plant, workers currently start at just \$17.50 an hour and top out at \$24.50 after six years. There has been a complete news blackout on negotiations by UAW Local 155, the bargaining agent for the workers. According to press reports, Magna has recently been advertising for assemblers at the Highland Park plant in the run-up to the contract expiration.

The contract battles at Dana, Magna and Allison Off-Highway are unfolding under conditions of intensifying restructuring throughout the global auto industry. Automakers and suppliers are demanding that workers pay for tariffs, slowing vehicle sales and the costly transition to electric vehicles through wage suppression, speedup and layoffs, while executives and shareholders continue to reap enormous financial rewards.

Parts suppliers are facing growing market pressures and are pressing ahead with cost-cutting. Last November, trade journal *Automotive News* reported that 20 percent of auto suppliers were in financial distress because of inflation, supply bottlenecks and higher interest rates. The impact of tariffs has made matters worse. The result has been layoffs, restructuring and intensified exploitation of workers.

According to recent Securities and Exchange Commission filings, executives at some of the world's largest auto parts suppliers enjoyed substantial pay increases in 2025 while closing plants and slashing thousands of jobs. *Crain's Detroit Business* noted, "For a sector under relentless cost pressure, it may raise eyebrows for some to see Magna International CEO's pay jump 15% to \$19.5 million or to see that Lear's CEO spent more than twice the median employee's annual pay on personal use of the company's aircraft."

*Crain's* also noted that Adient's CEO oversaw a 7 percent reduction in headcount while receiving a 40 percent pay increase to \$13 million, roughly 700 times the pay of the company's median worker.

The largest cuts came in Europe, where Bosch and ZF cut 13,000 and 14,000 jobs, respectively. In the United States, there were at

least 23 plant closures affecting auto parts workers, including the cancellation of the BlueOval SK battery plant outside Louisville, Kentucky, eliminating 1,500 jobs.

Dana recently closed its Dana Thermal Products plant in Auburn Hills, Michigan, resulting in the loss of 200 jobs. Last year, the company also closed its Driveshaft Manufacturing plant in Lima, Ohio, eliminating another 280 positions.

While crying broke to workers when it comes to adequate pay increases, last month Dana announced a \$5.1 billion merger with Eaton Corporation's Mobility business. According to a company press release, "The combination will integrate Dana's global powertrain, thermal, and sealing technologies with Eaton Mobility's commercial vehicle transmissions, engine and emissions products, and advanced electrification capabilities, creating a more comprehensive supplier serving commercial and light vehicle markets, as well as the associated aftermarket channels."

As previously noted, Dana sold its Off-Highway division, which employed 11,000 workers worldwide and accounted for more than one-quarter of the company's sales, to Allison Transmission for \$2.7 billion. It used the proceeds to pay down debt and enrich shareholders through a \$750 million stock buyback program.

Canada-based Magna has also been engaged in restructuring and cost-cutting but remains highly profitable, reporting net income of \$829 million in 2025 on sales of \$42 billion. Magna CEO Swamy Kotagiri received \$19.5 million in executive compensation in 2025, an increase of \$2.5 million over the previous year. Magna employs approximately 24,000 workers in the United States, with a significant concentration in Michigan and other Midwestern states.

To prevent having their struggles betrayed, workers at Dana, Magna and Allison Off-Highway must take matters into their own hands by forming rank-and-file committees independent of the UAW bureaucracy. The outcome of these struggles will have implications far beyond the individual companies, setting a precedent for thousands of workers throughout the industry.



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