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Car industry

# GM Workers Need More Than a Decent Contract

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## **Description:**

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**The GM workers out on strike have been hit with concessions for years. They need more than a decent contract they need a transformational agreement that puts workers' rights before GM's profits.**

On the picket lines at the Detroit-Hamtramck General Motors plant, people drop by to bring doughnuts, coffee, and pizzas. Bernie Sanders's supporters swelled the mid-morning picketing earlier this week, joining strikers from GM plants as far away as Toledo and Flint to meet up with Sanders. Alongside Ford and Chrysler workers were contingents from Wayne State University and the Metro Detroit DSA.

In brief remarks, Sanders thanked strikers for standing up to a corporation that pays its CEO \$22 million but which immediately dropped workers' health care benefits when they walked out. (After being shamed by Sanders and others, GM backtracked Thursday and reinstated workers' health insurance.) [1]

The strike is nearing the end of its second week, with GM and the nearly fifty thousand workers sprawled across several states and represented by the United Automobile Workers (UAW) still very much at odds. The fundamental conflict: GM's unceasing drive to shave labor costs and strikers' insistence that past concessions be reversed. [2]

Workers find the company's initial offer of 2 percent wage increases in two of the four years of the proposed contract insulting. And they're even more incensed by GM's various schemes to slice up the workforce into different tiers. Long-term temporary workers, for instance, perform the same jobs but have no protection. One Ford worker, Eric Truss, printed and distributed T-shirts with the message "Temps lives matter."

The UAW, a product of the mass strikes of the 1930s, was organized as an industrial union with autoworkers of all types who basically made the same wage. [3] But in 2007, following years of concessions, the union negotiators accepted another giveback: tiered wages and benefits. The logic was that the concessions would provide workers a modicum of stability. The actual upshot: UAW members are no longer all in the same boat.

For production workers hired before 2007, the hourly wage is \$31, including benefits like health care (with a 3 percent contribution). Those hired after 2007 are on a lower tier, where they will never reach the same wages and benefits as the so-called traditional worker. During the last contract negotiations, workers rejected the first deal because it failed to eliminate the two-tier system. The second version, which barely passed, built an eight-year bridge to bring the top two-tier wage to \$28. (GM refers to these workers as "in progression.")

From the company's point of view, the way to bring down labor costs is to keep cost-of-living adjustments (COLA) off the negotiating table and continue carving up the workforce into tiers. In addition to the second-tier workers, GM likes using temporary workers because they are paid \$15 to \$19 an hour; never gain seniority, benefits, or job protection; are forced to work overtime; and receive three unpaid vacation days a year. The company would like to expand their temp pool doubling or tripling the 7 percent it is now so they have maximum flexibility to select their workforce.

The temporary workers of which there are about four thousand hope to be made permanent this time around. If not, many will be unwilling to spend the next four years in limbo. GM management must believe that even in this low-unemployment economy, there are others willing to hire in as temps.

But using temps is only one of GM's tools. It is perfectly willing to outsource more of its work *inside* the plant. In some

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local contract agreements, jobs have already been given to third-party companies that pay workers significantly less than even "in progression" workers. At GM's Michigan and Ohio plants, the 850 janitors employed by Aramark make \$11 to \$15 an hour and have bare-bones health care benefits. Although they are still UAW members, they have much less leverage than when they were in the larger bargaining unit and made only pennies less than production workers.

Another GM tactic is negotiating lower-tiered wages and benefits at certain plants. GM's offer just before the strike included reopening its Lordstown, Ohio plant or a section of it to battery production. The wages and benefits, however, would be similar to nonunionized auto parts suppliers.

On the other end of the spectrum, skilled trades workers who make about \$5 an hour more than production workers and were always a small proportion of the total workforce have seen their jobs decimated by GM's efforts to merge classifications into jack-of-all-trades work. While most factory jobs can be dangerous, these workers are most likely to be seriously injured or die as they repair faulty equipment.

UAW's negotiating strategy hasn't inspired confidence that any of this will change. For now, negotiators are attempting to hammer out a deal that stays within GM's budget a fundamentally conservative approach that risks producing a tentative agreement strikers do not want and may vote down.

Meanwhile, a group of autoworkers and community activists in Oshawa, Ontario, the site of the fifth North American GM plant slated to close, has developed a different approach. They're proposing keeping the historic plant open by retooling it to produce battery-electric vehicles. The plan, put forward by Green Jobs Oshawa, would maintain the current level of employment and manufacture vehicles that significantly reduce CO2 emissions.

Unfortunately, Unifor, the union that represents Canadian workers, seems uninterested. The assembly plant currently employs 2,200 workers and is tied to roughly ten thousand supplier jobs; the union appears willing to accept GM's offer of three hundred stamping and parts jobs.

That would be a fatal case of shortsightedness. In the absence of bold pro-worker plans, corporations will continue to whittle down labor costs and intensify the workday. As one former labor negotiator for Fiat Chrysler recently remarked, GM will at some point call a halt to the negotiations and settle: "The UAW will win the battle," he predicted. "But they'll lose the war because GM will cut costs in different ways, and it may mean re-sourcing production over time and using less labor in the process." [4]

[Jacobin](#)

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[1] <https://eu.freep.com/story/money/cars/general-motors/2019/09/26/gm-strike-update-health-care/3774495002/>.

[2] <https://jacobinmag.com/2019/09/strike-united-auto-workers-general-motors>.

[3] <https://jacobinmag.com/2017/10/flint-sit-down-strike-anniversary-autoworkers>

[4] <https://eu.freep.com/story/money/cars/general-motors/2019/09/25/gm-uaw-strike-update-why-so-long-bernie-sanders/2434259001/>.