

UAW threatens workers with starvation strike pay as contract deadline at GM, Ford and Fiat Chrysler looms

By Tom Hall
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A battle is looming in the auto industry. Only two days remain until the expiration of the current contract at General Motors, Ford and Fiat Chrysler.

The auto companies are seeking to make their workforce bear the brunt of any downturn through major cuts. GM, chosen by the United Auto Workers as the “target” company, wants to reduce its labor costs and expand the percentage of temporary workers to bring it in line with Ford and Fiat Chrysler.

A particular aim of the auto companies is to further reduce health care costs. The *Detroit News* wrote on Wednesday, “Because it affects workers’ families and comes into play at times of crisis, health insurance is a ‘go-to-war’ point of contention between auto workers and their employers, said Kristin Dzikczek, vice president of industry, labor and economics at Ann Arbor’s Center for Automotive Research.” On the other hand, autoworkers, whose real wages have declined 16 percent since 2010, are determined to claw back everything that they have lost. Workers voted last month nearly unanimously to authorize strike action when the contracts expire.

While workers are discussing and preparing for strike action, the UAW, which forced through concessions for years in exchange for company bribes, is doing everything it can to sabotage a struggle. If they are forced to call a strike, they will seek to wrap it up as quickly as possible before it has any significant impact on corporate profits.

This was made clear by a brochure the union is distributing in the auto plants on the UAW Strike Assistance Program. The document contains a veiled threat: if you strike, we will starve you into submission.

The brochure includes the following details:

*** Weekly benefits are \$250.00 per week**

This paltry sum, which was actually increased from \$200 in March, is totally inadequate for workers to survive on the picket line. It increases to \$275 per week only after January 1, 2020, three and a half months after Saturday’s contract expiration date.

But even this comes with a laundry list of eligibility requirements. As one Fiat Chrysler worker told the WSWS, “There are 22 reasons why the union won’t pay us strike benefits.”

*** Workers will not even be eligible for strike pay until the 8th day of any strike**

This gives the UAW a direct financial incentive to wrap up the strike as soon as possible to avoid paying out any strike benefits at all.

The strike fund is the workers’ own money, financed through dues payments, which were increased before 2015 supposedly to bolster the fund for a strike.

The economic desperation the UAW is seeking to take advantage of is the result of the policies of the UAW itself. A large portion of the UAW membership, nearly half at Ford alone, are second-tier or temporary part-time (TPT) workers living just above the poverty line. Many of them have little to no savings to supplement their strike pay.

If, faced with destitution, they obtain additional work during the strike to pay their bills, they will lose their strike pay if their wages are greater than their strike pay.

*** Dental, vision, hearing and sick and accident insurance are not covered by strike benefits**

While medical and prescription drugs are covered, these benefits will only be paid out “upon approval by the International President and Secretary-Treasurer,”

and even then, only after “all contractual language and other obligations have been exhausted.”

*** Workers who are unemployed or receiving sick and accident benefits are ineligible for strike pay**

According to the brochure, only workers “on the active payroll at the start of the strike” are eligible for strike pay. In other words, workers who are forced to survive on workers’ compensation or unemployment benefits will receive nothing.

In addition, workers who are eligible for government assistance, such as food stamps or (in certain states) unemployment benefits during the strike, are required to apply in order to remain eligible for strike benefits. Strikers who obtain unemployment benefits in excess of \$250 per month lose their eligibility for strike pay.

One particularly odious passage states that “members who are denied unemployment compensation because of the strike shall be paid benefits in the form of a loan, which must be repaid to the strike fund immediately upon receipt of unemployment compensation. Failure to do so may result in legal action being taken.”

In other words, the union is prepared to take workers to court if they are too poor to pay back their own strike benefits. Anyone who owes strike fund loans “shall not be considered in good standing” and therefore ineligible for strike pay.

*** Only “members in good standing” are eligible for strike pay**

In other words, the many autoworkers in right-to-work states such as Michigan who, disgusted by the endemic corruption of the UAW, have legitimately decided not to pay dues, will receive no strike pay at all. Probationary and new hires are not automatically eligible for strike pay.

However, they “may become eligible” for strike assistance “only if they join the union by paying the initiation fee and current month’s dues prior to the strike taking place.”

For the UAW officialdom, limiting payouts from the strike fund is also an act of financial self-preservation. To compensate for its dwindling dues base, as a result of decades of plant closures and layoffs with which the UAW itself has collaborated, the union uses the strike fund as a slush fund to pay the bloated six-figure salaries of top bureaucrats.

Restrictions on diverting cash from the strike fund were progressively dismantled, before being removed

entirely in 2006.

Because of this and other “administrative” expenses, the value of the strike fund fell from \$1 billion in 2001 to \$600 million in 2015. While it has partially recovered to \$760 million, the fact remains that the UAW has a direct financial incentive to prevent strikes.

In order to mount an effective struggle, workers must take the conduct of the fight out of the hands of the UAW through the establishment of rank-and-file factory committees in every plant. The massive corruption scandal that has engulfed the UAW on the eve of the contract struggle has only demonstrated what workers already know—that the UAW is a bribed tool of corporate management.

Factory committees must demand that the massive strike fund be placed at the disposal of the striking workers.

Strike benefits must be tripled, from \$250 to at least \$750 per week, with benefits guaranteed to the entire workforce, regardless of official “standing.” All of workers’ healthcare benefits must be continued through the strike fund.

Such an action would prove to the companies that autoworkers are prepared for a protracted battle.

These measures can be paid for through the resources funneled into the pockets of the union bureaucracy. Their six-figure salaries, as well as all other “administrative” expenses diverted from the strike fund, should be eliminated, and their wages reduced to the level of strike pay for workers.

The joint company-UAW training centers, notorious as conduits of corporate bribery and corruption, should be immediately closed down and sold off, with the proceeds going to strike benefits.

Today, September 12 at 7:00 p.m. Eastern Time, the WSWS Autoworker Newsletter is hosting an online meeting to discuss the strategy and perspective needed to organize autoworkers against the conspiracy of the corporations and the United Auto Workers. To participate, visit www.wsws.org/autocall.

To contact the WSWS and the
Socialist Equality Party visit:

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