

3 More UAW Locals Reject Chrysler Deal

Oct 20, 11:36 PM (ET)

By TOM KRISHER

DETROIT (AP) - Workers at three more United Auto Workers locals have rejected a tentative contract agreement between the union and Chrysler LLC, casting doubt on whether the deal will be ratified.

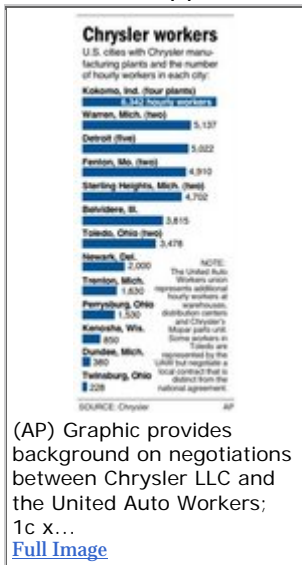
Members at locals in Missouri, Ohio and Delaware voted against the deal Friday and Saturday even as union leaders from Detroit spent the later part of the week lobbying for yes votes.

The contract failed Saturday at Local 110 in Fenton, Mo., one of Chrysler's largest, with 2,781 hourly workers at the South Assembly Plant. The vote was surprising because the plant makes Chrysler Town and Country and Dodge Caravan minivans, which are brand new for 2008 and expected to be top sellers, providing job security for several years.

A recording at the Local 110 union hall said Saturday that 66 percent of skilled trades workers voted against the contract, while 79 percent of non-skilled workers opposed it. It didn't give the number of workers that voted.



(AP) United Auto Workers members leave a union technical training facility after voting on a tentative...
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(AP) Graphic provides background on negotiations between Chrysler LLC and the United Auto Workers; 1c x...
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Although final totals from the 45,000 workers voting on the pact won't be made known until next week, the size and locations of the locals voting no are not good signs for leaders in Detroit, said Harley Shaiken, a professor at the University of California at Berkeley who specializes in labor issues.

"The early results are abysmal," Shaiken said. "Members have sent a message of considerable unrest."

Dissident union members have used the Internet to voice opposition to the pact, and the UAW's national Chrysler negotiating chairman, Bill Parker, president of a local in suburban Detroit's Sterling Heights, has come out against it.

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If the contract is rejected by UAW members, it would be the first time in at least two decades that has happened, Shaiken said.

The agreement was reached Oct. 10 after a six-hour strike, the same day the union announced that General Motors Corp. (GM) workers had approved a similar contract. If Chrysler workers vote it down, negotiators must go back to the bargaining table.

The UAW said negotiators were able to fend off the company's demand for wage cuts of \$1.01 per hour and

cost-of-living adjustment delays, according to a booklet summarizing the deal. They also saved about 1,500 jobs at the Toledo, Ohio, machining plant, which was slated to close.

But 14 of 21 factories listed in the booklet have no future products to make after the current product life cycle or the life of the new contract. Seven were to get future products.

The deal also includes a lower-tier wage scale for newly hired "noncore" employees who do not build vehicles or manufacture parts. The lower tier starts around \$14 per hour but does not affect the pay of current workers doing noncore jobs. It also gives workers a \$3,000 signing bonuses and lump sum payments of 3 or 4 percent in the remaining years.

Like the GM deal, the union won a moratorium on plant closing and outsourcing. The outsourcing ban on noncore work will keep 8,000 jobs, the booklet said.

Richard McDonaugh Jr., president of Local 1183 at Chrysler's Newark, Del., assembly plant, said Saturday that the contract failed at his local by a vote a 54 percent to 46 percent. The local represents 1,100 hourly UAW members.

McDonaugh, who favors the contract, said the vote was better than expected because the Newark plant is slated to be closed by the company. He was appalled at locals voting down the agreement at plants with future product guarantees and accused dissidents of spreading misinformation.

Many "noncore" workers at his plant thought their pay would be cut in half to around \$14 per hour under the new contract, but McDonaugh said that isn't true.

"The language states, no current seniority worker will be assigned entry-level wages even if they are classified in non-core jobs," McDonaugh said. "They will be on the fork trucks, handling the material and working in the tool stores until they retire, quit or die," he said.

Parker wrote an undated "minority report" letter that urged the union's Chrysler Council to reject the agreement and return to the bargaining table.

The council, made up of presidents and other local officials from across the country, approved the deal on a voice vote Monday at a meeting in Detroit.

Parker's letter says the deal's lower tier wage scale for some entry-level employees would create divisions within the union. It also says the Chrysler deal fell short of one that General Motors Corp. workers agreed to this month, including a failure to guarantee vehicle commitments to many plants beyond current products.

Messages were left with UAW spokesman Roger Kerson in Detroit.

Another local, 122, which represents 1,515 workers at the Twinsburg, Ohio, stamping plant, voted against the contract, local president Charles Spencer told the Detroit Free Press. He said 53 percent of the votes were against the deal.

On Friday, Local 961 in Detroit rejected the contract 53.5 percent to 46.5 percent, said Ed May, local president. The local, which did not make vote totals available, represents 1,380 hourly UAW members.

Other locals were still voting Saturday, and results were not available.

The Chrysler contract suffered its first major defeat Thursday, when a local representing 2,100 workers in suburban St. Louis rejected the pact. Union officials said workers at that truck plant in Fenton also were bothered by the contract's creation of core and noncore workers.

But not everyone opposes the deal. Workers at a Chrysler engine plant in Kenosha, Wis., voted

overwhelmingly Thursday to approve the agreement. The UAW local in Kenosha represents about 800 workers.

The Detroit Free Press reported Saturday that workers at the Trenton engine plant also approved the deal, as did Local 1435, which represents workers at the Toledo, Ohio, machining plant.

Associated Press writer David Runk contributed to this report.

[Chrysler Deal Faces Tough Slog](#)

October 20th, 2007

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Chrysler Deal Faces Tough Slog by Rick Popely/The Chicago Tribune

Some locals balking at ratifying contract.

Opposition to Chrysler LLC's tentative contract with the United Auto Workers union appears to be growing among members.

While it's too early to declare the contract in trouble, the pact was resoundingly defeated Thursday at a St. Louis-area truck plant, a signal that Chrysler is likely to have a tougher time gaining approval of the deal than did General Motors Corp. Two-thirds of GM workers approved a similar contract in a vote that ended Oct. 10.

A defeat of the tentative four-year deal by Chrysler's 45,000 UAW members would be an embarrassment for UAW [President](#) Ron Gettelfinger and force the union to return to the bargaining table with the automaker, owned by private-equity firm Cerberus Capital Management.

The UAW may not get much more in a second round of negotiations because all three domestic automakers need to substantially lower their labor costs, said David Cole, chairman of the Center for Automotive Research. GM obtained such concessions in its contract, and Chrysler and Ford Motor Co. expect the same.

"There's no question that would be a big blow, but Chrysler still has to get a significantly restructured contract. They have no choice but to do this," Cole said. "If they don't, they're stuck in an untenable competitive situation, and it's going to kill them. You can't spot someone like GM a more competitive agreement and survive."

That didn't help sell the contract at Local 136 in Fenton, Mo., where 81 percent of 1,400 workers who voted opposed the contract, local union officials said Friday. Local 136 represents 2,100 workers at a plant that builds Dodge Ram pickups. The 2,900 members of Local 110 at a nearby plant that builds mini-vans were scheduled to vote Friday and Saturday.

Substantial opposition also is expected from the more than 3,000 workers at the Belvidere plant near Rockford, starting with Tom Littlejohn, the local president, who said he would not recommend workers vote for it after he heard details of the contract Monday in Detroit.

One of Littlejohn's objections was that the agreement doesn't provide permanent jobs for 600 temporary workers at the Belvidere plant, increasing the chances they will be let go soon. Littlejohn could not be reached Friday. A ratification vote hasn't been scheduled at Local 1268 because workers are on a two-week furlough that ends Monday.

The defeat in St. Louis doesn't mean the contract is doomed, said Hal Stack, director of labor studies at Wayne State University in Detroit.

"My assumption is that it will get by, but I think it's too soon to say," he said.

Because the Chrysler contract is similar to GM's, Chrysler workers have had more time to mull the impact of changes, such as two-tier wages and future health-care benefits, Stack said. The level of opposition is hard to read because workers who say they are concerned may vote for the deal because "they understand that the alternatives may not be as good."

For example, the contract was approved by 78 percent of workers Thursday at a Kenosha, Wis., engine plant, Local 72 President Dan Kirk said. Local 72 represents about 800 workers and recently was awarded production of a new family of Chrysler V-6 engines.

Invoking solidarity

Indeed, UAW leadership in Detroit this week twisted the arms of appointed local leaders charged with drumming up support among members.

Added Cole, "**The union has persuasive tools.** They play tough politics on something like this. They need to have this pass, and the sales job ultimately is done by the local leadership."

In a letter to local leaders dated Wednesday and obtained by the Tribune, UAW Vice President General Holiefield, head of the Chrysler department, said: "The international union is asking that all appointed union representatives stand in solidarity of this tentative agreement. Please acknowledge your receipt and endorsement of this tentative agreement by your signature and local union number below."

Holiefield also spent time Thursday at a Detroit assembly plant talking to workers.

The UAW hopes to wrap up the Chrysler contract next week so it can move on to negotiations with Ford. Another crucial vote is scheduled for Tuesday in Kokomo, Ind., where more than 6,000 UAW members at three Chrysler transmission plants and a metal-casting plant are grumbling about the tentative contract too.

Wage structure an issue

Chris Ryan, a member of Local 685 in Kokomo, plans to vote against the agreement because it would lower wages for new hires and shift retire health-care benefits to a union-managed trust fund financed in part by worker contributions

New hires for non-production jobs would start at \$14, half what workers currently make. Citing what happened at bankrupt parts-supplier Delphi Corp., which has an electronics plant in Kokomo, Ryan fears that will become the standard wage in the next contract.

Delphi workers agreed to a two-tier wage structure in 2004, and a new contract approved this year reduces wages for senior workers to \$18.50 an hour from more than \$28.

“The next time the contract is up, we’ll all be making less,” Ryan said, pointing out a clause that market conditions will determine how long plants stay open, meaning it provides no real job security.

“They’re not guaranteeing anything when they rely on market forces,” said Ryan, a third-generation worker at the Kokomo operations.

He hopes the lopsided vote in St. Louis is “a sign that the rank and file will stand firm on this and vote against it. Then they’ll have to go back to the negotiating table.”

Large UAW Local Votes 80 Percent To Reject

October 20th, 2007

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Large UAW Local Votes 80 Percent To Reject by Shannon Jones/The WSWS

Chrysler sellout faces strong rank-and-file opposition.

As voting begins on a new four-year contract between the United Auto Workers (UAW) and Chrysler, there is evidence of powerful rank-and-file opposition to the deal, which gives private equity firm Cerberus Capital a free hand to carve up the company and wipe out thousands of jobs.

On Thursday, workers at the St. Louis North Assembly plant rejected the contract by an 80 percent margin. The plant, which employs 2,330 workers, is Chrysler’s third largest. Chrysler employs 49,000 UAW-represented workers.

The strong “no” vote on the first day of balloting is significant. It is well known that the UAW bureaucracy attempts to line up plants to vote first where it thinks it has the strongest margin of support. The St. Louis North Assembly plant is scheduled to launch the newly designed Dodge Ram in 2009, one of only a handful of plants that are promised a new product under terms of the tentative agreement. Its sister facility, the St. Louis South Assembly plant, is threatened with closure. The UAW probably calculated this would incline workers at the North plant to approve the deal. In this case, they miscalculated.

At another smaller Chrysler facility, the Kenosha, Wisconsin, engine plant, workers voted Thursday to approve the contract. The factory has been promised Chrysler's new Phoenix V-6 engine.

The contract, patterned after the agreement with General Motors, sanctions the destruction of virtually all of the gains made by the UAW since the 1930s. It eliminates company-paid retiree health benefits and in its place establishes a multibillion-dollar Voluntary Beneficiary Association (VEBA) under the control of the UAW bureaucracy. The VEBA, which is grossly underfunded and cannot sustain existing benefit levels for retirees, will nonetheless provide the UAW with a huge new source of income.

In [exchange](#), the UAW has agreed to massive concessions, including the imposition of a two-tier wage system that will slash the pay of new hires to just \$14 an hour, a pay freeze for current workers, the scrapping of defined benefit pensions for new workers and major work rule changes.

Chrysler gave no commitment to continue operating virtually any of its 26 facilities after the 2011 contract expiration. While the UAW claims that Chrysler agreed to a moratorium on plant closures and outsourcing similar to the GM agreement, these promises are worthless. This is underscored by the announcement this week that GM plans to eliminate shifts at both its Pontiac and Detroit/Hamtramck assembly plants.

Faced with the real possibility that the rank-and-file will reject this betrayal, a number of UAW local officials have publicly opposed it.

The UAW bureaucracy is mobilizing all its resources to browbeat workers into approving the sellout, with UAW President Ron Gettelfinger and UAW Vice President General Holiefield contacting local officials in an attempt to shore up support for the sellout. Indicating the level of concern, a report in the October 19 Wall Street Journal cited a UAW official who called the level of lobbying by UAW officials "unusual" and greater than in previous contracts.

Gettelfinger and Holiefield went to Jefferson North Assembly Plant in Detroit Thursday to campaign for the contract. The UAW officials reportedly warned workers that if the contract failed, the plant would lose its second shift early next year.

On Friday, Holiefield was scheduled to visit the Newark Delaware assembly plant to pressure workers to ratify. The Newark plant is set to close in 2009. There were conflicting reports over when the contract vote would be held, with some sources saying Friday and others claiming it would be held off until Sunday.

One indication of the mounting hostility to the UAW bureaucracy were comments posted on the Wilmington News Journal's website commenting on Holiefield's visit to the Newark plant. One worker wrote, "I sure hope Holiefield doesn't plan showing up to our union hall the day we vote. He is sure to be in for a rude awakening. They must think we are blind and stupid, but we are going to show them otherwise!"

Opposition to the contract appears to have disrupted the UAW bureaucracy's plans to wrap up ratification this weekend. Voting is now set to continue through at least Wednesday.

On Friday, workers at the St Louis South Assembly Plant attended a ratification meeting on the contract. Tim Kaminski, a retired worker and former UAW committeeman from Chrysler's Fenton (South) plant, near St. Louis, provided the WSWS with the following account.

"Local 136 at Fenton (North) voted it down by 80 percent. If the ratification meeting is any indication, the sentiment to reject the contract here is overwhelming, too. The meeting was packed, and the International tried to defend the agreement with workers asking one question after another.

"James Coakley [the Administrative Assistant to Vice President, Director Chrysler Department UAW, General Holiefield] was there from the International. He tried to soft-sell the contract, telling workers they had nothing to worry about. Outside of the International, I didn't hear any favorable comments about the contract. Even the local leadership didn't want to come out in support of it.

"The main questions were about the core and non-core jobs, which will pay half as much. The International didn't want to give any straight answers. All they would say is you'll be safe on the off-the-line jobs; you don't have to worry until you retire.

"Workers asked which jobs were going to be core and which ones would be non-core. The International representative said that would be determined later by a committee set up by the union and the company. A worker said, 'I don't trust you and the company deciding.'

"The best comment I heard was from a worker who said, 'You are taking us back to the 1960s. There are no concessions from the company. Everything is coming from us.'

"The overwhelming sentiment is to vote this down. The trick is to get out the vote and make sure they don't mess with the counting of the votes. We don't trust the International.

"The union officials knew that they were outnumbered. You could see that Coakley lacked confidence. He out-and-out lied, saying Chrysler wasn't going to close the plant; you have a future product. But how does he know? He did admit that the company was going to cut out the second shift in January.

"Workers look at Cerberus as a company that is only interested in stripping and flipping the company. They are only out to eliminate jobs and do mayhem.

"The membership doesn't trust the union with our retiree benefits. Look what happened with the VEBA at Caterpillar and Detroit Diesel. A lot of us think the union officials are crooks anyway."

Another 8,000 Chrysler workers voted Friday, including 1,530 at the Detroit Axle plant, members of UAW local 961.

SEP supporters went to the Detroit Axle ratification vote Friday and distributed a leaflet calling for rejection of the sellout. The plant is scheduled to close, with a portion of the work being transferred to a new facility in Marysville, Michigan, that will only employ

900. Under terms of the tentative agreement, Detroit Axle has been designated a “Non-Core Facility,” meaning that Chrysler can bring in new hires at a starting wage of as [low](#) as \$14 an hour to fill all vacant positions.

The nervousness of the UAW bureaucracy was indicated by the reaction of local officials to the SEP leaflet. They threatened to call the police, ordering SEP supporters to move 100 feet from the entrance to the union hall, which is located on a public sidewalk.

Despite this provocation, SEP supporters received a warm response to the leaflet. One worker took the leaflet and said, “I am voting no anyway. I am tired of getting laid off. I have been laid off since last year more than 30 times. I have lost my house and everything.”

After listening to a SEP supporter explain the implications of the contract, a worker said, “Are you telling me we are going to make history twice? In other words we are going backwards.”

Workers expressed anger that the UAW bureaucracy had attempted to prevent distribution of the leaflet opposing the contract. “They pushed it on us in 2003,” one worker bitterly recalled. “No matter how you vote, they are going to push it through.

“I have a lot to say. I am already displaced from my plant in Huntsville, Alabama, in 2003. When they sold it in 2004, I came up here. I need 11 more years to retire.”

Autoworkers should organize rank-and-file committees to campaign for a rejection of the agreement and monitor the ratification vote to prevent the UAW bureaucracy from intimidating opponents of the contract and manipulating the vote tally.

Rejection of the contract is only the first step. The contract fight must be taken out of the hands of the UAW and a struggle launched to defend workers’ jobs, living standards and working conditions. A national auto strike should be launched and a campaign begun to bring out GM, Ford, Delphi, Visteon and other workers, together with an appeal to autoworkers in Canada, Latin America, Asia and Europe who are facing attacks by the same global auto giants.

The defense of workers’ conditions and rights must be developed on an entirely new basis. This means, above all, the building of a new political movement of the working class, independent of the two parties of big business, to fight for a program that starts from the needs of working people, not the profits and stock portfolios of CEOs and Wall Street speculators.

[More Locals Veto Chrysler Deal](#)

October 20th, 2007

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More Locals Veto Chrysler Deal by Eric Morath And Nathan Hurst/The Detroit News

UAW lobbies support as Detroit Axle, two other plants oppose contract.

Two more locals on Friday defeated the four-year tentative agreement between the United Auto Workers and Chrysler LLC, in the wake of a resounding “no” vote the day before at an assembly plant in Missouri.

Workers at Detroit Axle narrowly defeated the contract by a 53.5 percent margin in a vote from Local 961 that represents about 1,430 workers at the plant. Earlier Friday, workers from Local 122 at the Chrysler Twinsburg, Ohio, stamping plant voted the contract down by a 53 percent margin. The plant represents 1,150 workers.

Some 9,500 employees at six locals nationwide were to vote on the agreement Friday, including Local 372 in Trenton. Results from some locals were not available late Friday.

The vote at Detroit Axle stunned Local 961 president Ed May.

“I was totally floored,” May said Friday night following the final vote count. “For that membership to turn that down, I was appalled. To me, it was like they really don’t care. Some of the membership is confused; some were misled.”

Two workers at Detroit Axle on Lynch Street said the severity of the two-tier wage system was a key issue in the rejection.

On the first day of voting Thursday, the contract drew a split decision, but the “no” vote was the loudest. At the St. Louis North Assembly plant representing 2,100 workers, the contract was rejected by 81 percent of voters, while at an engine plant in Kenosha, Wis., with about 800 UAW workers, 82 percent OK’d the deal.

The rejection unsettled some of those voting in Trenton Friday.

“That took me by surprise and made me think a little bit more about how I’d vote,” said Dean DeMarco, who ultimately voted “yes” for the tentative agreement. “I think we could’ve gotten more, but what’s the point in fighting for it? So we can go on another strike? I’ll take what we can get.”

Two provisions of the landmark agreement are proving to be particularly troublesome for the rank and file: A two-tier wage system in which new hires in jobs not directly tied to the assembly of vehicles would be paid less; and the lack of specific product commitments for Chrysler plants.

The deal does promise up to \$15 billion in new domestic investment, offer workers a \$3,000 bonus, and creates a union-controlled trust fund to cover retiree health care costs.

Ratification of the contract requires a majority vote of some 45,000 Chrysler workers eligible to vote. Voting is expected to wrap up Wednesday.

On Friday, some workers stood firmly in support of their leadership and the agreement.

“The health benefits, retiree benefits and profit sharing are a good thing,” said Ernest Milo, shortly after he voted for the contract at Local 961. “We are just trying to hold on to our jobs.”

Still, with more contract rejections Friday, that could affect the decisions of the more than 8,800 members scheduled to vote today and Sunday, said Gary Chaison, a professor of industrial relations at Clark University in Worcester, Mass.

“You are beginning to see a groundswell against this agreement,” he said. “Opposition can be a self-perpetuating force. Once one local turns it down, others will be willing to vote ‘no.’ ”

John Hernandez, a worker at Sterling Heights Assembly Plant who will cast his ballot next week, said Friday that the Missouri vote is a wake up call for UAW leaders.

“I think the (Missouri vote) is a good thing — it’s going to shake up the international office,” he said. “They’ll think twice about what they push in our laps.”

Hernandez said he’s upset that Chrysler wouldn’t say which products are coming next to many plants, including his own, while General Motors Corp. gave specific guarantees. He also said that the two-tier wage systems would split the membership.

In an unprecedented move, top UAW leadership is lobbying the rank-and-file hard for passage. UAW President Ron Gettelfinger and UAW Vice President General Holiefield this week have been visiting workers preparing to vote. And on Wednesday, Holiefield sent a memo to local union leaders asking all appointed union representatives to sign the memo endorsing the agreement. “With teamwork in the leadership and solidarity in the ranks, we will prevail and our members will be best served,” Holiefield said in the memo.

Harley Shaiken, a labor professor at University of California-Berkeley, said while such direct lobbying is unusual, it’s not surprising given the complexity of the deal. “They’ve got to sell it not on what’s making workers angry, but on the alternatives they face. (Leadership) feels it did the best they could in a tough economic situation.”

Two New Chrysler UAW Locals Oppose Contract

October 20th, 2007

October 20, 2007

Two New Chrysler UAW Locals Oppose Contract by Tim Higgins/The Detroit Free Press

Two large locals representing Chrysler assembly plants in Delaware and Missouri are reporting that their members rejected the proposed national labor agreement.

Five union locals have now opposed the tentative agreement, which faces several more votes through the next week. Three union locals have vote to accept the deal, which needs simple majority approval from the total number of members voting to be ratified.

Local 1183, which represents about 1,500 workers at the Newark, Del., assembly plant, rejected the contract with 54% of votes against it, Richard McDonaugh, local president, said Saturday.

Local 110, which represents about 2,800 hourly workers at the Fenton, Mo., minivan assembly plant, also turned down the contract.

A message left at the local's headquarters said 66% of skilled-trade workers turned down the deal and 79% of non-skilled workers rejected it.

Chrysler workers have objected to a lack of promises about future products, something General Motors Corp. provided to the UAW in a contract that the union ratified this month. Both contracts call for the union to take over administration of retiree health benefits, which will cut U.S. automakers' cost disadvantage vs. Japanese-based competitors that are gobbling up North American market share.