

US auto workers union announces plan to strike at three plants

September 15 2023, by John BIERS



The United Auto Workers is set to announce strike actions, barring a last-minute agreement with automakers.

The head of the US auto workers late Thursday announced plans to strike at three factories beginning at midnight if there is no deal reached

in the waning remaining hours.

"Tonight, for the first time in our history, we will strike all three of the Big Three at once," United Auto Workers President Shawn Fain said in a webcast two hours before the midnight contract expiration at General Motors, Ford and Stellantis.

Fain said the union would strike at one plant at each of the three major automakers: a GM plant in Wentzville, Missouri; a Stellantis facility in Toledo, Ohio; and a Ford plant in Wayne, Michigan, but only the final assembly and paint operations.

About 12,700 workers are set to walk off the job Friday, barring a last-minute agreement.

The UAW represents about 150,000 workers in the United States, so the stoppage will at least initially be very small.

However, Fain has described the targeted strike as aimed to maximize pressure on the companies while negotiations continue.

Ford, which had complained about the UAW's slow response to its latest offer, received at 8pm a counteroffer with "unsustainable" terms.

"Ford has bargained in good faith in an effort to avoid a strike," the company said, adding that it "remains absolutely committed to reaching an agreement that rewards our employees and protects Ford's ability to invest in the future as we move through industry-wide transformation" towards electric vehicles.

General Motors and Stellantis did not immediately comment.

Earlier Thursday, General Motors upped its offer lifting its proposed

wage increase to 20 percent. The company had previously proposed an 18 percent rise, according to the UAW.

A prolonged social conflict could prove bad news for President Joe Biden's re-election campaign, as voters are already unhappy about stubborn inflation.

On Thursday evening, he spoke by telephone with Fain and the heads of major automakers to discuss the ongoing negotiations.

'Bargaining in good faith'

After a lengthy period of union defensiveness, Fain has seen the current tight labor market as an opportunity to push through major gains. The current negotiations also come as the Detroit Three remain buoyed by a period of profitability.

In his presentation Wednesday, Fain described the plan of a gradually expanding strike as aiming to keep the companies off balance and maximize the union's bargaining position.

"It is long past time to stand up for the working class, to stand up for our communities and to stand up against unchecked corporate greed," Fain said.

Fain has told local unions to be in a "state of readiness" in case their factories are enlisted in the strike, said Michael Spencer, vice president of UAW Local 1700, which represents 6,000 workers at Stellantis' Ram factory in Sterling Heights, Michigan.

Spencer and other leaders at the union are devising strike plans in which workers would do scheduled five-hour strike shifts, manning the plant's 14 entrances to create a visible UAW presence.

"At the end of the day, nobody wants to strike," said Spencer, who noted the goal is not to hurt consumers or the company.

"You are trying to shake the table up enough to get their attention," he said.

Spencer said wages have not kept up with the cost of living, which means Stellantis workers cannot afford the vehicles they make. The Ram 1500 pickup begins at between \$40,160 and \$84,355, depending on the trim level.

Other sticking points include raising pay and benefits for temporary and junior employees at lower tiers who currently make as little as \$22 per hour compared with the top rate of \$31 an hour.

The UAW's demands include a 40 percent hike in wages, which Fain has said is needed to match rises in CEO pay.

Thus far, while the "Big Three" automakers have not matched that level, they have offered double-digit increases.

Analysts have said a lengthy strike would put pressure on suppliers, who might be forced to lay off workers in a move that could slow a recovery when the strike ends.

The worst-case scenario would be a lengthy strike at all three companies, dampening consumer spending and weighing on the economy in the Great Lakes region, Canada and beyond.

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Citation: US auto workers union announces plan to strike at three plants (2023, September 15) retrieved 28 April 2024 from

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