

Ford reaches Canadian labor deal as US auto strike enters 6th day

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A preliminary deal between Ford and the Canadian auto workers union has averted a strike as a US stoppage enters its sixth day.

The Canadian auto workers union has reached a tentative agreement with

Ford, averting a strike as negotiations continued Wednesday in Detroit where US labor leaders have threatened to expand a stoppage at three major automakers.

Unifor, which represents Canadian auto workers, said late Tuesday its deal covers more than 5,600 employees at Canadian Ford facilities who were poised for a potential walkout.

The tentative agreement still must be ratified by Unifor members, but the accord contrasts the situation in the United States.

About 12,700 United Auto Workers (UAW) members are on strike at three US plants after failing to agree on a new contract with the "Big Three" automakers—Ford, General Motors and Stellantis.

But the automakers have now sent thousands of additional employees home through temporary layoffs they characterize as a ripple effect from the strikes.

GM said Wednesday it "idled" the Fairfax Assembly plant in Kansas City, Kansas following the strike at its Wentzville, Missouri facility, saying Fairfax relied on "critical stampings" from the Missouri site.

"Most" of Fairfax's 2,000 UAW members are being sent home, GM said.

"We have said repeatedly that nobody wins in a strike," GM added. "We will continue to bargain in good faith with the union to reach an agreement as quickly as possible."

Earlier Wednesday, Stellantis announced layoffs potentially involving more than 350 workers in Perrysburg, Ohio and Kokomo, Indiana due to effects of the UAW strike at its Toledo, Ohio factory.

Ford has also temporarily laid off 600 workers impacted by the strike at a Wayne, Michigan plant.

Union officials have said their goal has been a strong contract for workers and that they hoped to avoid a strike. But the stoppage has been a necessary tool to achieve a stronger package as workers struggle with elevated inflation.

Next up: ratification

In Canada, the collective agreement between Unifor and Ford expired on September 18 at 11:59 p.m. but Unifor agreed to a 24-hour extension.

"We believe that this agreement will solidify the foundations on which we will continue to bargain gains for generations of auto workers in Canada," said Unifor National President Lana Payne in a statement.

Unifor said it was withholding details about the agreement, pending ratification meetings with union members. But Payne earlier this week said Unifor was looking for substantial increases in pensions and wages.

Ford confirmed the tentative settlement but declined to discuss specifics of the proposed contract "to respect the ratification process," a company spokesman said in an email.

Payne has pursued a less confrontational strategy than UAW President Shawn Fain, who last week launched the first-ever simultaneous strike on the three major Detroit carmakers after failing to reach a deal.

The strike has reverberated across American politics, with US President Joe Biden backing worker demands and donning a red tie in solidarity with the UAW Wednesday at the United Nations General Assembly.

At an event with Brazilian leader Luiz Inacio Lula da Silva on workers' rights, Biden said, "Let me be clear, whether it's the auto workers or any other union worker, record corporation profit should mean record contracts for union workers."

Fain has warned the UAW could expand its strike beyond the three plants, if current negotiations do not yield any signs of progress by Friday morning.

The UAW is also keeping up pressure through public events, such as a practice picket near Stellantis' headquarters later Wednesday in Auburn Hills, Michigan.

A UAW source said the union received a new proposal from Stellantis on Wednesday.

Fain is seeking 40 percent wage hikes and other significant labor reforms, including the elimination of different pay tiers and the reinstatement of pensions for younger employees.

In another labor action, some 190 UAW workers at the ZF plant in Tuscaloosa, Alabama walked off the job early Wednesday morning after voting down a contract proposal from the big German-based supplier, which furnishes front and rear-axle assemblies to the Mercedes-Benz plant.

Tony Sapienza, the spokesman for ZF North America in Northville, Michigan, said in a telephone interview that ZF is trying to keep the plant in Tuscaloosa operating with salaried staff and temporary workers employed in the factory.

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