

Stellantis, striking US auto union reach tentative deal

October 29 2023, by Nicholas ROLL



UAW members and workers at Mopar Parts Center Line, a Stellantis parts distribution center in Center Line, Michigan, hold signs after walking off their jobs on September 22, 2023.

Stellantis and the striking United Auto Workers union have reached a

preliminary agreement on a new labor contract, the two sides said Saturday, allowing members to go back to work at grounded factories.

The tentative [deal](#), reached after 44 days of [strike](#) action that simultaneously targeted Detroit's "Big Three" automakers, is similar to one struck earlier this week with Ford, the union said.

"Once again, we have achieved what just weeks ago we were told was impossible," UAW President Shawn Fain said, adding that "we have begun to turn the tide in the war on the American working class."

The tentative contract includes a 25 percent raise in base wages by 2028. Cost of living adjustments will cumulatively raise the top wage by 33 percent, to over \$42 an hour, the union said.

Like the Ford deal, any preliminary [agreement](#) with European auto giant Stellantis would need to be ratified via a vote by UAW members.

But in the meantime, striking Stellantis workers, like those at Ford, "will return to work while the agreement goes through the ratification process," the UAW said.

Stellantis North America chief operating officer Mark Stewart thanked negotiating teams "who have worked tirelessly for many weeks to get to this point."

"We look forward to welcoming our 43,000 employees back to work and resuming operations to serve our customers," he said in a statement.

President Joe Biden, who became the first sitting US president to stand on a picket line when he joined UAW members in Michigan last month, hailed the agreement.

"I applaud the UAW and Stellantis for coming together after hard fought, good faith negotiations to reach a historic agreement that will guarantee workers the pay, benefits, dignity and respect they deserve," he said in a statement.

The wage increase is lower than the 40 percent sought by Fain when the union launched the strike on September 15, in the first ever simultaneous stoppage at Ford, General Motors and Stellantis.

However, it is far above the nine percent increase that Ford, for example, initially proposed in August.

Some 5,000 jobs will be added by Stellantis over the course of the contract, Fain said, a turnaround from job cuts the automaker was pursuing before the negotiations.

After reaching the tentative agreement with Ford on Wednesday, the UAW had said it would encourage employees to return to their jobs at the plants it targeted with its strike, in order to put pressure on General Motors and Stellantis.

More than 45,000 workers were on strike prior to the Ford deal, as part of a strategy where the UAW has gradually ratcheted up the number of factories targeted by stoppages as it sought better terms.

GM now remains the only automaker without a tentative deal.

Just as the UAW announced the Stellantis deal, workers at GM's Spring Hill assembly plant in the southern state of Tennessee said they were walking out.

A strike was called at GM's factory in Arlington, Texas, earlier this week.

© 2023 AFP

Citation: Stellantis, striking US auto union reach tentative deal (2023, October 29) retrieved 2 May 2024 from <https://techxplore.com/news/2023-10-stellantis-auto-union-tentative.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.