

Vote NO until we KNOW the WHOLE truth And until we beat concessions!

With the GM contract as the pattern we're in big trouble. The Chrysler contract isn't identical. But we've got only two days between the strike's end and our plant shutdown that may last until the contract vote. We need to know what to look for in a hurry. This analysis of the GM contract is from UAW Soldiers of Solidarity supporters. Please e-mail me your opinion.

--Brett Ward, member of UAW Local 1700, btalbotward@aol.com

GM Contract Analysis (You can download actual contract pages at www.soldiersofsolidarity.com)

MONEY

◆ **Base wage** -- Current COLA rolled into base wage, but no raises. Base wage frozen for 4 years.

COLA -- Most COLA raises taken away. 10 cents "diverted" from each new COLA raise. The "Highlights" estimate total 4-year COLA at 73 cents. By contrast, COLA from last contract is \$2.13, even after diversion.

Bonuses -- \$3,000 signing bonus. Performance Bonus of 3% in 2008, 4% in 2009, 3% in 2010. "Highlights" say bonuses and COLA will add up to \$13,056 over 4 years.

◆ **But what if we got raises and full COLA instead of bonuses?** The contract standard used to be 3% raise per year, plus full COLA. If workers got 3% raises and full COLA instead of bonuses, after 4 years it would add up to \$31,220. The "Highlights" estimate GM base wage and COLA at \$28.85 in 2011. If workers got raises and full COLA instead of bonuses, 2011 base wage plus COLA would be \$33.88...a \$5 an hour difference.

2-TIER WAGES

◆ **All clean-up jobs to be outsourced.** Current clean-up workers will go to production or take buy-outs.

◆ **Many jobs will become low wages jobs.**

Pay rates:	<u>Group A</u>	<u>Group B</u>	<u>Group C</u>	
Starting Wage	\$14.61	\$14.00	\$14.00	Reduced medical benefits.
Full Wage	\$16.23	\$15.30	\$14.50	No regular pension.

Low wage jobs include Material Handling, Inspection, Sub-assembly, Machining, Truck Driving and "Others". "Others" is not explained. The contract also does not say clearly what happens to workers already on those jobs.

Will most workers be stuck on the line 30 years, as almost all off-line jobs are either low wage or outsourced?
Company can hire more temporary workers in other jobs up to a year, paid at 70% of full pay with few benefits.

VEBA FOR HEALTH CARE

◆ For decades, auto companies guaranteed retiree health care. Now the only guarantee is that these benefits stay the same until January 1, 2012. The Committee that runs the VEBA fund "shall have the sole discretion to determine benefits and contribution made by retirees." So then they can reduce retiree benefits and increase what retirees pay.

◆ Much of the money put into the VEBA is not new money out of GM's pockets. It's money from the 2006 wage increase taken from GM workers, from COLA diversions, and from a fund that GM already set up after past contracts. Some money from the pension fund goes to VEBA. Part of GM's contribution (\$4.37 billion) is a convertible note, not guaranteed if GM declares bankruptcy.

◆ Once GM puts their money in VEBA, the UAW can never again ask GM to "provide additional contributions", "make any other payments" or "provide Retiree Medical Benefits." But the UAW can ask the Company to divert more of active workers' "profit-sharing, COLA, wages and/or signing bonuses" to fund the VEBA.

◆ UAW president Ron Gettelfinger said the VEBA will last 80 years. Then why do they reduce retirees' benefits and divert more active workers' wages? Workers at Detroit Diesel and Caterpillar were given promises, but VEBA at Detroit Diesel ran out in 12 years--at Caterpillar, in 6 years.

JOB SECURITY

◆ Language is filled with loopholes. Products promised for many plants, but only "dependent on market demand".

◆ GM promises not to close plants, except for 11 plants that will close or be sold.

◆ Promises are made to stop outsourcing, but with old language that permitted lots of outsourcing.

MORE DANGERS IN G.M. CONTRACT

◆ A GM contract letter on “Sourcing” says there will be “in excess” of 16,766 “non-core” jobs at the end of the contract, plus another 3,000 to be brought in at low pay. Other production jobs can be filled by “long-term temporary” workers, paid \$17. One part of the contract says temps get full vision benefits after 5 years of work. All janitorial and other clean-up jobs are to be “exited”: that means outsourced.

By the end of this contract, more than half the production jobs could be paying \$17 an hour, or \$14.50, or even less. Why would these workers vote to protect us older workers in the future? The two-tier scheme at Delphi soon cut the wages on the rest of the other jobs in half – first for new hires, then for the seniority workers who were left.

◆ Losing Doctors, Hospitals, Dentists and other Health Care Providers.

Everyone will have to go into one Dental Plan, which will exclude some dentists people now use. Everyone will have to go into the basic TCN Network, or one of three HMO’s, cutting off some doctors, dentists and hospitals that people now use.

Many Small Health Care Take-Aways, Including:

Premiums (so-called monthly contributions), co-pays, co-insurance, annual deductibles and annual out of pocket maximums can be raised 3% a year. Prescription co-pays on mail order go up to \$10, generic, and \$15, brand name. Each year after this, prescription co-pays will go up by 3% a year or “industry trends.”

◆ Here Are Some of the concessions for Skilled Trades:

Alternative Work Schedules: Skilled tradespersons can be scheduled to regularly work Saturday and Sunday as part of a 40-hour-a-week schedule -- at straight time pay.

Skilled Trades Jobs to Be “Exited” The new contract states that many “work elements” and others can be eliminated as skilled trades work. Will you see this list before you vote? And “**As the workload requirements exceed the remaining resources, the work will be exited and not subject to the subcontracting provisions of the UAW-GM National Agreement**”.

◆ Skilled Trades Work Pushed onto Production Workers:

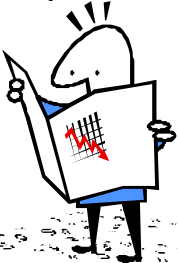
The new GM contract says: “Production Operators/Team Members/Leaders are first point-of-response to deal with out-of-standard conditions with machinery and equipment including quality, material, or maintenance.”

A Kokomo Delphi worker warns:

“Our brothers and sisters at the Big Three must understand that what happened at Delphi is coming their way if they do not hold the line now in their 2007 national negotiations. **Delphi only lasted one contract with a two-tier supplemental agreement and now we are all two-tier employees. We went from a career to “just another job” with a single vote.** Don’t let it happen to General Motors and the rest of the auto industry. Your struggle is our struggle. Hold the line!” --Todd Jordan, UAW Local 292, www.futureoftheunion.com

Don’t cut the next generation’s pay. We’ll ask them to defend our pensions. Young workers will reply, “***Where were you when they cut our pay?***”

Stocks down today...
Medical premiums up...



VEBA will ***gamble*** health care on stocks and bonds. The ***risk*** is transferred to ***us***. ***We’ll*** make up shortfalls. ***Health care premiums will gobble up our pensions.*** That’s why ***UAW past Regional Directors***, Jerry Tucker, Warren Davis and Paul Schrade, and ***past Local 751 Caterpillar president*** Larry Solomon say “Vote NO.”

www.soldiersofsolidarity.com www.futureoftheunion.com
www.factoryrat.com

UAW Local 600 members Gary Walkowicz and Ron Lare and other SOS supporters contributed to this leaflet.

Bet your health
And your wealth!



VEBA Las