

Live Bait & Ammo #157 : Kings Don't Require Votes

UAW International President Bob King should be arrested and jailed. He took money from workers at the Lake Orion GM plant under the pretext of union representation but denied those workers the right to vote on a contract that cuts their income in half. What he did is criminal. It's called racketeering.

The feeling that King should be arrested is not hyperbole if you are the family facing bankruptcy or the worker wondering what is going to happen next year when King renews contracts with General Motors and Chrysler. Lake Orion is not an exception, it's a precedent: a prediction of next year's negotiations.

In 2011 workers at GM and Chrysler will be permitted to vote but their votes won't count. They are forbidden by contract to strike and all unresolved issues will be settled by an arbitrator whose goal is parity with nonunion automakers [page 10 UAW-GM 2009 Addendum]. The company has them over a barrel and they will take advantage of their bargaining position.

Parity with nonunion automakers means defined *benefit* pensions will be replaced with defined *contribution* 401-k plans. This isn't speculation, it's what parity means. The biggest disparity between union and nonunion auto companies is legacy benefits.

The UAW has already taken over retiree health benefits. The pension may well be next. Or perhaps the company will simply redline a certain segment—say anyone with less than twenty years seniority—and switch their pension over to a 401-k plan with a lump sum payment that effectively eliminates thirty-and-out and the security of a defined benefit pension. Coupled with wage cuts that should put us at parity with nonunion transplants.

Most likely, the company will encourage older workers to retire by terminating future pension credits with a window of opportunity to exit with pensions intact. But anyone who won't be eligible for social security at the time they retire should be wary.

The International UAW contends that the social security “age creep patch”—which provides a bridge as the age requirements for social security creep up — must be renegotiated with each new contract. We can't be sure what that means exactly, but suffice it to say, they are not done screwing us.

Ford workers along with four GM parts plants retain the right to strike in 2011 but the right to vote on UAW contracts may be circumvented. Lake Orion is not an exception, it is a precedent: an omen of Bob King's negotiating tactics.

New work will require “innovative” Competitive Operating Agreements. One by one locals will be isolated and operated on. Instead of a Collective Bargaining

Agreement we will have multiple Competitive Operating Agreements. The practice of adding a memo to a national contract which stipulates that the national parties will meet after the contract is ratified to negotiate further concessions began in 2003 at Delphi.

The 2003 UAW-Delphi contract stated that the UAW would meet with the company to discuss a second tier wage for new hires. They used this memo as permission to implement a severe wage cut for new hires without subjecting the supplemental provision to a vote.

When I appealed the action based on Article 19 Section 4 of the UAW Constitution which states, “National agreements and supplements thereof shall be ratified by the Local Unions involved,” the UAW Public Review Board decided in favor of the UAW International. I had argued that it was not possible to ratify a supplement that did not exist at the time of ratification, but the PRB is not an institution governed by logic. Like other American institutions they govern by virtue of power, not reason or ethics.

We are at a stage of economic dissolution which capitalists proudly describe as creative destruction. One in seven homeowners are behind in their payments or in foreclosure. Unemployment, underemployment, temporary employment, and wage reductions have restructured the level of economic security in America to cliff dwelling.

In an era of economic crisis American institutions—government, business, and unions—have decided that two tier coupled with reducing retirees to subsistence will make the economy prosper. They imagine they can use our bodies like sandbags to stem the rising tide of inflation. But that debt can’t be paid with the death of the middle class.

American business owes a debt to American workers. American business took the equity that workers built, the legacy of profits that workers created, and with the power vested in them by unfair trade agreements invested our hard earned equity overseas. They bankrupted America for profit. We can’t trust them or their water boy, Bob King.

If UAW members do not unite in protest, King will take their silence as consent. Lake Orion is not an exception, it is a precedent. Silence won’t protect you, it will condemn you to a life of slithering, wormish perishing. We didn’t stand up against two tier for new hires, and now they are coming for us. Lake Orion is our last chance.

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