

Fast Strike Against GM Breaks Years of UAW Negotiating Tradition
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By Andrew Wallender

(Bloomberg Law) -- The United Automobile Workers union wasted no time in going to the picket lines.

Its contract with General Motors Co. expired on Sept. 14, and within 24 hours—at 11:59 pm on Sept. 15—the union’s more than 49,000 GM workers were on strike.

The decision by UAW leaders to call a strike so soon after a contract expires is a departure from decades of negotiating precedent between the UAW and Detroit’s three big auto manufacturers—GM, Ford Motor Co., and Fiat Chrysler Automobiles N.V.

When the UAW last called a strike on GM in 2007, it took more than a week after the contract expired for the UAW’s 74,000 GM members to walk out. That strike lasted two days.

“The strike was called 10 days after the contract expired, as opposed to this year, when the union couldn’t walk out soon enough once the deadline had passed,” Bloomberg Law analyst Robert Combs said. “And once the strike ended in 2007, a new contract was hammered out and ratified by the workers within 12 days.”

Even during the most recent round of auto negotiations in 2015, the union made an eleventh-hour decision to hold off striking against Fiat Chrysler despite union members being prepared with signs to walk the picket lines.

A UAW spokesman defended the union’s quick decision to strike.

“After months of negotiations GM had only agreed to 2% of hundreds of provisions on the table,” UAW spokesman Brian Rothenberg said.

Now the question becomes whether the strike will be like the short-lived two-day work stoppage in 2007 or boil into a more prolonged battle like the 67-day nationwide GM strike in 1970.

Makings of a Prolonged Battle?

The UAW frequently has relied on contract extensions in previous negotiations, but was quick to call a strike this time around, one expert said.

“I think that they were just very impatient in this round of negotiations,” said Marick Masters, a management professor and the director of Wayne State University’s labor studies program.

But there’s a flurry of complicating factors in ongoing negotiations. Union leadership is under increased scrutiny as federal prosecutors continue to unravel a sprawling culture of corruption among former UAW leaders and negotiators.

There also was a strong sense inside and outside the union that a strike was likely, Masters said. Such an outlook could have contributed to the speed with which the strike was called, according to the professor.

“It’s hard to say how far apart they are,” Masters said of the UAW and GM. “But I get the feeling that they are pretty far apart. So you hope that they come to their senses pretty soon. But it certainly has the makings to go on for a very long time with the caveat that when reality sets in, they’re probably going to want to sit down and see what they can do to bring things back together.”

Health Care a Factor in 2007

Retiree health care was a central issue during the last GM strike.

The work stoppage ended after the union agreed the company could create a health-care trust fund, allowing GM to remove liability for retiree health care from its balance sheet.

The company also pledged greater domestic product investment in U.S. plants. The talks came on the precipice of the global financial crisis and the 2008 government rescues of GM and Chrysler.

GM was primarily focused on reducing labor costs in 2007, while the union wanted to prevent reduction to wages or job numbers.

This time around, GM is more profitable, though the UAW is still fighting to maintain jobs and affordable health care. But the union’s also on the offensive asking for increased wages and a definitive transition plan for temporary workers to establish permanent seniority.

“We stood up for General Motors when they needed us most,” UAW Vice President Terry Dittes said in a statement announcing the strike. “Now we are standing together in unity and solidarity for our Members, their families and the communities

where we work and live.”

Teamsters Honor UAW Picket Line

Another similarity to the 2007 strike is the involvement of the International Brotherhood of Teamsters. IBT General President Jim Hoffa said Sept. 15 that the union’s 1.4 million members will honor the auto workers’ picket line.

About 1,000 Teamsters drivers will refuse to transport GM vehicles from assembly lines to dealerships as a result of the pledge, according to Teamsters spokesperson Bret Caldwell. That could complicate plans by GM to rely on vehicles in inventory during the work stoppage.

Hoffa, who was still the Teamsters’ president 12 years ago, sent a letter to then-UAW President Ron Gettelfinger hours after the 2007 strike began. He made a similar pledge, stating that the IBT’s 10,000 members who hauled cars from the GM plants would not cross the UAW picket line or deliver the cars.

The number of Teamsters hauling cars may have diminished in the last dozen years, but the notice of solidarity remains.

“Teamsters and the UAW have a decades-long relationship of having each other’s back,” Hoffa said in a Sept. 15 statement.

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