

# Ford-UAW 2007 Lowlights

[the negotiators' copy is available to members in the Union Halls]

Ford is so busy closing or selling 9 of its 30 US plants while investing in Mexico, Brazil, China, and Turkey, they don't have time to monkey around with core/non-core labels. All the new hires will be low tier no matter what they do.

The dangling carrot of a shot at top tier is a mirage. Jobs at Ford are disappearing faster than smoke in a tail wind. The pledge to replace workers on a one for one basis is laughable. The UAW never held the automakers accountable for the "one for two formula". How is Ford going to replace one for one when almost a third of their US plants will close, trades will be exited or consolidated, and housekeeping trashed? It's a lie. A damn lie.

If the the moratorium on outsourcing sounds like "Taps", it's because the mission was accomplished. Local COAs opened the floodgates prior to negotiations. **The only solid commitment in this contract is wage cuts, job cuts, and discounts on obligations to retirees.**

COLA diversions, the concession that compounds quarterly, will "continue in perpetuity". [pg 24A of negotiators' copy of the Ford-UAW Contract]. Ford will get a dividend from workers' COLA every quarter. Ten cents per quarter plus an additional .17 cents. We can expect to lose as much as we made in Cost of Living on the last contract "in perpetuity." That's forever like solidarity used to be in the UAW.

The Con Caucus boasts of a one for one attrition replacement [pg 79A], but "Attrition replacement will be delayed during a market driven related layoff." [pg 80A]

But there is a saving grace. "A seniority employee who is affected by a reduction in force and becomes a temporary part-time employee....." [pg 73A] has a lot to look forward to.

"Seniority employees who are utilized as temporary part-time employees will be required to comply with the work schedule for temporary part-time employees." In short, you will have more flexibility and less routine. Get ready.

Pack your suitcase and grease the trailer hitch. Ford autoworkers will go where the winds of concessions blow them.

"In no event will a Protected employee remain on Protected Status more than two years, unless he or she has not received at least two job offers" [pg 83A].

You better take one of those offers. Otherwise, you will "be placed on inactive status with no company-provided income or benefits" [pg 83A].

Unless you are in one of the closed plants identified on page 163C. In which case, you "will be presented one final placement opportunity and a choice of one of the Special Retirement/Separation Program...."

If you don't chose one or the other you "will immediately be placed on inactive employment status, with an immediate cessation of all Company-provided income and benefits, including health care."

But at happier locations, Protected Status employees may be "given a mandatory job assignment within or outside the bargaining unit...." [pg 83A].

Such "Protected employees assignments will be considered temporary and not subject to provisions governing permanent filling of vacancies, or the application of shift preference...." [pg 86A].

Are you seeing the pattern yet? Loopholes and Nots.

"It is understood that placement on the basis of seniority will not be feasible in every instance." But don't worry, the company/union partners will jointly review the disregard of seniority rights with an eye to "the parties joint commitment to quality and efficiency of operations" [pg 107A].

The Ford-UAW Contract doesn't differentiate between core and non-core jobs, but the Rawsonville and Sterling Axle plants will be exclusively low tier. Active Ford workers should take the time to study the wages and health care benefits of these "entry level workers" [pgs 199-207A], so they'll be ready when they get the new deal themselves in 2011. Just as the UAW has a long history of not enforcing Job Security agreements, two tier has a long history of bringing everyone down to the low tier. Case in point: Rawsonville and Sterling Axle.

The 20% factor for low tier workers who are not restricted from core jobs, as they are at Chrysler and GM, has a lot of exclusions. Workers at Rawsonville and Sterling Axle are not included in the 20%. And "previously negotiated COA outsourcing actions" [pg 90C] are not included in the 20%. And other work, "if insourced will be tracked separately and not included in the 20% entry level employment opportunities....." [pg 90C].

That's a whole lot of low tier jobs on top of 20%. Add in the "Long Term Supplemental Employees" [pg 214C] and it's a safe bet that low tier will be the majority in 2011.

The National (Take No Prisoner) Attendance Program includes "Rolling Measurement Periods" and is too Byzantine to describe in this limited space. You have to see this mousetrap for yourself [pgs 232C-236C].

Ford's VEBA is the worst of the Big Three. Over the next two years "Ford will continue to pay for retiree health care benefits at a projected cost of \$2.2 billion" [pg 14 UAW Ford Report]. After that Ford will contribute \$13.2 billion toward the VEBA. Less than half of that amount is in cash, the rest is in promises [pg 15 UAW Ford Report].

If it requires \$2.2 billion for retiree health care for two years, we can calculate the VEBA will last 12 years. That's providing everything goes well and Warren Buffet volunteers to manage the investments.

Bob King has always had a special place in his heart for skilled trades. To see all the trade classifications that have been crossed out or asterisked (\* "will not repopulate") go to pages 10B-15B. After that, dine on such rich and hearty language as "Implementation of agreed upon consolidated skilled trades classifications, as agreed to in the 2007 National Agreement...." and enjoy the "helping hands concept" for desert [pg 68A].

You will be glad to learn that "Minor maintenance actions will be performed by production employees....." [pg 69A].

Read all about skilled trades consolidations, and who is with who on this rendezvous [pgs 334C-351C]. The musical chairs routine may seem confusing but we are in good hands.

"Local agreements and work practices will not inhibit the intent or implementation of this agreement." Which is, "reducing excess skilled trades population" [pg 333C].

The National Partners promise to strong arm disobedient local unions [Pg 350C].

This contract completes the revolution of the UAW from a union to a human resource management team. In "A Message to UAW Ford Retirees" [pg 14 UAW Ford Report] the Concession Caucus warns members that Ford "lost \$12.6 billion last year", but neglects to mention that nearly 10 billion of the loss is what Ford estimates it will spend in the future to eliminate jobs and close plants. They put it on their books in 2006 for the write off.

Ford is so cash strapped they doled out a half billion dollars to investors in 2006; rewarded six top executives \$53.8 million for their successful loss of US market share; plunked \$6.5 billion cash on the table to buy down their debt to retirees via VEBA; publicly announced in 2006 a 6-year project to invest 9.2 billion dollars in Mexico, additional investments in Brazil, China, and Turkey, including 27.5 million dollars for a research and engineering center in China, and 375 million dollars for another in Turkey. In 2007 Ford bought a Rumanian car company for nearly one billion dollars, and spent another 500 million dollars to expand a plant in Thailand. All these investments overseas came from profits made by US labor.

Don't you wish you were as poor as Ford and had a big union to protect you?

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