

UAW-Deere contract “highlights” show deal again fails to meet workers’ demands

Marcus Day
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Join the fight against the UAW sellout! Join the John Deere Workers Rank-and-File Committee today by emailing deerewrfc@gmail.com or texting (484) 514-9797.

The latest tentative agreement between the United Auto Workers union and Deere and Company, select details of which were released by the UAW in a six-page “highlights” document on Sunday, once again fails to meet workers’ demands for major wage increases, the restoration of post-retirement health care and full pensions for all workers, and significant improvements to working conditions.

The details of the six-year contract confirm the WSWS’ warning that the UAW is seeking to stampede workers into accepting another sellout agreement. The UAW, after announcing the deal yesterday, is providing only “highlights” of the revised offer, not the full contract and side letters, only two days before the vote on Tuesday.

The WSWS Autoworker Newsletter urges all Deere workers to vote NO to the UAW’s latest sellout deal. Ten thousand Deere workers have not struck for two and a half weeks to get a contract that tinkers around the edges of the first pro-company agreement, which workers voted down by a massive 90 percent. A line must be drawn in the sand on Tuesday: Workers are fighting for real gains, not crumbs!

Workers should begin campaigning immediately for the largest possible rejection of the contract. To organize this, and to break through the information blackout and censorship of the UAW, rank-and-file strike committees should be formed at every plant and warehouse, linking up with the John Deere Workers Rank-and-File Committee, in order to prepare an expansion of the strike and mobilization of workers throughout the auto industry.

The “highlights” posted by the UAW on Sunday show that:

- There is still no health care for all retirees, which, along with wages, has been the most important issue for workers. Deere and the UAW eliminated retiree health care for new hires when the two-tier wage and benefit system was implemented in 1997.

- General wage increases, while relatively higher than the previous proposal, would still occur only every other year of the six-year contract, with 10 percent the first year, 5 percent in 2023 and 2025, and lump sum payments in the alternating years.

For a worker currently making roughly \$20 an hour, this would

average out to only a \$1 a year raise over the next six years with new COLA payments (cost-of-living allowances) taken into account, according to the UAW’s projected wage table.

Workers have already taken to social media to denounce the proposed raises as a slap in the face, under conditions in which the company is making record profits this year and giving its CEO a 160 percent raise from 2020 to 2021. Workers are insisting that the company make up for a quarter century of declining real wages, since pay for newly hired workers was cut substantially beginning in the 1997 contract, and wages were kept stagnant for all workers in subsequent years.

- The tier system would remain in place for retirement benefits, and workers hired after 1997 would still receive only a partial pension and 401(k). The company seemingly retreated from its demand in the first contract to eliminate pensions entirely for new hires, which provoked massive opposition, stating that new hires would now be offered the choice between a traditional pension and 401(k). However, given that the full contract has not been released, workers have told the WSWS that they suspect that the company may still be attempting to implement a third tier in retirement benefits.

- Oppressive mandatory overtime rules would continue, which the company will undoubtedly seek to make even greater use of after the strike, as it seeks to speed up operations to make up for lost production.

- CIPP (Deere’s continuous improvement pay plans, a productivity “incentive” scheme) would remain largely unchanged. CIPP is a major source of dissatisfaction for Deere workers, who say that the system is used to continually wring more production and a faster pace out of them.

- The contract would remain at the onerously long duration of six years, longer than the current four-year standard in the auto industry, locking workers into penny-pinching terms for more than half a decade.

The company and the UAW are attempting to sell the deal by dangling a larger signing bonus of \$8,500, which will be substantially reduced after taxes and dues are deducted. Moreover, it remains unclear who all will be eligible for the ratification payout. At Volvo Trucks earlier this year, the UAW “neglected” to inform workers that new hires with less than 90 days would not receive the ratification bonus.

As many veteran workers know, the larger the signing bonus, the more rotten the contract. “The signing bonus is to buy votes, that’s telling you it’s shady,” a worker at Deere’s parts distribution center in Georgia told the WSWS. “They couldn’t give me a \$20,000 bonus on top of this contract to say yes.”

To the extent that there are any relative improvements in the present proposal compared to the first agreement backed by the UAW, it is a product of workers’ defiance of the union’s efforts to pass the earlier proposal, which the UAW falsely claimed contained “real economic gains” and was the “best the company could do”—which, contradicting itself, the union is now claiming about the present deal.

In a measure of the deep-seated fear by the UAW bureaucracy of rank-and-file workers’ anger, and its efforts to hide their discontent from public view, the Facebook pages for UAW locals covering Deere facilities have disabled comments on their posts about the agreement and the vote. The local pages have censored workers’ comments almost without interruption since the beginning of October, when indignation first erupted on social media over the UAW’s last-minute contract extension.

However, workers who spoke to the WSWS Sunday said there was widespread sentiment for another “no” vote. “No insurance for retirees, no vote,” a worker from Deere’s Ottumwa, Iowa, plant said. “We want that and more money, not pencil games, to make up for 20 years lost wages and to keep up with inflation.”

A worker at Deere’s parts distribution center in Milan, Illinois, said, “There are a lot of people saying no. We should be getting a hell of a wage increase. After six years we are still barely making half of what the pre-97 are making now. And people do not like the retirement [benefits proposed].”

The UAW is planning to pull out all the stops over the next two days to browbeat workers into accepting the deal. “I heard Deere and UAW International are saying if we vote no, they aren’t coming back to the table,” the worker in Georgia said. “It’s scare tactics.” Another Deere worker reported that UAW officials have stated the deal is Deere’s “last and final offer,” and that the strike would continue for a long time if the contract is voted down.

The UAW bureaucrats are arguing on Deere’s behalf, not workers’. Having failed in their first attempt to get a deal through earlier in October, they are now trying to repeat their sellout in 2015, when the UAW rammed through a concessions deal at Deere, releasing “highlights” just before votes began, later claiming the contract passed by only 180 ballots.

The strike must be used as a weapon against the company, not against workers. Deere and the UAW are desperate to shut down the walkout in time for the company’s fourth quarter earnings report on November 24, a little over three weeks away. Should it fail to secure a contract by then, it would be forced to incorporate

the ongoing uncertainty caused by the strike into its “forward guidance” to investors for the coming year, threatening its near-record-high stock price, which the markets have thus far kept afloat.

But while the contract must be rejected, the UAW will not respond to another “no” vote by working harder to meet workers’ demands. Rather, it would intensify the pro-corporate strategy it has been pursuing throughout the year and into the strike: keeping workers in the dark on its talks with Deere, censoring workers on social media, leaving them vulnerable to Deere’s strikebreaking efforts, isolating them from the union’s hundreds of thousands of other members and starving them on the pickets with just \$275 a week from its \$700-million plus strike fund.

Deere workers recognize that they have never been in so favorable a position to win a decisive victory against the company. With the labor shortage this year, Deere was struggling to hire and retain workers even before the strike. Moreover, the company has more than enough money to pay for wage increases. It is sitting on a market capitalization of over \$100 billion and has been squandering billions on dividends to its shareholders, a large portion of whom are giant investment firms.

The Deere strike is being closely watched by workers around the world. A crushing rejection of the UAW-Deere contract would send a powerful signal that the working class is no longer willing to accept the low wages and ever-worsening working conditions which the corporations and their corrupt “partners” in the unions have enforced for decades. If a stand is taken, it has the potential to electrify and inspire broad sections of workers in the US and internationally, all of whom are struggling against the same problems, with the possibility of a rapid expansion of the strike wave which has begun to emerge in recent weeks.

But for Deere workers to prevail, they must take their fate into their own hands, and not leave the conduct of their strike under the control of the UAW bureaucrats, who have repeatedly proven themselves bought-and-paid-for representatives of the corporations. The Deere Workers Rank-and-File Committee workers formed earlier this month has called for a strategy to win the strike, including full income for striking workers out of the UAW’s strike fund, an end to backroom negotiations, and the mobilization of workers in the parts, auto and heavy equipment industries.

The Deere Workers Rank-and-File Committee must now be built up and expanded, forming the organizational framework for workers to defeat the conspiracies of Deere and the UAW and to win a resounding victory for themselves and workers everywhere.

To learn more about joining the John Deere Workers Rank-and-File Committee, Deere workers can email deerewrfc@gmail.com or text (484) 514-9797.



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