

UAW BLACK OCTOBER 2005

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UAW "BLACK OCTOBER" 2005

PENSIONS

"OFF LIMITS"

After a lifetime of difficult and stressful labor, an autoworker's pension and retirement benefits should be considered sacred and "Off Limits"! Destroying autoworker pensions is not the answer and can never be supported.

How can any thinking worker be manipulated into supporting an agreement that is the obvious beginning of the decimation of his or her own future retirement?...

How could self-respecting top union leaders turn on needy retirees and use their safety net pensions and benefits as pawns?...

I coined the term "UAW BLACK OCTOBER" because decades from now working Americans everywhere will remember October 2005 as the "UAW Black October" agreement. This is the date that changed the definition of the UAW forever for loyal retired workers and all workers wishing to retire someday.

There are multiple issues relative to the profound employment changes that American autoworkers are facing today. These tentative changes affect both active workers and retirees alike. This paper will address pensions.

Ford and Chrysler are already demanding that they want on board the UAW retiree concession train at GM so that they too can force their retirees to accept equal cuts and be equal participants in the retirees UAW Black October.

Legally, it is questionable that UAW officials have the right to bargain away important retiree health care benefits without fancy footwork in the courts. Retirees don't get raises like active workers and unlike active workers, these benefits belong to retirees. The only way UAW officials' can bind retirees to these ground breaking cuts is with a court order. On Tuesday October 18, 2005 officials of the United Auto Workers, in order to have the legal right to make concessions "stick" for retirees, requested that a federal judge approve that right for them so they could carve up and significantly reduce the health care benefits for over 500,000 retired workers and their spouses. Unfortunately many UAW officials are not strangers to the court system. See National Legal and Policy Center... <http://www.nlpc.org/artindx.asp>

Hard won pensions and pension benefits took "workers and past union leadership's" decades of bargaining and multiple painful strikes to achieve and are tentatively some of the largest givebacks in the history of organized labor. These givebacks are so large that they even shocked and surprised analysts and corporate officials alike who never expected such a huge windfall by union negotiators.

"If ratified this tentative agreement will likely be only the first step in a fast progression of rendering a decent retirement, as active workers know it, obsolete".

This UAW "retiree court maneuver strategy" will make it difficult, if not impossible, for UAW retirees to win a dispute in a court of law to challenge these deep painful cuts and will bind struggling retirees to the concessions and the resulting impact on their retirements for their lifetimes.

While working, auto retirees negotiated defined pension plans that included health care benefits in place of wage increases. Workers paid for these benefits through "sweat equity and reduced wages" all through their working years.

These benefits belong to struggling retirees. GM's active and retired salaried employees have seen their benefit packages deliberately hammered for several years to seemingly be used as contrived comparisons to UAW officials in an attempt to get equal or greater cuts from the bigger plum, which is the blue-collars workers/ retirees benefits. GM has betrayed their white-collar employees.

Historically, UAW officials have always refused to negotiate a cost of living factor on the dwindling buying power of the pensions of struggling retirees. They have said that it was unnecessary because they would see that retirees would be taken care of. These UAW officials have now turned their backs on their struggling retirees and are using their power and influence in a way that will hurt, in important ways, each and every retiree and their spouse for their entire retirement. Auto retirees deserve much more than being flushed down the drain like a piece of waste.

How can any retiree, present or future, hope to afford to live if your union breaks its promise and refuses to negotiate pension increases just to keep up with rising inflation and then goes to court once you retire in an effort to concession away what you have?

After a lifetime of paying union dues, enriching employers, paying into social security, paying into pension plans, paying the taxes to support our nation and planning for their retirement, our retirees have delivered our great country to the threshold of being the undisputable strongest and most admired nation on earth. In return they are being delivered, by deliberate union contract, to a life of destitution.

It may be difficult for pampered union officials, who have not had to put up with the difficulties of decades of work in the factories, like the workers, to understand the importance of being able to get out and eventually retire, but workers plan for this

all of their working years...

This is the first step in the quick elimination of autoworker retirement...

"For there to be a retirement", struggling retirees must be protected. Fixed pensions and benefits must be considered sacred and 100% "Off Limits". Destroying autoworker pensions is not the answer and can never be supported.

On another front, conniving American blue chip companies are now devising ways to declare bankruptcy when they are far from broke. Then they terminate and hand over their pension responsibilities to the governments " Pension Benefit Guaranty Corp." or PBGC. The PBGC in many cases then gives many of these shell shocked workers only a fraction of their pensions and "no" benefits. This exchanges the workers' earned negotiated pensions for a federally sponsored welfare program. The companies "steal" these workers pensions and then our government's PBGC program comes in and bails out, " not America's suffering workers", but the companies from their pension responsibilities and delivers retirees and their families a double knockout blow. As the government allows more companies to weasel out and terminate defined benefit plans and the PBGC is overwhelmed with costs, just who is going to cover the costs? How much lower will the actual pension payouts drop for affected retirees as time marches on and funds run out?

Our government is allowing companies who are worth billions of dollars to shirk their pension responsibilities through manipulated and contrived management moves. They are allowed to go bankrupt after openly stating that they are making these moves exclusively to get out of paying their so-called Legacy costs. This is the worst kind of betrayal for devastated workers and those wanting to retire someday.

Workers know that the way present retirees are treated is the way that they and their spouses will be treated when they retire.

Auto workers have seen their plants close down, subjected their families to crazy work shift patterns and have been forced to cave in to totally unfair two tier wage settlements, where two workers doing equal and similar work directly next to each other make profoundly different wages. Loyal workers have been forced to shift their families from town to town and state-to-state to stay employed and are now faced with these unfair devastating cuts that their UAW officials are asking them to take.

Companies have been allowed to underfund pensions, restructure and export away jobs, make profound management mistakes, manipulate the bankruptcy laws and then shift their mistakes onto the blue collar and white collar backs of retirees, workers and taxpayers.

Since becoming UAW President, Mr. Gettlefinger has repeatedly gone on record proclaiming that he was unwilling to have autoworkers and retirees pay more for their health care costs. It turns out that this quickly flew out the window when he began getting intimidating stares from GM's very good negotiators who will laugh all of the way to the bank with their healthy bonuses for outfoxing UAW officials... "BUT"...They overlooked one important fact,...*this agreement has to be ratified by the rank & file who might be smarter than they are being given credit for and surprise them all.*

Again... This is the first step in the elimination of retirement as workers know it...

"For there to be a retirement", struggling retirees must be protected. Pensions and benefits must be considered sacred and 100% "Off Limits". *Destroying autoworker pensions is not the answer and can never be supported.*

Why are these UAW officials caught like deer in the headlights? Why weren't they minding the store and developing strategies years ago to counter these changes so workers and retirees wouldn't be faced with these horrific concessions that have been quietly negotiated behind closed doors?

Why didn't they use their power and influence to actively go after national health insurance when they should have known that this was the primary problem?

No amount of concessions will solve the health care problem. Harmful concessions won't even phase it! The healthcare problem is a legislative problem not a bargaining problem. Where is the vision of today's UAW officials? Lip service hasn't been enough.

Autoworkers have not been able to afford their top union leadership to quietly hide in the corner with their tails tucked between their legs like a whimpering little puppy. They also could not afford a company union. This industry has lost hundreds of thousands of good paying jobs that have been allowed to "quietly" dwindle away over a time period of three decades. Why haven't UAW officials noticed and developed better strategies? These are lost jobs that our children needed and our communities and nation needed going forward into this new millennium.

"Long before now" UAW officials should have been much more forceful and should have let the world know in no uncertain terms that if the corporations wanted cooperation on a comprehensive national health insurance program that they will get it, but on concessions for hard won "necessary life and death benefits, if they want a fight, then it will be a war that workers and retirees would not lose? Instead the UAW officials are asking retirees "who could never recover" to voluntarily step backwards through 50 years of bargaining. It is clear hypocrisy.

Top union leaders who have turned their backs on their retirees should not be surprised to see a powerful backlash going forward by retirees and workers alike.

Many workers now conclude that never in the history of organized labor or the " Great UAW" has Solidarity between workers been so shredded because of the failure or perceived silence, ineffectiveness and confusion of union officials.

Why would union officials expect otherwise given the workers perception that union officials have become enamoured and are now pandering to the corporate position and to top corporate officials whose sole mission and purpose in life is to devastate retirees and workers?

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"For there to be a retirement", struggling retirees must be protected. Pensions and benefits must be considered sacred and 100% "Off Limits". *Destroying autoworker pensions is not the answer and can never be supported.* Once retired it is impossible to find part time employment rich enough to cover promised "stolen" benefits. The insulated top union officials at Solidarity House have gifted themselves with vastly superior perks, benefits, salaries, pensions and other compensations. When they concession away worker and retiree benefits it doesn't affect them. See "Salaries UAW Constitution"...<http://www.uaw.org/constitution/article11.cfm> The givebacks and lifestyle reductions they negotiate are not for them but rather for those they represent, the very workers who support them and their safe and protected lush lifestyle. I believe that Union officials wages should be no better than workers and their pensions should be no better than retirees. Walter Reuther said "you can tell the quality of a union leadership by how well they take care of their retirees and we should never take a step backwards".

UAW officials' today will never be accused by anyone of being a Walter Reuther.

I remember bringing Victor Reuther, one of the founders of the UAW, back to Flint in 1987 to be keynote speaker at our huge combination 50th anniversary of the UAW/ anti concession Rally. People were bused in from all over the country. See... 1987 UAW 50th ANNIVERSARY RALLY PART "B" WITH VICTOR REUTHER AT... <http://michaelwestfall.tripod.com/id16.html>

The UAW leadership stifles dissent and criticism as if they are above it. This is still America and they are not above criticism! Founding father, Victor Reuther had no problem "loudly criticizing" the UAW leadership and neither should the workers.

"If you read the "Westfall Papers", put out 25 years ago, which are now archived in many of America's libraries, we projected everything that is happening today back then but were ignored by top union politicians. What is happening today in auto didn't have to happen, it wasn't a force of nature, we predicted it. If they had only listened to us and developed strategies back then todays picture would be totally different."

When Mr. Gettelfinger was sworn in as newly elected UAW president in 2002 he pounded the podium and told the delegates that the UAW must not back down from those who stand in the way of improving the life of working Americans. The very next year in 2003 he forgot his own inaugural statement and betrayed UAW retirees by ignoring their need for even minimal pension increases. Mr. Gettelfinger fed the UAW retirees to the wolves by refusing their serious need for even minor pension increases to just keep up. Now he wants these same struggling retirees to have reduced health care at a point in life when they can least afford it and need it most. What kind of UAW leader sacrifices retired members who cannot afford cuts and have no options? ...

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In the 2003 contract UAW negotiators negotiated themselves healthy pension increases going forward but negotiated nothing for existing struggling retirees. It certainly appears that "the negotiators personal pension increases" will cover "their own newly negotiated pension concessions" at the exclusive expense of existing struggling retirees.

Today, many workers believe that the UAW officials' leadership policies are not as much about Solidarity and equal sacrifice as it is about pitting one worker against another through strategies like two tier wages or pitting one plant against another through company union strategies which are reducing all workers to the lowest common denominator. Just consider the unfair and unjust suffering being forced on Delphi workers.

The health care problem in our country has gotten beyond the point of pain for all Americans. The answer is not for UAW officials to lead the fight by joining in with those who are out to destroy their own members retirements.

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Historically, autoworkers wages and benefits were always the "gold standard" that other workers across the nation used to upgrade their contracts. This brought up the standard of living of our entire nation. If autoworkers continue the downward slide then the entire countries industrial base won't be far behind.

To suggest that slicing the health care of America's workers, retirees and their families will fix the problem in any way is insanity and it is "false". Giving back hard won benefits has always been just a downpayment on future more expansive concessions. Both the companies and union officials know this fact.

Our nation does have a profound problem but it is not with our retirees who have contributed so much to society, rather it is with the out of control healthcare system which has priced itself much too high.

As a nation we can no longer afford to waste billions of dollars for an inefficient health care system that slices our competitive ability by forcing upwards the price of every product we produce. Our medical system is unfair, inefficient, uncompetitive and cannot be sustained "as is" any longer. It is provider driven by the doctors, hospitals for profit, drug producers, medical equipment suppliers and insurance carriers.

Unfortunately for workers, the auto companies and today's UAW leadership are confused. They both have it backwards. The problem is not with workers, retirees and their families at the bottom end who desperately need the health care. Any concessions should come exclusively from the top end bloated health care establishment, which has been allowed to create this problem with their greed. Concessions will fix nothing!

It may come as a surprise to Mr. Gettelfinger, but auto factories are not the healthiest of places to work. That is why "responsible" and "concerned" UAW leaders before Mr. Gettelfinger negotiated hard won earlier retirements and health care benefits to protect workers. In many plants the workers life expectancy is much less than the normal life expectancy because of the exposure to smoke, fumes, carcinogens and all the other multiple workplace chemicals and dangers unique to building automobiles.

I would think that as president of the UAW Mr. Gettlefingher should know this.

When I was the chairman of the huge union caucus that was in power many years ago, at America's largest truck assembly plant, one of my friends was a hourly health and safety expert. He had written health and safety language for the national agreements and told me that he could tell what department a worker spent their years in by their death certificate. There are departments in these plants that have tremendous long term health problems and many times the problems like cancer that come from this employment and exposure doesn't surface for many years or until workers retire. "Mr. Gettlefingher should learn that is why workers and retirees need their healthcare" and also a little compassion from union officials. Retirees also need food to eat and fuel to keep warm in the winter. While Mr. Gettlefingher may not realize this from his distant and insulated ivory tower at Solidarity House, it is still a fact.

The answer to the health care problem is not to declare open season on struggling retirees through starvation concessions. The solution is pooling resources and going after the real issue and that is the need for a comprehensive national health insurance program not just for "autoworkers" or other unionized workers, but also...for "all" Americans.

We knew this many years ago but the UAW officials didn't listen... <http://michaelwestfall.tripod.com/id15.html>

Surely corporate leaders have clearly seen how fast and easy UAW officials have caved to their demands. They must be licking their chops for the next major set of concessions in the 2007 contract. They will expect UAW officials to continue to grease the path in their quest to force America's workers to slice their lifestyles to a point where they not only compete but also surpass the companies exploited foreign workers.

The continued bidding down of the workers standard of living to make them competitive with exploited foreign workers will eliminate Americas middle class. There will only be the rich and the working poor who have no hope of ever retiring to a respectable retirement.

For UAW officials to participate in the destruction of defenseless retirees to temporarily hide a corporate problem is no solution. To target and sacrifice retirees health care is morally wrong.

Auto retirees and workers have given these companies their accumulated experience, knowledge, wisdom and skills. They and their spouses have put up with 30 or more years of incredible hardships and the difficulties of working on and around unhealthy assembly lines. They have worked tirelessly to improve the quality of the products they produce and they have improved their efficiency. They are a hard working and dedicated workforce that are being rewarded with criticism, no appreciation, sliced jobs and now the companies and even their top union leaders are demanding sliced health care benefits and devastation to their retirees and their pensions...

Retirees are now labeled as "legacy costs", like a piece of garbage. A term used in a demeanor by those with an agenda to discredit and dehumanize them so they can be targeted and eliminated as a cost.

For UAW officials to suggest that the UAW is as strong as ever makes one ponder the question, "In what context"? In the context that the UAW officials world continues to go on as usual and they are able to maintain their own little well protected, insulated and disconnected fiefdom, that may be so. In the context of the hundreds of thousands of workers that have lost their jobs in Americas once premier industries and to those workers and retirees who are now under attack, that is another matter.

"For there to be a retirement", the struggling retirees pensions and benefits must be considered 100% sacred and "Off Limits".

Decent labor leaders with any measure of respectability and those voting on this agreement, if they have a brain in their head, should now be declaring..."*Workers pensions and retirements are sacred and will remain so until...Hell freezes over! They are both...100% off limits!*

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"UPDATE!" [November 11, 2005](#)

The auto companies orchestration for the complete and total redefining of the term "labor relations" and "union representation" is moving along as they planned.

With encouragement from smiling and smart GM leaders & cooperating UAW officials, GM workers ratified the groundbreaking deep concessionary agreement on health care by 61%-39%.

Struggling retirees were not allowed to vote.

By supporting this terrible "chump" agreement, voting auto workers gave encouragement to auto executives and UAW officials alike that will assure further deeper cuts. This is just the beginning...there will be no end.

At Delphi, the "first offer" draconian wage and benefit cut demands are designed by the corporation to be but a threatening "first step" towards the profound cuts that they really expect to get. This will afford Delphi's "UAW official counterparts" an opportunity to negotiate upwards a little which gives them a purpose for being....In their minds.

The ultimate end results will showcase "horrific" and terribly painful cuts for all workers.

Soon after the horrendous settlement at Delphi the companies will nudge UAW officials to pressure the entire membership for the New Delphi agreement to become the standard for all domestic auto workers.

What auto workers are witnessing is the breakdown in Solidarity where pattern bargaining has flown out the window, two tiered wages have become excepted and workers are pitted against the retirees who built the union.

What good is a weak and lost union leadership that behaves like a company union and allows the destruction of the union from within?

...God help the workers who blindly supported this "[Black October agreement](#)" and are about to become Americas working poor.

...God help the UAW retirees, present and future, who have been fed to the wolves for the rest of their lives by UAW union officials.

This Black October paper will remain as a testament for future workers relative to the key historic labor events that came to a head and took place in October, 2005.
Michael Westfall

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