

Live Bait & Ammo # 102: Pension Pass Throughs & Paperless Grievances

The words two tier do not exist in the 2007 UAW Bargaining Convention Report. The only mention of two tier came from the floor when delegates went to the mic to denounce the practice. One delegate from Region 4 said, "My members hate two tier." Then he repeated it, just to make sure he got his point across. Not one single Local Union submitted a demand for two tier. But like the VEBA, we got it. And for good reason.

Page 23 Appendix B of the Memorandum of Understanding on the VEBA states that GM will issue a "convertible note" worth 109,312,500 shares at \$40 a share. The UAW retains "the option to convert into common stock". If the UAW exercises its "Call Option", it may become the largest stockholder in General Motors.

If you are the largest stockholder, you want your company to be competitive. You want your company to have the lowest labor cost. Workers may hate two tier, but stock holders love it. We just got loved, brothers and sisters.

"A VEBA is an independent trust fund, similar in many respects to a pension fund. Money contributed to the VEBA can only be used to provide your health care benefits. It can never be used for any other purpose." [pg 8 UAW-GM Report: "A Message to UAW GM Retirees"]

Likewise pension dollars can never be used for any purpose other than pension. That is why: "A special 'pension pass through' arrangement" was concocted. [pg 9 UAW-GM Report] The pension is increased and then the amount is taxed, and the rest is deducted for the VEBA. The "pension pass through" is, in effect, the rinse cycle of a money laundering scheme.

Incremental adjustments in the “basic benefit rate” for pensions will be offset by premiums and copays. That’s the spin dry cycle of the money laundering scheme.

If figures lie and liars figure, what does a gettel finger?

Projected Total Gains on page 2 of the UAW-GM report is based on “10% overtime.” Ten percent over a four year contract is 832 hours at time and a half, or 1,248 hours straight time. “Total Gains” has been inflated with overtime projections.

The \$3,000 signing bonus was reduced by two days pay, an average of \$450, for the fake strike. And the union will deduct \$45 for dues. We won’t see two grand after taxes. But the new No Excuse attendance procedure [pg 169 of the white book] will help management get rid of a lot of old sick people and replace them with half rate new hires. So, maybe we’ll get some profit sharing.

But we should look on the bright side. President Gettelfinger told the press that the VEBA will be solvent “for 80 years.” [New York Times, Detroit Free Press, Automotive News, and others, 9/26/07] We can rest in peace knowing that the grandchildren of International UAW appointees will have secure and lucrative jobs as VEBA administrators. Good Old Boys at Solidarity House will be playing golf with execs from Pfizer and Kaiser for generations to come.

On top of that, “The UAW and GM have agreed” to fund a “National Institute” to study the problem of health care. Three million dollars a year for desk jobs. Isn’t that comforting? [pg 4 UAW-GM Report]

Speaking of desk jobs, Duane Zuckschwerdt, UAW Director of Region C admitted to the Flint Journal that he hadn’t read the contract but he voted to approve it anyway. “While's he's confident that Gettelfinger and Rapson have cut the best

deal, even Zuckschwerdt said he is eager to see the nitty-gritty language of the contract," wrote Todd Seibt.

"I'm curious about the (exact) details," he said. "It's my vote that went out there, endorsing this agreement (as a member of the UAW's executive board), so I want to be sure that I am giving members the right damn answers." [Flint Journal 9/27/07] With leaders like that why shouldn't we trust them? I mean, if you're going over the cliff, the blind may as well lead the blind.

Never mind. It's superfluous. A new "paperless grievance" [pg 17 UAW-GM report] will expedite the whole process. Now we won't have to wait weeks and months and years for our grievances to disappear.

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