

2016 Auto Talks

#AUTOTALKS16



UNIFOR

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September 1, 2016

LOCALS: (GM) 222, 636, 199; (Ford) 200, 240, 707, 584, 1324, (FCA) 444, 1285, 1498, 195, 1459

Members vote overwhelmingly to strike if necessary

Workers at each of the Detroit Three automakers authorized Unifor's bargaining committees to initiate strike action, if a fair and reasonable settlement is not reached with the target company before the September 19th deadline.

"With this clear mandate our members have demonstrated they are in full support of their bargaining committees, and our direction in this set of negotiations. The bargaining committee will not accept a deal without a commitment to investment in Canada's auto sector," said Unifor National President Jerry Dias.

Here are the strike authorization results:

- General Motors: 97.1 per cent
- Ford Motor Company: 98.9 per cent
- Fiat Chrysler Automobile: 99 per cent

At Unifor's June 1 Auto Council meeting, elected representatives from every Detroit Three bargaining unit voted unanimously to make new investments in Canada, including new product allocations, the top priority of the talks. With this vote members have authorized the use of strike action if necessary.

Dias said the Detroit Three companies have done well in the four years since the last round of negotiations, with both shareholders and executives profiting. It is now time for workers to be rewarded, and that starts with new investments in Canada. Unifor will be in a legal strike position at 11:59pm on September 19.

"The membership took an important step today to support their bargaining committees, but our demand for new investment is not just about us. It is about maintaining and creating good paying jobs, it's about our communities and it's about the next generation," Dias said.

Target company to be announced Tuesday, September 6

Bargaining with the Detroit Three automakers contains two main components; the Master Agreement and the Local Agreement, both are negotiated simultaneously. In the Master Agreement negotiations the National President bargains alongside the Chair of each respective bargaining committee and sets what is known as the National 'pattern' for the agreements.

Master bargaining talks seek to set a pattern agreement for all bargaining. Pattern bargaining enables Unifor to focus negotiations on one target company to reach a settlement. The pattern agreement sets the standard that every other contract with automakers should be modeled on. Once a deal is reached and ratified by members for the first target company, this sets the pattern, negotiations then shift to the next company, and then the third to establish a common master settlement.

The idea behind pattern bargaining has always been to make sure that the Detroit Three automakers operate on a level playing field for all workers.

Based on guidance from Local and Master Bargaining Committees, the National President will announce the target for pattern bargaining publicly on September 6. Once the target is selected, talks cease with the other two manufacturers, to concentrate all of our efforts on the company selected.

The best way to stay informed is to follow official sources, such as this newsletter. There are also the Twitter and Facebook accounts, below, and the hashtag #AutoTalks16

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Convention backs auto talks

Support was strong for members at Detroit Three autoworkers during Unifor's convention in Ottawa last week.

"In simple terms we have put the industry on notice that Unifor will not recommend a settlement unless it addresses the long term future in Oshawa, Windsor and Brampton," said Unifor National President Jerry Dias said in his opening remarks.

Ontario Federation of Labour President Chris Buckley and Canadian Labour Congress President Hassan Yussuff also brought messages of solidarity.

Other convention news:

- Delegates called for action and justice on Aboriginal issues through resolutions, and a march on Parliament Hill.
- Speeches from Prime Minister Justin Trudeau and NDP Alberta Premier Rachel Notley. Both talked about their governments' shared goals with labour for equity and social justice.
- A resolution backing a national campaign to convince MPs to not ratify the Trans-Pacific Partnership trade deal, which would threaten the Canadian auto industry, was unanimously adopted.
- Unifor's bargaining program aimed at increasing membership in the union was also adopted.
- The Local Union Task Force report and recommendations were adopted, with a goal to increase member engagement.
- The work of the Social Justice Fund was highlighted, with two Syrian refugee families attending the convention.

For more details, visit unifor.org/news.

TPP and Canada's auto industry

The Trans-Pacific Partnership trade deal poses a direct threat to Canada's auto industry, the country's top export industry. At Unifor's convention, a unanimous resolution was passed backing a national campaign to stop MPs from ratifying the TPP.

"This is a corporate deal that puts corporate interests before people's needs," Tracey Ramsay, NDP MP for Essex and a member of Local 200, said at convention.

The auto industry is a major economic driver of the Central Canadian economy, employing more than 120,000 workers directly (and supporting hundreds of thousands more jobs in economic spin-offs).

Auto provisions in the TPP are expected to cause significant damage to Canada's auto sector:

1. The TPP will allow more auto imports into Canada, especially from Japan, as Canada's existing 6.1 per cent auto tariff is quickly eliminated (in just 5 years, whereas the U.S. will phase-out its 2.5 per cent passenger vehicle tariff and 25 per cent truck tariff over 25 and 30 years, respectively).
2. Drastic changes to vehicle content requirements (i.e. Rules of Origin thresholds for passenger vehicles will drop from 62.5 per cent under the NAFTA to 45 per cent under the TPP) will allow vehicle imports from Japan and elsewhere to include a majority of non-TPP content from China or other low-wage countries.
3. The TPP will encourage the offshore relocation of much of the North American auto supply chain, as the regional parts content rule is cut to 35-45 per cent (depending on the part) from 60 per cent. In fact, special TPP "flexibility" provisions could further reduce these originating material requirements by an additional 10 per cent.

To learn more and get involved visit unifor.org/tpp.