

GM Decision to Close Plants Is 'Slap in the Face,' UAW Says

By Andrew Wallender

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The union representing workers at General Motors Co.'s U.S. facilities will stand in the way of the company's decision to stop production at some plants in any way it can, according to a Nov. 26 statement from the union.

GM announced Nov. 26 that it would be cutting 10,000 jobs and targeting five factories for closure in 2019. Four of the factories would be at facilities in the U.S. where workers are represented by the United Automobile Workers union.

"The UAW and our members will confront this decision by GM through every legal, contractual and collective bargaining avenue open to our membership," the union said in its statement.

Shifting Production Abroad?

GM said that its structural changes were meant in part to pivot toward producing SUVs and crossovers as customer preferences change. It also is looking to focus efforts on autonomous vehicle production.

"The actions we are taking today continue our transformation to be highly agile, resilient and profitable, while giving us the flexibility to invest in the future," GM Chairman and CEO Mary Barra said in a statement. "We recognize the need to stay in front of changing market conditions and customer preferences to position our company for long-term success."

But the union isn't buying that explanation for the changes. The restructuring is instead an attempt to close American plants and shift production abroad, it said.

"This callous decision by GM to reduce or cease operations in American plants, while opening or increasing production in Mexico and China plants for sales to American consumers, is, in its implementation, profoundly damaging to our American workforce," UAW Vice President and GM Department Director Terry Dittes said in a statement.

Contract Negotiations on the Horizon

The automaker's announcement came as the UAW prepares for contract negotiations to begin with GM, Ford, and Fiat Chrysler next summer. Local unions are currently gathering input from members in advance of negotiations.

The GM restructuring and Ford's announcement earlier this year that it would stop producing many of its car models are certain to color negotiations.

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