GM, Chrysler White-Collar Workers See Green

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DETROIT (AP) — Most of the 26,000 white-collar workers at General Motors Co. will get performance bonuses of 4 to 16 percent of their base salaries this year, but payments to a small number could be 50 percent or more, the company confirmed late Thursday.

Chrysler Group LLC also will give bonuses to white-collar workers, with payments expected on Friday. Both companies needed government bailouts in 2008 and 2009 to stay in business and make it through bankruptcy protection.

GM said in a statement that the bonuses would be based on each employee's performance as well as the company's. The statement did not say how much on average each worker would get. Messages were left by The Associated Press for a company spokeswoman late Thursday.

Chrysler spokesman Gualberto Ranieri would not comment on the matter. Bloomberg News reported Thursday that the bonuses would average $10,000 for 10,755 salaried workers, but some who aren't covered by government pay restrictions could get up to half their salary.

"Details regarding salaried performance awards are considered confidential employment records," Ranieri said.

Chrysler CEO Sergio Marchionne has said the workers deserve bonuses even though the company lost money because of work they did in revamping or redesigning 16 models since the 2009 bankruptcy.

For both companies, the bonuses come less than two years after they needed government bailouts to survive through bankruptcy protection. GM received a $49.5 billion bailout, while Chrysler got $12.5 billion.

Both companies have performed far better financially than they did before bankruptcy. GM made $4.2 billion in the first three quarters of the year and is expected to post a fourth-quarter profit in the coming weeks. Chrysler lost $652 million last year but is predicting a net profit this year.

The bonus checks at both companies could draw the ire of the United Auto Workers union because they will be much larger for many white-collar workers than checks that are going to hourly employees.

At GM, hourly workers are expected to get around $3,200 each, about 5 percent of their base pay, while they'll get $750 at Chrysler, about 1.2 percent of their base pay.

GM said in its statement that more than 96 percent of the salaried workers will get bonuses of 4 to 16 percent of their base pay. Fewer than 1 percent, the company said, will get 50 percent or more. Bonus sizes grow depending on a worker's level of responsibility.

GM said its top 100 earners are still covered under government pay restrictions imposed on companies that received government aid. Chrysler's top earners also are affected, but a number was not available Thursday night.

Cash salaries have been capped at $500,000, but further compensation can be made in stock. Many of the executives still will take home more than $1 million.

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