

With GM Deal Done, UAW Turns Its Attention Toward Chrysler

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DETROIT (AP) — Now that the United Auto Workers union has a tentative contract with General Motors, its negotiators will focus on getting a labor agreement from Chrysler.

But smaller, less profitable Chrysler may not have the resources to match the bonuses and profit-sharing that GM offered workers last week, people brief on the talks say. None of the people wanted to be identified because negotiations between Chrysler and the UAW were ongoing Wednesday. The automaker's prime objective is to hold its labor costs steady at \$49 per hour, among the lowest in the U.S. auto industry.

A message was left for UAW spokeswoman Michele Martin seeking comment on the Chrysler talks.

Last Friday, GM and the UAW reached a tentative four-year labor agreement. The deal promises news jobs and car production in the U.S, a top union concern. It also offers buyouts for more expensive, longtime union workers.

Under the deal, GM's union workers get a \$5,000 signing bonus and profit-sharing checks that will likely exceed the \$4,300 workers received this year. Longtime workers won't get a pay raise, helping GM contain costs. But entry-level workers will get raises of up to 24 percent during the contract's four years. GM's workers will begin voting on the deal later this week.

Chrysler, however, may not have the ability to match GM offers. Chrysler reported a \$254 million net loss during the first half of the year, while GM earned \$5.4 billion.

Chrysler would have turned a small profit without a one-time accounting charge for refinancing government bailout debts.

Meanwhile, negotiations between Ford Motor Co. and the UAW have slowed while the union concentrates on the other two companies.

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