

Ford Workers To Get Raises, Bonuses

DEARBORN, Mich. (AP) — Ford Motor Co. is showing confidence in its turnaround and the U.S. economy by giving pay raises and bonuses to 20,000 white-collar workers mainly in the U.S. and Canada.

Workers got letters from President of the Americas Mark Fields last week saying they'll get 2.7 percent base pay increases on April 1. They'll also get bonuses this year based on their individual performances, spokeswoman Marcey Evans said.

Ford made \$6.6 billion in the first three quarters of last year. It will report fourth-quarter earnings later this month. The company's U.S. sales rose 11 percent last year. It has made a huge turnaround since 2006, when it lost \$12.6 billion and had to borrow more than \$20 billion to stay in business.

Salaried workers didn't get pay raises last year, but many were granted performance bonuses. They got only merit pay in 2010 and no raises or bonuses were given in 2009, Evans said.

The raises are necessary to keep Ford's pay competitive with other Fortune 100 companies, Evans said. Each year, Ford studies pay at competitors and other companies, she said.

Ford also raised its matching contribution to the salaried employees' 401(k) retirement plan. The company now pays 60 cents for every dollar an employee contributes, up to 5 percent of their salary. This year the contribution will rise to 80 cents, Evans said.

She would not say how much the raises, bonuses and additional contributions will cost the company.

The raises rankled some United Auto Workers members because they did not get annual pay raises in a new four-year contract negotiated with the company last year. During the contract talks, the company told union negotiators that it didn't want to give raises to avoid recurring annual expenses.

But the workers got signing bonuses and lump-sum profit sharing payments that are worth at least \$16,700 over the four-year contract. Workers at General Motors Co. and Chrysler Group LLC agreed to similar contracts with payments smaller than those given to Ford workers.

"I'm disappointed to hear that," Mark Caruso, president of a UAW local at a factory in Saline, Mich., said of the white-collar raises. Caruso said morale already is bad among workers at his plant west of Detroit. A Ford holding company is trying to sell the factory to an auto parts supplier.

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A UAW spokeswoman in Detroit said Thursday that she would check with her superiors to see if the union will comment on the white-collar raises.

The pay raise announcement was reported early Thursday by the Detroit Free Press.

Ford compensation records obtained by The Associated Press last year show that UAW-represented hourly workers have seen larger increases in pay and benefits over the last decade than many white-collar workers.

The UAW, according to the records, was able to protect longtime factory workers from changes to health care, overtime and other benefit cuts that salaried workers were forced to take. The average hourly worker at Ford received wages, benefits and overtime totaling \$109,020 in 2010, up 17 percent from 1999. But the average salaried factory supervisor made \$99,760 in wages and benefits, up just 2 percent in the same period, the records showed.

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