

# President Ron Gettelfinger's



Christine Moroski

## Report to the 35th UAW Constitutional Convention June 2010

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*In memory of Douglas A. Fraser,  
and to all of our committed  
and courageous UAW  
brothers and sisters.*

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Seventy-five years ago, our union was formed. In the midst of a depression, 200 auto and parts workers from seven states came together in the old Fort Shelby Hotel in Detroit because they had the courage and vision to believe that they could make a better world. They imagined workplaces in which workers were treated with dignity and respect. They imagined cities with no bread lines and no slums. They imagined a country that made good on its democratic promise to all of its citizens.

In the 75 years since our founding convention, UAW members have fought in wars and marched for peace. We've built the tanks and planes that defended our freedom, and we've built the cars that let Americans enjoy the freedom of the road.

Rosie the Riveter was a UAW member, and her union later became the first major labor organization to endorse the Equal Rights Amendment. UAW President Walter P. Reuther walked arm-in-arm with Dr. Martin Luther King Jr., and rank-and-file UAW

*'There is no greater calling than to serve your brother. There is no greater contribution than to help the weak. There is no greater satisfaction than to have done it well.'*

**Former  
UAW President  
Walter P. Reuther**

members were on the front lines of the civil rights movement.

We've made breakthroughs at the bargaining table – pensions, health care, cost-of-living adjustments, supple-



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mental unemployment pay – and we've walked on picket lines in the bitter cold. We've organized, we've voted, we've rallied and we've sacrificed, all so that others could have a better life.

The accumulated sacrifices made by millions of men and women during our 75-year history are a pact between them and us. That's an incredible honor in which we all share. It's also an incredible responsibility.

On this occasion of our 75th anniversary and our 35th Constitutional Convention, we can and should remember and celebrate. We can find inspiration in our past, and draw from it a reminder of the magnitude and the seriousness of the trust that's been placed in us. But we need to look – and move – forward.

This report surveys the current landscape and the challenges we're facing.

It assesses our union's strengths, forged through 75 years of solidarity.

And it looks ahead at how we can draw on those strengths to create a better future.

## Where we stand

At the end of 2007, our country plunged into the worst economic downturn since the Great Depression of the 1930s. By the beginning of this year, we



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had lost more than eight million jobs. Unemployment rose rapidly – not since the 1940s has the unemployment rate increased so much in so short a time – and topped 10 percent for the first time in more than a quarter century. The average length of time unemployed Americans have been looking for work has been climbing steadily, topping 30 weeks in January. More than 40 percent of the unemployed have been jobless for more than six months, a level of long-term unemployment our country has not seen since records began in the 1940s.

Adding to the pain is the fact that this downturn followed a period of anemic economic growth and falling incomes for working families. At the time of our last UAW Constitutional Convention in 2006, U.S. employment had only just begun to bounce back from the relatively mild downturn of 2001. Incomes never did recover. In 2007 when this recession began, the inflation-adjusted income of the median U.S. household was lower than it had been in 2000, prior to the last recession.

The key to understanding our current economic situation is to understand that the declining economic fortunes of working families are not a byproduct of the economic and financial crisis. They are its root



Jim West

cause. With incomes lagging but bills mounting, families took on more debt to maintain their standard of living. Credit card balances rose; car loans stretched out to 60 months or more; families refinanced their mortgages, and refinanced again, taking cash out each time. These measures helped Americans pay their bills, educate their children and maintain a middle-class standard of living in the face of falling incomes. They were also a bonanza for the financial industry, which created and marketed ever more ingenious – and ever more complex – financial instruments.

The squeeze on workers brought heady returns for investors. Or it did for a while.

America's artificial prosperity lasted only as long as real estate prices were climbing. When they faltered, the economy crashed.

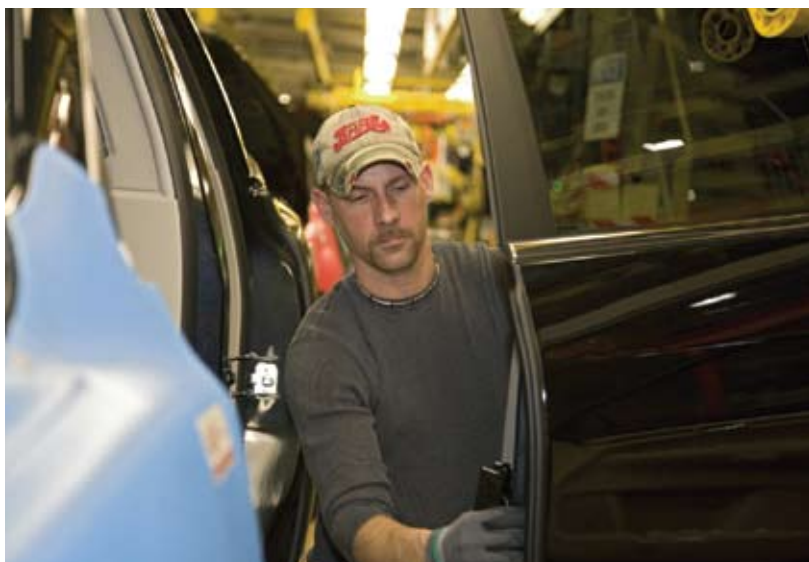
Nowhere did the economic crisis play out with more ferocity than in the nation's manufacturing sector. The recession in manufacturing preceded the broader recession and helped spawn it.

The erosion of manufacturing employment (almost two million jobs lost from December 2001 to December 2007, ostensibly during an economic recovery) and the steady degradation of wages and benefits for manufacturing workers contributed to the squeeze on the middle class. And the squeeze on the middle class led, in turn, to the economy's plunge into recession.

Is it possible to sustain prosperity without a vibrant manufacturing sector? We've long argued that the answer to that question is "no." The experience of the past decade bears us out.

*'The essence of democracy is not simply to listen with pleasure to the things with which you agree, but to listen with civility to the things with which you disagree.'*

**Former UAW President  
Leonard Woodcock**



Jim West

Other long-held beliefs require rethinking. Take, for example, the easy equation of manufacturing jobs with good jobs. Never entirely accurate, it is becoming less true by the day. In 2008 one in four production workers earned less than \$11.09 an hour, barely above the poverty level for a family of four. Manufacturing jobs can be good jobs. They should be good jobs. And many are good jobs – but only because 75 years ago manufacturing workers organized and won a union voice.

So our challenge is bigger than stopping the loss of manufacturing jobs.

We need more jobs, but we also need better jobs ... and greener jobs. And that means transforming the nature of competition. Low wages cover a multitude of sins: They paper over low productivity, poor quality, slow responsiveness, lack of innovation, environmentally damaging processes and wasteful energy consumption. How much better for all of us if American manufacturers were to compete on the basis of quality and nimbleness; how much better for all of us if they paid a quarter of the attention to energy costs that they do to labor costs.

The auto industry, our union's single largest employer, poses the challenge in especially stark terms. Four years ago in our report to the union's 2006

convention, we wrote that the challenges we were facing in auto weren't the kind that could just be ridden out. We described them as structural challenges, requiring new and farsighted solutions.

That, it turns out, was an understatement.

What we couldn't foresee – what no one foresaw – was the speed with which a broad economic collapse would push the domestic auto makers to the brink. In 2007, following up on our words to this convention, we negotiated new collective bargaining agreements with Ford Motor Co., General Motors Corp. and Chrysler LLC. Our agreements addressed the companies' long-term structural challenges in a way that was heralded as "transformational."

But before the long term could arrive, the bottom fell out of the U.S. vehicle market: Sales plunged from an annualized rate of 15.9 million in December 2007 to 10.3 million in December 2008, the steepest drop in memory. By the end of 2008, both GM and Chrysler were running out of cash. In a matter of weeks they would have been unable to pay their suppliers, power their factories and meet payroll – and with credit markets frozen they were unable to borrow to stay afloat. In the absence of federal loans they would have faced liquidation.

As it was GM and Chrysler each undertook a government-brokered restructuring that required painful sacrifices by active and retired workers, and culminated with a trip through bankruptcy court (and in Chrysler's case with a new owner, Fiat).

Now, in 2010, the industry appears to be on its way back. Sales have stabilized and are inching

*'The true spirit of our democratic society embraces the fundamental rights of workers to organize and to have safe and secure jobs in democratic workplaces.'*

**Former UAW President  
Douglas A. Fraser**

higher, though for the foreseeable future, they will remain well under the 16 million-plus level that prevailed for nearly a decade. But the industry that is emerging from its crisis looks very different from its pre-crisis self.

Our 2007 agreements shifted full responsibility for retiree health care (a cost that new entrants to the industry did not face) from the companies to the independent Voluntary Employee Beneficiary Association (VEBA) trust. They also established a new wage and benefit structure for new hires, one

*‘By protecting retiree health care, we’re also keeping our obligation to those who came before us and to whom we owe so much.’*

**UAW President  
Ron Gettelfinger**

that more closely reflected prevailing manufacturing rates. It was excruciatingly difficult, and the contracts were hotly debated at scores of intense – and intensely democratic – local union meetings.

In the end, our members at Ford, GM and Chrysler made the decision that the new agreements were the best way to secure retiree benefits and keep work in our plants.

Barely a year after those ratification votes, and before the VEBA was fully funded, the industry’s crisis plunged us into a new round of negotiations that concluded with another round of painful concessions. In the case of GM and Chrysler, these negotiations were three-way talks, involving the U.S. Treasury Department, as well as our union and the companies. The companies’ future, as well as that of the VEBA, depended on an infusion of federal support; that federal support depended on devising a restructuring plan that could win Treasury’s approval. Once again members took stock of the industry’s situation and concluded that modifying our collective bargaining agreements

was the best way to secure jobs for the future while protecting retirees.

Both the 2007 and 2009 negotiations took place against a backdrop of shifting market share and expanding nonunion production. It is hard – impossible, even – to overstate the significance of this for the auto industry and its workers. Two conventions ago in 2002, more than 80 percent of U.S. vehicle production came from UAW and other unionized plants. By 2006 that share had fallen to a little under 75 percent. This year it is expected to be 60 percent.

Those shifts are seismic. For many years the wages and benefits negotiated by UAW members at Ford, GM and Chrysler set the broader industry pattern, so that even workers without a union voice enjoyed some of the advantages of union membership. Pay for full-time, permanent workers at nonunion plants was roughly comparable to that of their UAW counterparts, and benefits were only slightly lower. That was true for the simple reason that high levels of unionization raised standards for the entire industry.

Today low levels of unionization are leading to a ratcheting downward. The new generation of non-union auto plants pays significantly lower wages and offers skimpier benefits than the first wave. Industry standards are no longer being set in the back and



AP Photo

forth of the collective bargaining process, where both workers and managers have a voice, where multiple points of view are presented and considered, where competing needs are weighed. Instead they are being set unilaterally by a handful of executives in corporate office suites.

This was made explicit during the auto restructuring debate, when Republican senators demanded that wages and benefits at GM and Chrysler be reduced to levels comparable to the nonunion competition. While this was beside the point substantively (no serious industry analyst believed that labor costs were the core problem), it was important symbolically. The message to workers was: Don't look up, toward the best-paid workers, to see the industry standard. Look down, toward the worst-paid ... because that's where you're going.

We reject that message, and we think most Americans do, too. Workers didn't sacrifice to ensure their employers' survival only to watch their wages and benefits reduced to the lowest common denominator. Taxpayers didn't invest in the auto industry to see it drag down the standard of living in their communities. Whether we work in auto plants, live in auto



Jack Cobb/UAW Local 1853

communities or pay the taxes that support federal assistance to the auto manufacturers, we all have a stake in putting a revitalized auto industry on a high-wage path.

And that means we all have a stake in the ability of nonunion auto workers to win a collective voice. Strengthening union representation across the industry is the only way to ensure that workers and communities will share equitably in the industry's future success.

It's a big challenge, in an industry facing other big challenges. But that's precisely the point: At a time when technology is transforming the very nature of the vehicles we drive, when old players are consolidating and new players are emerging, when governments (including, at long last, our own) are making unprecedented investments in environmentally sustainable manufacturing, we need to think big. The future of the industry and its workers is up for grabs.

The announcement last fall that a Finnish-U.S. venture, Fisker Automotive, would be making a plug-in hybrid sedan at the idled GM facility in Wilmington, Del., shows what's possible. By 2014 when the plant is running at full capacity, it's expected to employ 2,000 workers directly, another 3,000-plus in its supplier base and to assemble 75,000 to 100,000 cars a year – more than half of them for export. To meet its ambitious goals, Fisker has partnered with UAW Local 435. Through that partnership, a startup company gets an experienced workforce. Laid-off GM workers get to assemble a ve-

*'The concessions our members agreed to beginning in 2005 and again in 2007, 2008 and 2009 were difficult. We did what needed to be done to save our industry.'*

**UAW President  
Ron Gettelfinger**

hicle on the cutting edge of technology. A recession-battered community gets thousands of supplier jobs. The world gets a little greener, and the U.S. trade balance gets a little better.

That's just one small glimpse of what the future could hold. Our challenge is to multiply this story many, many times over.

The auto industry's transformation can and should bring more job security, better wages and working conditions, and a stronger collective voice for auto workers. It won't happen automatically. It won't happen easily. It won't happen overnight. It

*'I know this union's vision has never been limited to the collective bargaining table or the workplace. It's a vision of dignity, freedom, and social and economic justice for all Americans.'*

**Former UAW President  
Stephen P. Yokich**

will only happen if we organize to make it happen.

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The four years since our last convention have been particularly tumultuous for the auto industry, but other sectors are also experiencing change and upheaval. They, too, are facing a stark choice: Will the future bring better, more secure jobs and a more sustainable way of doing business, or will it accelerate

the degradation of work, the environment and our social fabric?

That's the question throughout manufacturing, from auto parts to heavy trucks to agricultural and construction equipment to aerospace to logistics. And it's not just a question for blue-collar workers – salaried employees are being squeezed as well. Just ask salaried retirees at Delphi, many of whom saw their pensions shredded in that firm's bankruptcy. Their lack of a collective voice left them at the mercy of a

legal system stacked against workers.

It's the question in state and local government, where record budget shortfalls have brought painful budget cuts, employment reductions, unpaid furlough days, and intense pressure on health care and retirement benefits.

It's the question in higher education, where institutions are increasingly reliant on graduate teaching assistants, adjuncts paid by the course and other nontenured faculty to carry the instructional load.

It's the question in the gaming industry as it continues to expand in new geographic areas.

Again and again, in industry after industry, we've seen the power of a union voice to transform workplaces for the better. In higher education, the use and abuse of temporary and adjunct faculty has led to much hand-wringing among observers of the college and university scene. But at New School University in New York, adjunct faculty represented by UAW Local 7902 didn't wring their hands over the degradation of their jobs, or accept the erosion of their pay and benefits as inevitable. Instead they used their union voice to change the way adjunct faculty are treated. In their first union contract in 2005, New School adjuncts won an unprecedented level of job security. Last year, in the midst of the recession, they bargained a successor agreement that strengthened their job security, reduced the cost of health insurance and provided twice-yearly pay increases.

The power of a union voice for academic workers was demonstrated again, on the other side of the country, when post-doctoral researchers in the University of California system voted to join the UAW. To win a first agreement from a resistant employer, we've mounted a multi-faceted political and community campaign that's garnered support from members of Congress, community leaders and prominent faculty. We know that our future prosperity and well-being depend, in no small way, on the medical and scientific research conducted at our great universities. Post-doctoral researchers are using their union voice to make sure the individuals who do this cutting-edge work receive fair treatment and just



Peggy Shorey

compensation.

In a very different setting, workers at the giant Foxwoods Resort Casino in Connecticut used their union voice to win a first agreement that increased pay, made more workers eligible for benefits, and established industry-leading health and safety programs. The 2,500 new members of UAW Local 2121 are the first gaming workers to organize and bargain collectively under tribal law. Through their vision and steadfastness, they showed that there's no contradiction between collective bargaining and tribal sovereignty. With several hundred thousand workers employed in Native American casinos – and with more such casinos slated to open in the coming

years, many in areas battered by manufacturing job loss – it's more important than ever that workers organize to shape the future of these new jobs. Foxwoods workers can take pride in leading the way.

When Freightliner, owned by Germany's Daimler, shifted production from North Carolina to Mexico, workers could have accepted the conventional wisdom that globalization makes the loss of manufacturing jobs to low-wage countries inevitable.

They didn't. Instead, members of UAW Local 5285 launched a multi-faceted campaign to bring the work back: They contacted dealers and customers, reached out to public officials and pursued a grievance under their UAW contract. In January an arbitrator ruled that Freightliner was in violation of its collective bargaining agreement and ordered it to bring work back to its Mount Holly plant. He even awarded back pay to the more than 900 workers who were laid off because of Freightliner's outsourcing action. The workers' victory was also a victory for the state of North Carolina, which has been suffering one of the highest unemployment rates in the nation.

These very different examples from very different industries show that even in the midst of recession and economic turmoil, we can organize and take action to change things for the better. By seizing every opportunity to improve conditions in our industries, we can help lay the groundwork for sustainable prosperity in our communities and our country.

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Since our last convention, the economic climate has become vastly more difficult. The political climate, in contrast, has been transformed in ways that are just as vast, just as breathtaking, just as historic – and in this case, for the better.

The delegates who convened in Las Vegas for our union's 34th Constitutional Convention were addressed via live satellite link by a first-term senator from Illinois named Barack Obama. Then-Sen. Obama brought the crowd to its feet with his challenge to bring our "politics, policy, vision,



Rebecca Cook

mission, heart and soul” to the job of organizing working Americans.

A little over two years later, Americans voted to make Barack Obama our nation’s first African-American president.

His victory says a great deal about our country. Old divisions may not have disappeared, but they’re disappearing. Young people, dismissed by pundits as cynical and disengaged, threw themselves into the campaign. Americans of all ages showed themselves to be hungry for inspiration, eager for change and ready to enlist in a cause greater than themselves. The euphoria surrounding President Obama’s election and inauguration gave us all a taste of what

those of us who’ve been privileged to work on a successful organizing campaign have experienced: that exhilarating sense that anything is possible.

But elections, however historic, are the easy part. The hard work of actually making change happen comes afterward. That’s been especially true over the last year-and-a-half, as Americans’ high expectations collided with the magnitude of our problems. The previous administration left a legacy of damage: to our economy, our environment, our image in the world, even our political discourse. The last is, in some ways, the most troubling. It makes the difficult task of addressing the rest of our challenges even more difficult.

Relentless partisanship means that well-qualified presidential appointees can be held hostage by a minority of the Senate – and in some cases, by a single senator. More than a year after President Obama took office, the National Labor Relations Board still had just two members and three vacancies, precluding any substantive decisions. As of this past spring, dozens of other appointments remained in limbo.

This partisanship extended to the debate over health care reform. Despite the fact that more than 46 million Americans lack coverage; that the amount working families must spend on health care is far outpacing growth in incomes; that we spend far more on health care than any other country, with less to show for it – despite all this, Republicans in the House and Senate formed a solid front against meaningful reform, and used the threat of a Senate filibuster to try to derail it. The election of a Republican in the special election to fill the late Sen. Ted Kennedy’s seat in Massachusetts further encouraged these tactics of oppose, block and delay.

Fortunately, they failed. And the American people won. While the reform bill that President Obama signed into law does not go as far as we would have liked, it does bring us closer to our goal of affordable, high-quality health care for all Americans.

If we had squandered this opportunity and continued to drift along with the status quo, more retirees would have lost their health care benefits.

More families would have faced financial ruin because of an illness or accident. Out-of-control health care costs would have continued to swell the federal deficit and gobble up a larger and larger share of workers' incomes, dampening consumer spending and jeopardizing the economic recovery.

*'America's health care cost crisis cannot be resolved at the collective bargaining table. The only way to bring health care costs under control – and provide affordable, quality health care for every American – is through comprehensive national health care reform.'*

**UAW President  
Ron Gettelfinger**

As President Obama put it, quoting Abraham Lincoln, "I am not bound to win, but I am bound to be true."

In this case, we did both.

Along the way, of course, we saw scenes of surpassing ugliness. Members of Congress were spat upon, called racial and sexual slurs and threatened with violence. Wild slanders about "death panels" and totalitarian takeovers circulated on the Internet. Supporters of reform were harassed and demeaned.

That's why this fight was one we couldn't afford to lose.

And we didn't. In the end we won because thousands of citizens took the time to tell their health care stories to their elected officials. We won because we leafleted and made phone calls and rallied. We won because, after a long and contentious debate, a majority of Congress remembered who it was that sent them there, and why: not to do the easy thing, but to do the right thing.

As President Obama put it, quoting Abraham Lin-



Howard Kaplan

Attempts at calm and rational discussion were shouted down.

But all the noisy tea parties, poisonous rhetoric and partisan posturing can't obscure the fact that politics in this country have changed. Not only have the overwhelming majority of Americans come to reject the corporate-driven policies that wrecked our economy and created so much hardship, but they also know that alternative policies, more democratic and humane, are possible. A majority in Congress shares that view. And at long last, we have a president who shares it, too.

The work that UAW members put in last fall, and the years of quiet political organizing that preceded it, have created an opportunity for real change – not just in our health care system, but in the broader economy. Even in tough economic times (or, perhaps, especially in tough economic times), that's cause for celebration.

It's also cause to roll up our sleeves and redouble our effort to build a more just society.

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Some of our most important work over the last four years has involved restructuring our own insti-

tution. With the recession and the dramatic downsizing of the domestic auto manufacturers, our membership has fallen dramatically. We can no longer operate with the level of staff and physical infrastructure that we maintained when we had upward of 700,000 members, as we did a decade ago.

We have been reducing our UAW International staff through attrition, culminating in an early retirement incentive that was accepted by more than 130 staff early this year.

As we have downsized, we have also reorganized. Departments with similar or complementary responsibilities have been combined. Subregional offices have been closed. Offices in our Dave Miller Building annex in Detroit have been consolidated in Solidarity House. And we are continuing to explore options for the Walter and May Reuther UAW Family Education Center at Black Lake.

Our restructuring has been guided by the need to



Alex Anton

continue to provide services that our members value – and also by the need to organize. The latter, more than any other factor, will determine our ability to continue to win justice and raise living standards for workers in UAW industries.

## Strength in solidarity

Our union's strength is our solidarity.

That's every bit as true today as it was 75 years ago. Solidarity is the theme of this convention. It's the title of the magazine every UAW family receives. It resounds through the song we sing at the close of meetings and events. We can be proud that in 75 years, we've never allowed "solidarity" to become just an easy slogan. We've continued to act on the principle that what happens to one of us, matters to all of us. We've put solidarity into action.

You can find UAW solidarity in action in organizing and contract campaigns.

During the long effort to win a first agreement at the Foxwoods casino, hundreds of new UAW members demonstrated that they understood the meaning of solidarity every bit as well as the pioneers who formed our union 75 years ago.

In Atlantic City, UAW members from a variety of backgrounds, speaking different languages, are sticking together to win their own first agreement over the stubborn opposition of the casino companies. When a call went out for support, UAW members from as far away as Indiana and Maine joined thousands of casino workers and their community supporters in a march and rally that filled the streets of Atlantic City for more than three hours.

And for UAW members at New United Motor Manufacturing Inc. in Fremont, Calif., facing devastating news that their plant was slated for closure, solidarity meant they could count on UAW members from other auto plants, other industries and other states to join them in putting pressure on Toyota.

Our solidarity doesn't guarantee that we will win every fight, but it does give us the strength to take the fight on.

You can find UAW solidarity in action in every community where we live and work. Our constitution calls for each and every local union to maintain a community services committee. Each year UAW members devote millions of hours and millions of dollars to community service work, from assisting disaster victims to building wheelchair ramps to cleaning up local parks. Solidarity, for our union, means standing with others who need our help. That's how we build strong communities – communities that, in turn, strengthen us. The community ties we forge through volunteer work and participation in service

*'We're proud of the gains we've made over the years, because we've earned them.'*

**Former UAW President  
Owen Bieber**

organizations are a resource that we can draw on as we organize to win justice in our workplaces. Putting our solidarity in action leads us naturally into the political arena. Our union has a history of developing committed and sophisticated political activists, and mobilizing our active

and retired members at the grass roots. By standing together, we've been able to win elections and shape the direction of legislation. We saw that in the 2008 election, and we saw it again when we mobilized to preserve auto jobs during the industry's 2008-2009 crisis. We saw it yet again in the health care debate, when UAW members pushed hard for comprehensive reform.

UAW solidarity in action cuts across generational lines. Our members retire from their employers but not from our union. No one who knows our union was surprised when UAW workers at the automakers gave up wage increases and cost-of-living adjustments to protect retiree health care. UAW workers at Caterpillar had done the same – and so have UAW

workers at many other employers. UAW retirees, in turn, are some of our most vocal and effective activists on issues of jobs and trade.

Through our collective bargaining relationship with the auto manufacturers and other large UAW employers, our union has developed health and safety expertise that is second to none.

Solidarity in action means extending that expertise to smaller manufacturing units and technical, office and professional workplaces where no training is provided under the contract, but where members are hungry for information they can use to protect themselves and their co-workers from occupational hazards. To that end, we've developed highly-regarded training materials and provided ergonomics, hazard recognition and emergency response training to thousands of members in small shops and offices. By acting on the principle that an injury to one is an injury to all, our solidarity makes our workplaces safer, and provides a compelling example for workers who do not yet have a union voice.

Our solidarity thrives on diversity.

UAW members are black, white and brown, male



Saul Loeb/AFP/Getty Images

and female, gay and straight, northern and southern, immigrant and native-born, young and old. Those differences don't diminish our solidarity – they strengthen it by keeping us focused on what it really is that binds us together. That's not our ethnic background, our sex or sexual preference, our geographic region, our religion or any of the many other dimensions of our individual identities. Our common bond is that we are workers who believe in fairness and justice and have come together to pursue them. As the workforce itself becomes more diverse, that example offers a powerful message that will continue to strengthen our union.

We draw strength, as well, from the fact that the UAW is a multi-sector union. While the auto industry has long been the single largest employer of UAW members, we were never solely an auto union,

*'We have not given up,  
and we don't intend to.'*

**UAW President  
Ron Gettelfinger**

and we have become less auto-focused over time. This is a natural process. During World War II when auto plants converted to war production, we provided a voice for aerospace and defense workers, and continued to do so after the war ended. In the 1970s and 1980s, when workers in universities and the public sector sought a union voice, many looked to the UAW because they knew we had provided such a voice for their friends, neighbors and family members. More recently, with casinos replacing manufacturing plants as a source of jobs in many industrial communities, it was equally natural for gaming workers to organize under the UAW banner.

By representing workers in multiple sectors, we've been able to build our presence in particular regions and communities. That geographic density amplifies our political voice at the state and local level, and contributes to our ability to negotiate breakthrough agreements in new sectors. We have

always been a union of workers, not of a particular industry – and we are stronger for that.

Our solidarity runs deep.

And unlike wealth or political influence, solidarity can never be exhausted. The more we draw on it, the stronger it becomes.

## Shaping the Future

Our union has just experienced some of the most wrenching times in our 75-year history. We can bemoan our bad luck. We can decry bad management decisions and corporate greed. We can express outrage at employers who break the law, pundits who disparage us and politicians who misrepresent us.

What we can't do is change the past.

We can, however, shape the future.

It's not the place of this report to offer a detailed blueprint for that future. That will be drafted by the delegates to this convention; by the members we are all privileged to represent; and by the new leadership team that you elect.

In lieu of a blueprint, we can still share some thoughts about the things we will need to do to build a future that's worthy of the courage and sacrifice our members have shown throughout our 75-year history:



Ben Zimmerman

***We need to put the U.S. economy on a solid foundation of broadly shared prosperity.***

Our economy can't rest on the dizzying wealth of a few. That model was attempted during the Bush years, and came crashing down with the financial crisis. Federal stimulus spending has jump-started the economy, but sustainable, long-term growth requires raising the purchasing power of millions of working families through a reshaping of the nation's economic policies. Taxes, trade, investments in infrastructure and education: All of these need to be



Jim West

looked at through that prism. Policies that erode the economic position of working families (handouts of tax revenue to the wealthy, say, or unbalanced trade agreements) need to be scrapped, and new policies crafted to raise living standards for the majority. We can start with reform to end the delays, threats and intimidation that workers face when they try to organize and bargain collectively. The stronger the collective voice of workers, the stronger the constituency for policies to improve the economic position of working families, which will in turn strengthen and stabilize our economy.

***We need to revitalize auto and other manufacturing industries, and make them less polluting and more energy-efficient.***

We also need to ensure that the green manufacturing jobs of the future are good jobs, paying good wages and benefits, and offering workers a voice in their workplaces. This is something we must pursue on three tracks: in negotiations with employers, in the public policy arena and through organizing. With more than five million U.S. manufacturing jobs lost in the last decade, and with manufacturing employment below 12 million for the first time since 1946, our country and our union are facing a stark choice. We can cede the manufacturing jobs of the future to other countries – or we can rebuild the sector from the ground up. Already, a combination of market forces and federal technology funding are bringing new entrants into the auto industry and reshaping the automotive supply chain. In this context of rapidly changing technology and new investment, there is a tremendous opportunity to rebuild UAW density in auto and other important sectors.

***We need to partner with smaller manufacturing employers to upgrade their capabilities.***

The auto industry's crisis cast a spotlight on the precarious position of the U.S. supply base. For smaller manufacturers, in particular, the combination of low margins, lost orders and limited access to credit have been disastrous. Many have closed their doors, and many others have sought further cuts in wages and benefits that were already too low. The first of those actions is devastating to workers and heartbreaking for "mom and pop" owners; the second leads to a dead end. We can preserve jobs and make jobs better by systematically improving the productivity, quality and market diversification of supplier firms that are willing to partner with us. The goal is to create more value and to share that value equitably with the workforce.



***We need to expand our union's membership outside manufacturing.***

Already, more than a quarter of UAW members are employed in technical, office and professional

occupations or in the service sector. With more than eight out of 10 U.S. jobs now in government and service-producing industries, it is vital that we continue to diversify our membership. Our strong presence in higher education and the gaming industry shows that workers in very different sectors see the UAW as a way to make their voices heard.

***We need to pursue new approaches to organizing.***

Workers want a voice in their workplace. But with unions representing just 12.3 percent of the U.S. workforce (7.2 percent in the private sector), unorganized workers may not immediately think of a union as the way to achieve that voice. And employers, of course, are more than happy to keep it that way – whether by demonizing unions or by threatening and intimidating workers who do dare to organize. We can overcome these obstacles, but only if our organizing strategies take them into account. That means pursuing a more community-focused approach to organizing. Whenever and wherever the unorganized come together – in places of worship, parent-teacher associations or community groups – we need to be



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there, too, engaging with them. We also need to develop multifaceted strategic campaigns to identify points of leverage that can persuade employers to reconsider their anti-union stance.



Rico Flores/UAW Local 2244

### *We need to step up our grassroots political involvement.*

Many thousands of UAW members make regular contributions to V-CAP, our political action committee. Those contributions allow us to support politicians who support us and to communicate our positions on issues to the broader public. But as important as V-CAP is, money has never been our strength. That's truer than ever now that the U.S. Supreme Court has opened the floodgates to corporate cash in elections. We can't compete with their dollars, but we have something more important: hundreds of thousands of potential activists. The tremendous outpouring of grassroots activism in the 2008 election showed the power of an energized and engaged public. We need to continue to cultivate a spirit of activism and involvement among our members – tied not just to elections, but also to issue campaigns.

### *We need to broaden our communication with members.*

Our members get their news through a wide variety of channels. The sheer volume of information all of us process each day is overwhelming, and the speed with which it circulates is mind-boggling. The way in which we communicate is changing, too, as passive, one-way communication is replaced by two-way (or many-way) exchanges. Our union's communications strategy must reflect all this. In an age of blogs, Internet rumors, smart phones and social networking, communication must be immediate. And interactive. And compelling enough to cut through information overload. We have taken initial steps in this direction, but we need to do much more.



Rick Reinhard

***I***n the end, building a better future requires three things above all else.

*One is the hope that a better world is possible.*

*Another is the courage to act on our hopes.*

*And the last is solidarity, because no individual can shape the future on their own.*

*For 75 years, our union has been a vehicle for our members' hopes.*

*For 75 years, we've been carried forward on our members' courage.*

*And for 75 years, we've found strength in solidarity. We have everything we need to shape a future that will be more just, more democratic and more humane.*

*Solidarity, solidarity, solidarity forever!*