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Dispute Resolution Between the General Motors Corporation and the United Automobile Workers, 1970-1982

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CHAPTER 3

DISPUTE RESOLUTION BETWEEN THE GENERAL MOTORS CORPORATION AND THE UNITED AUTOMOBILE WORKERS, 1970–1982

T. ST. ANTOINE

I. COMPANY AND UNION: HISTORY AND ORGANIZATION

A. THE GENERAL MOTORS CORPORATION

1. ORIGIN AND GROWTH

General Motors (GM) was organized in 1908 by William Crapo Durant (1861–1947), an automobile enthusiast and a born promoter who had made the Buick the best-selling car in the industry. Starting as a holding company, the new firm quickly acquired the manufacturers of the Buick, the Oldsmobile, and the Cadillac, as well as of Fisher auto bodies. Within a decade General Motors added the Oakland (later Pontiac) and Chevrolet motor car companies and the producer of the Frigidaire electric refrigerator. In 1919 a wholly owned subsidiary, the General Motors Acceptance Corporation, was created to finance the sale of the parent company's cars and trucks. Durant overextended GM financially in the early 1920s, however, and had to give way to the du Ponts, who held a controlling interest in the company for the next forty years.

Under the leadership of astute, methodical Alfred P. Sloan, Jr. (1875–1966), who served first as president and later as chief executive officer, General Motors became the model of efficient American corporate management during the second quarter of the twentieth century. The loose collection of individual units that characterized GM in the Durant era was transformed into an integrated whole. The aim was to coordinate the company's various divisions so as to provide 'a car for every purse'. Policy making and ultimate control were centralized in Detroit, although the heads of the operating

divisions continued to exercise considerable discretion in production and marketing.

By 1978, just prior to the current economic recession, the company had assets of more than 30 billion dollars, annual sales of over 60 billion dollars, including 9.4 million motor vehicles worldwide, and yearly profits of about 3.5 billion dollars. It had plants and warehousing facilities in two dozen countries. With an average total work force of approximately 800,000 persons, it was the largest private employer in the world. Since the mid-1930s General Motors had consistently ranked first among all industrial enterprises in the United States.

In the early 1980s, following several years of declining car sales, the picture was less bright. The company lost money in 1980 for the first time since the Depression. Corporate earnings for 1982 remained below one million dollars. Signs of retrenchment included the sale after sixty years of the Frigidaire operation. Even so, General Motors continues as a colossus of American industry. It has some 120 plants in this country alone, another seven in Canada, and thirty-five subsidiaries around the world. Although its products range from diesel locomotives to ball bearings, the heart of the enterprise has always been the motor vehicle, and General Motors still produces one out of every four automobiles manufactured in the world.

2. WORK FORCE

During 1973, a fairly typical year preceding the wildly fluctuating period of the last decade, General Motors' work force in the United States consisted on the average of 140,000 salaried (white-collar) employees and 450,000 hourly (blue-collar) employees. The blue-collar total included about 70,000 skilled tradesmen. Of the grand total of approximately 600,000 employees, about 115,000 were minorities (blacks, Hispanics, etc.) and about 95,000 were female. Less than 15 per cent of the workers in the automobile plants were women and only a handful of these were foremen. About 30 per cent of the blue-collar workers were black, although blacks made up 60 to 70 per cent of the workers on many urban assembly lines, often handling the noisiest, dirtiest, and most tiring jobs. Forty per cent of the blue-collar workers were under 30 years of age, and differences in the life styles of this 1960s generation often contributed to tensions between them and their middle-aged supervisors and union representatives.

In 1973 the United Automobile Workers (UAW) represented between 410,000 and 425,000 hourly workers in about 150 bargaining units across the country. The International Union of Electrical Workers (IUE) represented another 30,000 employees in five units. Blue-collar employment peaked in 1978-79, with over 460,000 represented by the UAW and 30,000 by the IUE. By 1979 more than 125,000 women were working for GM in the United States, but only 1,500 held first-line supervisory positions. Minorities were faring better. They constituted about 20 per cent of the total GM labor force, occupying, 17,500 - or almost 12 per cent - of the 150,000 white-collar positions, including 9 per cent of the company's highest ranking 56,500 'officials and managers' slots.

B. THE UNITED AUTOMOBILE WORKERS

1. ORIGIN AND GROWTH

John L. Lewis (1880–1969), famed longtime president of the United Mine Workers, formed the Committee for Industrial Organization (CIO, later the Congress of Industrial Organizations) in 1935 after he became frustrated with the inability or disinclination of the older, more conservative, craft-oriented American Federation of Labor (AFL) to organize the unskilled and semi-skilled workers in such mass production industries as steel and autos. The United Automobile Workers (UAW) grew out of this innovative effort at organizing along industrial or 'vertical' lines. The new union was chartered in April 1936. Initially the UAW belonged to both the AFL and the CIO but the ties with the former were soon severed.

After a series of bitter strikes against General Motors, which began in late December 1936 and included much-publicized and highly controversial 'sit-downs' or plant seizures in Flint and Detroit, the union won recognition and bargaining rights for its members from GM on 11 February 1937. The first national agreement between GM and the UAW consisted of a single page, in sharp contrast to the 400-page documents of today. Chrysler was organized soon after GM, but Ford held out until 1941.

The early top leadership of the UAW was relatively weak, with much of the real power being exercised by CIO president Lewis. All this changed in the years immediately preceding and during World War II with the emergence of Walter P. Reuther (1907–70), director of the union's large GM department, as one of the most dynamic and influential figures on the American labor scene. Through the late fall and winter of 1945–46 Reuther led a grueling 113-day strike against General Motors. Although the strike did not produce a union triumph at the bargaining table, the reputation for boldness and daring it gained Reuther enabled him to take the presidency of the union in 1946. Reuther was not to relinquish the post until his death in an airplane accident in 1970. While lacking Reuther's charisma and oratorical flair, his successors as UAW president, the scholarly, meticulous Leonard Woodcock and the practical, affable Douglas Fraser were thought by many to be more effective in handling the day-to-day affairs of the union and in serving the needs of its members.

It was with Reuther in its head, nonetheless, that the UAW became known as America's most socially progressive and perhaps most highly regarded large labor organization. The UAW more than many other unions was identified in the public mind with the movements for civil rights, low-cost housing, health insurance, and environmental protection. In actual fact, however, the leadership of the union had to be wary of getting too far out in front of the membership in the pursuit of noble-causes. The UAW's polyethnic rank-and-file was not avid for racial and sexual equality in the work place, and in any event the ordinary union man was more interested in such material gains as wage increases, innovative fringe benefits, shop safety, job security, and early retirement.

Reuther succeeded Philip Murray as president of the Congress of Industrial

Organizations (CIO) in 1952, while retaining his UAW office also. In 1955 the CIO joined with the larger, richer AFL to form the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO). George Meany, head of the AFL, became president of the merged federation, with Reuther a vice-president as well as head of the Industrial Union Department of the AFL-CIO.

In the United States the central labor federation has almost no part in collective bargaining and is primarily concerned with political strategy, lobbying, public relations, and the maintenance of interunion harmony. Despite this limited need for collaboration, Meany and Reuther soon developed strong philosophical and personal antagonisms. Meany was more conservative, shrewd and intelligent but a man of few words, and he looked with distaste on the more flamboyant and assertive Reuther. Reuther for his part grew restive at what he perceived as Meany's intransigence and the federation's resistance to change. In 1968 Reuther withdrew the UAW from the AFL-CIO. A year later he formed an uneasy Alliance for Labor Action with the giant International Brotherhood of Teamsters, which had been expelled from the federation a decade earlier because of corruption. The Alliance for Labor Action fell apart after Reuther's death, and after Meany's death their successors negotiated the UAW's return to the AFL-CIO in 1981.

2. CURRENT STATUS

At the end of 1982 the active membership of the United Automobile Workers stood at 1.25 million workers, belonging to about 1,600 local unions in the United States and Canada. There were 1.14 million Americans and 115,000 Canadians. Women accounted for 170,000 memberships in the two countries. A fifth or more of the total may have been retired members. The UAW ranks as the largest manufacturing union, ahead of the United Steelworkers, but behind three unions representing truckers, school teachers, and retail employees. Substantially all the blue-collar workers in the domestic auto industry have been organized, the vast majority by the UAW.

In early 1983 the UAW represented approximately 300,000 employees currently on the job with General Motors in the United States. Another 25,000 were at work for GM in Canada. One-ninth or more of these would be classified as skilled workers. In addition, about 140,000 employees were on layoff. Of these about 80,000 had been out of work for more than one year and thus were considered as laid off indefinitely. This study will concentrate on the 300,000 hourly workers in about 150 major bargaining units in the United States who are covered by the parties' principal National Agreement.

II. COLLECTIVE BARGAINING, 1970-82

A. STRUCTURE AND PROCEDURES

Collective bargaining between the General Motors Corporation and the

United Automobile Workers is carried on at two levels, national and local, usually simultaneously. Separate national and local agreements are negotiated, ordinarily of three years' duration. Provisions of the National Agreement of course prevail over any contrary terms in local agreements. Generally the National Agreement covers such basic matters as wage increases, union representation, the grievance and arbitration procedure, seniority, discipline and discharge, production standards, overtime, leaves of absence, strikes and lockouts, vacations and holidays, safety and health, such fringe benefits as pensions, insurance, supplemental unemployment benefits, etc., and special provisions relating to the skilled trades. Local contracts deal with 'wage scales for each operation' (as distinguished from the nationally negotiated wage increases applicable to broad categories of employees), job classifications, local seniority, job transfer rights, shift preferences, overtime equalization among employees, and a whole host of working conditions ranging from heat, light, and cleanliness in the plant to parking lot arrangements, the availability of lockers, toilets, and food dispensing machines, and restrictions on the use of transistor radios.

1. NATIONAL NEGOTIATIONS

For many years the standard GM-UAW National Agreement (like most other national contracts in the auto industry) has had a three-year term, expiring on 14 September in 1970, 1973, 1976, and so on. Systematic preparations for negotiating a renewal begin well over a year before the old contract is due to expire. On the union's side there is a fascinating, ongoing interplay between the organization's 'professional' elements, consisting of the UAW president, the International Executive Board, the head of the UAW's GM Department, his staff assistants, and the union's lawyers and economists, on the one hand, and on the other hand the organization's 'democratic' or 'grass roots' elements, consisting of the GM National Council, composed of the president, the chairman of the shop committee, and often other representatives of each constituent local union. This National Council in turn is broken down into eleven subcouncils, based upon the particular areas of work of the members of the various locals, *e.g.*, assembly plants, stamping plants, foundries, parts warehouses, and skilled trades. The subcouncils have as one of their most important tasks the election of the eleven persons who will serve, along with the head of the GM Department, on the National Negotiating Committee.

The initial formal step for the union is collecting contract proposals and recommendations from local memberships at meetings across the country. These resolutions are then forwarded to the UAW president, the union's Resolution Committee, and the appropriate subcouncils. Basic economic demands, which will tend to be common for the major auto companies, are the special province of the president's office and the Resolutions Committee. Issues of particular relevance to GM employees will be handled by the GM National Council and its subcouncils. In the early spring preceding the usual summer-and-fall negotiations, the UAW holds a Special Collective Bargaining Convention to map overall strategy for the forthcoming industry-wide

bargaining. Thereafter the eleven-person GM National Negotiating Committee meets for two weeks with the GM Department director to review the resolutions screened by the subcouncils and, with the help of professional staff, to put together a total collective bargaining package. Finally, the GM National Council officially formulates the demands to be presented to General Motors.

On its side, naturally, the company operates much less publicly. Alfred S. Warren, Jr., GM's new vice-president for industrial relations, has created a pioneering Strategic Planning Committee, which begins meeting about a year prior to bargaining to develop options for the company's negotiators. Chaired by an industrial psychologist, this group is composed of some dozen persons, including the general director and four other directors of labor relations, and specialists in fringe benefits, finance, law, and public relations. The committee does not engage in bargaining as a group, but its members are involved individually.

In mid-July of contract renewal years, the National Negotiating Committees for GM and UAW customarily begin bargaining in a suite of conference rooms at the General Motors Building in Detroit. The first session is largely ceremonial, with handshakes for the news cameras, a brief, generalized statement of the union's demands by the UAW's president, and a short response by GM's vice-president. More than thirty or forty representatives from each side crowd around or near a handsome 52-foot walnut bargaining table, equipped with a series of microphones to enable speakers to be heard. Within a day or so, the UAW also opens separate contract talks with Ford, Chrysler, and GM-Canada.

In succeeding days the director of the UAW's GM Department presents a detailed list of union proposals, partly in writing and partly orally. Thereafter the company and the union establish some fifteen to twenty subcommittees to deal with particular aspects of the National Agreement and other subjects in separate 'sidebar' sessions in smaller adjoining conference rooms. All matters must be returned to the 'main table', however, for final approval. Wages ordinarily stay at the main table. Within a week or less of the completion of the union's statement, the company traditionally submits its own position statement. Exchanges of firm, serious economic proposals often do not occur for several weeks or even months.

Late in August the UAW's International Executive Board customarily determines which auto company will be the union's 'strike target' in the current round of negotiations if a settlement is not reached. Since that has usually been Ford or Chrysler and not the giant General Motors, subsequent bargaining with GM tends to proceed at a more leisurely and relaxed pace, pending developments elsewhere. At least until very recently, the union could reasonably anticipate that GM would accept an economic package substantially similar to that negotiated with the 'target' company. That pattern may be breaking down, however, under the intense competitive pressures now confronting the domestic auto industry.

In the rare instances when GM has been the 'target' company, the final days of bargaining preceding a strike deadline or leading up to an agreement depart dramatically from the tidy procedure outlined earlier. The elected rank-and-file members of the union's official National Negotiating Committee recede

into the background, almost nothing of significance occurs at the 'main table', and the critical discussions take place in small, fluid sessions between the union's top full-time officials and their counterparts from the company. There may even be one-on-one encounters between the UAW's president and GM's vice president or (very rarely) corporation chairman. Only in extreme circumstances is federal mediation sought in GM-UAW negotiations, or unfair labor practice charges filed with the NLRB. Finally, the pieces of a tentative agreement fall into place. From that point on the UAW leadership undertakes the still-difficult task of persuading, in turn, the National Negotiating Committee, the GM National Council, and the entire membership to accept the settlement. The UAW's International Executive Board must also approve, before the contract goes to the National Council. The Agreement becomes effective only when it is ratified by the union's members in a nationwide vote.

2. LOCAL NEGOTIATIONS

The negotiation of contracts between local unions and individual plant managements is separate and distinct from the negotiation of the National Agreement. Even after the latter has been executed, local memberships retain the power to go on strike over local issues. In recent years some of the most heated controversies within the GM-UAW bargaining relationship have involved local working conditions, including safety problems, drudgery in the job, and work assignments.

Local negotiations are conducted between the local union's shop committee and the plant's personnel or labor relations department. The shop committee consists of a chairman and one additional committeeman for approximately every 250 employees. A typical plant with 1,500-2,000 employees would have a shop committee consisting of a chairman and six committeemen. All are elected by the plant's workers, ordinarily for two- or three-year terms. The local union's president is customarily an administrative official and not on the shop committee, although he may sit in on negotiations. The local management's team is likely to consist of the personnel director or assistant personnel director and two or three general foremen from different shifts and another from a skilled trades department.

The local union membership has a major hand in preparing contract proposals. There is little reference of questions to legal counsel by either side in local negotiations, although plant management is more inclined to submit tentative language to GM headquarters for review. If serious difficulties develop in the bargaining, there may be intervention by representatives from GM's divisional level (*e.g.*, Chevrolet) and from the union's regional office. After ratification by the local union membership, a new contract must be formally approved by UAW headquarters.

B. MAJOR CONTRACTUAL ('INTEREST') DISPUTES

1. 1970 NATIONAL AGREEMENT

By 1970 a quarter century had passed since Walter Reuther's fabled long strike against GM. The union rank-and-file was clamoring once again 'to take on the big guy'. Former GM Department director Leonard Woodcock, who had been unexpectedly catapulted into the UAW presidency by Reuther's death in a plane crash earlier in the year, had never had the opportunity to lead a strike against GM, and his readiness to do so became almost a test of his quality. Observers have also detected peculiar tensions in the GM-UAW relationship that do not exist between the union and Ford or Chrysler, a result perhaps of GM's size, power, and supposed arrogance. 'A strike against GM is not just a strike', former UAW president Douglas Fraser has remarked; 'it is a crusade'. The convergence of all these factors, many psychological or political rather than economic, made a strike against GM almost preordained in 1970, regardless of the bargaining issues at stake. GM was duly declared the 'target' company in the negotiations that year.

The union had three final crucial demands. They were a first-year wage increase of 61.5 cents (down from an earlier demand of 96 cents); a removal of the eight-cent-a-year ceiling on cost-of-living increases; and, in response to a groundswell from the membership, the right to retire after thirty years of employment with the company. The closest management came to meeting these demands was to offer a 38-cent wage increase, lifting of the cost-of-living ceiling from 16 cents under the current contract to 28 cents, and allowing workers to retire once they reached 58 years of age with thirty years' service.

That was unacceptable, and on 14 September 1970, near midnight, the UAW began what was to be described as the most expensive work stoppage in US history. The strike lasted 67 days, ending on 23 November. It cost GM at least one billion dollars in profits, and the production of 1.5 million cars and trucks. Some 350,000 GM employees were officially on strike, and another 150,000 persons were on layoff because of the strike. The UAW had to pay out 160 million dollars in strike benefits, depleting its treasury and forcing it to mortgage property to cover debts. The federal government was estimated to have lost more than one billion dollars in taxes due to the strike. In the State of Michigan alone it was calculated there was a 375 million dollar loss in retail sales. The strike itself was peaceful and uneventful.

The settlement came after a brief, face-to-face meeting between UAW president Leonard Woodcock and GM chairman James Roche. The company then came up with a proposal that satisfied the union's key demands. The average increase would be 51 cents an hour, reaching what Woodcock had called 'the magic fifty cent circle'. The unlimited cost-of-living allowance was restored, although payments would not begin for another year. A compromise was reached on '30-and-out'. Starting 1 October 1971, workers with thirty years' service could retire at any age. But they would have to be 58 years of age (56 after 1972) to receive the full pension of \$500 a month. Younger retirees would get reduced pensions on a graduated scale. The total package was one which some commentators thought GM would have granted and the UAW

leadership would have accepted in September before the strike began. Without the attritional effects of the strike, however, it is speculated that the settlement could not have been sold to the union's membership. The strike was the price of contract ratification.

2. 1973, 1976, AND 1979 NATIONAL AGREEMENTS

By comparison with the high drama of the 1970 GM-UAW confrontation, negotiations for the National Agreement in 1973, 1976, and 1979 were relatively routine affairs. In the first two instances another company was the principal designated strike 'target', and settlements were reached at GM without major strike action. GM was again made the 'target' company in 1979, but on this occasion the parties concluded an agreement 14 September without a strike. That was the first time in fifteen years the union had not struck the 'pattern' auto firm.

In 1973 the company agreed that employees with thirty years' service could retire regardless of age without reduced benefits. Comprehensive dental insurance was also provided. An innovation in 1973 was the establishment by the parties of a National Committee to Improve the Quality of Work Life (QWL). QWL programs are now in operation in about 90 of GM's 150 UAW units. In 1976 the 'hardcore' issue was said to be the paid personal holiday plan. The UAW characterized it as the first step toward an eventual four-day work week in American industry. New vision care and hearing aid plans were introduced in 1976. A major concern in 1979 was the creation of the National Committee on Technological Progress, composed of three representatives from the union and three from the company who would meet monthly to discuss the development of new technology and its impact on the work normally performed by employees in the UAW-represented bargaining unit. In addition, throughout these years, contracts provided for first-year wage increases on the order of 6 per cent and second- and third-year increases of 3 per cent, exclusive of cost-of-living allowances, as well as improvements in pensions, supplemental unemployment benefits, and medical, hospital, and other group insurance benefits.

3. THE 1982 NATIONAL AGREEMENT

Beset by financial woes brought on by the 1980s recession, the auto companies took the unprecedented step in 1981 of asking the UAW to reopen the National Agreement early and to grant substantial economic concessions. After resisting nearly a year, the union grudgingly assented. Contract talks began with GM but collapsed in late January 1982. Then, after an accommodation agreement was worked out with Ford in February, the union returned for a week of intensive negotiations with GM, capped by a marathon 37-hour session that produced an historic settlement on 21 March 1982. For the first time ever, the union agreed to wage concessions or 'givebacks' for GM and on its part GM offered assurances of greater job security. The new National

Agreement was to run two and a half years, until 14 September 1984. It was subject to reopening any time after 1 January 1983, if retail deliveries returned to the highest levels of the 1976–79 period. The UAW's 324-person GM National Council approved the contract overwhelmingly, but membership ratification followed by the narrow margin of 115,000 to 105,000.

Under the 1982 settlement, base wages were frozen for the term of the contract. Three of the quarterly cost-of-living adjustments due in 1982 were deferred for eighteen months each. The personal paid holiday program won in 1976, under which workers would have received nine days off with pay in 1982, was eliminated. In an effort to reduce absenteeism, the parties negotiated a procedure for denying employees with a 20 per cent rate of 'controllable absenteeism' a proportion of their entitlement to holidays, vacation pay, sickness and accident benefits, and supplemental unemployment benefits.

In return for these concessions GM imposed a 24-month moratorium on plant closings related to 'outsourcing' or subcontracting and rescinded plans to shut down four specified plants, thus saving 11,000 jobs. The company also agreed to a 'guaranteed income stream' for the protection of high-seniority workers threatened by layoffs and to experimental 'lifetime job security' pilot projects at four plants. In addition, the new contract provided for a prepaid legal services plan for employees and dependents, discounts on car purchases, and a pioneering profit-sharing plan. Finally, the company and union established an Occupational Health Advisory Board, composed of five outside scientists, to advise the parties concerning the occupational health problems of GM workers.

4. LOCAL AGREEMENTS

After the National Agreement is concluded, local unions retain the authority to negotiate their own local agreements. If necessary, and with the approval of the International, they may strike their plant over unresolved local issues. A vital function of each local contract is to translate the wage increases set forth in the National Agreement, which are simply phrased in terms of a specified number of cents per hour or a percentage for employees at different wage levels, into a definite rate for the broad array of variously described jobs in each plant. In early 1983, for example, an unskilled machine operator in a typical manufacturing plant was earning \$9.79 an hour and a skilled tool and die maker between \$11.81 and \$12.01. In a body assembly plant, an unskilled gun welder was earning \$9.79 an hour and a skilled milling machine operator \$11.81, or \$12.00 if he was a 'leader'.

The National Agreement spells out procedures for setting production standards (the quantity and quality of units to be produced in a given period of time) but the substantive criteria are established by local management, subject to objection by the union. Local agreements also seek to draw appropriate lines of demarcation between the work of the skilled trades classifications. In a local agreement of some 150 pages or so, a good half to two-thirds is likely to deal with physical conditions of work, job assignment procedures, safety and health problems, and a variety of mundane matters of intense practical concern to individual employees and particular groups.

III. GRIEVANCES AND ARBITRATION

A. STRUCTURE AND PROCEDURES

1. THE FOUR-STEP GRIEVANCE PROCEDURE: STRIKE RIGHTS AND LIMITATIONS

Collective bargaining in a very real sense is a continuous process. Since the parties have concluded their customary triennial formal agreements, they must proceed to handle the countless disputes that arise daily on the plant floor or elsewhere during the terms of those contracts. Many issues are covered by language in the written national or local agreements, and thus technically their resolution involves merely the interpretation and application of an existing contract. But settling other disputes, for example, over new job classifications or production standards, can only be viewed realistically as the formulation of a fresh new agreement to deal with an unanticipated problem. In any event, most of these issues are processed through the selfsame grievance procedure created by the parties' National Agreement, which is quite aptly referred to at certain points in the contract as a 'bargaining procedure'.

There are four officially designated steps in the GM-UAW grievance procedure, and in addition a well-recognized 'half step' between the first two. The first three steps (or three and a half) involve bilateral dealings between the company and the union. The fourth and last step consists of the referral of an issue to the parties' permanent umpire, an impartial third party jointly selected by company and union, for a final and binding arbitration decision. The ordinary sequence is as follows:

<i>Step</i>	<i>Procedure</i>
One	An employee or a union committeeman on his behalf presents a grievance to the foreman.
One and a half	The union committeeman, sometimes with a second committeeman, takes up the grievance with the general foreman.
Two	The union shop committee takes up the grievance with the highest local management.
Three	The regional director of the International Union appeals the grievance to a joint union-company appeal committee consisting of two union and two company representatives; representatives of the union or company headquarters staff may attend meetings of the appeal committee.
Four	Within 21 days of any final decision of the appeal committee, the union's regional director or the company may appeal the grievance to the impartial umpire, whose decision is final and binding.

The union and the company agree that there shall be no strike or lockout during the term of the contract concerning any matter on which the umpire has ruled, or concerning any other matter until it has been discussed for at least five days at Step Three of the grievance procedure. The effect is that the union may

lawfully strike over certain issues, *e.g.* production standards, even during the life of an agreement, once the union has exhausted its duty to bargain on the question. Such authorized midterm strikes have become relatively rare in recent years. Finally, the union is prohibited from striking over some specified issues that are also excluded from arbitration before the umpire. These include disputes over the pension plan, insurance program, supplemental unemployment benefit plan, employee stock ownership plan, guaranteed income stream benefit program, and profit sharing plan.

2. IMPARTIAL UMPIRE: AUTHORITY AND PROCEDURES

The National Agreement empowers the impartial umpire to resolve all claims of discrimination because of union activity and to entertain most allegations that there have been violations of the provisions of the National Agreement or of local agreements dealing with the following subjects: union recognition and representation; grievance procedure; seniority; discipline and discharge; working hours and overtime; leaves of absence; establishment of new plants; strikes and lockouts; wage provisions but not the local wage scale as such; apprentices; skilled trades; vacation and holiday pay; and procedures for handling disputes regarding production standards, but not the merits of the standards themselves.

In addition to production standards, the umpire is expressly excluded from ruling on the clause in the National Agreement whereby the parties waive their rights generally to make new collective bargaining demands during the term of an existing contract. The umpire is also unable to pass on disputes involving the pension plan, insurance program, supplemental unemployment benefit plan, and the rest of the plans and programs previously mentioned over which the union is precluded from striking. On one important issue, subcontracting, the union has the option of going to the umpire or of striking after going to Step Three of the grievance procedure. Finally, there are certain items, such as health and safety, which are not explicitly mentioned in either the arbitration or no-strike clauses. The union contends that these issues, like production standards, are 'strikeable'.

The GM-UAW umpire system was established in 1940. Its basic philosophy of disinterested judgment coupled with fidelity to the parties' own agreements has remained essentially unchanged through the years. Since 1940 there have been a total of ten full-time umpires (only one at a time), plus several assistants. The GM-UAW umpireship is naturally one of the most prestigious posts in the arbitration field. Six umpires have served as presidents of the National Academy of Arbitrators, the principal professional organization, and the others were nationally known scholars. No umpire decision has ever failed to achieve full compliance by the parties.

In the early years as many as two hundred grievances might be resolved annually by the umpire. By the 1950s that figure was below 100, and it has continued to drop, despite a substantial increase in the number of initial grievances being written. In the late 1960s and the 1970s, when the total number of grievances filed ranged between 200,000 and 300,000 annually, the

umpire was usually handling only about 25 to 60. In 1981 and 1982 the umpire's output was down to a mere five and six, respectively. The parties attribute this remarkable reduction in caseload to the very success of the system. As they see it, the umpire over the years has laid down the principal guidelines needed for the interpretation of the contract. His decisions are treated as precedents, and now the parties themselves are generally able to agree on how they should be applied to new situations. Some confirmation of this assessment may be found in the fact that currently nearly all the cases going to the umpire involve employee discharges, not contract interpretations.

The trend toward a greater proportion of disciplinary cases developed early, as can be seen from the following tabulation covering the years 1940-45.

<i>General Subject</i>	<i>1940 Cases</i>	<i>1940 %</i>	<i>1941 Cases</i>	<i>1941 %</i>	<i>1942-45 Cases</i>	<i>1942-45 %</i>
Discipline	30	20	47	20	160	49.2
Job classification						
wage rate	27	18	56	23	67	20
Seniority in						
promotions, etc.	13	8.6	19	7.8	27	8.3
Seniority in recalls,						
etc.	13	8.6	24	9.9	8	2.4
Rights of						
committeemen	16	10.6	22	9	3	0.9
Overtime and call-in						
pay	19	12.6	24	9.9	8	2.4
Others	32	21.3	51	20.9	52	16.0
Totals	150	100	243	100	325	100

Today a hearing before the umpire is something of a major event. A 100-person audience may be on hand. Each side presents a prehearing brief, offers testimony through witnesses, and submits exhibits. Ordinarily there are no posthearing briefs. The union seldom uses lawyers; the company is more likely to have an attorney. Persons handling arbitrations for the parties have traditionally been rising figures in their organization; several have gone on to become union or company vice presidents. The umpire is not under a contractual time limit in rendering a decision, but he usually seeks to issue an award within thirty days. Over the years the company has prevailed about 60 to 70 per cent of the time.

Although only half a dozen cases may actually result in an umpire's decision in a given year, some 1,000 grievances may be formally 'docketed' for arbitration annually. Teams of representatives from the company's and the union's arbitration staffs then 'ride circuit', visiting plant sites throughout the country, thoroughly investigating the various cases at the locations where they arose, and seeking mutually satisfactory bases for settling the disputes without an arbitration hearing. In the overwhelming majority of instances they succeed.

B. DISPUTES AT PLANT LEVEL

Dispute resolution between GM and the UAW at the local level is exemplified by the experience at the Chevrolet–Livonia and the Fisher Body–Fleetwood plants, both located in the Detroit metropolitan area. In normal times the Chevrolet operation, which manufactures springs, bumpers, and similar items, employs about 2,000 production workers and 1,000 skilled tradesmen. Fleetwood in the late 1970s had about 5,000 hourly workers and in addition about 500 salaried workers. The latter plant assembles top-of-the-line automobile bodies for Cadillac (over 700 daily). At both Chevrolet–Livonia and Fleetwood the primary responsibility for negotiating local agreements and handling grievances rests with the union's shop committee, consisting of a chairman and six committeemen elected by the membership for three- or two-year terms, and with the plant's personnel director, his assistant, and two or three labor relations representatives from different shifts.

The pattern of formal written grievances over the past decade at Chevrolet–Livonia has been as follows:

	<i>1970</i>	<i>1973</i>	<i>1978</i>	<i>1981</i>
No. of Employees	2,761	3,343	3,324	2,502
Total grievances	398	1,452	1,796	686
Per 100 employees	14.4	43.4	54.0	27.4
Disciplinary grievances	183	598	660	249
Percentage of all discipline grieved	21%	23%	31%	26%

Chevrolet's mid-1970s record of approximately one formal grievance for every two employees per year is typical of the GM–UAW relationship through the years. On the other hand, about five or six per cent of all grievances company-wide may relate to the potentially 'strikeable' issue of production standards, while at Chevrolet there may be as few as three such grievances out of a total of 1,000 of all kinds.

In recent years grievances at Chevrolet have been settled as follows at the various steps:

	<i>1980</i>	<i>1981</i>
Step 1 (foreman) } Step 1½ (general foreman) }	426	57
Step 2 (plant management)	479	336
Step 3 (corporation)	3	42
Step 4 (umpire)	0	0
Totals	908	716

Fleetwood, the Fisher assembly plant, was a pioneer in introducing a 'quality of work life' (QWL) program in the late 1970s. This is a joint union-company effort to give employees a systematic opportunity to participate in management decision-making on the plant floor, and to provide them with more congenial

and satisfying working lives. Staffed by two full-time coordinators and four full-time 'facilitators', half of them drawn from the union and half from the company, the program is credited with helping to produce a dramatic reduction in formal grievances during the past five years. The QWL project may also have assisted in bringing worker absenteeism down from 7 per cent to 3 per cent at Fleetwood.

The decline in the writing of grievances at Fleetwood during this five-year span can be traced in these figures:

	1978	1980	1982
No. employees	5,406	2,737	3,200 (est.)
Total grievances	6,127	1,407	930 (est.)
Per 100 employees	113.3	51.4	29 (est.)

In 1978 there was an average of 273 formal disciplinary actions per month, 44 per cent of which resulted in grievances. In 1982 the average monthly disciplinary rate was down to 26, or less than 10 per cent of the 1978 rate (with only about a 40 per cent reduction in the work force), and of these 26 only 28 per cent were protested. In the mid-1970s there were 500 to 700 grievances on production standards a year; in the early 1980s these were down to about 50-100 annually.

Settlements of grievances at Fleetwood in the last few years have occurred at the various steps as follows:

	1978	1979	1980
Step 1 (foreman & general foreman)	5,503	5,260	2,903
Step 2 (plant management)	0	0	2
Step 3 (corporation)	693	415	99
Step 4 (umpire)	1	1	0
Totals	6,196	5,676	3,004

Significantly, an increasing proportion of all grievances are being handled entirely at the plant level.

Union and management representatives at both Chevrolet and Fleetwood stress that one of the best signs of a healthy relationship between the parties is a willingness to resolve disputes through informal oral discussions without resort to an official written grievance. At Chevrolet the assistant personnel director estimated 'conservatively' that the number of oral complaints routinely disposed of was double or triple the number of grievances formally processed. The union shop chairman similarly thought that roughly 70 per cent of all matters were settled orally. One of the major indications of the recent turnaround in attitude at Fleetwood has been the extraordinary decline in written grievances. In 1978 almost every grievance was automatically 'written up'. Today 80 per cent of the issues that arise may be resolved without a writing.

Absenteeism is pinpointed by management at both Chevrolet and Fleetwood as a persisting problem, even though attendance has improved substan-

tially in the last few years. 'There are a lot of tedious jobs in the auto industry', one official observed. 'Members of the '60s generation are less materialistic than their elders. They want to enjoy life, and they're willing to give up pay so they can.' Union representatives are understandably more reluctant to concede the existence of absenteeism troubles, but they have cooperated with management to establish absenteeism counseling teams. For union officials, the principal villain at the local level seems to be the company's alleged crossing of craft demarcation lines and the invasion of established work jurisdiction through technological innovations.

Both company and union representatives see a lessening of hostilities between them, partly in response to the economic ills afflicting today's auto industry. 'The hard-nosed militancy of the past has been toned down', commented a company personnel man. 'Everybody is more professional, more appreciative of others' opinions.' 'We've got to communicate', said another. 'Joint projects are the wave of the future.' 'Once I thought I might become a priest and help people better themselves that way', concluded a union representative. 'Now I'm going to get them to work together and do it here.' With due allowance for the possibility of some posturing to impress the visitor from academe, those are encouraging sentiments to find expressed at the grass roots of contemporary labor relations.

IV. CONCLUSION

The GM-UAW relationship is viewed very differently by different people. Some industrial relations experts have hailed it as 'enlightened' and 'civilized', an admirable model of sound, responsible collective bargaining. Others, especially in more prosperous times, have charged that the company and the union had become too close, too 'cozy', and that their contract settlements were inflationary – with higher wages being passed on to consumers through higher prices – and thus injurious to the public interest. For almost half the GM workers, who voted against ratification of the 1982 National Agreement, the union is obviously not doing enough. Most outside observers believe, however, that the settlement, with its trade-off between economic concessions and increased job security, was a wise and prudent step, benefiting not only the parties but also the nation's economy.

The UAW represents a remarkably diverse and often feisty collection of workers. In Detroit, Cleveland, St. Louis and other urban centers there are large numbers of blacks, many in disagreeable jobs that breed restlessness and disaffection. At the same time the union has always had a large element of white migrants from the South and immigrants from Middle and Eastern Europe. Some racial antagonisms are almost inevitable. In recent years the union and the company have done a commendable job of damping down these tensions.

Finally, it should be emphasized that even if the union's and the company's leaders were always the most reasonable, humane, and farsighted of persons, they operate under severe constraints in dealing with one another. GM's ultimate allegiance must be to optimal return on investment, in a period when

foreign competition is intense and when the tastes of the American public swing wildly between large and small cars, depending on the availability of OPEC oil. GM courts market disaster in not exploiting fully the advantages of technological innovation. It courts labor uprisings by moving too swiftly to replace men with machines. On its side, the union is run by officials who must stand for election every two or three years, and who can accomplish almost nothing, however noble their aspirations, if they are defeated. 'The political nature of a labor organization cannot be underestimated', says a top GM negotiator, with much justification. The union people themselves put the matter more tartly: 'In the end you've got to get it by the boys.' This of course is the task faced by any political leader in a democracy. Perhaps, then, it is appropriate that this largest and most imposing of the country's collective bargaining relationships should exhibit so strikingly both the strengths and the weaknesses inherent in a democratic society.

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