

## Chattanooga: Political Pressure Pushes Out UAW

In light of the staggering defeat of the UAW at the hands of Big Business in Tennessee, The UAW has asked the National Labor Relations Board to order a new unionization election at the Volkswagen plant in Chattanooga, saying that the union's loss was a result of improper interference by the state's lawmakers.

The complaint that was filed with the labor board says that statements made by Senator Bob Corker and various state lawmakers were "threats" that swayed the workers to vote against the UAW. In the defeat of the union, workers at the plant voted 712 to 626 against joining the union, even though the company did not oppose the unionization effort.

In the days before the vote took place, state lawmakers issued warnings that they would block future subsidies to the plant, which would make it less likely to expand, if the workers voted in favor of the UAW.

In a statement, the UAW said that the anti-union campaign included "widely disseminated threats by elected officials that state-financed incentives would be withheld if workers exercised their protected right to form a union."

State Senator Bo Watson, who represents a suburb of Chattanooga, said that if VW's workers voted in favor of the UAW, the Republican-controlled Legislature might vote against approving future incentives to help the plant expand.

"The members of the Tennessee Senate will not view unionization as in the best interest of Tennessee," Watson said. He added that a vote in favor of the UAW would mean it would be "exponentially more challenging" for the legislature to approve future subsidies.

A loss of these incentives, according to industry analysts, might have persuaded Volkswagen to award production of a new SUV to its plant in Mexico instead of the Chattanooga plant, which currently makes the Passat.

At a news conference, Corker called on the workers to reject the union, calling it "a Detroit-based organization. . . . We're concerned about the impact—look at Detroit."

Volkswagen had wanted a German-style works council at the plant, which would bring together managers and white-and-blue collar workers to aid in setting factory policies and fostering collaboration. Labor experts claim that to have a works council means employees first needed to vote for a union to represent them.

"Our works councils are key to our success and productivity," said Frank Fischer, Volkswagen Chattanooga's chief executive and chairman. "It is a business model that helped to make Volkswagen the second-largest car company in the world. Our plant in Chattanooga has

the opportunity to create a uniquely American works council, in which the company would be able to work cooperatively with our employees and ultimately their union representatives, if the employees decide they wish to be represented by a union."

Concerned that a UAW-victory could hurt Tennessee's business endeavors, Gov. Bill Haslam said that auto parts suppliers might decide against locating in Chattanooga because they might not want to set up near a unionized VW plant.

"I think that there are some ramifications to the vote in terms of our ability to attract other suppliers," said Haslam. "When we recruit

other companies, that comes up every time."

On the other hand, Mike Turner, chairman of Tennessee's House Democratic Caucus, had said that "This [was] an outrageous and unprecedented effort by state officials to violate the rights of employers and workers . . . Republicans are basically threatening to kill jobs if workers exercise their federally protected rights to organize. When the company says they don't have a problem with it, what right does the state have to come in and say they can't do it?"



The union has pointed to a statement that Mr. Corker made on the first day of voting: "I've had conversations today and based on those I am assured that should the voters vote against the UAW, Volkswagen will announce in the coming weeks that it will manufacture its new midsize SUV here in Chattanooga."

In the complaint, the UAW called Mr. Corker's conduct "shameful." It added that the message was clear that Mr. Corker and

other lawmakers thought that "voting for the union would result in stagnation of the Chattanooga plant, with no new product, no job security and withholding of state support for its expansion."

The NLRB's regional

officials are now investigating the objections of the union.

Mr. Corker responded to the complaint with a statement saying, "The workers at Chattanooga's Volkswagen plant spoke very clearly last week, so we are disappointed the UAW is ignoring their decision and has filed this objection."

"Unfortunately," Corker added, "I have to assume that today's action may slow down Volkswagen's final discussions on the new SUV line. This complaint affirms the point many of us have been making: that the UAW is only interested in its own survival and not the interests of the great employees at Chattanooga's Volkswagen facility nor the company for which they work."

The union is saying that the politicians deprived the workers of their federal right to an election that was "free of coercion, intimidation, threats and

**"We're committed to standing with the Volkswagen workers to ensure that their right to have a fair vote without coercion and interference is protected."**

**- Bob King, President, UAW**