

October 9, 2011 Chairman's Report

Respectfully submitted by Rick Martinez Shop Chairman

Negotiations update:

Local negotiations are progressing forward. There are a significant number of issues brought forward by our membership to address with management. The UAW bargaining team is meeting in sub-committees on a daily basis to address our demands appropriately. We must also comprehend the changes in the UAW/GM National Agreement and how they could affect demands in our negotiations. Once again I must thank the membership for their patience and will ask again that we all support each other during these very dynamic times.

National Agreement items:

Signing bonus is due 2 weeks from new contract effective date. We fully expect to receive **the \$5,000 signing bonus** in the October 14th's check. However, don't spend the money until you have it !!

Based on new N/A Paragraph 193 language all **unused vacation hours** for this year (2011) will be paid to our members by February 1st 2012. Members may cancel approved vacation hours if they so desire.

For those members who have **Document 8 steps** issued under old agreement One (1) will be removed Monday October 10th.

Skilled Trades "Special Attrition Program" SAP

On Thursday October 6, 2011 the shop committee, benefits reps, and local management participated in a teleconference meeting with representatives from all GM Plants regarding details of the Skilled Trades Special Attrition Program.

It's important to understand that this Special Attrition Program (SAP) is intended to create openings that will allow laid off skilled trades members (or) those members working production that have established GM Journeyman's status an opportunity to return to a skilled trades jobs.

Eligibility for the SAP will be determined on whether there is an ability to get a replacement for the retiring member from the number of members that are either laid off or working in production.

In all cases management will determine whether eligible members that apply for this Special Attrition Program will be approved or not.

In addition to the \$65,000 SAP Skilled Trades Members participating in this special package are also eligible for the \$10,000 lump Sum Bonus that will be paid to all hourly GM Team members that retire under the terms of the new 2011 National Agreement.

There are two (2) options to choose from to be "Eligible" to be considered for the Skilled Trades SAP.

Option A members that are eligible are those Skilled Trades Members that have 30 plus years of service, or who have 85 points with age and years of service combined or who are at least 60 years of age and have 10 years of service or skilled trades members that are 65 years of age.

Option B members are Skilled Trades members that wish to Voluntarily Quit and will receive the \$65,000 bonus and must be gone by no later than March 31st of 2012. Members taking this option will be severing their seniority rights and benefits with GM.

This Special Retirement Program for Skilled Trades will run from November 1st, 2011 to April 1st, 2012. All skilled trades members that take this SAP must be retired by April 1st of 2012 at the latest.

SAP Members that are approved by management will be given a retirement date dependent on a member being made available and trained from the backfill pool. Retiring members will be given a date that is the first day of the month after this happens.

Based on what we heard during the teleconference most approved SAP participants will retire between January and April 1st of 2012.

Local 602 Skilled Trades SAP roll-outs information:

Tuesday October 11, 2011

Pride Room in General Assembly

3rd Shift: 7:00 am

2nd Shift: 1:00 pm

1st Shift: 3:00 pm

October 31 layoff week:

Why....Management explains that this down week is necessary for two reasons: Buick sales are outpacing Chevy and GMC sales and overall field supply is high going into the winter months. The down week gives the field supply a chance to right itself and allows our suppliers of Buick components a chance to build up a supply for future production needs.

MARVIN ... Harold Brown our UAW Unemployment/Comp Chair has put together a step by step leaflet that explains the process to get unemployment and Sub benefits paid for this week. He will also mail out specific instructions to our 150 temporary members so they can properly file for unemployment benefits.

2012 production Schedule:

The 2011 LDT production budget which was approved by the GM board of directors was based on a minimum production schedule of 297K units.

Budget for calendar year 2012 is set on a minimum production of 270K units.

Management is currently in the process of determining how they intend to manage the LDT production system to meet this new minimum number of units. The only two choices that are viable to meet this production number is

- A.) De-Rate the assembly line to 50 JPH (1047/day) / maintaining 3 shifts of production.
- B.) Maintain current line-speed 55 JPH (1155/day) and take necessary down weeks in 2012 / maintaining 3 shifts of production.

There has been ***NO DECISION*** made as of today's membership meeting either one way or the other.

BIQ III (Built-in-Quality) award received on September 28, 2011. There are a total of 5 levels of achievements measured in the "Built-in-Quality" improvement process. LDT is the one and only plant in North America to achieve this important goal. It can only be attributed to the efforts of our membership here at local 602.....