



GM and United Auto Workers (UAW) reach tentative deal

Sep-26-2007

The United Auto Workers and General Motors Corp. agreed today to a tentative contract that ends a two-day national strike and puts responsibility for retirees' health care into the union's hands.

GM and the UAW confirmed that the deal creates a GM-funded, UAW-run trust to administer retiree health care. The two sides gave no other details, but a person briefed on the contract told The Associated Press that it also would give workers bonuses and lump-sum payments and would pay newly-hired workers at lower rates.

The union said the agreement with the nation's largest automaker was reached shortly after 3:00 a.m. The UAW canceled the strike about an hour later and some workers could return as early as Wednesday afternoon.

The contract must be reviewed by local UAW presidents and will then be subject to a vote of GM's 74,000 rank-and-file members. The agreement is expected to set a pattern for contracts at Ford Motor Co. and Chrysler LLC.

The deal means UAW workers will head back to their jobs at around 80 GM facilities across the nation. The union went on strike at 11 a.m. Monday when talks broke down, ending GM's production and causing layoffs and shutdowns at parts factories.

If you have any questions about the strike's impact on your fleet operations, please contact your PHH Account Team.