

Workers at 2 big GM plants ratify deal, strike likely to end

By Tom Krisher

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DETROIT (AP) — Striking workers at two large General Motors factories, including one with the most employees in the U.S., have approved a new contract with the company, all but assuring the deal will be ratified and a contentious 40-day strike will end Friday. ...

... The website told members to check after 4 p.m. Friday to find out when they return to work. ...

... Now the union will move on to bargain with either Ford or Fiat Chrysler, using the GM deal as a template. A decision on which company is next could come Friday. It's not clear yet if there will be another strike, but neither Ford nor FCA will be happy about being stuck with the GM terms.

GM traded the ability to close the three factories in Lordstown, Ohio; Warren, Michigan; and near Baltimore for higher labor costs, David Kudla, chief investment strategist for Mainstay Capital Management of Grand Blanc, Michigan, wrote in a note to investors. The contract maintains worker health benefits with low premiums, something that both Ford and FCA wanted to change when negotiations began.

"Ford and FCA didn't have three factories that they wanted to close, but will have to work around this new framework for higher wages and unchanged health care that the UAW and GM have set," wrote Kudla, whose firm manages investments for many auto industry workers.

Workers at factories that GM will close have been transferred to plants across the nation, and they campaigned against the deal, which was reached Oct. 16. Workers in Lordstown, for instance, voted 412-61 against it, with 88% of production workers voting "no."

In the end, economic gains and a \$7.7 billion GM investment pledge for U.S. factories were too much to turn down.