

Macro Roundup Article

Headline: [Detroit Is Paying Up to End the UAW Strike. Now Carmakers Will Live With the Costs](#)

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Tweet: All of the Big Three have reached tentative agreements with the UAW which will boost the top pay for production workers to about \$42 an hour. A Ford executive estimated the contract would raise costs by \$850-900 per vehicle.

Summary: The tentative agreements, to be voted on in the coming weeks, include a 25% general wage increase over four years, which with cost-of-living increases would boost the top pay for production workers to about \$42 an hour. By the end of the contract's term in 2028, most of the Detroit companies' unionized workers would make in the mid-\$80,000s annually, before overtime pay. Ford executives are already talking about the need to offset the higher expenses in this latest deal. The automaker has said the UAW contract would add \$850 to \$900 per vehicle in additional costs. "We have work to do," Ford Chief Financial Officer John Lawler said last week. "We have to identify efficiencies. We have to increase productivity. It is a record contract." Related: The Unexpected Compression: Competition at Work in the Low Wage Labor Market and Autoworkers Have Good Reason to Demand a Big Raise and Union Workers Score Big Pay Gains As Labour Action Sweeps US

Primary Topic: Politics

Topics: News article, Politics, Wages/Income, Workforce

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