

Labor officials stave off strike

United Airlines, machinists union reach accord

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The International Association of Machinists and United Airlines reached a tentative agreement February 18, scotching a strike threat by 13,000 mechanics and aircraft cleaners at the nation's second largest air carrier, who have been without a pay increase since 1994.

Well aware of the pent-up anger among workers at United and throughout the industry—after years of seeing their living standards erode as the airlines made record profits and executives got huge payout—the IAM leaders worked out the last-minute deal to forestall a potential confrontation with the Bush administration, which has stated it would not tolerate airline strikes, even after it handed the airlines a multibillion-dollar bailout.

The new five-year agreement will be voted on March 5. It moves back a possible walkout to at least March 7. The union had been legally free to strike as of midnight February 19.

Under the terms of a so-called employee buyout in 1994 mechanics and other United employees took a 15 percent pay cut in exchange for 55 percent of the company's stock. Union officials who pushed the deal also gained positions on the company's board of directors. Since then the "employee-owned company" has frozen wages, contracted out jobs and stonewalled negotiations.

The tentative contract contains only marginal improvements over the recent proposal by the emergency board appointed by President Bush that union members rejected by a 68 percent margin. Bush blocked a threatened strike by United mechanics in December and imposed a 60-day "cooling-off" period. Under terms of the Railway Labor Act, which governs

airline negotiations, Bush cannot further postpone a strike, however Congress may intervene.

United CEO Jack Creighton praised the tentative agreement, calling it "a critical milestone in developing a recovery plan that meets the needs of passengers, preserves jobs, and puts the company on the road to financial stability." United relied on the collaboration of the IAM leadership to forestall a strike, pointedly asking the Bush administration and Congress not to get involved. Should the latest agreement be rejected, Congress, which reconvenes February 26, is still empowered to block strike action. It can order arbitration or unilaterally impose the proposal of the emergency board.

Under the terms of the tentative deal, mechanics earning top hourly wages will receive an immediate 37 percent increase, as proposed by the presidential emergency board. In addition it provides small improvements in pensions and a slight acceleration in the repayment of back wages due machinists. However, it does nothing for the 20,000 United Airline workers, including thousands of mechanics, laid off in recent months.

Moreover, whatever improvements the mechanics gained in the contract will immediately be subject to reversal. It is well known that airline unions are prepared to enter talks with United for major concessions aimed at "saving" the US air carrier, which is currently losing millions of dollars every day.

According to *Business Week*, Frederic Brace, United's chief financial officer, is developing a financial plan designed to raise \$3 billion that will require all 80,000 United employees to take wage cuts. The Air Line Pilot's Association is already reported to

be working with United management on the so-called stabilization program. “We have to reset our wage rates,” Brace told *Business Week*. “I think labor understands the (current) financial reality.”

The machinists are set to join the concession talks as soon as the mechanics contract is settled. “When all labor agreements are resolved, the pain of a recovery plan becomes a lot easier to bear,” IAM President Tom Buffenbarger told *Business Week*.

Under terms of the presidential emergency board proposal any concessions agreed to by United’s pilots or flight attendants would have been binding on mechanics, a clause that provoked widespread anger. The new agreement merely stipulates that future concessions be subject to rank-and-file ratification.

This underscores the fact the IAM bureaucracy’s posturing in the current negotiations and hints of a possible strike are largely a sham, aimed at diverting the frustration of rank-and-file workers while management and the unions maneuver to impose further sacrifices. Even if the IAM is forced to call a strike at some point, it will work to betray it and settle largely on management’s terms.

Postings on a rank-and-file web site set up by a United mechanic living in Virginia expressed enormous hostility to both the IAM leadership and United management. Workers are justifiably enraged that while United and other airlines received a massive cash handout from the US government following September 11, thousands of airline workers lost their jobs. A measure of the anger of rank-and-file workers is the use of the term POW (Prisoner of War) to describe laid-off workers.

A United mechanic from Denver commented, “Why did the IAM even come to us with this small improvement? The IAM and UAL both got what they said they would, another vote in March and no strike.

“What an insult!! Sure I was nervous about striking but this is ridiculous!! Even my daughter going to college agrees with me that we should strike instead of this meager change.”

Another mechanic wrote, “What happens if we reject this T/A [tentative agreement] on the 5th and the company and the Union come up with another T/A on the 6th? Is the union going to move the deadline back another 2 or 3 weeks again? On what legal grounds can the IAM move the contract deadline to another date

without the consent of the membership? What good is a deadline if the union can decide to move the date to whatever?? I think that the correct procedure is that we honor the deadline and go out, then have this vote on the 5th for the new T/A as planned.”



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