

Washington State paper mill workers reject second contract offer

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Talks resumed Friday between the Association of Western Pulp and Paper Workers (AWPPW) and Longview Fibre Paper and Packaging Inc. one week after workers rejected a second contract offer on September 10.

Longview Fibre, located in Longview, Washington, is one of the largest paper plants in North America. After years of losing money, the company has returned to profitability through a drastic downsizing of its workforce and operations.

The paper workers have been working without a contract since June 1, when their contract expired. A previous offer was rejected in late August by an overwhelming 634-1 vote. The union has not provided voting results for the September 10 contract rejection. Though the details of the contract have not been released, issues of pensions, health care for pensioners, schedules and wages are at stake.

According to TDN.com, Longview Fibre is demanding increases in the employee share of health care costs, the elimination of retiree health care coverage and a freeze on payments to the employees' pension plan. A strike authorization was passed 537-3 in July. The 2006 contract had increased workers' contribution to health care to 25 percent of costs.

These are the first contract negotiations to take place since the company was purchased in April 2007 by Toronto-based Brookfield Asset Management, Inc. Under Brookfield's management, approximately 700 employees, one third of the staff, has been cut and three of eight machines idled, while productivity has increased. This, combined with a reduction in product variety, is credited with bringing Longview Fibre into profitability.

Longview stands as one of the last paper mills in the Western US states after a series of closures in recent

years, including the closure of International Paper's Albany, Oregon mill in December of last year. Roughly 25 percent of Western US pulp and paper manufacturing capacity has vanished during the recession. (See "International Paper shuts three mills, laying off 1,600 workers")

Brookfield Asset Management, Inc. is a publicly held asset management company specializing in renewable power, real estate and timber. According to a February 5, 2007 press release from the company, with the purchase of Longview Fibre, Brookfield acquired some 588,000 acres of prime freehold timberlands in Washington and Oregon, along with the pulp and paper manufacturing facilities in Longview. Also acquired were 15 corrugated paper plants in 12 states, eight of which were sold off to US Corrugated soon after the takeover.

The paper mill is a major employer for the small city of Longview, population 36,532, which had an unemployment rate of 11.8 percent in July of this year, according to the US Bureau of Labor Statistics. Unemployment for Washington State as a whole is 8.7 percent. According to City-Data.com 19.2 percent of Longview residents fall below the poverty line. It is significant that even in the face of the high jobless and poverty rates, workers at the plant voted overwhelmingly to reject the August contract proposal. With no easy prospects for other jobs, workers have demonstrated that they are determined to fight to preserve their rights and benefits.

The second rejection of the proposed contract represents a decisive repudiation of the AWPPW's policies. The 2006 concessions laden contract was only accepted—on a second vote—after pressure from the union claiming that it was the best they could get and that the alternatives were a lockout by the company and

strikebreakers. A bitter strike in 1978 lasted five months, with Longview Fibre employing strikebreakers to continue operating. Since then—with increased health care costs more than consuming the miserly 2 percent annual wage increase—union members have seen higher productivity demands by management and over 500 production jobs destroyed.

One of the comments posted on TDN.com angrily denounced the holding of the September 10 contract vote. “Increase on medical; If you aren’t fortunate enough to be of retirement age by or before 2012, then there is NO MEDICAL!!! No hourly employee that I know of has made a tentative deal with the company — Unless of course we can rely on our infamous bargaining board AGAIN. Why even bring it back for a vote? This is an apathetic offer at best!!! Go back to the drawing board boy, EVERYONE is entitled to a cost of living raise.”

The AWPPW has no perspective for winning a decent contract from Longview Fibre. It agrees with the company’s demand that workers subordinate their jobs and livelihood to profits. The sharpest expression of the union rubbing shoulders with the paper mill owners is its support for the nationalist and protectionist Trade Reform, Accountability, Development and Employment Act. The legislation aims to pit US paper workers against Asian workers, who are facing the same attacks on their jobs and working conditions as their American counterparts.

Negotiations at Longview Fibre need to be taken out of the hands of the AWPPW, which does not represent the interests of the workers. Longview paper workers should establish a rank-and-file committee to fight the company’s attack on their jobs, wages and benefits and link up their struggle with other paper mill workers.



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