

Illinois Caterpillar workers reject “revised” offer, continue strike

A WSWWS reporting team
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Workers said the supposedly “revised” offer was worse than the one originally offered and rejected by workers leading to their walkout on May 1. The six-year contract would freeze wages for workers hired before May 2005 and set pay for those hired afterwards according to “market rates.” The share of health care costs workers would pay would rise from 10 to 20 percent by the end of the contract, and the company’s defined benefit pension plan would be replaced with a worker-contributed 401(k) plan.

In addition, the company wants unlimited “flexibility” to shift workers from job to job. The contract would allow management to send workers to a new position or a new shift for a year at a time as long as they spend at least one day on their original job.

New hires at the plant, which makes hydraulic pumps for Caterpillar machinery, make as little as \$13 an hour. Caterpillar has increased the use of even lower paid “supplemental” workers who can be laid off at any time without severance pay.

The only change from the original offer was a derisory signing bonus, most of which is pegged to performance targets that have rarely been met.

So deep was the opposition from the rank and file that the general committee of the International Association of Machinists Local Lodge 851 felt compelled to oppose ratification of the deal. The contract was defeated by a margin of 504 to 116, or 82 percent.

“The company is boasting about record sales and bragging about their profits but they won’t pay the ones who made it for them,” said Lee Eskridge, a worker with 39 years at the plant. “The way they see it they have to keep us where we belong. We don’t have

to worry about a foreign invasion—it’s companies like Caterpillar that are destroying this country.

“It’s not a problem of being globally competitive. These big companies just want to keep taking away. In the 1980s we went 12 years without a pay raise. Now they are forcing us to pay more of health insurance and taking away everything from the younger workers. What are my kids going to have?”

Gregg Ciastko, a younger worker with two years at the plant, said, “They say they want the newer workers to accept ‘market’ wages. But they have us competing with guys working at 7-Eleven stores and McDonalds. At most the work in this area pays \$12 an hour. When they talk about ‘competitive’ wages they mean working for nothing.

“They want to freeze wages and increase our out-of-pocket health care expenses. They say they are not cutting wages, but that is exactly what is happening.”

“Somebody has to take a stand,” said another worker who said he has worked “on and off” at Caterpillar for 37 years, including 11 years of layoffs and strikes. “I would hate to be in the next generation. How can you live on \$13 or \$14 an hour when the lowest one bedroom apartment costs \$750 a month, and gas is over \$4 a gallon?

“It’s like we’re going back to the days of the kings and serfs. Barack Obama and Romney won’t change a thing. They both get their money from Wall Street. It’s going to take a revolution.”

Several workers denounced Caterpillar for locking out workers and then shutting down its locomotive plant in London, Ontario earlier this year after workers opposed its demands for a fifty percent wage cut. The company is moving locomotive production to Muncie,

Indiana where it is going to pay \$12.50 an hour for work previously done by Canadian workers for \$28 an hour.

An ironworker whose wife has been working at the Joliet plant for a year said that what happened in the strike would determine wages and conditions for workers throughout Illinois. “If you can separate these people and beat them, they will also beat everyone else. It’s already real bad. Out of the 2,000 members of the Ironworkers Local 1, only 700 are working 40 hours a week. This is no different than 1,000 years ago when the serfs stood in front of a castle and asked ‘Let us kill a deer. We can’t afford cake.’”

Referring to the IAM, he said, “Years ago I heard this was called the Caterpillar Union.”

Another worker denounced the six-digit salaries of IAM staff members while the union was only paying out \$150 a week in strike benefits. IAM International President Tom Buffenbarger took home \$292,000 in compensation in 2011. The IAM has a strike fund of well over \$100 million.

Socialist Equality Party US presidential candidate Jerry White and SEP supporters distributed a statement calling for a rejection of the contract and the fullest mobilization of the working class to defend the Joliet workers. Before going into the meeting strikers came up to ask for multiple leaflets to hand out to their fellow workers.

In defying the blackmail of Caterpillar, the Illinois workers have taken a courageous stand that deserves the support of all workers. But the strike cannot continue as before. On their own these workers cannot take on a multinational corporate giant, which has demonstrated over more than two decades its willingness to withstand drawn-out strikes, use strikebreakers and violence and close plants in order to drive down the living standards of workers.

The isolation of the strike by the IAM and the United Auto Workers—which bargains for the majority of workers at the Peoria, Illinois-based company—must be broken. The UAW, which has already imposed a wage-cutting contract on Caterpillar workers, is ordering its members to continue working and handling parts produced by strikebreakers at the Joliet plant.

Far from opposing wage cutting, the IAM and UAW support it. They have fully embraced the Obama administration’s policy of “insourcing,” which

involves driving wages so low that companies like Caterpillar find it profitable to relocate production from Mexico, China and other low-wage countries back to the US.

The rejection of the contract should be the starting point for rank-and-file workers to take the conduct of the strike and negotiations out of the hands of the IAM. The strike should be spread to all of Caterpillar’s plants in the US and internationally and appeals made to auto workers and all other workers facing wage and benefit cuts to join the struggle.

Tens of millions of workers in the US and around the world are fed up with the attack on living standards by big business and both corporate-backed parties. To defend the right to a secure job and a decent standard of living the fullest industrial and political mobilization of the working class is needed to break the economic stranglehold exercised by big corporations and banks.



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