

# US: Locked-out sugar workers reject concessions contract for the third time

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After being locked out for almost 11 months by their employer, Moorehead, Minnesota-based American Crystal Sugar Company, workers rejected the company's third contract offer last Saturday by a margin of 63 percent. The workers belong to the Bakery, Confectionery, Tobacco Workers and Grain Millers International Union (BCTGM).

The company is demanding that workers pay higher premiums on health care benefits and give up seniority and grievance protections. The nominal wage increases offered over the three-year contract are less than the cost of inflation and would be more than offset by the loss of benefits.

The vote by workers to reject the latest offer is an important indication of their resolve to oppose the imposition of these cuts despite the refusal of their union leadership to mount any fight against them. It follows a 137-89 vote last week by locked-out workers at the Pilgrim Nuclear Power Plant in Massachusetts to reject a contract that had been unanimously recommended by the bargaining committee of Utility Workers Union of America Local 369.

American Crystal Sugar management locked out the 1,300 workers at five plants in Minnesota, Iowa and North Dakota on August 1 after workers voted by a 96 percent majority to reject the initial contract proposal. From the beginning, the company has approached these negotiations as an opportunity to replace what they consider an "archaic labor contract," with standards that are "competitive with other labor rates."

In the midst of the fifth month of the lockout, American Crystal Sugar CEO David Berg told the annual shareholders' meeting that wages and benefits won by workers in the past was like a "disease." He said "we can't let the labor contract make us sick for ever and ever and ever. We have to treat the disease and

that's what we're doing here."

Even with the lockout, the company's net revenues for fiscal year 2011 have risen by 25 percent to \$1.5 billion, while Berg saw his salary rise by 23 percent to \$2.4 million.

American Crystal hired Strom Engineering, a Minnetonka, Minnesota-based labor contractor, in advance of the contract vote to provide scabs to replace the regular workers.

Locked-out sugar worker Becki Jacobsen told a February mass meeting in Moorehead, Minnesota "Our contract was up on August first. We knew something was up when we had to start training our bosses on our jobs. We were asked to turn in all our tools and our personal belongings from the factory about two weeks before we were going to vote on the contract. The next week, a van full of replacement workers, or scabs, showed up who we also had to train on our own jobs."

The corporate offensive against the working class has deepened since the financial collapse in the fall of 2008. It has taken its lead from the Obama administration's restructuring of the auto industry in the spring of 2009, where starting pay for new workers was slashed to half the pay of existing workers. The United Auto Workers union assisted in pushing through these measures.

Lockouts are being orchestrated more often by companies as a strategy to force concessions contracts on unionized workers. The three-month lockout at Cooper Tire in Findlay, Ohio and the six-week lockout in London, Ontario by Caterpillar/Electro-Motive, both ended in defeats for the workers. The more than 1,000 Cooper workers were forced to accept a five-year concessions contract; 465 London Caterpillar workers lost their jobs when the company decided to shut the plant after six weeks and send production to Muncie,

Indiana, where, with the help of the UAW, workers are paid as little as \$12.50 an hour.

The unions have sent a signal to corporate boardrooms that there will be no serious fight against their drive against workers' wages and conditions. Before the initial vote on the concessions contract, the BCTCM made an agreement with the company to make no recommendation to its membership. In fact, a year ago April, just months before the vote of American Crystal workers, a virtually identical contract was imposed on BCTGM members at Sidney Sugars, a subsidiary of American Crystal.

Corporations are taking advantage in the economic and political climate and using every means at their disposal to reverse decades of gains by the working class while workers' hands are tied by the impotent policies put forward by the unions with the help of numerous pseudo-left organizations.

A case in point is the "Journey for Justice" last February. Beginning in Fargo, North Dakota, just across the Red River from Moorehead, Minnesota, where American Crystal is based, a caravan of cars would travel across six states to end up in a rally in Findlay, Ohio where the Cooper Tire workers were locked out. The problem was that by the time the caravan was to begin, the Cooper workers union, the United Steel Workers, had negotiated a vote to accept the contract.

At Crystal Sugar, the union has been limiting itself to publicity campaigns and appeals to Democratic Party politicians, like Al Franken, a comedian turned US senator for the state of Minnesota. The unions are overseeing wage and benefit concessions by their members in order to maintain a dues base and a comfortable existence. This is why they continually promote illusions in the Democrats among their members.

In a statement Saturday, after the contract was rejected, American Crystal Chairman Robert Green, said "We are quite happy with the new workforce, and they are learning the job. We think they'll do just fine."



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