

West Virginia aluminum plant workers strike

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Seven hundred production and maintenance workers at Constellium Rolled Products in northwest West Virginia went on strike early Sunday morning after rejecting the company's contract offer. The workers, members of United Steelworkers (USW) Local 5668, have been without a contract since July 15.

Constellium, an aluminum rolling mill, employs 1,000 workers. It is Jackson County's largest employer and dominates the town of Ravenswood (population 4,000) located in the steel producing Ohio River region.

On Friday, the USW filed charges of unfair labor practice with the National Labor Relations Board alleging that Constellium has encouraged workers to resign from the union.

Workers have said that the major point of contention in the contract is over health care coverage. Since May, the union and company have been in talks over a new contract.

On July 1, workers voted down a five-year contract proposal that would have required them to pay 10 percent of health care costs into a company plan. The new contract offer included a requirement that workers pay \$28 a week for their health care plan, and be subjected to future cost increases. The proposal also included a raise for certain classes of hourly employees. Not all employees would receive the raise.

The company, along with the local media, has presented the raise in terms of net gain over the life of the contract, \$23,000, as exceedingly generous. This, however, amounts to little over two dollars an hour, an amount far below the rate of inflation for workers who earn less than their nationwide counterparts. Constellium workers average a pre-tax hourly wage of \$19 per hour, according to the USW.

The proposed monthly health care contributions over the period, meanwhile, would erase \$15,000, even assuming that health care costs remain static.

Current workers and retirees also object to a proposed cap on health care outlays that could affect their pensions. The contract proposal has not been made public.

In an August 4 editorial in the *Charleston Gazette*, Constellium CEO Kyle Lorentzen insisted that "our cost structure continues to prevent us from making a profit.... For

all of our sakes, we must get health-care cost at this plant under control for the rest of our employees."

In 2010, Constellium (then Alcan Engineered Products) reported global revenues of \$4.4 billion. In May of this year, Constellium finalized a \$2 billion deal with Airbus and its parent company, the European Aeronautic Defense and Space Company. The Ravenswood plant has just been refitted with new machinery to produce fuselage components for the swelling defense industry.

Attending the Ravenswood ribbon-cutting ceremony were CEO Lorentzen, West Virginia Governor Earl Ray Tomblin, Senators Joe Manchin and Jay Rockefeller, Representative Shelley Moore Capito, as well as USW President Leo Gerard and numerous other union representatives.

The attack on worker compensation comes as the company, in fact, is poised to reap millions in profits from military contracts. The union will play a critical role in ensuring its success.

The company's demands follow the pattern that has been well established since the Obama administration's 2009 auto bailout. Pointing to the economic crisis, companies have targeted the wages, health care, and pensions of older workers and retirees. Younger workers are brought in under "two-tier" sweatshop conditions with low wages, few benefits, and no job security.

While the Obama administration and its state-level counterparts have used the economic crisis as a pretext to gut public health care, private corporations have been given the green light to rip up contracts and offload health care costs onto employees. In every case—including the three-month lockout of Cooper Tire workers in Findlay, Ohio—the USW and other trade unions have been instrumental in realizing these cuts. Indeed, the USW has fully endorsed the re-election of Obama on the claim that he has overseen the restoration of the nation's manufacturing sector.

In a statement on the USW web site, negotiator Randy Moore insisted that the union is "willing to compromise" and wanted to "work together" with the company. "We are not asking for anything new—all we are asking for is to hold on to what we have," he said.

The Ravenswood aluminum preparation plant, along with

a smelter, was opened in 1954 at the height of the post-war boom by Kaiser Aluminum. Kaiser sold the facility off in 1988, leading to a rapid turnover of owners, including the fugitive US investor Marc Rich, and an assault on workplace safety and conditions. Workers were put on double-shifts in triple-digit heat. A bitter 20-month long lockout of the 1,800 workers then laboring there followed in 1990, shortly after four workers were killed on the job at what was now called Ravenswood Aluminum Corporation.

The USW did nothing to defend workers against the company, which hired hundreds of strikebreakers and private gun-thugs and spent millions to erect barbed wire fences, a helicopter pad and board up windows. This betrayal—which followed the sellout of a 114-day strike five years earlier at Ravenswood’s sister plant in Hannibal, Ohio—flowed directly from the corporatist and nationalist character of the USW.

In the name of making US industry more competitive against its Asian and European rivals, the USW in the 1980s and 1990s oversaw the destruction of hundreds of thousands of jobs throughout the aluminum and steel industries. It accepted the breakup of the national industry-wide agreement and the establishment of company-by-company and plant-by-plant contracts with Reynolds, ALCOA, Kaiser and smaller manufacturers. As a reward for its collaboration, USW officials were put on the board of directors of Kaiser.

After a 1992 agreement that allowed workers to return to work, the mill again came under new management, and was renamed Century Aluminum. The operation changed hands and names several more times as global commodities investors further consolidated the metals industries under their grip. In 1999, the French-based Pechiney Corporation acquired Century, splitting the preparation plant from the smelter. Four years later, Pechiney was itself acquired by Alcan.

The mill, then named Alcan Rolled Products, came under new ownership yet again in 2007, when Australian-based energy and metals giant Rio Tinto absorbed Alcan. A mere three years later, Rio Tinto announced it was selling off its engineered products assets including prepared aluminum. The plant was snatched up by investment firms Apollo Management Group and French-government-operated Fonds Stratégique d’Investissement, which rebranded it Constellium last year.

This corporate tumult coincided with a massive wave of international acquisitions in the steel, aluminum and coal industry, which left millions of workers without jobs and pensions. The current attack on wages and conditions is being spearheaded by the Obama White House whose “in-sourcing” initiative is aimed at transforming American

industry, with the assistance of the unions, into a cheap labor haven.

Like workers everywhere, aluminum workers are being told by multi-millionaire corporate executives, the government and the unions that their only choice is poverty wages and brutal conditions or the unemployment line. Ravenswood workers have rejected this but to fight they must take the struggle out of the hands of the USW and forge a new way forward in opposition to the pro-business and nationalist policies of the unions.

Social conditions in Ravenswood are an indictment of the profit system and the unions that defend it. The median income in Ravenswood stands at \$32,000, with more than one in five residents living below poverty. Two years ago, a feature story by *USA Today* characterized Ravenswood as “teetering on a ghost town” after the Century aluminum smelter neighboring Constellium was shuttered. More than 650 workers were out of a job and the prep plant was the last large factory operating in Ravenswood. Jackson County experienced the fastest growing unemployment in the state in the aftermath of the closure.

Private companies like Constellium, along with the local and state government, have used the situation in Ravenswood and small towns everywhere to attack social infrastructure. After the Century closure, the city government set out to become a draw to Silicon Valley-based companies looking for tax giveaways and cheap operating costs.

In the years since, the situation has only deteriorated. Food pantries in Jackson County report three- to four-fold increases in clients. In testimony before the state’s Public Service Commission July 31, former Ravenswood Mayor Lucy Harbert said, “Century’s closing devastated the community of Ravenswood and other small towns. Our food banks are regularly emptied. People can’t pay their utility bills. There are empty storefronts, and people are using a lot more drugs. We have retirees who have lost all of their benefits. I don’t think they should have been taken away.”



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