

350 working without a contract at Master Lock in Milwaukee

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Approximately 350 workers represented by the United Auto Workers (UAW) at the Master Lock facility in Milwaukee, Wisconsin have been working without a contract since April 3. While workers overwhelmingly voted down the proposed contract, the union has called for workers to continue working indefinitely.

In opposition to a genuine struggle against concessions members of UAW Local 469 have been encouraged to participate in toothless informational pickets outside the factory while waiting for the outcome of non-binding mediation between Master Lock and the union.

Master Lock is pushing for the elimination of company paid retirement benefits for active workers and an increase in employees' contribution to their health care plans. The company's contract proposal included what the union called "inadequate wage increases."

Additionally, the company wants to maintain its two-tier benefits structure, which denies workers hired after 2008 participation in the company pension plan and health benefits. Master Lock has notified retirees it is considering significantly altering or eliminating altogether life and health benefits.

The push for further concessions, in particular givebacks in pension and health care plans, comes at a time when Master Lock's parent company Fortune Brands Home and Security, Inc. is turning a healthy profit. Fortune Brands Home and Security, Inc., which markets a wide range of brand-name home and security products in addition to Master Lock products, earned \$1.17 billion in profits off of \$3.59 billion in revenue in 2012. The company's stock price has tripled since September of 2011, rising from around \$12 per share to more than \$36 per share.

President Obama visited the Master Lock facility in March of last year, touting the factory as an example of the success of so-called insourcing, i.e. convincing corporations that they can get sufficiently cheap labor in the US rather than seeking it in Mexico, China or other low-wage countries. Obama laid out the agenda quite succinctly in a speech given inside the factory, "Our job as a nation is to do everything we can to make the decision to insource more attractive for more companies." Lower wages coupled with the elimination of health care and retirement benefits: this is the Democratic Party's vision for the future of the working class in the United States.

This push for insourcing is happening at the same time that the living standards of the working class are being further depressed by the bipartisan attack on social programs, including plans to slash billions from Social Security and Medicare. The devastation of living standards and the social safety net is seen as necessary to improving the global competitiveness of American capitalism.

The UAW has overseen more than 15 years of repeated concessions at the Master Lock facility, which have enabled the insourcing hailed by President Obama. In 1997 the union agreed to \$1 an hour wage cut for the entire workforce. The union accepted the implementation of a two-tier wage and benefit structure in 2003. All workers hired after 2003 earn \$3 less an hour, with a starting wage of \$11.49 per hour. At 40 hours a week, a new worker would earn about \$22,000.00 a year, more than \$1,500 below the poverty line for a family of four in the state of Wisconsin. In addition to lower wages, workers hired after 2003 must pay 25 percent of their monthly health care premium; for a family plan this amounts to a \$684 contribution per month.

The union negotiated a five-year contract in 2008, which expanded the two-tier benefit structure. Workers hired after 2008 are not eligible to participate in the company pension plan and are not eligible for retiree health and life benefits. The UAW has functioned to meet Master Lock's desire to operate without any pension or health obligations while neutralizing any struggle by the workers to resist these give backs.

The concessions were made in the name of "saving" and bringing back jobs. While the UAW and Obama boasted about the return of a handful of jobs, hourly employment at Master Lock has fallen from 1,300 to 350 since 1979.

It has been a policy of the union bureaucracy in the United States and internationally to work hand in glove with corporations to slash workers' wages and benefits. The UAW in particular has been at the forefront of the race to the bottom. In March of 2011 the UAW negotiated a six-year concession contract for Caterpillar workers, which expanded the two-tier wage and benefits structure. The UAW has led the charge for the elimination of the eight-hour day in the auto industry by enforcing the hated Alternate Work Schedule at Chrysler plants in Michigan.

A federal mediator has been brought in as an attempt to reach a non-binding agreement between the company and the UAW over the current contract negotiations. Local 469 President Mike Bink pleaded with the company not to further slash benefits while expressing the union's desire to continue working with the company. "We want an agreement, and our members have consistently worked with Master Lock to help the company be successful. We were there during those hard times. We sacrificed. Our members are people who just want to share in the company's success and be able to retire with dignity. We have earned that. Anything less is simply wrong for workers, wrong for families and wrong for the community."

Limiting the struggle against concessions to non-binding mediation at the Master Lock plant is to ensure its defeat. The UAW has already shown that it is unwilling to wage a principled fight against Master Lock and Fortune Brand's push to eliminate retirement benefits, health care plans, and decent wages.

The workers at Master Lock must make a decisive break with the Democratic Party and the UAW and form independent rank-and-file committees to carry

their struggle forward. A broad appeal must be made to workers throughout the metropolitan Milwaukee region, nationally, and internationally to fight back against this race to the bottom. Only a broad struggle guided by an international socialist perspective will be able to resist the elimination of health care and retirement benefits won through the historic struggle of the working class.



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