

# South Milwaukee Caterpillar workers reject sellout contract

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Eight hundred workers at Caterpillar's Global Mining plant in South Milwaukee rejected a six-year concessions contract on Tuesday by a large margin. The givebacks included a six-year wage freeze for current workers and the imposition of "market based" wages starting as low as \$13.46 an hour for workers hired after May 1.

In a statement issued Tuesday night, United Steelworkers (USW) Local 1343 said it would resume negotiations and instructed its members to continue working without a contract after the current one expired April 30. The no-vote authorizes a strike, but USW sub-district director Ross Winklbauer has ruled out calling a walkout. This leaves workers vulnerable to a lockout, a tactic the company last employed in 2012 against workers in London, Ontario before shutting the plant.

Negotiations between the company and the union began on April 3 and ended last Friday. The union brought the sellout agreement to a vote but claimed it was "neutral" on the deal and was leaving it up to the members to decide.

One senior Milwaukee Cat worker voiced his frustration over the union's ruling out a strike, telling the WSW, "Winklbauer is [really] worthless. If the [USW] International doesn't let them strike these guys are gonna be [irate]."

Referring to what may happen now that the contract has been rejected, he added, "The union heads will take a walk around the block with [Caterpillar CEO Douglas] Oberhelman, add \$1,000 to the ratification bonus, and push a new vote. This is the first time in my life I heard that the International had to authorize a strike. This is really wishy-washy. I'm afraid the union is going to sell us out. This contract shouldn't even be up for a vote."

The talks between Caterpillar and the USW took

place under a virtual media blackout. The USW made no mention of Tuesday's vote on its webpage or its social media websites. The only attempt by USW to publicize the contract negotiations was an article aimed at shaming Caterpillar by bringing attention to CEO Doug Oberhelman's 32 percent pay raise in 2012. Caterpillar also remained tight-lipped throughout the process, not releasing any details during a scant 23 days of negotiations.

Workers had no idea what the contract would look like until they were provided with the company's summary at a union meeting Sunday. Workers were angered by the attack on their living standards and made the case for a strike. The union only gave workers two days to decipher the company's demands before being asked to vote on Tuesday.

A reporting team from the WSW spoke to workers throughout the day as they cast their ballots at Local 1343's union hall.

Gerry, an automatic welder with six and a half years of experience at the South Milwaukee plant denounced the contract before voting. "This contract is no good: nothing for the workers and everything for the company."

Asked about the general attitude toward the contract amongst workers, he said, "It's a bad contract and hopefully it will be voted down, but a lot of the guys here are new. The younger guys are afraid because of the company's tactics. They've been bringing in potential scabs for training and giving them certification on our jobs. Everything the company has been doing recently has been preparing for a strike."

Speaking about the possibility of a lockout if the contract is rejected, he said, "Most of these guys are afraid of losing money and jobs, but they need to know what they give up they will never see again."

Reporters also spoke to Mark, a machine shop worker with eight years at the plant, who placed the vote in a national and global context, stating, “This is what’s going on across America. Suppressing wages, not just union workers but all workers. That’s what this global economy is about. Something goes wrong in the rest of the world and it hurts us here.”

Talking about CAT’s billion-dollar profits, he added, “If you can’t get a raise when times are this good, you’ll never get a raise. With the way this [contract] is worded you’ll never see a raise, not just the next 6 years.”

Referring to how the company uses its international system of plants to pit workers at one factory against another, he noted, “CAT is farming out a lot of work and then saying we’re slowing down. They pit CAT workers here against other CAT workers.”

Mark rejected the company’s contention that workers at South Milwaukee are being paid too much, “We’ve got a solid good workforce here. We’re just 8 percent of Caterpillar’s global workforce, but we make up 31 percent of their profit. They say they’ve got to lower wages to remain competitive. They could double our pay and remain profitable.”

Mark objected to the contract’s implementation of a two-tier wage system with a starting wage as low as \$13.46 an hour, saying, “It’s grotesque how much they are going to take from those at the bottom. Now that we’re in this recession they’re using every excuse to cut wages and benefits. They want a 40-year-old guy with a family to support them on \$14 an hour; you can’t do it! They keep taking money out of our pockets—eventually something’s got to give.

“Young kids see their parents going through this, and they think, ‘I don’t want to go through that.’ So the kids go to college, but that’s no guarantee you’ll get a job in your field, plus they’re loaded up with debt.”

He elaborated on the implications of the contract for older workers, asserting, “The whole language in the contract is to lay off senior workers. After 14 weeks of layoff time, they can knock senior workers off.

“The government is twisting the laws and rules to the advantage of the rich, to help them make more money. Why is it there are no poor politicians? You had two candidates in the last election spending a billion dollars each on their campaigns. There’s a lot of money changing hands behind the scenes.”

He pointed to the inevitable result of the policies of the ruling class, saying, “We’re going to have a two-class society: the mega-rich and everyone else scrounging around.”



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