US Boeing workers rebel against Machinist union's sellout contract

Jerry White 12 November 2013

Thousands of Boeing workers in Everett, Washington walked off the job temporarily Friday after an explosive union meeting the night before at which workers denounced the International Association of Machinists (IAM) for backing an eight-year contract extension that would eliminate pensions, slash wages and ban strikes.

A vote on the agreement, which would extend the expiration of the current contract from 2016 until 2024, is scheduled Wednesday for 31,000 Machinist union members in Washington and 1,500 more in Portland, Oregon.

Rank-and-file workers are rebelling against a gang-up of Boeing management, the IAM, and Washington's Democratic governor, Jay Inslee. They are threatening the workers with massive job losses if they do not accept the draconian agreement, which includes an 11-year strike ban. Boeing has threatened to move production of its new 777X airliner from the Everett factory, just north of Seattle, to a plant in South Carolina unless workers accept its demands.

The company, which reported a 12 percent rise in third quarter profits—to \$2.2 billion—has already extorted \$9 billion in tax cuts from the state of Washington.

The deal pushed by the IAM would replace Boeing's traditional pension with a 401(k) employee-contribution plan and stop the further accrual of benefits for workers about to retire. It would also increase out-of-pocket medical expenses and curtail coverage for current and retired employees in accordance with President Obama's Affordable Care Act, which will impose an excise tax beginning in 2018 on so-called "Cadillac" health care plans still offered to many union members.

The agreement would only provide four one percent wage increases between 2016 and 2024, translating into

a near-10 percent cut in real pay given the projected rate of inflation. It would also force new, lower-wage workers to labor 16 years, instead of the current six, before reaching top pay scale.

In an effort to bribe workers into accepting the sellout, the union and the company are proposing a \$10,000 signing bonus.

Confronted with the anger of workers at the union meeting last Thursday night, IAM District 751 President Tom Wroblewski, who co-signed the deal, tore up a copy of the agreement, acknowledging, "I know this is a piece of crap." He said he would check if union bylaws permitted "this to be withdrawn and not even put to a vote."

By Monday, however, Wroblewski was pitching the agreement again, saying in a thinly veiled threat that workers had to "really look at this proposal and do what's right for them, their families and the community... this is about the future. It's about jobs." Officials from the IAM International said there would be no new negotiations and the vote would go ahead as scheduled.

Workers arrived at last Thursday's meeting carrying homemade signs saying "Vote No." The *Seattle Times* reported: "Shouts, whistles and chants erupted often, and swelling waves of 'No! No! No!' periodically rolled out through the doors."

The newspaper reported that earlier in the day, inside Boeing's huge Everett jet assembly plant, "hundreds of Machinists marched the aisles, some carrying signs, some blowing whistles, making noise and sending a loud, unhappy message to the company. The chant was 'Vote no!'

"One young Machinist, just two years at the company, said that when union officials showed up in his area Wednesday to hand out fliers with details of

the offer, they were swarmed by Machinists thrusting fingers in their faces. Some tore up the fliers on the spot. 'I've never seen that many angry people,' the young man said. 'We have to take this or lose the future of the Everett plant? We have a gun to our heads. A lot of people are very upset.'"

Several postings on the IAM 751 Facebook page expressed the visceral anger of workers over the treachery of the union, which betrayed their seven-week strike in 2008 and has spent decades imposing concessions and layoffs on behalf of the airline manufacturing giant.

Referring to Wroblewski, one worker said: "Tom, I don't believe you had the gall to proclaim this offer a 'piece of crap' yet tonight I see the 751 webpage promoting it. I can't believe you are allowing the company to terrorize us, divide us, ruin our solidarity, and take our right to strike for eleven years.

"I am going to hold you and the international accountable for ruining ME. With 24 years in service, and seven years of layoffs, at age 54 and of failing health, I depended absolutely on those last few years of pension accruals, which in no way will I be able to make up under the new plan with company contributions...Your buddies at the International, the politicians, and the company are who you work for, not us, not me. You will take our money and abandon us...I'm voting no, then I'm done with 751, the IAM, and you. Unity is over, solidarity is finished, our principals sacrificed to politics and corporate profits."

Another worker wrote: "The international has taken over by force. Tom Wroblewski is a coward, he has thrown us under the bus to save his skin...The company is against us, the IAM International is against us, as is the governor, the legislature, and the media...We are utterly and completely on our own. Even if this vote fails, I expect the union to abandon us. We won't get any support from them in retaliation for failing to bend to their will...Betrayal isn't a strong enough word for it... I can't support a union that apparently hates its own members so much. And I will not pay them to do it either. I'm voting Wednesday, and voting no. Then I'm done."

These sentiments are indicative of the growing mood of opposition among workers throughout the US and internationally as unions impose ever-greater demands for sacrifice even as multi-national corporations make record profits. This week, Boeing's stock shot up to an all time high after its third quarter earnings—based on churning out more planes at higher profit margins—led the company to raise its full-year forecast.

In 2012, the company awarded CEO Jim McNeary \$27.5 million in salary and incentive pay, a 20 percent jump over the previous year, as Boeing surpassed European rival Airbus in plane deliveries for the first time in a decade.

As a comment in the *Seattle Times* noted, McNerney has headed the Business Roundtable, a lobbying group of top US corporations, which earlier this year called for raising the eligibility age for Social Security to 70, as well as cutting cost-of-living benefit increases.

The Seattle Times comment continued: "We are going to need our employees to work longer just to fill the needs that we have in the work force,' said a Roundtable suit, helpfully explaining why all Americans should willingly retire later, for less."

The newspaper noted that while a retired Boeing worker with 30 years service receives a pension of around \$2,700 a month, plus a meager Social Security check, McNerney's pension holdings soared by \$6.3 million just in the past year. "If McNerney retires now he will get \$265,575 a month. That's not a misprint: The man presiding over a drive to slash retirement for his own workers, and for stiffs in the rest of America, stands to glide out on a company pension that pays a quarter-million dollars per month."

Boeing workers should reject the sellout agreement in Wednesday's vote. But this is only the beginning. The task confronting Boeing workers—and all workers—is breaking free of the pro-capitalist trade unions and the big business political parties and initiating an independent industrial and political struggle by the whole working class.



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