

Union ends Washington state paper strike, orders workers back without a contract

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Picket lines at KapStone Paper and Packaging Corporation in Longview, Washington, were abruptly pulled down late Friday last week after the company accepted the union's "unconditional offer to return to work." According to a letter from Association of Western Pulp and Paper Workers (AWPPW) area representative John Minor, "This decision is supported unanimously by the Bargaining Board and the AWPPW International President and Vice President."

Some workers returned to work on Monday with all 800 to be on the job by Thursday, according to the union. According to an article on TDN.com, AWPPW Vice President Greg Pallesen "declined to say why the 800 striking members of Local 153 are going back to work without a contract, saying he would not discuss union strategy."

The union belatedly called a strike on August 27 only after KapStone unilaterally declared an impasse and imposed its "last offer" on August 10. The previous four-year contract expired in May 2014. The rank and file has voted twice for strike action, rejected three company offers—the most recent on July 22 by 68 percent—and the union submitted an ultimately meaningless 10-day strike notice in June.

KapStone, headquartered in Northbrook, Illinois, with 6,200 employees, runs four paper mills, 21 converting plants and 65 distribution centers. It is the "fifth largest producer of containerboard and corrugated packaging products and is the largest kraft paper (smooth brown wrapping paper) producer in the US," according to Zacks Equity Research. Its founders, Roger Stone and Matt Kaplan, each paid themselves \$2.5 million last year. Kapstone purchased the Longview paper mill, previously known as Longview Fibre, in 2013 for \$1.03 billion.

Despite the presence of unions at many KapStone

plants—United Steelworkers and International Brotherhood of Teamsters in North and South Carolina, and Kentucky respectively—no effort was made to mobilize these workers in united industry-wide action. That is because such an effort would undermine the Obama administration, which has worked with the unions to create a largely low-wage economy in the US. The unions are urging manufacturers to "insource" jobs to the United States from low-wage countries by collaborating with the corporations to slash labor costs and increase the exploitation of US workers. The unions see this as the road to expanding their dues base and boosting the income of the labor executives.

In 15 months of negotiations, the company made clear it would accept nothing less than the gutting of whatever remained of workers' rights after the 2010 concessions-ridden contract. That contract, negotiated with Longview Fibre, surrendered the defined benefit pension plan and retiree health care insurance benefits, gave up any wage increase for the first year, and provided only 1, 1 and 2 percent over the next three years—a de facto cut in real wages given inflation.

KapStone demanded an eight-year contract, with wage increases of 2 percent per year except for 2.5 percent the last year. While inflation effectively nullifies these increases, the company also proposed replacing the current full-family health plans with a company-funded Health Savings Account requiring a high deductible that would transfer increasing health care costs to the worker. This is in line with Obama's Affordable Care Act and the Cadillac Tax on supposedly overly generous health benefits.

KapStone also called for reducing the short-term disability coverage—under which temporarily disabled workers receive a portion of their pay—from one year to 26 weeks.

Once the strike began, KapStone—having taken the measure of the union—immediately instituted long-standing preparations to prevent “any interruption of service or products to its customers,” as it stated in a press release. Prior to the strike, KapStone worked its union employees 12-hour shifts, six days a week to build up inventory. Some Longview work was transferred to its mills in the east. Medical benefits were cancelled three hours before the strike began. Strikebreakers were bused in with two of its five paper manufacturing machines resuming production, however limited, as of last Monday. Four days into the strike a vehicle leaving the plant struck a picket in an incident that supposedly remains under police investigation.

On September 4, KapStone obtained a restraining order from Cowlitz Superior Court Judge Stephen Warning limiting to one the number of pickets allowed to walk in front of the entry gate. Judge Warning was appointed by then Democratic Governor Christine Gregoire to the Sentencing Guidelines Commission in 2009.

Union officials told the media they called the strike because “the membership is pissed.” Many residents of Longview—which was the site of a bitter two-year dockworkers struggle against Export Grain Terminal (EGT)—supported the strikers while denouncing the treachery of the union, as indicated by the comments section of the local media.

A comment by Elguapo said, “The union needs to resign. They have completely misguided the members. For a year they have been saying, we will strike. Then they strike, and a week later they beg to come back. What a joke.”

Cowlitz 88 wrote, “So this basically means that the union is caving? If that is the case, this will have ramifications for many years to come. When Kapstone can get away with taking from workers, you can bet that other companies will follow.”

Joey wrote, “Stay strong 153! The community support is immense. Everywhere I go in town I am impressed by the overall desire of the community to see you win out. It is amazing the amount of money Kapstone has lost and is willing to lose just to try and strip more money from your families and your community.”

Rather than activating this popular support, the union officials shut down the struggle because they feared it

could spark a far broader mobilization of the working class against wage and benefit cuts and the Obama administration.



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