

Wisconsin Kohler workers strike against two-tier wage

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Workers at Wisconsin-based Kohler struck the plumbing, kitchen and bathroom supply company Sunday over management's insistence on maintaining a two-tier wage system and health care cuts. The company is a large multinational, with more than 30,000 employees worldwide and 2014 revenue of some \$6 billion.

About 2,100 members of United Auto Workers (UAW) Local 833 voted by a 94 percent margin for strike action after rejecting the company's final offer. A crowd of around 2,000 strikers and supporters marched to company headquarters Monday, and mass picketing briefly blocked traffic through the company's main entrance, preventing non-striking employees from going into work.

The walkout affects the company's production facility in the Village of Kohler as well as a generator plant near Sheboygan, Wisconsin. Management indicated it would attempt to continue operations during the strike, issuing a call to workers to report to their jobs.

A central focus of anger on the part of striking workers is the two-tier wage system agreed to by the UAW in the wake of the 2008 financial crash. Currently, second-tier workers receive poverty wages of between \$12.50 and \$13.50 an hour compared to a pay rate for senior workers of \$21.50 to \$23.50 an hour. The company's final proposal would have boosted the second-tier wage on average 20 percent while offering senior workers yearly increases of about 2 percent.

The company is also seeking to impose an inferior health care plan. It is offering a bonus of \$1,200 to senior workers and \$1,000 to tier-two workers to partially offset increased premiums.

"I'm out here for all the future generations. I'm out there for them," a senior worker close to retirement told

the *Sheboygan News*.

"We've had five years without a raise. Fifty cents is nothing," another senior worker told Fox News.

The UAW agreed to massive concessions in the last contract negotiated in 2010. It accepted a 35 percent pay reduction for new employees, a pay freeze and cuts to health care. The current strike seems to have caught both sides by surprise, with UAW officials expressing optimism in mid-October that an agreement could be reached. The determination of Kohler workers to win back past concessions appears not to have entered into their early calculations.

In response to the strike, Kohler issued a statement implicitly threatening the jobs of striking workers, writing, "A work stoppage like this will unfortunately cost our associates and can negatively influence our desire to grow jobs in this location." It issued a call for workers to cross picket lines and "report to work as normal," adding, "The company is prepared to implement plans to ensure that all customer product and service needs are met."

Kohler is a privately held company that has been in the Kohler family since its founding in 1873 by Austrian immigrant John Michael Kohler. The company has intimate ties to the Wisconsin political establishment, with two Kohlers serving terms as Wisconsin governor—Walter J. Kohler Sr. (1929-1931) and Walter J. Kohler Jr. (1951-1957). Kohler Village is a company town set up in 1912 to house employees. It is also the site of the lavish Kohler family estate, Riverbend.

The company is notorious in the annals of US labor history for its bitter opposition to union organization and attacks on workers. It established a company union in the 1930s to resist organizing efforts. When the American Federation of Labor called a strike in 1934

seeking recognition, the company responded violently. Kohler mobilized strikebreaking special police to assault pickets, killing two and injuring 43. Later, the state of Wisconsin mobilized National Guardsmen to break up picketing.

Kohler successfully kept the unions out until 1952, when the UAW won a representation election. This set the stage for a nine-year-long strike, the longest on record in the US.

In 1954, Kohler resisted demands over seniority, wages, pensions and other issues, and the UAW called a strike. Kohler mobilized a small army of strikebreakers, but mass picketing kept the plant closed for about nine weeks. The factory eventually reopened under the protection of a court restraining order. As would become the pattern in later years, the UAW left the strike isolated, instituting an impotent consumer boycott that allowed production to continue unmolested and filing appeals to the National Labor Relations Board.

In 1960, the NLRB issued a ruling that Kohler had failed to bargain in good faith and ordered the reinstatement of 1,700 workers. At this point, the UAW formally terminated the strike. However, the dispute continued for several more years as Kohler continued its refusal to bargain or reinstate strikers. The UAW ultimately agreed to a long list of concessions, and the company offered re-employment to 1,000 workers, of whom 500 accepted the offer.

In 1983, Kohler workers struck again, this time for 16 days. Following the well-established pattern, authorities responded to mass pickets by mobilizing police and sheriff's deputies backed by SWAT teams.

The current Kohler strike comes after decades in which the unions have suppressed the class struggle, with US strike activity at an historic low. It reflects the determination of workers to win back past concessions in the face of relentless pressure by the unions and US corporations for further cost-cutting.

Kohler workers should take warning: the UAW is unable and unwilling to lead a serious struggle against Kohler. Based on its program of union-management collaboration, the UAW will seek to isolate and wear down the strike as it has in countless other struggles over the past several decades.

Reflective of the pro-company stance of the UAW, there is a link on the Local 833 web site to Kohler

company job postings. For its part, the International UAW website does not even carry a mention of the Kohler walkout, the only strike the UAW is currently conducting.

In the ongoing contract struggle of autoworkers, the UAW has run roughshod over rank-and-file opposition to a series of sellout contracts negotiated with the Big Three US automakers. Rather than abolish the two-tier wage, the contracts establish in effect a multi-tier pay scale that will result in a permanent reduction in wages for autoworkers. Under conditions of booming sales and profits in the auto industry the contracts fail to restore cost-of-living increases and other past concessions and set the stage for higher health care costs.



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