

# Wisconsin Harley-Davidson workers reject USW-company deal

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A contract offer negotiated between the United Steelworkers (USW) union and motorcycle manufacturer Harley-Davidson was rejected by workers in Wisconsin on Tuesday. Members of USW Local 2-209, which bargains for 730 workers in the Milwaukee area and Local 460, covering 280 workers in the Tomahawk area, voted down the deal.

The five-year concessions contract offer included a derisory 14 percent “increase” in wages spread over five years, amounting to a decrease in pay when inflation and the rising cost of health care are taken into account. The contract offer included no changes to health care, meaning that the company will not pay any more for workers’ health care, but workers will be expected to continue to pay the same amounts as they have been paying in previous years, and “significant pension enhancements” for current employees but no details on retirement benefits for future hires.

International Association of Machinists (IAM) Lodge 78, accounting for about 90 workers, was the only local to ratify the deal.

This week’s contract rejection comes as the current contract, pushed through in 2010, is due to expire. Company officials told the press that operations will continue as normal at the plants while the contract is extended through April 14.

The current contract signed by the USW and IAM at Harley-Davidson’s plants in Menomonee Falls, a suburb of Milwaukee, and Tomahawk in northern Wisconsin included a seven-year wage freeze and strike ban, sharp increases in workers’ contributions to their health care coverage, and the creation of a “sub-tier” of casual workers who receive no benefits and earn starting pay of \$16.80, about half what current full-time workers make.

With the knowledge that it was pushing through a

rotten deal that was likely to be rejected, the USW worked with the company to dangle a meager \$2,250 signing bonus and an incentive for employees eligible for retirement. Such retirement incentives are usually part of a plan to encourage older, higher-paid workers to leave in order to eliminate positions and pave the way for the creation of low-wage tiers.

The USW used the promise of a sign-on bonus in its attempt to push through two contracts with US Steel and ArcelorMittal last November, in which workers were offered \$4,000 to accept a deal that included a pitiful 14 percent wage increase over four years, a slap in the face to many workers who suffered increasing financial difficulties after being forced by the union and company to take a three-year wage freeze as a result of the ratification of the 2015 contracts.

The contracts were pushed through last November after the union refused to carry out a strike after workers at the two steelmakers voted unanimously to take such action. The USW kept steel workers in the dark about contract negotiations from beginning to end.

Harley-Davidson reported \$1.61 billion in gross profits for 2018. This is down 0.98 percent from 2017, but still more than enough to guarantee substantial pay raises and free health care for all of its workers. The company’s president and CEO, Matt Levatich, pulled in a total compensation of more than \$11 million in 2017, according to Bloomberg. This includes a base salary of \$1 million, far more than the average union-represented worker making \$33 per hour earns.

On its website, the Milwaukee-based corporation boasted that it bought back \$382 million worth of its own stock in 2018. These stock buybacks were carried out at the expense of current workers, retirees, and future generations, all to satisfy wealthy investors.

The company plans to expand production and sales of

its motorcycles by offering new products and implementing new marketing strategies to reach its goals of shipping 217,000 to 222,000 new motorcycles around the world in 2019. This will place demands on workers to work longer hours and to produce more for less.

The USW will not wage a fight against the planned attacks on workers' living standards. It will follow the pattern it has followed in pushing through the 2018 steelworker contracts and the oil worker contracts earlier this year. The union will keep workers in the dark about contract negotiations and attempt to force through concessions deals by isolating workers from each other in order to prevent the development of organized rank-and-file opposition.

The "no" vote among Harley-Davidson workers is a part of a growing trend in the international working class that is developing outside the control of the trade unions and in opposition to the capitalist system of exploitation, from the "Yellow Vest" protests in France, to the maquiladora wildcat strikes in Matamoros along the US-Mexico border, to the wave of teachers strikes erupting in the US and internationally.

Workers should have no illusions that the trade unions can be reformed and somehow brought to their senses to do what is in the best interests of the workers. The USW and IAM have repeatedly demonstrated their allegiance to the American corporate ruling class by isolating workers and ramming through concessions contracts one after the other. They also turn a blind eye to the health and safety issues faced by all of the workers they claim to represent and exhibit total complacency regarding the wave of layoffs suffered by the working class in recent years.

In January 2018, Harley-Davidson announced that it would close its Kansas City, Missouri, plant and lay off 800 workers by summer of this year. The layoffs were announced the morning after US President Donald Trump's first State of the Union address, exposing his reactionary "America First" nationalist program for what it really was, that is, a plan to force workers in the United States to accept low wages and benefit cuts while pitting them against their fellow workers abroad.

Earlier, union officials from the USW and IAM joined company executives in 2017 to praise Trump's anti-working class program and hail the motorcycle

company as an "American success story," lending support to the President's reactionary program of economic chauvinism. This was soon followed by the announcement that 180 jobs would be cut at plants in Milwaukee and Kansas City.

Workers must learn from the lessons of the past. Neither the USW nor the IAM, nor any of the corporate servants in the trade union apparatus, can be trusted to carry out a fight in the genuine interests of the working class. The fight for higher wages, safe working conditions, free health care and secure retirement benefits requires that a new leadership of rank-and-file committees be built in the working class based on a socialist program.

Harley-Davidson workers in the US must reject the nationalism pushed by the unions and the Democratic and Republican parties and link their struggles with those of their brother and sister workers in Thailand, India, Brazil, Australia and all around the world if the fight for their basic rights is to be won.



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