GE Appliances workers in Louisville, Kentucky vote overwhelmingly to strike

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Demonstrating their readiness for a struggle, workers at the General Electric (GE) Appliances factory in Louisville, Kentucky have voted by 99.2 percent to authorize a strike. The vote comes as the four-year contract covering almost 4,000 workers is set to expire on September 6 with management demanding draconian concessions, including the elimination of employer-paid pensions.

The International Union of Electrical Workers-Communications Workers of America (IUE-CWA) has made it clear that the strike vote is not binding on the union. Instead IUE-CWA officials hope to retain some level of credibility among workers while they conduct behind-the-scenes talks over yet another concessionary contract. As Julie Wood, senior corporate director of communications for GE Appliances, put it: "Discussions remain productive. This vote is procedural for the union."

In March, with workers conducting a job action over the outbreak of COVID-19 in the giant facility, Local 83761 President Dino Driskell said the union was "exploring the possibility of taking a park wide strike." The union, however, quickly dropped any talk of a work stoppage.

The current contract was set to expire in June, however, due to the pandemic, the union and the company agreed to a three-month extension. Workers are demanding better wages and benefits, including better health care benefits, as premiums have outpaced cost-of-living adjustments.

While IUE-CWA officials have not revealed the details of either the union's or the company's contract proposals it has been reported that management wants to maintain the two-tier system, albeit with a starting raise for new hires from $12 to $14 an hour. The company also wants to replace employer-paid pensions with a 401(k) fund, largely financed by workers themselves.

GE Appliances was sold by General Electric in 2016 to China-based Haier for $5.6 billion. The company's Louisville facility, its largest, produces washing machines, dryers, dishwashers and bottom-freezer refrigerators. Louisville itself is a significant manufacturing and logistics hub, with tens of thousands of GE, Ford and UPS workers. GE Appliances is the second largest manufacturing employer in Kentucky, with approximately 6,000 workers. In addition to its plant in Louisville, GE Appliances also has manufacturing plants in Alabama, Georgia, Tennessee, and South Carolina.

The company has remained highly profitable throughout the pandemic. In comments published in the Bucks County *Courier Times* on August 25, GE Appliances spokeswoman Wendy Treinen said, "GEA has seen record demand on certain product categories since COVID-19 began … Freezer sales outpaced supply starting in March as consumers stockpiled goods and demand remains at an unprecedented level. Usage of appliances is higher than ever before." In addition, she said, "Interest in remodeling and home improvements has sparked orders as well."

Haier Smart Home, the Haier subsidiary which oversees GE Appliances, published its half-year report on August 31, titled "Revenue and profit recovery following COVID-19 impacts." The report states: "In H1 2020, the Haier Smart Home achieved a revenue of [almost $14 billion] and net profit attributable to owners [$395 million]. Despite the impact of the COVID-19 pandemic on the Company's performance in H1 2020, the growth rate swiftly revived in Q2, ushering a turning point with increases in both revenue and net income attributable to shareholders in June by

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20.6% [year-over-year] and 21.4% [year-over-year], respectively."

During the 2016 contract negotiations, workers at the Louisville plant rejected by a wide margin a proposed contract that imposed significant concessions, including a two-tier pay scale and higher health care costs. Ignoring workers' demands, the IUE-CWA accepted an agreement which kept, with only slight alteration, many of the provisions workers adamantly opposed.

In a statement after the strike vote, local union president Driskell admitted that the 2016 contract had severely eroded workers' living standards, with rising out-of-pocket health care costs for workers far outpacing the minimal wage increases in the contract.

The current contract negotiations are taking place amidst an unprecedented social and political crisis in the US, which is being exacerbated by the COVID-19 pandemic. Workers are being forced into unsafe factories, schools and other workplaces, with little to no personal protective equipment or safety protocols. This has led to major outpourings of working class anger and opposition, including among workers at the Louisville plant.

On March 31, after management informed workers of a "probable" COVID-19 case at the facility, workers protested outside the factory complex and demanded that it be shut down, and that necessary safety precautions be implemented.

Prior to this, the company had only halted production for one week in response to the virus. When production resumed on March 30, management assured workers that it had sanitized the plant and reconfigured it to allow for social distancing. Despite management's rosy assurances, workers returned to find a factory that remained filthy, while lacking such basic necessities as soap and hand sanitizer.

IUE-CWA officials only reluctantly agreed to the March protest because workers were threatening to take matters into their own hands. After his comments about exploring the possibility of a strike, IUE-CWA Local 83761 President Dino Driskell announced the union would abide by the decision of Kentucky's Democratic governor, Andy Beshear, to designate the appliance maker as an "essential business" that had to remain open.

The Socialist Equality Party urges workers to take matters into their own hands by forming a rank-and-file committee, independent of the union, to prepare for strike action. At the same time, this committee should appeal to Louisville teachers, Ford and UPS workers for joint struggle against unsafe conditions and the corporate drive to pump even more profits out of the working class.

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