

Contract pushed through after GE Appliance workers in Kentucky reject union-backed proposals

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9 December 2020

After workers rejected union-backed proposals in September and October, officials from the International Union of Electrical Local 83761 (IUE-CWA) were finally able to push through a four-year labor agreement Monday covering 4,100 workers at the GE Appliance Park in Louisville, Kentucky.

The first proposal was voted down by 87 percent in September and a second proposal was defeated by 57 percent in October. The union, however, ignored the 99.2 percent strike authorization vote by members, and continued negotiations although management at GE Appliance, owned by the giant Chinese firm Haier, refused to budge on workers' demands for improved wages and conditions. IUE-CWA officials reached a slightly refurbished deal last week, giving workers little time to study and discuss the actual content of the deal before voting Monday.

Workers objected to inadequate pay raises, which will be largely eaten up by increased out-of-pocket medical costs. The WSWs previously reported that the new hires at the plant were starting at the poverty-level wage rate of \$12 per hour. Furthermore, the company demanded the elimination of the employer-paid pensions and their replacement with an employee self-funded 401(k) fund.

The first year of the new agreement includes a \$1.50 per hour wage increase, with a 50-cent increase for each of the remaining three years for production workers hired since 2017. Production workers hired from October 2005 through the end of 2016 would receive a reduced 25-cent wage increase in the second and third years of the agreement.

The union said the proposal for health insurance only differed slightly from the previous contract; it would

include two new copays "added to reduce costs" for the company, according to the highlights document. While the union touts a three-year freeze on premiums and deductibles, it agreed to a 6 percent increase in the fourth year and another 6 percent increase the year after the contract expires.

"We can't afford to use the healthcare due to the insanely high deductibles," one worker posted on Facebook. "We need far more of a raise to offset those costs."

While GE Appliance workers were determined to fight, IUE-CWA Local 83-761 President Dino Driskel made it clear the union would do nothing to achieve a better contract. In October, he posted that "This contract represents the best offer the company, your local and international officials could negotiate."

Workers who voted down the deal were quick to denounce Driskel's remarks on Facebook. "This guy said he is at a loss for words because we voted that down. Wow! His ass is on the way out and still slandering us through the media basically." Another worker said, "You are pulling the scare tactic, unbelievable. Can't believe you're trying to sway the yes vote."

The company and the union also used economic pressure on workers to push the deal through, including a one-time \$1,500 ratification bonus for "all eligible workers" to be paid on December 18, a week before Christmas.

The deal will also accelerate the joint efforts by the company and the union to ditch higher-paid veteran workers and replace them with low-paid temps. The deal offers a \$20,000 "voluntary separation bonus" to 50 senior workers hired before October 1, 2005.

In April, GE Appliance workers pressed for strike action after workers at the 900-acre industrial park contracted COVID-19. When workers threatened to take wildcat action, the IUE-CWA called a protest with workers outside the complex chanting, “Shut it down!” as others drove their cars with homemade signs in the windows declaring “GE employees and their families do matter” and denouncing the company for subordinating their lives to corporate profit. But IUE-CWA suppressed any further action, joining with another local union officials at GE’s aircraft engine plant in Lynn, Massachusetts to block strike action and compel workers to stay on the job.

Workers must take the defense of their standards and health and safety conditions out of the hands of the IUE-CWA and form rank-and-file safety committees to fight for the shutdown of nonessential production while guaranteeing full income to all workers.

Louisville is a major manufacturing and logistics center that includes Ford’s two auto plants with over 12,000 UAW members, UPS’s chief air shipping hub Worldport, which employs some 20,000 workers, and Toyota’s nearby factory in Georgetown, Kentucky. Another 18,500 educators and other school employees work at the Jefferson County public schools. There have been numerous reports of COVID-19 infections at these workplaces. Rank-and-file committees, organized independently of the unions, are needed to unite and mobilize all Louisville area workers in a common fight to defend their lives and health.



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