

In Terre Haute, Indiana, birthplace of Eugene V. Debs

# SEIU-affiliated trade union imposes 3-year sellout contract on 460 Amcor workers who voted “no” twice

Jessica Goldstein

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In a major attack on the rights of workers everywhere, the Workers United union announced Saturday, July 3 that it was imposing a contract which Amcor workers in Terre Haute, Indiana voted down for a second time on July 2. The union also acted to block a strike that workers had voted to carry out if the second contract proposal was voted down. Workers had not even seen the full contract before the union announced it would be forced through against their will and will not expire until June 2024.

About 460 production workers at Amcor manufacture packaging products for food, beverage, medical, pharmaceutical, home and personal care products and play an important role in the global economy and supply chain. Amcor, an Australian-American packaging company, took over the Terre Haute plant in an acquisition from Bemis in June 2019. Amcor is a publicly traded company with 230 facilities across 40 countries and nearly 47,000 employees, according to its website. It reported \$2.5 billion in gross profit for 2020.

The contract the union implemented against the workers' will is a sellout. It includes wage increases below inflation rates for three years of 3 percent, 2.5 percent, and 2.85 percent, respectively. Workers will receive zero monthly increases to their pensions across all three years of the contract. Health care coverage for the PPO plan will go up \$1.50 to \$2.50 per month, and the only decrease in health care costs is for workers under the high-deductible plan. The contract also continues the “3-3-4-4” continuous 12-hour shift and the use of temporary labor to increase the company's profits.

The only additional “gain” for workers in the contract is an extra \$500 added to the ratification bonus, bumping it up to a still paltry \$1500.

Workers United is an affiliate of the Service Employees International Union (SEIU), which has betrayed thousands of health care workers over the course of the pandemic by blocking strike actions, isolating strikes and pushing through sellout contracts that have left workers in dangerous working conditions and at poverty-level wages. The SEIU has isolated workers at Amcor from 2,500 striking SEIU health care workers in Cook County, Illinois who have been on strike for two weeks.

Kathy Hanshew, Board Manager of the Chicago & Midwest Regional Joint Board (CMRJB) of Workers United, issued a pompous video addressed to members on Saturday after the Local Executive Board voted to ask the Joint Board to implement the contract proposal that members had voted down the day before.

Speaking like a two-bit dictator, Hanshew informed workers who might be “possibly confused” that they must abide by a new three-year collective bargaining agreement, effective through June 2024, no matter what. The decision came “following two contract rejections by eligible

voting members,” she said. It was the leadership of Local 1426 in Terre Haute who wanted to impose the contract, she said.

In explaining the background of how the decision was reached, Hanshew unintentionally exposed the anti-working-class character of all levels of the trade union bureaucracies. The local asked the Joint Board what to do, she explained, adding that the Joint Board recommended not to strike.

“Since we would in no way compromise the political integrity of your former local president and other members of the executive board, we left the message up to them. I then proceeded to inform them that although we had left the decision up to them as to what would happen, that the joint board advised against a strike as the numbers of the vote did not reflect the conditions for a winnable strike and that the conditions of the proposed package was not a package warranting a strike.”

According to Hanshew, the local leadership then urged her to impose the contract over the heads of the workers. Hanshew and the Chicago Joint Board insisted that it would not take this “drastic step” without being able to cover their own backs. They demanded the unanimous, public support of the Local Executive Board. Fearful of the repercussions, several local leaders and members reportedly resigned, including the “former local president, vice president and recording secretary.” After accepting the resignations, the Joint Board informed Amcor that the union would not pursue a seven-day contract extension and would not strike, and the Joint Board would execute a new collective bargaining agreement.

Hanshew continued: “While I am fully aware that there are many of you who do not agree with this decision, it was not a decision made by myself as manager or even the leadership of the Joint Board. It was a decision made by the recommendation of your local Executive Board, to which the Joint Board Leadership worked to effectuate... I don't doubt that your Executive Board worked with all of your best interest at heart. The decision to go out on strike ... under the current conditions of a package being the best in many years could have potentially been an extremely costly mistake, something the executive board realized and had the courage and leadership to make the decision they made.”

After praising the “courage and leadership” of the bureaucrats, she concluded by admonishing workers to swallow the pro-company deal that they had voted down not once, but twice, warning that they must “not engage in bickering ... and move forward together.”

This convoluted reasoning for the antidemocratic measures of the union was backed up by a post written on the local's website by “Sargent at Arms” Jimmy Patterson. Patterson added, “The final vote was not an overwhelming no. It was close with only 59% of the body rejecting the contract. With the vote being that low the majority of the board were

unwilling to lead the body into a failed strike. In 2009 the strike authorization passed with a 93% vote, and we still had a large number cross the line.” Patterson has not responded to the *World Socialist Web Site*’s request for comment as of this writing.

It says a lot that the union says workers are to blame for inevitably betraying a strike the union has preemptively blocked, especially considering the union has already threatened to withhold strike pay and starve the workers out! When one worker asked on the local’s Facebook page if the union would offer strike pay, a union affiliate responded, “There hasn’t been strike pay for 10 years and most Unions don’t have it. But we can request it through the CMRJB to Workers United or SEIU like in 2009.”

Since the blatant undermining of the workers’ rights, the union has made no updates to its Facebook page.

Kirk Smith, the local president who resigned at the time of the board’s vote to implement the contract, told the *Terre Haute Tribune-Star* that he originally voted against the contract. What needs to be made clear to workers is that along with the other two local officials who resigned, Smith, instead of voting against implementation which would have led to a seven-day cooling-off period and potentially brought the membership closer to a strike, decided to rescind his position, which gave the Joint Board the majority of votes needed to implement the contract against the will of the workers. And it was reportedly the local leadership that suggested the regional leadership impose the contract anyway.

Workers at Amcor are livid, and fully aware that the union implementing the company’s contract against their democratic will was not in their “best interest.” What a lie! Workers United conspired with corporate management behind the workers’ backs to sabotage a strike and protect the profit interests of the company.

Workers voiced their disgust with the union in the comments of the Joint Board’s Youtube video of Hanshew’s statement. One worker wrote, “Shame, Shame, Shame, on you. The things I want to say I can’t on here due to restrictions, but if you would like to come down to our area I think things would be different. You screwed us, bottom line. The contract didn’t affect me much due to my age, you truly hurt the younger people. I hope you enjoy the thought that you hurt families and their children. The money must be worth it I guess. For me, money isn’t worth it.”

One worker’s comment expressed the class chasm between the upper-level union bureaucrats and the rank-and-file: “We the members of local 1426 spoke not once, but twice, we were ignored, by you and the final deciding board members, lady, you come work in this crap hole! Enjoy my dues while they last! I do really need a cooling off period in the near future.”

Another wrote, “You have really made a huge mistake by what you have done. You separated the union body and now it’s going to be up to you to fix it. You and you alone have weakened our local by your actions. Shame on you all.”

Hanshew, who was compensated a total of \$179,263 in 2019, certainly does not know the day-to-day struggles of the workers that she betrayed, nor does she care as long as she is being compensated so handsomely to carry these betrayals out.

The spouse of an Amcor worker spoke to the WSWs about why their spouse voted against the sellout contract.

“My husband is employed by Amcor and has worked there for two decades. The contract was voted down twice, but the International Union put pressure on the Union Board to go against the workers and accept the contract. The reasoning they gave was that the vote was very close, and they were afraid that too many people would cross the picket line [if there was a strike]. My husband voted ‘No’ because of their lack of a pension. When their company people are retiring lavishly, while his pension was cut.

“We still haven’t been shown the contract that was voted in, and three

unions officials quit the night of the acceptance. We still aren’t sure what was voted on. My husband went through a strike [at the plant] in 2009 when it was [owned by] Bemis.”

In 2009, Workers United and the international trade union apparatus isolated a strike of 700 workers at the plant for 40 days before ratifying a concessions contract that extended the contract 10 months longer than the original three-year proposal. At the time that the union announced ratification of the 2009 contract, it kept the vote totals under wraps from the press. Since 2009, the number of workers has been cut by over one third with the help of concessions pushed through by the union, creating dangerous working conditions for workers in the plant.

“I was very angry with the way the union handled the strike in 2009, but the way this contract was handled was beyond belief. The video that the union president, Kirk Smith, put on Facebook stated that the second vote was ‘overwhelming,’ but then the contract was accepted and we didn’t know why. We didn’t even know what exactly was voted in, and we still don’t know!”

It could not be clearer from this sellout that the unions are not workers organizations, but tools of corporate management, through and through. The actions of Workers United in covering up the details of the contract and its negotiations with management echo the anti-working-class antics of the United Auto Workers, who have blacked out information of the strike of 3,000 Volvo Trucks Workers in Dublin, Virginia from the wider working class and have kept negotiations with the company a secret while starving workers out on the picket lines on \$275 a week.

Now, the UAW is hoping to force Volvo Trucks workers to accept a contract which they have not seen in full after rejecting the previous two proposals. Striking workers understood the need to take their struggle into their own hands and formed the independent Volvo Workers Rank-and-File Committee to fight for unity of the working class against the betrayals and isolation tactics of the UAW.

She said of the Volvo Workers Rank-and-File Committee, “I am looking forward to [reading this statement], and my heart goes out to these workers. Corporate greed has gone on long enough and I truly believe that it needs to be stopped.”

It is worth noting that this remarkable betrayal of workers by the very organizations which claim to represent them takes place in Terre Haute, the birthplace of Eugene V. Debs, the prolific American labor leader and founder of the Social Democratic Party of America and Industrial Workers of the World.

Today, workers at Amcor face a decisive moment. Workers have the right to strike and to see the full contract before it is enforced! Now is the time for workers to fight against this betrayal and organize independently to take their struggle into their own hands. Workers at Amcor have a powerful example in the Volvo Rank-and-File Committee, which organized independently in the face of a two-front battle against both the UAW and Volvo Trucks to draw up their own demands, based on what they needed as a class and not what the company and union “allowed” them to have.

Amcor workers face such a battle, but their struggle does not have to be isolated. Workers at Amcor must link up with the Volvo workers and expand the network of rank-and-file committees around the US and world to fight the capitalist system under a socialist program that fights in the interests of the working class.

*If you are an Amcor worker who wants to build a rank-and-file committee to fight against this betrayal of your rights, there is no time to lose. Contact the World Socialist Web Site at [workers@wsws.org](mailto:workers@wsws.org) today or fill out this form to get involved.*



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