

Kone escalator workers strike in Coal Valley, Illinois for better pay and benefits

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Over 100 workers struck on Monday in Coal Valley, Illinois, against Kone, the Finnish-based multinational elevator and escalator manufacturing company. Workers are fighting to end a divisive two-tier pay system and to improve retirement benefits.

The strike of Kone workers near the Illinois-Iowa border, in the industrial Quad Cities region straddling the Mississippi River, is part of a growing rebellion of workers in the US and internationally against decades of wage stagnation, enacted with the help of the trade unions on behalf of corporate management.

Kone workers join a resurgence of the class struggle, including the recent or ongoing strikes by Nabisco workers, Chicago mechanics, Kentucky distillery workers and Seattle carpenters, as well as the contract battles by Dana auto parts workers and John Deere workers.

The immediate issues motivating the strike include opposition by Kone workers to a two-tiered pay scale and a lack of benefits to retire comfortably, conditions which the International Association of Machinists (IAM) Local 1191 previously imposed on workers.

Albert Dual, a Kone electrical assembler, told local news station WQAD, “You have a guy who’s been here for 20 plus years, and a newbie comes in and they’re doing the same job, but they’re making a different amount of money. And it’s a big difference—a \$3-5 difference.”

Another issue Dual noted was the lack of good retirement benefits for workers, stating, “We have a lot of guys here who have been here almost as long as I’ve been alive. Folks should be able to retire at a pretty comfortable age and not have to stress themselves out.”

The IAM was compelled to allow a strike after the workers rejected a pro-company agreement reached between the union and Kone. In a statement responding

to the strike, Kone Labor Relations wrote, “After weeks of optimistic negotiations, KONE Coal Valley employees chose not to ratify a new collective bargaining agreement between KONE management and the IAM union committee.” In an indication of the ongoing collusion between IAM and Kone, the statement noted, “KONE will continue to collaborate with the IAM union committee and is hopeful for a quick resolution and acceptance of the proposed agreement.”

Currently, the IAM is also isolating an ongoing strike of hundreds of Chicago-area mechanics, working out side deals with car dealerships to impose concessions and wear out striking workers one by one. There are over 570,000 workers supposedly “represented” by the IAM, and the union sits on \$246 million in assets. Robert Martinez, the president of the IAM, makes \$371,580 a year, while rank-and-file Kone workers in Coal Valley and around the world face wage stagnation and insecure retirements.

Kone, headquartered in Helsinki, Finland, has a global workforce of more than 60,000 employees in over 60 countries and is the third-largest manufacturer of elevators. Workers at Kone manufacture elevators, moving conveyor walkways, escalators, automatic doors and more. The company engineers and produces these machines for builders, developers, architects, metro systems and general contractors.

In 2020, Kone made over €939 million (\$1.1 billion) in net income and had €9.9 billion (\$11.6 billion) in revenue. The chairman of Kone, Anniti Herlin, and scion of the Herlin dynasty, is the richest person in Finland, with a net worth of over \$7 billion. Herlin previously served as CEO from 1996 to 2006, taking over from his father Pekka Herlin.

The efforts by the company to drive down labor costs

have provoked opposition by workers at its facilities internationally. In 2019, hundreds of Kone workers in Finland staged a 24-hour strike, which the company's HR chief Elina Jokinen denounced as "illegal," and in 2017, 200 workers in Australia struck for six weeks.

Kone workers in Illinois and elsewhere can learn from and link up with Dana and John Deere workers, unifying and strengthening their struggles. The issue of tiered wages and benefits is widely hated by workers across multiple industries, including among workers in the auto industry and at John Deere, which was one of the first major corporations to systematically cut pay and benefits for new hires in the 1990s. More than 10,000 workers at Deere are currently gearing up for a major battle with the company and the United Auto Workers (UAW) union, which has imposed decades of concessions on these workers and others.

In 2015, the UAW faced a massive rebellion of Deere workers, who were determined to overturn the two-tier system imposed two decades earlier. The UAW barely pushed through a pro-company contract, claiming their agreement passed with less than 200 votes, provoking widespread calls for a recount.

Deere workers—many of whom work in the Quad Cities, where Deere is headquartered—are preparing to fight both the company and the union again, with "negotiations" between the UAW and the company taking place behind closed doors to package up a deal to impose on rank-and-file Deere workers. Currently, Deere is proposing substantial increases to out-of-pocket health care costs, stagnant wage raises below inflation, and an end to both the plant closure moratorium and overtime pay after eight hours.

Facing similar issues, auto parts workers at Dana Incorporated have overwhelmingly rejected a contract proposed by the UAW in recent weeks and are fighting against 84-hours a week sweatshop conditions, a two-tier pay system, poverty wages and more.

Confronting the treachery of the UAW, Dana workers formed the Dana Workers Rank-and-File Committee. The committee is demanding substantial wage increases, an end to the tier system, and the restoration of the eight-hour day, and is appealing to autoworkers in the US and internationally for support.

Kone workers must break their isolation and review the experience of Dana workers and the treachery of the IAM in the Chicago mechanics strike.

Workers should reject any deal brought back by the IAM that does not end the two-tier system, include substantial wage increases for all workers, and guarantee a good retirement. They should take the struggle out of the hands of the IAM and begin to form independent rank-and-file committees that will unite with Deere, Dana workers, Chicago mechanics and broader layers of the working class in a joint offensive for their social and economic interests.

The World Socialist Web Site urges Kone workers to sign up today to learn more about forming rank-and-file committees.



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