

# Widespread opposition from workers to USW sellout at Newport News naval shipyard

J. L'Heureau  
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*Are you a shipbuilder at Huntington Ingalls? Contact the WSWS to tell us what you think about the contract and the fight you face.*

The United Steelworkers (USW) Local 8888 recently announced on its public Facebook page that it had reached a new tentative agreement (TA) with Huntington Ingalls Industries (HII) covering over 9,700 shipbuilders at Newport News Shipbuilding (NNS) in Virginia. HII is the largest contractor for the US Navy and builds submarines and aircraft carriers at the Newport News shipyard.

Workers rejected the last proposed five-year contract in mid-November by 1,312 to 684 because it failed to meet their demands for improved wages and benefits, pensions and insurance costs. Despite the vote, the USW refused to call a strike. Instead, the union announced an agreement with the company to extend the expired contract, forcing workers to remain on the job, strengthening the hand of the company throughout the negotiation process.

Contract “highlights” for the new TA, which was reached at the end of January, were released by the USW on its Facebook page and its website on February 2. At the time, the USW said, “[A] detailed summary of the new tentative agreement reached last week will be mailed to the home of every member soon.” However, workers have taken it upon themselves to make the new TA public.

After stalling for over two months in between negotiation sessions with the aim of wearing down the workers’ resolve, the union declared that “NNS and USW representatives worked together to further balance company, union, and employee needs and expectations” when talks resumed on January 17.

Given that it is impossible to “balance” the needs of workers and the profit interests of HII and its wealthy shareholders, the result predictably was entirely in the company’s favor.

The new TA includes a raise of 3.5 percent the first year, no increase in base pay in 2023 (replaced by a \$2,000 lump sum payment), followed by 2.25 percent in 2024, 3 percent in 2025, and 3 percent in 2026. This amounts to a 11.75

percent wage increase over a five-year period, which is a de facto payout given the current 7.5 percent inflation rate.

Payments from the “legacy” pension fund, which applies to over 1,700 employees hired before June 7, 2004, will only increase between \$450 and \$600 a month. Those hired between June 7, 2004 and July 10, 2017 will only see “an 8 percent increase in monthly pension benefits.” The costs for health care premiums will be frozen during the first two years of the new TA, after which, “Employee health care contributions increase 5 percent on July 1, 2024; July 1, 2025; and July 1, 2026.” The increase in out-of-pocket costs will more than pay for the below-inflation wage increase.

The agreement also includes a pitiful “essential worker” bonus. “All bargaining unit employees who are fully vaccinated against COVID-19 (not including booster shots) will receive a \$2,000 bonus paid within 14 days of contract ratification,” whereas workers “who are not fully vaccinated will receive a \$1,500 bonus paid within 14 days of contract ratification.”

USW officials hailed the new TA as “a solid contract and the best deal possible for Local 8888 members who are holding it together at home and in the yard.” Although no date has been announced yet, union officials said the deal would be voted on in the coming weeks.

A majority of workers denounced the sellout deal in comments on the local’s Facebook page. A selection of only a few of the hundreds of comments shared over the past week gives a flavor of the mass opposition.

- “This new proposal is worse than the original and you say it’s great??? WTH????? 15 percent insurance hike over 3 years and only a \$3 pay raise over 5 years. you’re horrible and should be ashamed of yourselves for this crap your feeding us...”

- “How about focusing on getting us a contract that we can live with and stop dragging your feet. Soon, it will be 3 months after the expiration date of the last contract, and we are being cheated every day you allow an extension. The company is saving millions as we toil away at the old pay rates. They are playing you, and the membership. That is not

acceptable.”

- “What do we pay our money to the union for if we’re not willing to go on strike? We’re giving them our money for nothing.”

- “Out of the 600 million strike fund your rep said y’all had why won’t you pay us to strike so we can get a real contract?”

- “The company stands to lose a lot as well. 3 carriers in the yard submarines in the docks. I doubt they want wrk to slow up”

- “The people supposed to represent us. They are for the company.”

The latter observation is shared by workers at the Ingalls shipyard in Pascagoula, Mississippi, who were similarly sold out by their unions after voting down a wage-cutting contract extension twice. A worker there told the *World Socialist Web Site* (WSWS), “The unions look out for the company more than they do the members that pay their dues. I agree that they resorted to coercing members into voting for the contract which is NOT in the best interest of the workers.”

The USW is also trying to block a strike by 30,000 oil refinery workers with day-to-day contract extensions. An oil worker at the BP refinery in Whiting, Indiana, who participated in the 2015 strike, told the WSWS, “The USW leadership is basically in bed with the company.” He said this in reference to the 10-month lockout of USW members at the ExxonMobil plant in Beaumont, Texas, which is the result of the USW’s decision to remove the workers from the national agreement during the sellout of the 2015 strike.

The USW met with members of Congress in Washington in between negotiations with HII to “warn them about a possible strike.”

Market analysts reported in January that HII's share price “is 19 percent higher than it was a year ago, much better than the market return of around 8.2 percent (not including dividends) in the same period.” The dividends paid by the company to its shareholders “over the last 1 year was 22 percent.” Meanwhile, many of the oil giants where the USW has members increased their bottom lines throughout last year: Marathon Petroleum, the US’s largest refiner (\$9.74 billion); ExxonMobil (\$23 billion); and Chevron (\$15.6 billion, its highest in eight years). The industry collectively enjoyed \$174 billion in profits for the first nine months of 2021.

A crucial component of the USW’s treachery is to keep what the ruling class deems “essential workers” in the cogs of its state apparatus on the job at all costs. This takes place under conditions of the growing and increasingly reckless NATO war drive against Russia and China and the ongoing and worsening COVID-19 pandemic.

The Newport News Shipyard (NNS) is a critical component in the NATO war drive against Russia and China. HII is making billions from the danger of a confrontation with the nuclear armed powers.

According to George Nungesser, vice president, program management for Ingalls Shipbuilding, “While the ongoing COVID-19 pandemic has caused supply chain concerns, Huntington Ingalls has been able to mitigate any major disruptions.” This comment was a nod to the unions at both the Pascagoula and NNS shipyards.

Workers at NNS should reject the new TA and fight for joint strike action with the Pascagoula shipyard workers. The initial rejections of sellout contracts at HII are a part of the wave of “No” votes by union members in many different sectors of industry over the last year. Educators and students have also been engaged in the fight against unsafe school reopenings in the middle of the Omicron wave. In addition to the demand for strike action by oil refinery workers, 17,000 BNSF railway workers are clashing with their unions for enforcing a strikebreaking injunction, which also strips them of the right to speak out against a draconian attendance policy.

To conduct a fight shipyard workers must break from the bankrupt corporatist and nationalist trade unions and form rank-and-file committees. These new fighting bodies must be democratically controlled by the rank-and-file workers to discuss, agree upon, and promote the demands that workers need. They must link up their struggles with workers in all industries as part of the preparation of common strike action against austerity, war and social inequality.

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