UAW announces tentative agreement at GE Aviation, while Spirit AeroSystems workers to vote on contract proposal Wednesday

Shannon Jones 20 June 2023

Work at GE Aviation or Spirit AeroSystems? We want to hear from you: Fill out the form at the end to tell us what you think about the contracts and the working conditions you face.

Members of the United Auto Workers (UAW) and the International Association of Machinists (IAM) will vote later this week on a new two-year-and-two-month contract at General Electric Aerospace, covering 1,120 workers at plants in Evendale, Ohio, and Erlanger, Kentucky. Union officials say they are unanimously recommending the deal, which was announced June 16.

Full details of the agreement have not been made available ahead of a Friday ratification vote. The UAW announced an informational meeting for Thursday at the Evendale plant. According to a worker contacted by the World Socialist Web Site, details revealed so far include wage increases of 5.7 percent and 7 percent. Overall the deal is similar to a two-year contract extension covering about 3,000 members of the International Union of Electrical Workers—Communication Workers of America at other GE facilities.

The UAW-IAM tentative agreement at GE Aerospace comes as almost 6,000 members of the IAM at Spirit AeroSystems in Wichita, Kansas, face a vote Wednesday on a new four-year deal. The agreement at Spirit reportedly contains a 16 percent general increase—averaging just 4 percent annually—along with a \$7,500 signing bonus. If workers reject the contract, they will vote on whether to strike later this week.

Workers at Spirit AeroSystems are currently working under the terms of a three-year extension. The last contract was a 10-year agreement voted on in 2010.

Earlier this year workers at the Wichita plant voted by a 99.9 percent margin to authorize a strike. The announcement of the "highlights" of the deal on the

Facebook page of Lodge 839 evoked many angry comments. One worker wrote, "How on earth did you think this is an offer we should accept? You have betrayed us." Another posted, "I don't know what's a bigger joke.... the offer... or the cnc [contract negotiating committee] recommending we take it..." And another, "Everybody on this committee should be thrown in jail."

Workers at Spirit AeroSystems are in a strong position, since without the key parts produced at the Wichita facility, Boeing's operations would be heavily impacted.

At both GE and Spirit, workers should vote "no" and reject the continued erosion of their wages and working conditions. In order to draw up a list of demands based on what workers actually need—and not what the companies claim is affordable—workers should form rank-and-file factory committees, and reach out to workers in the aerospace, automotive and other industries for support.

Profits for aircraft makers are booming as air travel recovers from the impact of the pandemic. GE Aerospace profits were up 66 percent in 2022, and revenue shot up 25 percent, to \$7 billion, and profits rose another 46 percent in the first quarter of 2023. Spirit AeroSystems' revenues were up 22 percent in 2022, although the company suffered a net loss due to reports of a defect with parts it produced for the Boeing 737 MAX.

GE CEO Lawrence Culp, with an estimated net worth of \$500 million, pulled in \$8.2 million in executive compensation in 2022, down from \$22.7 million in 2021, according to the company's annual proxy filing.

Management at GE had called for a two-year deal rather than the standard four-year agreement due to its plans to spin off its aerospace and energy business in 2024 to become GE Aerospace and GE Vernova. The move follows the GE HealthCare spinoff in January 2023.

A main issue in the GE Aerospace contract is the

demand by aviation mechanics to have their wages increased to close the pay gap with other mechanics in the field. A series of concessions contracts by the UAW have left mechanics at Evendale far behind workers in the rest of the industry.

Over the past 30-40 years the UAW has overseen a huge reduction of jobs at the Evendale plant, with UAW membership falling from over 5,000 to just under 500 today.

A GE Aerospace worker said, "Personally, I am a no vote. I think we could have gotten more with a fight. Retirees were untouched, the pension multipliers were not addressed as well as vacation and paid time off.

"There are complicated issues at plant. We do jet engine assembly that requires power plant licenses from the FAA. Those in that industry are getting paid substantially more than here, even with our raises. Power plant workers were expecting more of a hike, to bring them up to market value, but it doesn't get there. Power plant mechanics are very unhappy with the agreement.

"The word is that it is a unanimous recommendation by the UAW and IAM. The deal is definitely tied to the company's plans to spin off two divisions and then renegotiate at the end of two years.

"We took a vote to split off from bargaining with the IUE and accept separate terms because we were tired of concessionary contracts. The UAW was adamant they would not accept the same deal as the IUE, but in reality what they accepted is pretty much the same deal. I think the two-year contract has created a lot of insecurity among workers.

"The last contract they took a lot of stuff from us. We went in this time with high hopes. We were intent on striking to get what we wanted. Instead, this time there is uncertainty and concern about the future, plus we did not make many gains.

"These two-year agreements are all tied to the restructuring, or possibly even selling off of places. They are going to spin off three different entities. I don't even know what that means, if it is just trickery to increase stock prices.

"The pay used to be considered a living wage here. But, especially with inflation, it has been cut over the last four years."

The worker said that he had followed the strike by Clarios battery workers in Holland, Ohio, outside of Toledo. The workers were left isolated by the UAW during a five-week strike, which saw the UAW bureaucracy order the continued handling of batteries

produced by Clarios scabs to auto assembly plants. After voting down two contracts recommended by the UAW, the workers reluctantly ratified a deal last week that failed to meet their main demands, opening the door to the implementation of a 12-hour work schedule.

"The Clarios agreement was tough to hear. The International did nothing for the guys on strike. These alternative work schedules are a big 'quality of life' issue. When they announced it at Clarios, I said, 'Oh man, this is retrograde.' I hate to see the UAW cutting a deal with that kind of 12-hour schedule, especially when we should be pushing for 30 hours work for 40 hours pay.

"The strike was not broadly known, even though we are in the same UAW 2B Region. There is no evidence of any reform coming from [UAW President Shawn] Fain's administration."

The Wichita Spirit AeroSystems plant, a parts supplier for aircraft maker Boeing as well as Airbus, was spun off by Boeing in 2005 to form an independent company. Machinists there have worked under the same contract for 13 years. In January 2020, at the start of the pandemic, the 10-year contract ran out, and the IAM extended that agreement for three years. At the time of the 2010 agreement, workers rejected the contract by a majority vote, but the IAM rammed it through anyway, claiming workers needed a super-majority to reject.

In the current round of talks, the IAM has declared that a simple majority can reject the contract, but a two-thirds majority will be needed to launch a strike.



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