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Stone to UTAS: Get Realistic. IAM Rejects Insurance Proposal

IAM Chief Negotiator Mike Stone had a straight-forward message for management at the April 12 bargaining session: **Get realistic.**

Brother Stone rejected management’s health insurance proposal, telling them, “Under your current proposal, in a worst case scenario, a member could pay up to \$40,000 in a bad year. If you are hoping to reach an agreement by the end of these talks, get realistic.”

Stone told managers that praise for SAP and celebrations in the shop are fine, but the real rewards for workers need to show up at the bargaining table. Instead, management keeps putting out take-away proposals that diminish our earning power, downgrade contract rights, and damage seniority. Stone stated emphatically, “You can’t just keep kicking people and expect them not to kick back.”

But management was not done abusing the workers who have made UTC executives as wealthy as kings. At the afternoon bargaining session, they put on the table a plan for future employees – **NO PENSION for new hires.**

Citing “competitive trends” and cost “volatility,” management proposed an enhanced savings plan for new employees, with a 4% automatic company contribution to workers’ accounts. It saves UTC more than \$2 million dollars, but leaves workers with a retirement fund that could disappear if the stock market tanks, or run out if they have the gall to live too long after retiring.

Stone’s first reaction was candid and clear. “Well, you’ve put the turd in the punch bowl,” he told management. Brother Stone went on to compare this proposal to a recent retiree benefit package. “So you pay Louie [Chenevert] \$195 million for his retirement because he chose to spend time on his yacht instead of doing his job...and now you want our members to pay for his buyout?”

The Union has a solid alternative proposal – bring new hires into the IAM Pension Plan. It’s known nationally for its fiscal responsibility, strategic investing, and solid returns to participating members. It stabilizes company costs by charging a negotiated amount per working hour contributed by the employer to the plan, while providing a defined benefit to retirees.

It is the perfect solution. Management wasted no time in rejecting the proposal, stating they are “not interested.”

The atmosphere at the bargaining table turned increasingly toxic. Word came to the committee that during a toolbox talk, a manager thanked the workers for their performance during the SAP transition. One of the workers asked if this appreciation was going to be shown at the negotiating table, the manager replied, “You know you people won’t go out on strike.” Whoever that bright boy is, he ought to have some time off to reconsider taunting the skilled, dedicated workers of Windsor Locks.

UTC/UTAS negotiators also ought to take time to reconsider their bargaining strategy. UTAS is profitable and on the rise. Aerospace is booming, with record orders already on the books over the next six years. Problems with offshoring have led many manufacturers to more firmly commit to their US operations. UTAS managers acknowledge that the skill and expertise of the Windsor Locks workforce is top notch.

This corporation, and this company, have every reason in the world to strive for labor peace in these contract talks. But in bargaining, everything has its price. An obvious first step is to stop attacking a good workforce. Step two is equally obvious. Respect -- and reward -- UTAS workers with a contract that reflects our value to this operation. Or risk the consequences.

Bargaining continues on April 19, 2016.