

...Machinists end strike, OK new pact at Freightliner

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erance language in one of its contracts. So, when the company agreed to successor and severance language the bargaining committee agreed to take it back to the membership (with the previous rejected offer intact) for a vote.

A successor clause will protect workers if the Western Star brand is sold — meaning the union contract will be enforceable at a new company. If the plant were to shut down, there is language whereby the company pledges to negotiate in good faith a severance package.

“Good-faith” was a key issue among the striking machinists.

“They’ve beaten the ‘give-a-crap’ out of us,” Wayne Poe, a 14-year employee told the Labor Press July 5 while walking a picket line on North Basin Road.

“It’s been concession after concession after concession,” added Carl Pollack, a 24-year employee. “It was time to step up and take a stand.”

The last time workers struck Freightliner was June 1970. Then, the unions bargained separately. The strike, which lasted three months, began with the Painters Union and spread from there. At the time, the Labor Press reported 751 Machinists, 111 Teamsters and 55 Painters were on strike. Union officials said the dispute wasn’t so much about money, but more about working conditions.

Machinists nearly struck again in 2004. They rejected an initial offer, but held off picketing because of a scheduled summer maintenance shut-



Seven days into a strike at Freightliner Corp, members of Machinists Lodge 1005 cast ballots on a new contract proposal. The revised pact was ratified by a vote of 461-153.

down. The second proposal passed by just three votes.

Prior to that, in 1999, workers agreed to a one-year contract extension and in 2001 they agreed to open their contract after the company pleaded poverty. In that contract, workers accepted a \$2 an hour pay cut, relinquished a \$1,500 signing bonus and agreed to start co-paying some of their medical insurance.

“We gave it back to keep the company going,” Pollack told the Labor Press on July 5. “And they promised us that our sacrifice would never be forgotten.”

Six months after the concession vote, Freightliner shut down its parts plant, laying off around 600 employees.

Earlier this year, Freightliner moved production of its signature-brand truck from Portland to North Carolina and Mexico, resulting in the layoff of more than 800 employees.

Freightliner is a subsidiary of German automaker DaimlerChrysler AG. The Portland facility manufactures an average of 38 Western Star brand and military trucks at the plant each day.

No trucks were produced during the strike.

“It’s been tough, but we got a hell of a lot in this contract,” said Kear, who was employed at Freightliner before being elected business agent. “I don’t think we’ve ever had so many improvements in one contract.”

Machinists will receive a 70-cent-an-hour raise immediately, followed by 50 cents an hour July 1, 2008, and another 50 cents an hour July 1, 2009. The starting wage at Freightliner is \$14 an hour. Top scale at the the plant now is \$22.25.

Freightliner contributes \$3.95 an hour to a defined benefit pension plan. Under the new contract, that will increase by 10 cents an hour every six months for the next three years.

Long-term employees receive company-paid medical insurance until age 65. Until this contract, Freightliner paid for supplemental medical insurance to Medicare. Under the terms of the new agreement, employees who are at least 50 and have 20 years or more of service on July 1, 2010 will continue to receive the supplement. Employees who will be less than 50 years of age and have less than 20 years of service on July 1, 2010, will maintain health care coverage and retiree medical benefits until they turn 65. Once Medicare kicks in, no supplemental coverage will be provided.

About half the workforce will lose the supplement.

The union also was able to get Freightliner to reduce current monthly out-of-pocket payments for health insurance premiums. The old rate for single, two-person and family coverage was \$40, \$90 and \$130, respectively. The new monthly rate is \$25, \$55 and \$80, respectively.

On the issue of mandatory overtime, Freightliner must first give 24 hours notice and, with assistance from a shop steward, find volunteers. If volunteers run short, overtime will be mandated by seniority — even if the least senior employee isn’t qualified to do the job.

“If the person is untrained, the company will have to train them,” Kear said. “They won’t use this.”

The mandatory overtime language is for weekdays only.

NOTE: A new unit of 14 pre-delivery inspectors, members of Lodge 1005, unanimously ratified their first contract in voting that took place July 10. Terms are similar to those approved by Machinists who manufacture trucks, following their week-long strike.

The new union members gained a union pension, with Freightliner contributing \$3.95 an hour to a defined benefit plan. They will receive wage increases, a structured promotion system, seven additional sick days and six additional holidays. Eight temporary employees will become eligible for permanent hire and will be covered under the agreement.



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