

...Daimler strike

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that employ Machinists in Oregon and Washington. The trust had major losses in the financial crash that began in 2008, and participating employers are legally obligated to pay extra to make up the shortfall. Daimler's rehabilitation surcharge will reach \$5.58 an hour by 2015 — and that's in addition to its regular \$4.47-per-hour pension contribution.

The financial crisis may have caused the pension shortfall, but past decisions by Daimler made it worse. Fifteen years ago, the Portland plant had over 2,000 production workers; today there are 725. By shifting production to Mexico and North and South Carolina, Daimler caused the pension to become top-heavy, with relatively few active employees, and many retirees and inactive former employees.

And the company isn't the only one feeling the pain of the pension losses. The losses forced pension trustees to cut the rate at which benefits accrue, and eliminate supplemental disability coverage and a subsidized early retirement benefit.

The pension surcharge pertained only to the machinists, but Kear said the four unions stood together throughout the joint bargaining. The pay and health care premium increases were the same in all four contracts, which were voted on separately.

Machinists and Painters members determined that the proposed wage increases — 60 cents, 40 cents, and 30 cents — weren't enough, coming after a four-year wage freeze.

And many workers felt they never really caught up after agreeing to wage concessions in 2001 under company threat of plant closure. Wages were \$19.05 then, and are \$23.25 today.

Workers also said they want to share the economic benefits of increased productivity — not just the costs. Since a system of "lean" manufacturing and continuous improvement was introduced several years ago, productivity at the plant has increased 25 percent. The same number of trucks are produced, but with 25 percent fewer workers.

Layoffs — like the 250 workers let go March 1, have swept the assembly

line of younger members. Those who remain take retirement benefits very seriously. When during the contract discussion one Lodge 1005 member asked how many in the room were 50 or over, at least half the hands shot up.

Past concessions have created three tiers of retiree health benefits: New hires have no company-paid health benefits when they retire; a previous group gets health benefits until they turn 65 and become eligible for Medicare; the oldest group, numbering 111, gets that, plus supplemental insurance after they turn 65. Eliminating the post-65 coverage was like salt in a paper cut, one worker told the Labor Press.

Despite its flaws, Lodge 1005's bargaining team recommended approving Daimler's offer, saying at the time that it was the best they expected to see from the company. But they weren't surprised at the outcome.

Lodge 1005 members turned down the company's offer in a 102 to 309 vote, and then voted to strike by an even greater margin, 359 to 48.

"Money is not the bottom line," said one Lodge 1005 member. "Personal pride is."

Of course, money and personal pride are linked. Workers know truck sales are booming and quarterly profits are increasing. Yet their wages have been frozen. Every day to get to work, they go through the employee entrance, passing knee-high weeds by the employee parking lot and crossing railroad



DAY ONE ON STRIKE AT DAIMLER: Machinists Local 1005 members Todd Barnes, Jeff Bowes, Mike Brandt, Mike Coelho, and Terry Weese picket outside a plant gate six to noon July 1.

tracks. Three years after Lodge 1005 bargained into its union contract a company commitment to improve ventilation in malodorous restrooms, that hasn't happened. Meanwhile, company managers drive Mercedes Benzes into

separate parking lots through landscaping maintained by SEIU Local 49 members. They eat in separate areas, and have separate, cleaner, restrooms.

"They consider themselves above and apart from employees, and the em-

ployees feel it," Kear said.

Pickets began Sunday at midnight, and continue 24 hours a day at three entrances to the truck plant, as well as a fourth location where pre-delivery inspections are performed.



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