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City of Portland reaches tentative deal with unions

A week after the City of Portland surprised the District Council of Trade Unions (DCTU) by declaring impasse in bargaining, union leaders agreed to submit a modified City proposal for a new four-year contract to a vote of members.

The two sides had been negotiating a new union contract for 1,600 City workers since February 2013, but had not met formally since a Nov. 26 session with a mediator. In December, DCTU Chief Negotiator Rob Wheaton and DCTU President Cherry Harris approached City HR Director Anna Kanwit informally to see if they could break the logjam and work out a deal.

But DCTU — a seven-union coalition of unions that bargain jointly with the City — balked at the City's insistence on removing obstacles to outsourcing members' work.

DCTU represents 1,600 City workers in water, roads, sewer, parks, and other bureaus. They are members of Meri- can Federation of State, County and Municipal Employees (AFSCME) Local 189, Laborers Local 483, International Brotherhood of Electrical Workers (IBEW) Local 48, Ma-

chinists District W24, Operating Engineers Local 701, Plumbers and Fitters Local 290, and Painters and Allied Trades District Council 5. Their previous contract expired June 30, 2013.

That contract has for decades had a clause known as Article 6, which says "work which is performed by bargaining unit employees shall not be contracted out until the City indicates that the contracting out will result in reduced costs." And those money savings can't come from slashing worker wages and benefits. The City was twice caught violating that requirement in recent years, and initially sought to eliminate it.

The City declared impasse on Jan. 6, and five days later, revised its proposal on contracting out. The new City proposal, part of the contract offer members will vote on, says "the City reserves the right to have the work performed by third parties where there is a cost savings; increased efficiencies; an emergency; a statutory requirement; extreme risk; a lack of proper equipment, materials, or skills; Capital Im-

provement Projects; work that is covered by a warrantee; work that is proprietary; urgent work; limited work; and work that occurs during a peak load." Each of those terms is defined.

Wheaton said the City proposal on contracting out would be easier for City managers to comply with than the current contract language.

The proposed contract also contains across-the-board raises: 0.9 percent retroactive to Aug. 29, 2013, followed by three annual raises equal to the increase in the Consumer Price Index each July 1, with a minimum of 1 percent and a maximum of 5 percent.

The DCTU will hold a forum at Benson High School Jan. 23 from 4:30 to 6:30 p.m. for members to discuss the contract offer and next steps. Each union will conduct a ratification vote in the coming weeks. If a majority of DCTU members approve the contract, it will go to City Council for ratification.

M777X-tortion?

SEATTLE, Wash. — After a high-pressure campaign from pension-holding politicians, Boeing executives, and international union leaders, more than 32,000 rank-and-file union Machinists who work for Boeing in the Puget Sound area, in Gresham, Oregon, and in Wichita, Kansas, narrowly approved an eight-year contract extension that will eliminate their defined benefit pension plan starting in September 2016 — when the current contract expires.

The contract vote held Jan. 3 passed by roughly 600 votes — 51 percent to 49 percent.

It was the second contract Boeing presented to workers in less than two months — both under threat of moving production of its new 777X airliner out of Washington if not ratified. In exchange for keeping the jobs in-state, Boeing demanded that workers give up their traditional pension plan, pay more out-of-pocket for health insurance, and limit future wage growth.

As the Los Angeles Times reported, the contract was negotiated not with a struggling manufacturer, "but with a company that delivered a record 648 planes last year and whose shares traded at all-time highs on the New York Stock Exchange."

Machinists rejected the first proposal by a 2-to-1 ratio. That vote was held Nov. 13 with a record turnout reported.

The second vote on Jan. 3 drew several thousand fewer voters and passed by the narrowest of margins.

Members of Gladstone-based Machinists Lodge 63 rejected the second proposal by roughly



the same 2-to-1 margin they did in November, though approximately 200 fewer votes were cast. Lodge 63 represents 1,194 members at the Boeing parts plant in Gresham.

Connie Kelliher, communications director for District Lodge 751 in Everett, Washington, said Boeing was in its annual end-of-the-year holiday shutdown and many workers were on vacation when the announcement was made that a second vote would take place.

"There was about seven to eight thousand members that didn't vote on it and it was such a slim margin — 300 votes either way would have changed it," Kelliher told Workers Independent News. "That means that about 37.5 percent of the members actually got to decide the fate for the next 10 years, which erases 78 years of collective bargaining history."

According to documents obtained by the Labor Press, on Dec. 9, Boeing requested to meet

with the union to talk about the Nov. 13 election. The sides met on Dec. 10 and again on Dec. 12, which resulted in a new contract proposal with amended terms. On top of a previously offered \$10,000 ratification bonus, Boeing added a \$5,000 bonus payable in 2020. The company tacked on additional dental benefits of \$500 per person starting in 2020, and another \$500 per person starting in 2024. Boeing also withdrew its demand to slow the wage progression for new hires. The offer reverted to the status quo, which is that new hires can reach the top of the pay scale in six years.

"Every other item was *exactly the same* as the offer you rejected Nov. 13," Tom Wroblewski, president and directing business representative of District Lodge 751, posted on the union's website.

Wroblewski and Lodge 751's leadership team refused to present the offer to members, insisting there weren't enough substantial changes to warrant another vote.

Several Washington politicians, including Gov. Jay Inslee and U.S. Rep. Rick Larsen, criticized Wroblewski for not voting the contract proposal.

On Dec. 20, International Association of Machinists and Aerospace President Thomas Buffenbarger stepped in. He ordered a new vote on the revised proposal and set the election for Jan. 3.

In a Dec. 26 letter to Boeing workers, Buffenbarger said he took the action based on the large number of members who contacted him requesting a vote on the revised offer. Buffenbarger wrote

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