

Machinists and painters strike Daimler Trucks North America

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More than 700 workers at the Daimler Trucks North America (DTNA) production facilities in North Portland, Oregon walked off the job on Monday, after rejecting a company proposal that was also recommended by the International Association of Machinists (IAM) and the International Union of Painters and Allied Trades (IUPAT).

On Wednesday the company announced it had cut off all health benefits for the strikers as of the beginning of the strike.

Based in Portland, Oregon and owned by global commercial vehicle manufacturing giant Daimler-Benz AG, DTNA—the leading builder of medium and heavy-duty trucks in North America—has imposed wage reductions and wage freezes over the past twelve years that have significantly reduced real wages.

In addition to demanding higher wages, the workers are resisting mandatory overtime, the denial of medical coverage for retirees and cutbacks in benefits. Two other smaller unions at the plant, the Service Employees International Union (SEIU) and International Brotherhood of Teamsters (IBT), voted to accept the company's offer.

The anger and determination of the workers to recoup the concessions made over the last decade and more were reflected in the strike vote taken May 4: 100 percent of those participating voted to authorize a walkout.

The company had proposed a \$1.30-per-hour raise spread over a three-year contract. However, what DTNA gave with one hand they took back with another, raising health care costs by a similar amount. The ratification meeting on Saturday rejected that offer and called instead for a raise of \$1.95.

In March of this year DTNA—formerly known as Freightliner, the original company acquired by Daimler-Benz AG, which continues to build heavy-duty over-the-road trucks under that name—laid off roughly 600 employees at its plants in Oregon and North Carolina.

Daimler's Portland Truck Plant builds the Western Star vehicles used for highway, construction and off-road use.

In 2002, after the company threatened them with the closure of its Portland operations, workers accepted a \$2.00 per-hour wage cut, the cancellation of future contractual wage increases and the elimination of bonuses. The union refused to organize any struggle; instead, it toed the company's line.

According to the *Northwest Labor Press*, Steve Hillesland, a business representative for the Machinists, said the union was not recommending a yes or no vote on the concessions package. "We're simply asking people to vote their conscience. Is it better to be in the unemployment line saying to yourself, 'I used to make \$21 an hour' or be working for \$19 an hour?"

In 2007, the IAM membership rejected a proposed contract also recommended by the union. A two-day strike ended with the company continuing to mandate overtime and the loss of retiree benefits. However, the union trumpeted gaining contract language on "job security" as a win.

Since 2001 unionized employment at the Portland plant has fallen by over a third, from 1,200 workers to 775 currently, with the Machinists' employment dropping from about 900 to 521. However, productivity has increased 25 percent since the 2010 contract.

In the 11 years since the 2002 concessions, top-of-scale pay for a production worker has risen to the present \$23.25; an effective wage cut in light of inflation over that period and increased payments for health care benefits. For SEIU members, who work as maintenance and custodial janitors, new hires start out at \$9.00 per hour and top out at \$12.00 as of the 2010 contract.

It is this dismal record that helped thwart the IAM's attempt to organize Portland-area Precision Castparts workers last month. In the biggest private sector union election in Oregon in 30 years, 1,258 voted against the

union while 932 voted in favor. This is a remarkable vote of no confidence in the IAM and the AFL-CIO in the midst of an economic crisis. Precision builds parts for the aerospace industry and is one of two Fortune 500 companies in Oregon, the other being Nike.

Neither the Machinists nor the Painters are prepared to lead any kind of serious struggle against the concessions demands of DTNA. Instead they are working to isolate and sell out the strike as they did in 2007.

The WSWS spoke to strikers at the Swan Island plant.

Craig Knouse has worked at Freightliner and then DTNA for 36 years. “We used to have 85 and out [years of work plus age to reach retirement], but then they went critical status and cut that out—now I will have to work until I’m 65. They don’t pay us enough; we should be getting \$28 or \$30 an hour. The company is not concerned about safety, if you report something they tell you to talk to your team leader, what they used to call a foreman.”

Scott Holicski said, “I’ve been here 26 years. Before that I worked in Dillingham building ships. It’s always been ‘nickel and dime’ us here and ‘nickel and dime’ us there. There is no respect; they are running us into the ground. You have guys in their 50s and 60s kneeling on the ground, putting skirts on the trucks.

“They are working us so fast that they have a two-week cushion. We are producing 26 trucks on one shift, but we are only set up for 20. The difference today is that our medical contribution is increased, sick leave is reduced and retirement is my big bitch. I could have retired at 57, but now I have to wait until I’m 62.”

We spoke to Ed, another DTNA worker, “They said our sacrifice will not be forgotten. It has not been forgotten, they realized how stupid we were and they keep stepping on us. They are giving us some money, but then they raise our health and welfare and it all washes out.”



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