Striking Boeing machinists denounce company's "Best and Final Contract Offer"

Bryan Dyne 23 September 2024

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On Monday, aerospace giant Boeing sent its "Best and Final Contract Offer" directly to 33,000 machinists on the 11th day of their strike. The new proposal is no better than the first, which rank-and-file workers voted down by 95 percent despite its unanimous endorsement by the International Association of Machinists (IAM) bureaucracy.

The offer includes a 30 percent wage increase—up from 25 percent—over four years and an increase in the signing bonus from \$3,000 to \$6,000. The company says it will also restore the annual AMPP (Aerospace Machinists Performance Program) bonus but removed any matching payments to the IAM-run 401 (K) retirement program. Instead, Boeing will make a slight increase in matching payments to its own 401 (K) plan.

The proposal does not include the restoration of company-paid pensions (also known as Defined Benefit Pension Plan). In 2014, the company and the IAM apparatus told workers they had to give up this basic right. Otherwise, the company would move operations to non-union states. The restoration of pensions is one of the workers' major demands.

Workers also want a raise of at least 40 percent, given that they have not seen a wage increase for a decade and only minimal increases before that. Even 40 percent would not make up for rising living costs, which are up 46 percent since the last contract was signed in 2008.

Provocatively, the company said its current proposal would have to be ratified by Friday, September 27.

The proposal was met with widespread denunciation by rank-andfile workers who said they are determined to hold out and win their demands.

"We're not going to pay for Boeing's mistakes," one striking worker told the *World Socialist Web Site*. "If the new CEO can get enough money to buy a new \$4.1 million home, the company can pay the rest of us what we're owed."

There was also a torrent of opposition on social media.

"They slapped 3k on it. 5% wage increase. 100% up to 8% and 4% contribution for 401k they had before. They also removed the 44 cent Cola (Cost of Living Adjustment) and rolled it into the 5% GWI (General Wage Increase) bringing it to 30% instead of 25%

"They didn't address anything else, it's garbage people should vote no.

"2 meetings between Boeing and the Union with a mediator and nothing happens and all of a sudden we get a contract off? They trying to pull a fast one on people. stand strong."

Another noted: "They didn't even mention the other things we are concerned about. The new 'call in before your shift or get written up' policy screws anyone who has an emergency or lives in an area without phone service. That stipulation needs to be removed. The 90 day no union protection needs to be addressed. The new hires shouldn't need to pay union dues if they aren't being protected. Personally, I'd prefer them to be protected, though. Mandatory OT is still in place and still requires very little warning.

"There's also still nothing here for people who have maxed out. No increases to vacation or sick time. Nothing that makes up for the last 16 years of lost pension or stagnant wages."

The IAM leaders say that Boeing officials circumvented the IAM negotiating committee and emailed the offer directly to members. After maintaining a guilty silence for nine hours on Monday, IAM District 751 officials finally released a statement that tried to distance themselves from the second proposal. This was no doubt because they had seen the outpouring of opposition and knew this would never pass if they tried to bring it back for a vote.

"Your Negotiating Committee did not have any discussion or input on this offer," the union's strike update declared. District 751 officials said they have repeatedly asked the company to resume negotiations with talks, overseen by a federal mediator, which broke down on September 18, but the company has refused. "These direct dealing tactics are a huge mistake, damage the negotiation process, and attempt to go around and bypass your Union negotiating committee," the update said.

The union officials did not complain about the rotten character of the new proposal but that the Friday ratification deadline "does not give us enough time to present details to the membership or even secure all voting locations. ... The company has refused to meet for further discussion; therefore, we will not be voting on the 27th."

The supposed concern of the IAM bureaucrats for the democratic rights of rank-and-file workers is sheer hypocrisy. The four-day deadline is the same amount of time IAM officials gave workers to vote on the first sellout contract, and hiding the details of a contract is the regular modus operandi of the union bureaucracy.

In their closed door "negotiations" with Boeing and the federal mediator, the IAM officials have already made it clear that they will accept major concessions. This was noted in an article in the *Wall Street Journal* about the new proposal, which said: "The new offer doesn't restore pensions that were eliminated in 2014. Union leaders have said they want to win back pensions, while acknowledging they likely would need to compromise."

In the distant past, unions would respond to efforts by management to intimidate and build up support for a back-to-work movement to break a strike with public denunciations, calls for support from other labor unions or even the expansion of strikes. There is nothing of the sort coming from the IAM bureaucrats today.

Rank-and-file workers must respond by asserting their democratic control of the strike and negotiations. The Boeing Workers Rank-and-File Committee has repeatedly stated that the IAM bureaucracy's isolation of the strike must be broken and direct appeals made to workers at the ports, railroads, airlines, auto industry, public schools and other locations for joint action to win this battle.

The conditions for such a joint struggle are emerging everywhere. On Monday, 5,000 IAM members at Textron Aviation in Wichita, Kansas, walked out on strike after overwhelmingly rejecting a contract IAM officials called "one of the best contracts in decades." The sellout deal was nearly identical to the one Boeing workers rejected.

In addition, contracts are expiring for 50,000 Washington state employees and 45,000 East Coast dockworkers on September 30. Seattle educators are also fighting school closures and budget cuts.

The forging of the unity of the working class will not be accomplished from above by union bureaucrats but through the expansion of rank-and-file committees.

Corporate management is under intense pressure from Wall Street to defeat the strike as soon as possible. Bank of America estimates the strike is costing the company \$50 million a day. Credit agencies such as Fitch Ratings have also threatened to downgrade Boeing's credit rating if the strike "lasts more than a week or two." Boeing's rating is already very low as a result of its massive delivery backlog and its \$60 billion of debt.

Well aware that the IAM leadership will do nothing to expand the strike to broader sections of the working class—and is just as anxious to wear down workers and shut the strike down as management is—the company is now raising the stakes with its "final" offer.

Boeing management and its wealthy investors have no intention of retreating. Speaking for the financial corporate elite, the *Wall Street Journal* Editorial Board last week called on Boeing to continue to shift production out of the state of Washington, where the bulk of unionized workers are employed.

"The strike vindicates Boeing's decision to shift some production in 2011 to a non-union factory in North Charleston, S.C., and could spur it to make more future planes there," the editorial said. "Manufacturing employment in the Seattle metro region has fallen by 19,300 over the last decade while increasing by 10,200 around North Charleston."

It concluded provocatively:

"Boeing workers would do better in the long run if they moved to South Carolina."

While the IAM leaders are publicly opposing a vote now, they would go along with it if they felt workers had been softened up enough to accept a deal. Instead, IAM District 751 President Jon Holden and the rest of the bureaucracy are essentially say: "Don't work without us! Give us a chance to starve workers into submission with \$250 a week in strike pay, and then we'll impose your concessions!"

That is what the United Auto Workers bureaucracy did at Volvo Trucks, Mack Trucks, CNH and other companies, which announced "last, best and final" deals during strikes over the last few years. In those cases, UAW President Shawn Fain and the rest of the UAW bureaucracy joined the companies in blackmailing the workers, telling them they had no choice but to accept the deal or face the possibility of the company hiring strikebreakers to replace them.

The escalation of the attack on Boeing workers also enjoys the full backing of the Biden-Harris White House, which does not want the strike to interfere with arms shipments to Israel and Ukraine and the US military buildup against China. Nearly 40 percent of Boeing's revenue comes from the US military.

Boeing workers cannot fight this giant corporation, backed to the hilt by both big business parties, on their own. The Boeing Workers Rank-and-File Committee must be expanded, and delegations of striking workers must be sent out to the docks, railroads and other corporations to build the support to win this decisive battle.

In an X/Twitter post, Jerry White, the Socialist Equality Party's candidate for US vice president, wrote:

The strike by 33,000 Boeing workers in Washington, Oregon and California is at a critical juncture. With the release of its "final" contract offer, the Boeing executives and their Wall Street backers are trying to intimidate and divide workers and force them to accept a warmed over version of the contract that workers previously rejected by 95 percent.

While IAM officials have said they will not conduct a vote on the proposal, this is only because they know that workers will not accept it. Behind the scenes, IAM officials have already agreed to give up workers' major demands, including the restoration of pensions.

According to Washington's Office of Financial Management, the median home price in the state increased about 142 percent to \$613,000 as of 2023, from \$253,800 a decade earlier. Yet young workers building jet planes are hired in at around \$20 an hour, and veteran workers have not seen a wage increase in over a decade.

This strike must be transformed into a powerful industrial and political counter-offensive by the working class against decades of eroding living standards, which have enriched the corporate-financial oligarchy. The Boeing Workers Rank-and-File Committee must be expanded, and Boeing workers must unite with striking Textron Aviation workers, East Coast dockworkers, railroad and other workers to win this decisive fight.

The fight against capitalist exploitation must be combined with a fight against American imperialism's growing wars for global domination and the threat of fascism and dictatorship. The only solution to this is the fight for socialism, including the transformation of giant corporations like Boeing into public utilities, collectively owned and democratically controlled by the working class, to provide safe air transportation to all.



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