

# Rising Hardships and Distortion in Work Relationships



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A cancer has appeared in the labor movement during the 21st Century that if left unchecked has the potential to destroy the unity and Bargaining power of many Locals. This Cancer began in the 1990's as "Long New Hire Wage Progression periods" where the starting rate was typically 30% lower than top rate and progressed to the top over a 3 or 4 year period. This was done to protect the existing employees' wages and benefits.

Following is an example of a type of Long New Hire Wage Progression from the 1997 Master Agreements with Bridgestone Firestone, Dunlop, Goodyear and Michelin:

Notwithstanding the applicable provisions of the Agreements, including the Collective Bargaining Agreement, the General Wage Agreement, the Pension, Insurance and Service Award Agreement and the Supplemental Unemployment Benefits Plan, the parties agree to the following wage payment schedule for all individuals hired as new employees:

<b>Service on the Active Payroll</b>	<b>% of Regular Wage Payment to be Made</b>
Hire-6 months	70%
7 months-12 months	75%
13 months-18 months	80%
19 months-24 months	85%
25 months-30 months	90%
31 months-36 months	95%
After 36 months	Eligible for 100% of provisions of the agreements

The applicable provisions of the negotiated Agreements include, but are not limited to, all provisions providing for wage payment(s) or benefit payment(s) determined by wage rates.

In the 21st century, due to increased pressures of the economy and the unfriendly political climate in the United States, Unions were eventually forced to move to a lower permanent wage rate for new hires and even to reduced benefit packages for new employees. This next step was a permanent 2-tier system with the new members on a lower wage and benefit schedule.

In our 2006 Master Agreement with Goodyear for instance, new production employees' wages are \$13.42 per hour for each employee's first three years of employment. After three years of employment, their hourly wages are adjusted based on the Wage Grade that their job is in. In almost every case, the Wage Grade rate of pay is lower than the rate of pay for those employees who were hired prior to the 2006 Master Agreement.

In addition, the social insurance package of these new employees is significantly less generous than the social insurance package afforded to those employees who were hired prior to the 2006 Master Agreement. When a new employee completes three years of employment, they receive the same social insurance package as those employees who were hired prior to the 2006 Master Agreement. So while these new employees eventually receive the same social insurance package, they never attain the same rate of pay as those employees who were hired prior to the 2006 Master Agreement.

Our Master Agreements with both Bridgestone Firestone and Michelin contain similar, but somewhat less onerous provisions.

As time progresses, this lower wage and benefit group of employees will grow to the point that it will soon become the majority of members in our Local Unions.

If this trend continues, “The race to the bottom” will destroy our Locals. “The easy way out” is never the easy way out. If further concessions are required, the only workable answer is to put a package together that touches all in similar circumstances equally.

We must find a means to level the playing field without doing more harm to our members and their solidarity.

This is no easy task and will require us to spend a large amount of time and effort communicating with our members and educating them as to the end result if we continue on the same path.