



IAM District 26 News Release

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IAM Members Vote “YES” on New Pact with Pratt

Big Early Out Package to Make Room for Cheshire & CARO Workers; Job Security Still Strong

Unanimous Committee Recommendation to Accept

Sunday, December 5, 2010 Wallingford, CT – Machinists Union members working at Pratt & Whitney in Connecticut today voted over-whelmingly to accept management’s last, best and final contract offer. The agreement was unanimously recommended by the elected IAM Negotiating Committee after weeks of bargaining sessions that began in October.

The toughest issues in the talks were the fate of Pratt’s 500 Cheshire and CARO (East Hartford) workers, facing company plans to close these facilities. At stake too was the bigger issue of Job Security for all Connecticut Pratt workers. Management began talks insisting on elimination of all Job Security protections for Connecticut workers.

The closure of CARO and Cheshire will proceed. But the parties reached agreement on steps that are intended to prevent or minimize involuntary layoffs of any Cheshire or CARO hourly workers.

Most significant is a Special Separation Program (SPP) that pays a week of severance for each year of service, a year’s paid medical and dental insurance, and a lump sum payment of \$20,000. With 1,300 hourly workers age 58 or older, including more than 300 who are at least age 64, it is anticipated that SPP volunteers will create openings for displaced Cheshire & CARO workers.

Management committed to adding 75 new jobs due to incoming F-135 military production. The company and the Machinists Union will also work jointly on job placements, training and reducing vended-out work.

Letter 22 is the heart of the contract’s hard-won Job Security provisions. Management was bent on eliminating the language after twice losing suits filed by the Machinists Union to stop the movement of work out of Connecticut. The final agreement retains Letter 22, including the company’s obligation to “make every reasonable effort” to preserve work here. The new Letter 22 restricts Job Security commitments to work in the facilities as of December, 2007, plus final assembly and test of the F135, JSTARS and the Air Force tanker if Boeing wins that competition. Indirect workers, such as toolmakers and facilities maintenance, also remain covered by Letter 22.

Management stated at the bargaining table that the combined commitments outlined in Letter 22 maintain Job Security protections for 97% of CONNOPS workers. The IAM is convinced that new work not covered by Letter 22 is secure for a number of years due to millions of dollars in capital investment by Pratt, and the specialized skills of Connecticut workers needed to do this work.

Other features of the new contract include:

- Annual wage increases of 3%, 2.5% and 2.5% for the three-year agreement.
- Signing bonuses totaling \$3,000, or up to \$4,000 if workers invest \$2,000 of the bonus in their Saving Plan account.
- Pension increases of \$7, raising the top pension rate to \$65 per month per year of service.
- Bridging “broken time” for vacation benefits, adding one to two weeks paid vacation annually for more than 300 workers.
- A renewed Apprenticeship Program to further develop the skill base of Connecticut operations.

IAM chief negotiator Jim Parent said about the contract talks and the final agreement:

“These were tough negotiations, but our members are tough, and they made the company listen. The closing of CARO and Cheshire is a bitter pill. We had to give some ground, but we know we forced management to give as much or more. We now have a good package that will allow senior members to leave with financial dignity, and a joint process for making sure Cheshire & CARO workers get placed. Indirect workers still have Job Security. Our Job Security provisions in Letter 22 remain some of the best contract protections in the country.

“This fight has gone on for more than 16 months – since we got the Cheshire and CARO closing notices in July, 2009. Our members never gave up, gave in or stopped fighting. We have had a lot of support along the way, from elected officials, the labor movement, many local businesses and others. We thank all those who helped. But I especially want to thank our members. Nearly half our membership is age 55 or older. The company had originally dismissed us as too old and tired to put up a fight. But our members raised hell in every shop, and convinced the top brass at UTC and Pratt that they were looking at a strike. That’s when management began to really negotiate and address our concerns.

“This same vigilant membership will ensure that Pratt lives up to its commitments now. And we will expect that the commitments made by company negotiators are sincere and will be honored. If not, our members are prepared to do whatever it takes to protect their rights, and their jobs.”

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