

PAPERWORKERS FIGHT CORPORATE GREED

Paperworkers at the International Paper Company (IP) mill in Lock Haven, Pa. have been on strike since June 20, 1987. They are members of Local 1787, United Paperworkers International Union (UPIU). Along with other UPIU members from Jay, Mo., DePere, Wisc., and Mobile, Ala., Local 1787 has been forced into an all-out struggle against the union-busting tactics of IP. This fact sheet will outline the basic issues behind the Paperworkers fight. It will help to explain why the corporate greed of IP must be opposed and the Paperworkers given all possible support and solidarity.

BASIC ISSUE The simple reason why all four UPIU Locals are on the picket lines is the intent of IP to break the Union in its papermills and eliminate this obstacle to making greater profits. IP has demanded major contract concessions at all four mills. The workers have rejected IP's unjust demands overwhelmingly. On the other hand, at Lock Haven, for example, the Union offered to work under the terms of the old contract. IP rejected this attempt at compromise and provoked the strike.

WHAT ARE IP'S DEMANDS? IP is insisting on major give-backs which cut workers' pay from 64% to 12%. IP's demands include dropping double time pay for working on holidays, no more premium pay for working on Sunday (both of these are standard benefits in the papermaking industry) and automatic, forced work on holidays. In addition, IP wants to be able to contract out Union jobs with no restrictions. This last demand is especially threatening in Lock Haven which is located in a high unemployment area in central Penn. In short, IP wants the UPIU to give up long-standing pay benefits and concede major job security protections. IP knew the Locals would reject these unreasonable demands.

DOES IP NEED THESE CONCESSIONS? No! A careful look at the following information will show that IP does not need these concessions to operate at a reasonable profit.

- In 1986, IP made \$269,400,000 in net profit.
- This was a 154% increase from 1985's net profit of \$106,000,000.
- In 1987 earnings were \$7.8 billion with profits of \$407,000,000.
- Last year, IP gave its top 14 executives a 38% salary increase, averaging \$99,000 per year. John George, IP's CEO, is now at \$1,064,000 annual salary plus his expenses.
- Presently, out of 386 paper mills checked in the US, 351 pay their employees double time on holidays and premium pay on Sundays!

IP SAYS THEY NEED THESE CONCESSIONS TO REMAIN COMPETITIVE. This is just a cover-up for their real motive - increased profits. IP's labor costs are \$1,100 per year below the US paper industry average amount. The average union wage at IP's Lock Haven mill is \$2.71 per hour below the national average wage in the paper industry.

IP's jump in net profit of 154% from 1985 to 1986 was nearly twice the increase of the next highest growth in profits, James River Co.

Internationally, IP complains about being hurt by foreign competition. However, IP owns at least 11 mills overseas. In 1986, its exports to foreign markets jumped by 21% over 1985.

HOW WELL OFF IS IP? In 1985, nine giant paper corporations accounted for 95% of total paper sales. Now, since IP bought out the Hammermill Paper Co. (former owner of the Lock Haven mill), IP is responsible for 20% of total industry sales, over \$6.5 billion. IP is the nation's largest paper company. IP owns mills and plants in 35 states in the US and in 11 foreign countries, including South Africa. IP's federal income tax payments from 1982 through 1985 averaged -10.3%; IP paid no taxes but received tax credits instead! A major stockholder in IP is the huge Mellon Bank Corp. of Pittsburgh with over 1.9% of IP stock. Mellon, with its anti-labor reputation, is clearly an influence on IP policies.

An economic study done in May 1987 by the Bureau of Labor Education at the Univ. of Maine states "Record sales, doubling profits and income, and independent analysts' optimism for 1987 show a corporation destined for continued profits and growth." The fact is that IP is very well off in its position as a leader of the US paper industry.

THEN WHY HAS IP FORCED THIS STRIKE? The answer here is simple - corporate greed. A thorough examination of the issue leads to no other conclusion. The Hammermill facility in Lock Haven, prior to being bought by IP, set world records for paper production. The men who set those records are now on strike. Labor-management relations had been exceptionally good with Hammermill for many years. IP's arrival in Lock Haven has changed all that. Local 1787 offered to work under the same terms as the old contract but IP refused to hear it.

IP's top man, John Georges had this to say about the importance of Sunday and holiday premium pay. "No one can prove to me that Jesus Christ was born on Dec. 25th. It's just another day to run."

IP has forced the strike at Lock Haven with no concern for the harm that their position will cause the community. IP included Lock Haven in its national strategy of union-busting.

We believe that IP's attempt to bust the UPIU in its mills is an obvious effort to increase its profits further at the expense of its employees. This mentality is corporate greed at its worst. The workers and their families, the local stores where they shop and spend their money, their communities in general, all lose out when workers wages are cut are their job security taken away. IP's strategy is to make more profit at the expense of workers, their families and their communities.

WHERE DO THINGS STAND NOW? The UPIU members on strike or locked out are solid in their stand against IP. Other workers and their Unions who are aware of the real need for solidarity are pitching in to help. Massive rallies have been held at the strikes. Money, supplies and time are coming in from Unions and supporters nationwide. Political support is developing. Presidential candidate Jesse Jackson has actively endorsed the UPIU struggle. A major corporate campaign is being developed against IP which could lead to actions against stockholders, a boycott of IP products, etc.

In Lock Haven, the strikers were off unemployment December 1987. They and their families will need a great deal of help getting through the next few months. Here in Penn., a big push is underway to inform the public about IP and its strategy of greed. A very important factor now is support for the strikers and their families.

UPIU strikers have now been permanently replaced by scabs.

WHAT CAN BE DONE TO HELP? In all struggles of workers and communities against corporations, solidarity has been the key ingredient. So it will be with the UPIU fight against IP. To win a decent and fair contract, Local 1787 and the other Locals will need to continue their struggle for some time. To help them carry on, several union activists and concerned people have formed a group to help Local 1787. The "Paperworkers Support Committee" will work with Local 1787 to coordinate and do support work in central Penn.

Sympathetic persons can also help by

1. sending a donation to the "UPIU Local 1787 Welfare Fund" at P.O. Box 773, Lock Haven, Pa. 17745. All donations help strikers and their families.
2. Help with a food drive being run by the Committee. To volunteer or to donate food goods, call 234-0713 (State College area) or 1-800-252-3894 (toll free).
3. Write a letter, send a telegram or pass a petition of support for the UPIU strikers and send it to
Mr. John Georges, CEO
International Paper Company
2 Manhattanville Rd.
Purchase, NY 10577
4. Join the "Paperworkers Support Committee" and contribute your time and talents.

It is time to stand up to the IPs and other corporate profiteers who have taken so much away from working people and others since Ronald Reagan and his union-busters came into power. It is crucial for the UPIU and its members that IP learn a lesson about solidarity. It is also crucial for the rest of us that other employers learn the same lesson so none of them are tempted to try the same union-busting, especially here in Pennsylvania. **SOLIDARITY WITH THE PAPERWORKERS. THEIR FIGHT IS OUR FIGHT!**

Printed by: Paperworkers Support Committee
1402 S. Atherton St., State College, Pa. 16801
814-234-0713 or 1-800-252-3894

IF YOU WANT TO SUPPORT THE PAPERWORKERS IN THEIR FIGHT FOR A FAIR AND DECENT CONTRACT, PLEASE FILL OUT THIS COUPON AND SEND IT TO THE PAPERWORKERS SUPPORT COMMITTEE.

- I can make a donation to the Local 1787 Welfare Fund \$ _____
- I can give food. Please call me at the number below to arrange delivery.
- I want to join the Paperworkers Support Committee. Please contact me.
- I would like to have a speaker from Local 1787 talk to my group _____

My name _____ My phone number _____

My address _____ Zip _____

My Union or organization _____

Local 1787 717-748-2097
P.O. Box 773
Lock Haven, Pa. 17745

GROUP ONE