

With complicity of UAW, Honeywell announces plans to eliminate healthcare coverage for 4,700 US retirees

By Jessica Goldstein
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According to a letter sent to retirees late last month, Honeywell International plans to eliminate the healthcare of over 4,700 retirees who worked at its Allied Signal, Bendix and Honeywell Aerospace operations nationwide by July 31.

Retirees and their spouses learned of the devastating decision through a written legal notice of intent issued from Honeywell's headquarters in Morris Plains, New Jersey.

Honeywell spokesman Scott Sayres told the press that the cuts were a “difficult decision, but necessary to keep Honeywell competitive in a challenging economic environment and enable us to continue to provide tens of thousands of good jobs throughout the U.S.” In reality, the decision was made not to enhance “job creation,” but to enrich Honeywell's shareholders by financing stock buybacks, which artificially increase share prices on the markets.

The announcement comes shortly after Honeywell announced substantial year over year revenue growth, reporting \$10.39 billion in revenue for its first quarter of 2018, up from \$9.49 billion during the same quarter in 2017. On April 20, the website MarketWatch reported that although demand for Honeywell's equipment products was expected to increase during the coming year, the company reported that it would continue to buy back shares of its stock in the absence of “immediate deal opportunities.”

The announced healthcare cuts come as Honeywell is preparing to outsource jobs from its South Bend, Indiana plant to other facilities, including one in Turkey.

The recent announcement is part of a sustained effort by the corporation to strip retirees of healthcare. On

April 29, 2017—exactly one-year prior—Honeywell Aerospace announced its initial decision to cut all healthcare benefits for retirees at its South Bend and Green Island facilities, but the action was stymied by a temporary court injunction. A federal judge overturned the injunction this year.

The draconian measure was upheld in a March 29 ruling in the seven-year-long case in US District Court, Eastern District of Michigan. Judge Denise Hood ruled that only current collective bargaining agreements determine retiree healthcare coverage, despite the fact that retirees were promised lifetime healthcare benefits under terms of contracts signed at the time they were working and creating immense profits for the company.

However, the sellout contract forced through by the United Auto Workers in 2017 after an over nine-month lockout did not include any clauses about retiree benefits. For this reason, Honeywell claims that its actions are completely legal. The letter sent to retirees states: “Honeywell and the UAW subsequently agreed to a new Master CBA, effective February 25, 2017. That CBA does not provide health care benefits to retirees (or their eligible spouses and dependents), and therefore Honeywell has no legal obligation to continue providing retiree medical coverage.”

A Honeywell worker in South Bend contacted by the *World Socialist Web Site* said worker anger was simmering over the announced healthcare cuts and impending outsourcing and that they were being kept in the dark by the UAW.

Former UAW Local 9 Vice President Todd Treder told the *South Bend Tribune*: “We were instructed that we couldn't talk about retiree benefits. I feel for the retirees. A lot of them came to the line when they were

locked out. The way it looks, it looks like we just bargained away all their retirement benefits. We didn't do that. Not once did we talk about it. It wasn't my choice, we were just told we're not talking about retiree benefits and so we never did."

Treder's pathetic attempt to cover for the role of the UAW in the move to strip healthcare coverage for thousands of retired Honeywell workers does not hold water. As a local official during the 2017 lockout, he and other union officials took their orders from both UAW International representatives and Honeywell corporate management to set retirees up for the loss of health insurance.

In 2017, after Honeywell first announced its plan to cut retiree healthcare, Treder lied again, claiming the union was exploring options for preserving the health benefits of retirees. "It's something that our International Union lawyers are looking at currently. ... It's just something that caught us all off guard."

Workers have no reason to trust a word uttered by any representative of the UAW. The UAW betrayed the workers who were locked out in South Bend and Green Island, New York, starving them into submission by isolating them from workers coming into struggle in auto and steel, who could have waged a united fight together with the Honeywell workers against the corporations and the state.

Top UAW officials who negotiated this miserable sellout will not lose their pay or benefits, including UAW President Dennis Williams, set to retire this summer, who earned \$181,046 in salary and expenses in 2017.

Woody Kepler, a retired Honeywell worker, spoke to the *South Bend Tribune* about the devastation the healthcare cuts will cause. Kepler explained that he has battled recurring lung cancer, which may have been related to asbestos and chemical exposure at Honeywell. He and other retirees were promised healthcare coverage for their entire lives by Honeywell, and the announcement for him came as "kind of a death sentence."

For its part, UAW Local 9 voiced no criticism on its Facebook page of the recent announcement to strip retirees of their health benefits. Its web page makes no mention of the decision at all, nor is the letter that announced the cuts posted anywhere.

The local announced that Honeywell retirees will

meet on Wednesday, May 9, at the Local 5 Hall to discuss the letter and the healthcare options for retirees. No action has been proposed by the UAW except pathetic reliance on the courts, which have demonstrated time and again that they act at the behest of the employers.

The healthcare cuts are a manifestation of the ruthlessness of the capitalist system and the treachery of the UAW. After toiling for decades to produce massive profits for the corporation under conditions in which workers were exposed to harmful chemicals and risked life and limb, Honeywell has decided to rob them of their healthcare and shorten their lives in order to satisfy its hunger for higher stock prices.

Workers must demand full retirement benefits, including healthcare, be paid by Honeywell. To do this, workers must free themselves from the grip of the UAW and form independent committees of rank-and-file workers with representatives democratically elected from the shop floor. They must be linked up with the struggles of autoworkers and other workers, such as teachers on strike throughout the US and internationally, as part of a conscious struggle against the capitalist system. This requires the development of an independent political movement of the working class with the aim of expropriating the wealth held by the banks and corporations to provide good jobs, secure retirement and guaranteed lifetime healthcare for all workers.

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