

By AMY HEIDEN

More than 700 workers at Active Industries are without jobs because of a lockout at the Elkton plant, after rejecting 371-152 a contract offer that would have replaced the one that expired Jan. 15.

When members reported to work last Tuesday morning, they found the doors to the plant locked and a sign posted saying no work was available.

Local 628 President Bob Wilson said the lockout is not a strike by workers, but a business closure by management. Union members would have been willing to work without a contract, he added.

The proposed new contract calls for a two-percent pay increase the first year of the contract, plus a cap of 30 cents on cost-of-living raises the next two years.

Health insurance coverage would be reduced from full coverage to a plan with a deductible and 80-20 coverage.

An increase in pensions for new retirees was offered, but former retirees' pensions would be frozen. And the company would no longer pay for arbitration and negotiating time for union stewards and officials, under the proposed contract.

Wilson said union members were pleased with the pay increase proposal, but that the whole package together was unacceptable.

"It would have been a different story if we hadn't had our wages frozen the last four years. If we had been getting raises right along, and they said this is an area we have to correct, we might have been more receptive," Wilson said.

"But when they want to hit retirees, the union time, the insurance all at the same time, it's a pretty big cut."

One of the main objections to the proposed health insurance plan was that previous retirees' insurance plans would have changed to the new plan.

"The previous retirees forced to buy insurance through the company because of a previous illness would go under the new contract," Wilson said. Retirees use more of their health benefits than do younger members because of age-related illnesses.

Active General Manager Donald Stern termed the lockout "an impossible situation." "The last thing we want is a situation where we have a strike or otherwise," Stern said.

The company has been under increasing pressure from the major automakers to reduce its costs, Stern said, and because of the current recession, orders for stampings from Huron County's biggest employer have been stagnant.

"Sales have eroded the past six months. There's no work available."

Management staff has also been pared accordingly, Stern said, dropping from 95

a few months ago to 72 now.

Insurance costs for employees has risen in the past few years, also, company officials say, and the new insurance package would save the company about 10 percent of the cost of the present policy.

Wilson emphasized that the union is not on strike, but that the company had locked workers out.

"A strike has never been

our intention. Nobody wants to go on strike," he said.

"We'd be there today working under the old contract. But sooner or later you have to draw the line of where you're going to stop giving back."

He also acknowledged that even if the contract had been approved, all but about 100 employees would have been laid off from their jobs.

"We were going to be laid

off anyway. The only reason they kept us this long was to run parts ahead for the next 90 days. So the economy is not helping us," Wilson said.

Union members may not be eligible for unemployment benefits because of the labor dispute, Wilson said, but the union plans to appeal any denial of benefits.

"If they (the company) are going to stall around with unemployment, that's going

to put the hurt on us, and that's what the company is hoping for," he said.

"The more you hurt, the more you'll accept this or something less than this."

Other union locals in the Thumb haven't had much to say to each other in recent years, Wilson said, but those unions have offered help to Local 628 members, he added.

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The ribbons show they care...

LOCAL CUB SCOUTS and Girl Scouts from Pigeon troops turned out by the dozen to show their support for U.S. troops now serving in the Persian Gulf. The Pigeon Chamber of Commerce supplied the yellow ribbon as the youngsters gathered Friday to put ribbons on trees downtown. "It's one small way kids can show how much they care about what is going on in the Gulf," says Chamber President Rhonda Buehler. PICTURED HERE, Girl Scout Tiffany Burk attaches a yellow ribbon to a tree.



## 25 new jobs for Pigeon

Huron Casting, Inc., has announced plans for a \$1.1 million expansion program which will expand the foundry's capacity by 50% and could bring up to 25 more jobs to the Pigeon plant. Huron Casting officials DeVere Sturm, LeRoy Wurst and Gary Bendrey met with the Pigeon Village Council last week, seeking a 12-year abatement reducing property taxes on the expansion by half, through an Industrial Facilities Tax Exemption certificate.

The men said a new meller -- valued at \$550,000 -- and a cooling conveyor line are planned and would greatly increase plant capacity.

Council formally approved the tax abatement, noting that original exemptions sought when the Hartley Street foundry opened in 1977 have expired in 1989 and one does so this year. Several others end in 1994, when the property goes on the full property tax roll.

Construction should begin in the near future, officials said.

In other business, Council: Agreed to seek a compromise with the Farmers Home Administration, which is requested the village seek new bonds and different financing for the \$473,000 still outstanding from the 1969 sewer construction project.

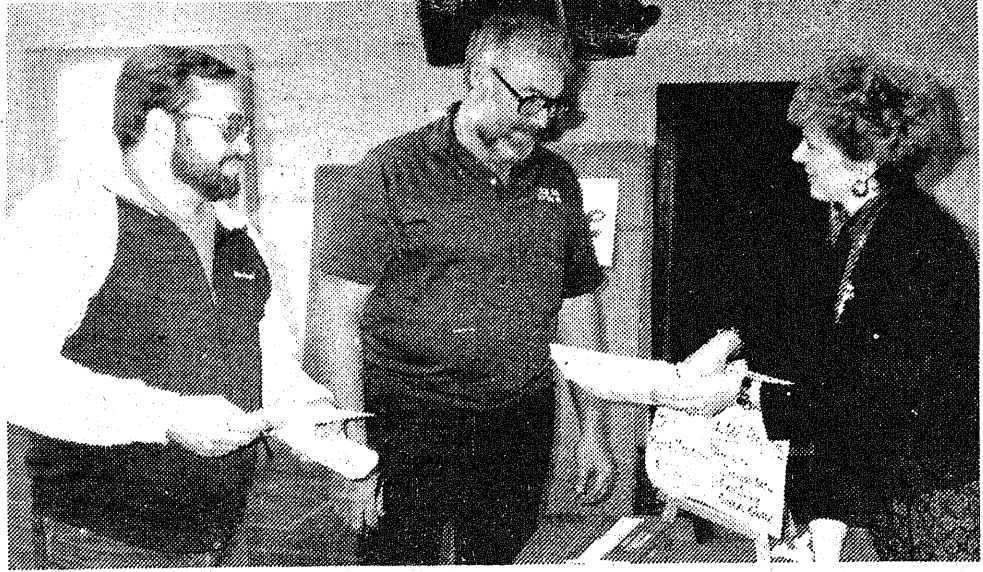
The current bonds, at 4 3/4%, will expire in 2009 and principal payments total \$20,000 this year.

Council voted to pay FmHA \$120,000 and keep the current bonds in force. Payments would be finished in 2005 and yearly interest savings would be \$5,700, said Supt. Janet Heckman.

## Highway repaving discussed

Just how -- and just exactly when -- highway M-142 through Pigeon, will be repaved was to be the subject of a Tuesday morning meeting between Michigan Department of Transportation officials and local leaders.

Engineers and planners from MDOT were to discuss the long-sought repaving project, which will include the highway east-and-west along Michigan Avenue to the stoplight corner, then south along S. Main Street, according to plans.



AIW LOCAL 628 President Bob Wilson and Craig Haag discuss insurance coverage with agent Kathy Shaw at the Local's union hall Friday. Union members were given information on short-term health insurance policies from two companies, and applied for unemployment benefits during the lock-out at Active Industries.









