The workers in Jefferson, Wisconsin, have been on strike against Tyson since the end of February. Tyson's major demands include the following:

- A wage freeze for current employees and substantial wage cut—amounting to 23 percent—for all new hires;
- Significant increases in health care premiums with cuts in coverage;
- A pension benefit freeze for current employees and an elimination of the pension for new hires; and
- More restrictive work rules.

This is a stable work force and the plant manufactures product for Tyson's most profitable division. Profits in Tyson's Prepared Foods division are almost twice those of the rest of the Company and are rising. Tyson admits that there is no real economic motive for the concessions it is demanding—indeed, the aggregate savings Tyson would realize from all the concessions it is demanding amount to only 9/1,000 of a percent of Tyson's annual cost of goods sold—but claims it only wants to get the costs of all of its plants in line. Tyson's admitted company policy is to bring wages and benefits in Wisconsin and the other communities in which it operates down to the levels seen in poultry plants in the South.

The 470 workers at Tyson's Jefferson plant stand to lose more than $3,630 each over the next four years. That's more than $1.7 million dollars that Tyson would take directly out of the economy of Jefferson County. In addition, Tyson wants to significantly increase the cost of health care for its workers; indeed, the Company wants to raise the premium for family coverage by 167%, to $40 per week. That's a dollar per hour worked—$611,000 that the workers won't be spending in Jefferson's economy each year because of Tyson. Without considering the pension reductions that will severely cut into the workers' retirement incomes and current and future spending, Tyson's cuts would directly remove almost ***$4.2 million*** from Jefferson County's economy over the next four years and put it into the hands of John Tyson and the Company's executives in Arkansas.

But the effects of Tyson's concessionary demands will be significant not only for the workers directly involved at the Jefferson facility, but potentially across Wisconsin and the United States. Tyson is the largest meat company in the United States, accounting for one-quarter of all meat sold in America, and operates plants across the country. If it succeeds in lowering wages here the repercussions will be felt nationally.

According to the U.S. Department of Labor's Bureau of Labor Statistics, there were approximately 143,700 manufacturing workers in the Milwaukee area in 2002 (BLS, *Employment and Earnings*, May 2003). During the same period, there were 767,800 employed people in the civilian workforce, which implies that on average, 18.7 percent of the Milwaukee area's employed civilians worked in the various manufacturing industries. Average hourly earnings in manufacturing in Milwaukee during 2002 were $16.89, and average annual earnings were $35,130.20. This means that in 2002, Milwaukee's manufacturing employees earned more than $5 billion—approximately $5,048,353,440.00.

If Tyson succeeds in reducing wages in the food industry and in spreading this trend across the manufacturing sector, the Milwaukee-Waukesha area alone stands to lose ***$1.14 billion*** every year from decreased wages only. But there is also the effect of that lost money on the economy that must be considered. For every dollar of wages lost in the food industry, an additional dollar will be lost to the economy from lost disposable income and spending. Therefore, the area really stands to lose more like ***$2.3 billion*** from its economy. If the substantial increases in health care costs that Tyson wants to impose on workers, the elimination of pension benefits, and the fact that Tyson's wage proposals don't keep up with inflation (average annual inflation over the last four years has been 2.6 percent) become the industry trend, the impact on Milwaukee's economy will be even more severe. The effect that lowered earnings will have on Milwaukee County's tax revenues must also be considered; in addition to the $2.3 billion mentioned above, the County stands to lose about ***$545 million in tax revenue*** as a result of decreased economic activity. Finally, the decrease in effective wages from increased health care costs for those who can still afford insurance and the increase in reliance on County services for those who can no longer afford health care coverage, while difficult to compute, must also be considered.

Tyson's strategy is to impoverish the communities in which it operates and funnel the profits back to its corporate coffers in Arkansas. Let's keep good jobs here in Wisconsin.

Why Jefferson Workers Struck Tyson Foods

Ten Take Always in the Take or Leave It Offer from Tyson

- Tyson proposed to FREEZE WAGES FOR 4 YEARS while CEO Jon Tyson got a MILLION DOLLAR SALARY and $3.48 MILLION BONUS LAST YEAR
- Tyson proposed a TWO TIER WAGE STRUCTURE where new hires would be paid considerably less than their co-workers – This is a union busting move
- Tyson proposed to cut pay for all workers by ending the plant's impro share program
- Tyson proposed a 33% cut in vacation benefits for senior workers
- Tyson propose to FREEZE WORKERS PENSION BENEFITS and DISCONTINUE THE HEALTH INSURANCE FOR RETIREES
- Tyson proposed to FREEZE WORKER PENSION BENEFITS and DISCONTINUE THE HEALTH INSURANCE SUPPLEMENT FOR RETIREES
- Tyson proposed to severely limit the opportunity for premium pay
- Tyson proposed a TWO TIER HOLIDAY SCHEDULE where new workers would have their holidays cut 20% - This is a union busting move
- Tyson proposed several changes in the health plan that will INCREASE DEDUCTIBLES AND OUT OF POCKET EXPENSES
- Tyson proposed to take away its severance pay clause – meaning Tyson would be free to shut the plant down with little notice and not be required to pay separation allowances

Support UFCW Local 538 Against Tyson Greed

www.tysonfamiliesstandup.org