Boeing Avoids 30,000-Strong Machinist Strike with New Agreement

Description

Boeing and its largest union have recently reached an agreement on a new contract, aimed at averting a potential strike that could have disrupted aircraft production. This deal is contingent upon union members ratifying it before midnight on Thursday, Pacific time, which is when the strike would have otherwise commenced.

Under the terms of the proposed contract, the 33,000 workers represented by the International Association of Machinists and Aerospace Workers are set to receive pay raises of 25 percent over the four-year duration of the contract. Consequently, average wages are expected to rise by 33 percent due to seniority step increases. While this is less than the 40 percent demanded by the union during negotiations, the company has acquiesced to a crucial union demand to construct its next aircraft in Washington state, likely featuring union members.

Additionally, workers will receive $3,000 lump sum payments and a reduced share of healthcare costs, with the company also committing to new 401(k) contributions of up to $4,160 per employee. However, the reinstatement of a defined-benefit pension plan, abolished in 2014, remains unfeasible. Jon Holden, president of IAM District 751, lauded the proposal as the most favorable contract in the union's history.

Boeing's commercial airplanes division president, Stephanie Pope, emphasized the company's largest-ever general wage increase and highlighted the agreement to build the next aircraft in the Puget Sound area as a guarantee of sustained job security. The fate of the contract now rests in the hands of union members, who are urged to vote on its ratification before the imminent deadline. Failure to do so may precipitate a strike, which would not only hamper Boeing's financial recovery efforts but also disrupt its production flow and cash inflow significantly.

Vocabulary List:

1. **Averting** /əˈvɜːr.tɪŋ/ (verb): To prevent something undesirable from occurring.
2. **Contingent** /kənˈtɪn.dʒənt/ (adjective): Dependent on certain conditions or circumstances.
3. **Acquiesced** /ˌakwēˈest/ (verb): Agreed to something passively or without protest.
4. **Reinstatement** /ˌriː.ɪnˈsteɪt.mənt/ (noun): The action of restoring someone or something to a previous position or condition.
5. **Precipitate** /prɪˈsɪp.ɪ.teɪt/ (verb): To cause an event or situation to happen suddenly or unexpectedly.
6. **Ratifying** /ˈræt.ɪ.faɪɪŋ/ (verb): To sign or give formal consent to a treaty contract or agreement making it officially valid.

Comprehension Questions

Multiple Choice

1. What is the primary goal of the new contract between Boeing and its largest union?

    Option: Increase company profits
    Option: Ensure sustained job security for workers
    Option: Introduce new healthcare benefits
    Option: Expand aircraft production globally

2. How much are the workers represented by the International Association of Machinists and Aerospace Workers set to receive in pay raises over the four-year contract period?

    Option: 15 percent
    Option: 25 percent
    Option: 40 percent
    Option: 50 percent

3. What is a key demand that the company has agreed to regarding the construction of its next aircraft?

    Option: Building the aircraft overseas
    Option: Including union members in the construction
    Option: Constructing the aircraft in the company headquarters
    Option: Automating the production process

4. What type of payments will workers receive in addition to their pay raises?

    Option: Stock options
    Option: Health insurance refunds
    Option: Lump sum payments
    Option: Paid vacations

5. Which president emphasized the agreement to build the next aircraft in the Puget Sound area for job security?

    Option: Jon Holden
    Option: Stephanie Pope
    Option: Ratan Naval Tata
    Option: Noah Harris

6. What may happen if union members do not ratify the new contract before the deadline?

Option: An increase in vacation days
Option: A decrease in healthcare costs
Option: A strike that disrupts production
Option: More job opportunities for non-union workers

Answer

Multiple Choice: 1. Ensure sustained job security for workers 2. 25 percent 3. Including union members in the construction 4. Lump sum payments 5. Stephanie Pope 6. A strike that disrupts production

Vocabulary quizzes

Multiple Choice (Select the Correct answer for each question.)

1. What is a formal decision made between two or more parties?

Option: A. Stability
Option: B. Agreement
Option: C. Entrepreneur
Option: D. Resurgence

2. Individuals who start their own business are commonly referred to as:

Option: A. Stakeholders
Option: B. Entrepreneurs
Option: C. Lucrative
Option: D. Luminaries

3. Who are the individuals or groups with an interest in the success of a business?

Option: A. Deductions
Option: B. Stakeholders
Option: C. Acumen
Option: D. Amplify

4. Organizations that help startup companies to develop by providing services such as management training are called:

Option: A. Contingent
Option: B. Incubators
Option: C. Averting
Option: D. Inherent

5. Which term refers to the action of restoring something to its former state?

Option: A. Avert
Option: B. Reinstatement
Option: C. Resurgence
Option: D. Framework

6. What word describes when an idea is explained in detail?

Option: A. Increases
Option: B. Luminaries
Option: C. Expounded
Option: D. Catalyze

7. A basic structure underlying a system or concept is known as:

Option: A. Stability
Option: B. Entrepreneur
Option: C. Resonate
Option: D. Framework

8. Which term denotes importance or consequence?

Option: A. Significant
Option: B. Precipitate
Option: C. Ratifying
Option: D. Eschewing

9. To accelerate an action or process is to:

Option: A. Averting
Option: B. Luminaries
Option: C. Entrepreneurs
Option: D. Catalyze

10. An event or discovery that is innovative and pioneering is considered as:

Option: A. Agreed
Option: B. Groundbreaking
Option: C. Resurgence
Option: D. Lucrative

Gap-Fill (Fill in the blanks with the correct word from the vocabulary list.)

11. To ________________________ means to increase the volume or intensity of something.

12. The quick action of ________________________ the crisis prevented a major disaster.

13. After some negotiation they finally ________________________ to the demands of the other party.

14. Investing in real estate can be very ________________________ if done wisely.

15. Income tax calculations include various types of ________________________ to determine the final amount owed.

16. Some risks are ________________________ in the nature of running a business.

17. The message of unity and peace seemed to ________________________ with the audience.

18. Regular exercise often ________________________ stamina and overall health.

19. The country's parliament will discuss and vote on ________________________ the new trade agreement.

20. The sudden change in weather could ________________________ a delay in the outdoor event.

Matching Sentences (Match each definition to the correct word from the vocabulary list.)

21. The ongoing construction caused several delays in the regular schedule.
22. She took a risk and founded her own successful company from the ground up.
23. The President gave a speech at the event of the international conference.
24. His business helped him make strategic decisions that led to growth.
25. After a period of decline there was a sudden and powerful comeback in sales.
26. By conventional methods they developed an innovative solution.
27. The conference featured industry who shared their insights and expertise.
28. A team of experts was prepared to deal with any unforeseen circumstances.
29. The prompt action of disaster saved many lives.
30. Using special equipment the speaker could her voice to reach the entire audience.

Answer

Multiple Choice: 1. B. Agreement 2. B. Entrepreneurs 3. B. Stakeholders 4. B. Incubators 5. B. Reinstatement 6. C. Expounded 7. D. Framework 8. A. Significant 9. D. Catalyze 10. B. Groundbreaking
Gap-Fill: 11. Amplify 12. averting 13. acquiesced 14. lucrative 15. deductions 16. inherent 17. resonate 18. increases 19. ratifying 20. precipitate
Matching sentence: 1. Disruptions 2. Entrepreneur 3. Inaugural 4. Acumen 5. Resurgence 6. Eschewing 7. Luminaries 8. Contingent 9. Averting 10. Amplify

CATEGORY

1. Business - LEVEL6

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