Crystal Sugar Workers Reject Contract For A 4th Time

The Associated Press

FARGO, N.D. (AP) — Their ranks thinned by a 16-month lockout, American Crystal Sugar Co. workers on Saturday rejected a contract for the fourth time.

Contract opponents say the sugar beet processor's five-year contract offer would cut health care benefits and weaken job security and seniority protections. The company says the offer would raise worker pay by 17 percent over five years when a $2,000 signing bonus is taken into account.

Leaders of the Bakery, Confectionery, Tobacco Workers and Grain Millers International union said in a news release that the workers voted 55 percent to reject management's contract offer.

"By now it should be clear that (company CEO) Dave Berg and Crystal Sugar's management team has no interest in ending a fiscally irresponsible lockout that has been disastrous to farm shareholders, put the federal sugar program in jeopardy, and hurt countless families in the Red River Valley," said John Riskey, the head of a union local that represents employees at three American Crystal factories.

"It's time for shareholders to reclaim their company and send management back to the table for real give-and-take negotiations," he said in the release.

He told The Associated Press later on the phone Saturday that union leaders will be following up with workers on how to deal with the contract issues from this point. He said no plans have been made for another meeting.

Company officials said in a statement Saturday after learning about the workers' vote that the package is "solid and generous" and "similar to what we are offering our current employees."

"We're finding the pay and benefits included in it are attracting high quality area workers who are now creating a productive and successful new workforce for our Company," the statement said. "The Company continues to move forward and focus on running our business, processing beets and delivering sugar to our customers."

The lockout began in Aug. 1, 2011, and affected about 1,300 workers at plants in Drayton and Hillsboro, N.D., and Minnesota factories in Moorhead, Crookston and East Grand Forks. More than 500 of those workers have since left, said Brian Ingulsrud, an American Crystal vice president.

The company has used replacement workers to continue operating the plants.

Moorhead, Minn.-based American Crystal is a cooperative owned by about 2,800 sugar beet growers. It is the nation's largest sugar beet processor, selling 90 percent of its production to industrial customers, including candy makers, bakeries and breakfast cereal makers.

The lockout began after 96 percent of the workers voting on the company's contract proposal rejected the offer on July 31, 2011. In subsequent ballots, 90 percent of the voting workers turned down the proposal in November 2011, and 63 percent rejected it in June.

In October, the AFL-CIO called for a boycott of Crystal's products. Some of the company's sugar is sold in grocery stores under Crystal's own label. It is sold as "Market Pantry" sugar in Target Corp. stores in Iowa, Minnesota, North Dakota and Wisconsin.

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