

Teamsters, Investors Examine Labor Abuses at Cummins Inc.

New Report Challenges Enginemaker's Reputation for Social Responsibility

WASHINGTON, Aug. 2 /PRNewswire-USNewswire/ -- Diesel engine manufacturer Cummins Inc. has been highly ranked by socially responsible investing funds (SRIs). But a new report commissioned by the Teamsters union questions Cummins' reputation for social responsibility and challenges the SRI community to reconsider Cummins' current high ranking. The report, authored by Cornell University labor rights expert Lance Compa, details Cummins' violations of international labor standards and urges the company to undertake significant reforms if it is to retain its favored "socially responsible" status.

In his report, Compa describes Cummins' record of using corporate reorganizations followed by increasingly harsh treatment of workers to weaken or eliminate unions across its U.S. operations over the past 15 years. "Cummins' clear pattern has been to manipulate its corporate governance structure to undermine workers and break their unions," said Compa. "What's especially troubling is that this report raises a question as to whether this may be the tip of the iceberg when it comes to the company's labor abuses. No matter how well it performs on other SRI measures, given its current treatment of workers, Cummins can't be called socially responsible."

The report notes that Cummins' sustained union-busting campaign has involved 21 union decertification attempts and led to multiple strikes. The emotional and economic pressure of these strikes has created severe hardships for workers and their families. In one case, a Cummins worker in Portland, Oregon, who committed suicide, cited despair over the long strike in his last will and testament. The report urges that Cummins either fix its labor abuses and honor workers' rights to union contracts and representation, or risk losing its valuable, social responsibility ranking.

The Teamsters Union represents more than 350 Cummins workers in the United States. Copies of the report are available at http://www.teamster.org/07news/hn_070802_2.asp

Website: <http://www.teamster.org/>