FEATURE

The Boeing strike has stopped all 737 production Workers have been on strike since Sept. 13, demanding a 40% raise

By Ben Kesslen

https://qz.com/boeing-strike-stopped-production-737s-1851657583

Published Yesterday Updated Yesterday



Photo: NICOLAS MESSYASZ/SIPA (AP)

Boeing (<u>BA+2.10%</u>) said Wednesday that it has stopped production of its 737s because of the continuing machinists strike.

The aerospace company confirmed <u>to</u> <u>Fortune</u> that work on the aircraft is at a "complete halt" because 33,000 workers with the International Association of Machinists and Aerospace Workers (IAM) union have been on strike since Sept. 13.

"Airplane production in Washington state is temporarily paused including work on the 737 MAX, 767, 777/777X, P-8, KC-46A Tanker, E-7 Wedgetail," a spokesperson told Fortune.

"Work at our Fabrication sites in Washington and Oregon will also temporarily pause. Employees not represented by this union will continue to report to work as normal."

The company has not said how and if the stoppage will affect the timeline of its latest plane deliveries.

IAM said Tuesday it wants to work out an agreement with Boeing at the bargaining table and accused the company of negotiating in public. "Our members stand strong, and we remain ready to continue mediated or direct negotiations with Boeing," it said in an <u>update to members</u> Tuesday. "This has been made clear to both the company and our membership. The only way to resolve this strike is through negotiations, and rest assured, your Union will not bargain through the media."

The strike and work stoppage come in the aftermath of the 737 Max door-plug blowout scandal. Boeing needs to keep building the planes — despite a safety-minded slowdown in production — to keep its operations afloat amid a sizable cash crunch.

Earlier this week, Boeing announced it would be making a "best and final" contract offer that included a 30% wage increase. That number falls short of the 40% increase the IAM had been seeking in earlier negotiations. Its members' strike began after they voted down a contract that would have given them a 25% raise.

— Melvin Backman contributed to this article.

Sign up for the Daily Brief

Our free, fast, and fun briefing on the global economy, delivered every weekday morning.