

# **Brotherhood of Maintenance of Way Employes Division of the International Brotherhood of Teamsters**



## **NEWS CLIPS**

December 28, 2012

Randall Brassell, Director of Communications  
Telephone: 615-521-4097 (Fax) 615-824-2164  
Email: [rbrassell1@aol.com](mailto:rbrassell1@aol.com)

## Boehner's Failure and the GOP's Disgrace

By Robert Reich

Remarkably, John Boehner couldn't get enough House Republicans to vote in favor of his proposal to keep the Bush tax cuts in place on the first million dollars of everyone's income and apply the old Clinton rates only to dollars over and above a million.

What? Even Grover Norquist blessed Boehner's proposal, saying it wasn't really a tax increase. Even Paul Ryan supported it.

What does Boehner's failure tell us about the modern Republican party?

That it has become a party of hypocrisy masquerading as principled ideology. The GOP talks endlessly about the importance of reducing the budget deficit. But it isn't even willing to raise revenues from the richest three-tenths of one percent of Americans to help with the task. We're talking about 400,000 people, for crying out loud.

It has become a party that routinely shills for its super-wealthy patrons at a time in our nation's history when the middle class is shrinking, the median wage is dropping, and the share of Americans in poverty is rising.

It has become a party of spineless legislators more afraid of facing primary challenges from right-wing kooks than of standing up for what's right for America.

For all these reasons it has become irrelevant to the problems America faces.

No wonder a majority of Americans now say the Republican Party is too extreme, according to [a poll released Thursday by CNN/ORC](#).

53 percent — including 22 percent of Republicans themselves — say the GOP's views and policies have pushed them out of the mainstream. That's significantly higher than in 2010, when fewer than 40 percent thought the GOP too extreme.

Meanwhile, 57 percent now say Democrats are "generally mainstream."

The Republican Party in the process of marginalizing itself out of existence. I am tempted to say good riddance, but that would be premature.

## ***Locked-out Crystal Sugar workers and families receive holiday gifts***

GRAND FORKS, N.D. - As the lockout's second Christmas approaches, food, toys and financial

contributions have been pouring into the Red River Valley in support of workers and their families whom Crystal Sugar Company shut out from their jobs more than 16 months ago.

Most recently, Teamsters and Laborers union semi-trailer trucks have been delivering donated toys and food in Fargo, Grand Forks, Hillsboro, Crookston, and Drayton. A delivery was also made to locked-out Crystal Sugar workers in Mason City, Iowa.

The food and toys were collected by Operation Christmas Solidarity, sponsored by the Saint Paul Regional Labor Federation and American Income Life. Union volunteers are unloading the trucks at each stop.

“We started the Christmas food drive in November,” said Deb Kostrzewski, food and toy drive coordinator for Bakery, Confectionery, Tobacco & Grain Millers Local 167G and herself a locked-out worker. “And we’ve received so many generous donations from people, unions and other organizations up and down the valley – all over the country, really.

“We truly appreciate what American Income Life and the St. Paul Labor Federation and the Laborers and Teamsters are doing this week, and what our own national union, other BCTGM locals, the AFL-CIO and unions like the United Steelworkers, letter carriers, AFSCME and the teachers and so many others keep on doing to help us keep up our fight for dignity and justice.”

Some 1,300 workers at American Crystal Sugar facilities in Minnesota, North Dakota and Iowa were locked out of their jobs on Aug. 1, 2011.

Erica Dalager, an American Income Life representative who helped with the deliveries, said, “These workers are people. They have families, children, and real needs. American Income Life and The St. Paul Regional Labor Federation, Laborers District Council, Teamsters Joint Council and several other labor unions, are committed to brightening the holidays for the locked out workers and their families.”

St. Paul Regional Labor Federation President Bobby Kasper stated, “Even though we’re several hundred miles away from our locked-out brothers and sisters, we are thinking of you. We will do everything in our power, 24-7, to help you through these difficult times.”

Dalager went on to say, “Corporations that sweeten their bottom line at the expense of workers should be held accountable for the destruction and havoc they cause in our communities. There is a better way: Companies, unions, community allies, working families can unite for a simple cause - taking care of those in need. Solidarity, how sweet it is.”

## ***Nevada's thriving hotel, casino union gives the labor movement hope***

The Associated Press

Posted: 12/23/2012 8:04 AM

The future of the American labor movement may lie just off the Las Vegas Strip, inside a squat building huddled in the shadow of the Stratosphere casino.

That's the home of the Culinary Workers Local 226, a fast-growing union of hotel and casino employees that has thrived despite being in a right-to-work state and a region devastated by the real estate crash.

More than 90 percent of Culinary's 60,000 predominantly immigrant workers opt to be dues-paying members, even though Nevada law says they cannot be forced to pay unions for their services. As a result, housekeepers in most Strip hotels start at \$16 an hour with free health care and a pension.

Culinary's track record gives a dispirited labor movement some hope even as it hemorrhages workers and reels from the approval of a right-to-work law this month in union-strong Michigan.

"National unions need to look at what some of the folks out here have done," said Billy Vassiliadis, former chairman of the Nevada Democratic Party. In a right-to-work state that for years was relatively conservative, "they had to be smart. They had to be nimble."

As a result, he said, "labor here is a big pillar in the political debate."

But that's less true on a national scale. American labor has been on a downward trajectory for decades: Unions represented 30 percent of the workforce when the federal government first began tracking membership in the early 1980s. Now they represent less than 12 percent.

Michigan's adoption of a right-to-work law follows a string of recent setbacks in the industrial Midwest. Indiana passed a right-to-work law early this year, and Wisconsin effectively ended collective bargaining for most public workers last year. Nebraska and Iowa both already have right-to-work laws in place.

The American union member once was typified by the white Michigan factory worker who was hoisted into the middle class by the United Auto Workers' package of good pay and benefits. Now Culinary's service worker membership - largely Hispanic housekeepers, line cooks and hostesses at casinos - may be the new model.

"Manufacturing jobs used to be horrible, until they got organized," said D. Taylor, who just stepped down as Culinary's secretary-treasurer to run its national organization, Unite-HERE. "Service jobs used to be the same - horrible jobs until they got organized. Nevada's not some magic place. Those jobs just got organized."

Culinary has almost quadrupled its membership since the 1980s, but Nevada unions still struggle against national headwinds. The percentage of workers in the state who belong to unions is down to 14.6 percent from its 1996 peak of 20 percent - though much of that decline happened in the past four years after the real estate crash wiped out thousands of union construction jobs.

Danny Thompson, head of the state AFL-CIO, says right-to-work has hobbled Nevada labor. But he's mulling going on the offensive and asking voters to overturn the law, which passed narrowly in the 1950s.

"There's no question that this is a strong union state," he said.

The Nevada model, however, is difficult to duplicate.

Michael Chamberlain, a Republican political consultant in Las Vegas, notes Culinary has thrived in a heavily regulated industry. If casinos, which must be licensed by the state, pay their workers high wages, it's difficult for competitors to offer less. And cleaning, cooking and card-dealing jobs cannot be shipped overseas.

"They have the ability to limit competition, and that allows the unions to develop their power," Chamberlain said.

Even Nevada's formidable construction trade unions have had most of their success in casinos along the Strip, and less in private suburban projects where wages are competitive, Chamberlain said.

Indeed, many of labor's remaining success stories come in areas where competition is limited, said Nelson Lichtenstein, a labor historian at the University of California-Santa Barbara.

He pointed to unions representing port workers in Los Angeles and Long Beach, as well as unions representing professional athletes in Major League Baseball and the National Hockey League. Like with Las Vegas casinos, those jobs cannot be moved to lower-wage locations.

Still, there are other pockets that show Nevada-like efforts can be replicated.

As Culinary regrouped from a series of 1990s setbacks and started to grow again, unions in Los Angeles organized immigrant garment workers and janitors. Now labor is the predominant political power in once staunchly anti-union Southern California and one reason that state is a Democratic stronghold.

Vassiliadis said unions in the Southwest win loyalty by helping immigrants enter the middle class and turn low-wage jobs into stable sources of health insurance. In the Rust Belt, he said, labor is trying to maintain generations-old victories.

"They've done a heck of a job at being the ones who brought Latinos into the mainstream, provided them health insurance and pensions," Vassiliadis said. "In the Rust Belt, you're looking at third- and fourth-generation auto workers, folks who have always had health insurance. They never had to fight for these things and over time (unions') relevance has faded."

The union isn't afraid to play hardball. It famously went on strike for six years and ended up closing a casino that resisted organizing. It's now trying to organize the Station casinos off the Strip in a campaign that could last as long. But Culinary also has generally warm relations with the gambling industry and helps defend its interests.

In partnership with the casinos, Culinary created an academy that trains workers to become housekeepers or sommeliers and offers English classes. The new head of Culinary, replacing Taylor, is a Nicaraguan immigrant and former housekeeper.

Taylor cited Culinary's track record and member outreach as the reason so many workers pay dues.

"They know," he said, "that, together, they have more strength."

## In Wake of Factory Fire, U.S. Labor Groups Attempt Blockade of Walmart Imports

By Olivia Rosane

The fight for justice at Walmart went another round on Tuesday morning, as around 75 protesters gathered in Port Newark, N.J., in an attempt to block the unloading of the container ship *Maersk Carolina*, whose cargo included Walmart-bound goods made in Bangladesh. While the blockade was not successful, the action demonstrated the strengthening alliance between Occupy-related groups and more labor-specific organizations.

The action came less than a month after 112 workers burned to death in the Tazreen Factory in Bangladesh, which supplies clothes to Walmart. *Bloomberg* [reported](#) that in 2011, the retail giant had refused to cover the costs of safety improvements to Bangladeshi factories such as Tazreen. Bangladeshi authorities who researched the case just announced findings of "[unpardonable negligence](#)."

The protesters, who included participants in Occupy Wall Street as well as labor and community groups, hoped to connect Walmart's actions abroad to its actions at home. Goods from Bangladesh are unloaded by the International Longshoremen's Alliance, then distributed to warehouses, and finally to Walmart's retail outlets. Labor unrest appears at every stage in this supply chain: the longshoremen are currently in [contract negotiations](#), warehouse workers in California and Illinois went on strike this September over unsafe and unfair working conditions, and retail workers walked out on Black Friday over low wages and retaliatory tactics.

"The main purpose of this event was to highlight Walmart's abuses throughout the supply chain," said organizer and Occupy Wall Street member Isham Christie.

Organizers had also planned to disrupt that supply chain. Their original intent was to leaflet the employee entrance to the port and persuade the Longshoremen not to unload the *Maersk Carolina*.

But port police and Homeland Security agents stepped in and escorted the busses of protesters to a stretch of highway out of sight of the worker entrance. While this outcome disappointed many of those in attendance, it also proved the activists' point.

"I think they realize the supply chain is vulnerable to economic disruption," Christie said.

Despite the failure of the blockade, Christie noted that protesters had received many honks of support from passing truckers, and hoped that picketing near the port would give the Longshoremen an edge in contract negotiations. This was the first East Coast port action organized by Occupy Wall Street, Christie said, and it will not be the last.

### A deepening alliance

The port action also bore witness to an increasingly fruitful collaboration between Occupy Wall Street and labor and community groups along issues of workers' rights.

First, individuals within Occupy Wall Street researched the supply route from Bangladesh to the United States and put out the call to action. But that call was taken up by many organizations, including Occupy working groups like 99 Pickets as well as more established labor organizations such as ALIGN, Jobs With Justice, the Retail Action Project, the New Jersey State Industrial Union Council, and the Remember the Triangle Fire Coalition, which sponsored busses from New York City.

Maritza Silva-Farrell, Senior Organizer at ALIGN, has been working to keep Walmart stores out of New York City since 2011. She said the collaboration between Occupy and groups like hers was building momentum around workers' rights. "We want to build a movement, a real movement, and this is it," she said.

She praised [99 Pickets](#), an Occupy working group formed after May Day out of conversations between other labor-related groups such as Immigrant Worker Justice and the Labor Outreach Council. The group works to unite workers and struggles around New York City by organizing, publicizing, and attending picket lines.

Exactly a week before the port action, the two groups helped organize one such action outside a talk on corporate responsibility by Walmart CEO Mike Duke. According to Silva-Farrell, the protest succeeded in influencing some of the questions Duke received at the event.

99 Pickets member Michelle Flores said that worker justice has always been part of Occupy Wall Street's larger agenda. Many people, she said, had come to OWS from various labor struggles. "Occupy Wall Street built on that momentum and I think that momentum came out of it," she said.

From the [workplace occupation](#) of Hot and Crusty to the Black Friday strikes at Walmart, the fall of 2012 has seen an increased focus on labor militancy within Occupy. Tuesday's port action, however small, helped build that wave.

As for the Maersk Carolina, its role in the fight for justice at Walmart isn't over yet. [Reports](#) are already emerging that protesters will target the ship again when it docks on Thursday in Charleston, S.C.

## **Christmas Ornaments, Child Labor**

By MARJORIE ELIZABETH WOOD

Published: December 25, 2012

Ithaca, N.Y.

TODAY millions of American children will be opening gifts left under Christmas trees. Sadly, many of those trees are decorated with ornaments produced by involuntary child labor.

Just this month, an advocacy network, the Global March Against Child Labor, led a surprise raid of a sweatshop in New Delhi. Fourteen children, ages 8 to 14, were rescued. They were working in small, unventilated spaces for up to 15 hours a day, forced, under the constant threat of violence, to make Christmas decorations and seasonal gifts to be sold in America and Europe.

These were just 14 children of the six million who, according to the United Nations, are trafficked into labor under the threat of physical harm or physical restraint each year. Forced labor is part of an even bigger problem: recent estimates indicate that there are 215 million laborers under the age of 18 worldwide, over half of whom are working in hazardous conditions. The United States Department of Labor publishes a "list of goods produced by child labor or

forced labor," which mentions 134 goods - including decorations, clothing, electronics, shoes, jewelry, fashion accessories and toys - produced in 74 countries.

During the holiday season, heightened consumer demand in the West for these goods leads to a shortage of labor. To cope with this, teenagers and children are often recruited or, as in the New Delhi case, trafficked into forced labor. Poor parents are often tricked into selling their children to middlemen for a few dollars, after being told that their children will receive care and a free education, and that their wages will be sent back to the family.

Last Christmas, an investigation of toy factories in China, where 85 percent of the toys on the American market are produced, revealed that about 300 youth workers were drafted to help with the holiday demand. Another undercover investigation of a Chinese factory last year revealed that children as young as 14 were making Disney's best-selling Cars toys in preparation for the 2011 holiday season.

The use of child labor has been rising around the world since the financial crisis in 2008. A recent study by the risk-assessment company Maplecroft revealed that manufacturing supply chains in 76 countries were at "extreme risk" of involving child labor at some stage, up from 68 countries last year. Among these countries are key American trading partners: China, India, Brazil, Indonesia and the Philippines. Bangladesh, where a recent garment factory fire killed 112 workers, is also a major offender. Many of the dead were young women, some as young as 12.

America's own history of addressing domestic child labor in the early 20th century points the way to a global solution to the current problem. Just as today, toys and trinkets then were often made by poor children in factories and tenements - but in America itself. In 1912, Lewis Hine photographed New York City tenement children sewing dolls and displayed the images alongside photographs of middle-class children playing with the same dolls in Central Park. The photographs prompted the State Legislature the next year to prohibit the making of dolls and children's clothing, among other items, in tenement houses.

Child-labor opponents in the early 20th century drew attention to child labor at Christmastime to stir a complacent American public. Life magazine captured the irony in a 1913 cartoon that contrasted a child laborer, making a stuffed toy, with a privileged child who would later play with it. And in a popular book from 1914 called "Children in Bondage," one reformer wrote that tenement children were "wasting their bodies and souls to make a little joy for the rest."

Child advocates also promoted boycotts on the products of child labor. Florence Kelley introduced the "White Label," which was given to businesses that refused to sell the products of child labor. During the Christmas season, child advocates told consumers to shop only at White Label stores. The movement raised consumer awareness and helped spur the effective abolition of most industrial child labor in the United States in 1938.

Today, business interests have managed to thwart serious efforts to curb the problem of child labor abroad. Though many corporations and trade associations have official policies against child labor, they are not clamoring for import bans on the products of child labor. Some have even successfully lobbied against such legislation. For instance, the Child Labor Deterrence Act, which would ban the import of goods made by children under the age of 15, has repeatedly failed to pass since Senator Tom Harkin, Democrat of Iowa, introduced it in 1992.

What we need now is a White Label movement for the 21st-century global economy. Among others, Shima Baradaran, a law professor at Brigham Young University, has advocated fair-trade labeling to combat child labor. Fair trade, she points out, is one of the fastest growing markets in



the world, and consumers would be less likely to purchase the products of child labor if other options were made known to them.

In an age when business lobbying makes meaningful trade regulation difficult to achieve, this kind of social entrepreneurship must carry the day. The Department of Labor already conducts extensive research on the sources of commodities in global markets. This information could form the basis of a public awareness campaign about child-labor-free products. To bring this campaign fully into the digital age, nonprofit organizations should sponsor the design of an app that allows consumers to determine whether products are child-labor-free. (There is already a Fair Trade Finder app that helps consumers locate nearby stores that sell fair trade products. A child-labor-free app could serve a similar purpose.)

Through the choices they make in the marketplace, consumers have the power to reverse the trend of global child labor. And as the world's largest market for child-labor goods, it is American consumers who must lead the way. In the season of giving, and with New Year's fast approaching, there is no better time to find the resolve.

12/26/2012 11:30:00 AM

## **RTA: Tie production, purchases slowed last month**

Crosstie production exhibited a normal seasonal slow-down in November, declining 17 percent to 1.9 million units compared with October's level, according to the [Railway Tie Association's \(RTA\)](#) monthly market report.

Tie purchases fell 23 percent in November to 1.4 million units. Production had exceeded purchases in nine of the past 13 months leading to November, RTA officials said in the report. The tie inventory rose 2.8 percent last month to 19 million units.

Through 2012's first 11 months, tie production increased 13 percent to 23.6 million units and purchases rose 6 percent to 21.7 million units.

Meanwhile, 12-month rolling data showed production's pace remained "a positive" 12 percent at 25.4 million while purchases — which had peaked in July — still were growing at a 4 percent annual rate at 23 million, RTA officials said. Inventories swelled by more than 14 percent in the 12-month period and the inventory-to-sales ratio increased from 0.75 to 0.83.

## **Getting More for Less in Health Care**

By Froma Harrop

Sad, sad, sad that in talking about budget cuts, we use painful words like "extracting billions from Medicare" or "slashing the Medicare entitlement." Has it ever occurred to the gladiators that improving

the quality of health care can also save money? If Medicare spends less on a patient because the hospital does a good job the first time, that's what we call a win-win situation. The patient gets better care. The taxpayers get billed only once. Yay.

Many ObamaCare critics simply can't say yes to the good news that the Affordable Care Act will actually reduce deficits — despite positive projections by the Congressional Budget Office. They won't concede that in a tremendously wasteful health care system such as ours, cuts in spending can be made without inconveniencing patients in the slightest.

As part of the reforms, Medicare last week announced bonus and penalty payments to hospitals based on the quality of care. The Hospital Value-Based Purchasing Program is starting to change Medicare's role as a dumb check-writing machine. What crazy incentives does it seek to end?

Example: An elderly woman goes to the emergency room with pneumonia but receives the wrong antibiotic. The hospital gets paid anyway. When she has to be readmitted, the hospital gets paid again.

Example: A heart attack patient isn't given medication to avert blood clots within 30 minutes of arriving at the hospital, as required by guidelines. If expensive complications develop as a result, the hospital and doctors get paid extra to address the added problems.

It's like you paid for a new tire, learned that the tire was defective and is then asked to pay again for the replacement. That's the sort of double-billing Medicare has shrugged at. (And never mind the toll that useless or harmful treatments have on the patients.)

The new hospital quality program bases its score on patients' experience, in addition to how well hospitals follow clinical guidelines.

Is the hospital clean and quiet? Do the caregivers manage pain? How well do doctors and nurses communicate?

Medicare compared 3,000 hospitals and rewarded 1,557 of them with bonuses and reduced payments to 1,427 others. The national winner was Treasure Valley Hospital, a 10-bed, physician-owned facility in Boise, Idaho. The biggest loser was Auburn Community Hospital, near Syracuse, N.Y.

This is but one way the health care reforms can push hospitals to spend the taxpayers' money more carefully — while improving the patient experience. This fall, Medicare started cutting payments to hospitals whose patients are readmitted too often.

Of course, one must ask to what extent the problems reflect the hospital and to what extent a tough patient population. Poor people, for example, often lack resources and strong social support networks.

"It depends on which quality measure we're looking at," Dr. Ashish Jha, a researcher at the Harvard School of Public Health, told me. "In the readmissions penalty program, it's clear that it's about the patient population." His group found that the poor were more likely to be readmitted regardless of hospital.

Jha said he can't answer similar questions yet about the Hospital Value-Based Purchasing Program. His group is studying it, and results will be forthcoming in a few months.

But here is the important takeaway from this part of ObamaCare: The federal government is now addressing not only how much it spends on health care but what it is getting for the money. The stat that keeps jumping up is that the United States spends twice the rich-country average per person on health

care while achieving no better (or worse) outcomes. When it comes to health care, yes, we can do better with less.

## **Dockworkers Strike Threatens to Close East Coast Ports**

By STEVEN GREENHOUSE

Published: December 27, 2012

Anyone who has seen "On the Waterfront" knows East Coast longshoremen can be a tough bunch.

The dockworkers are flexing their muscles again, threatening a strike beginning Sunday that would shut seaports from Massachusetts to Texas. It would be the first such coastwide strike since a two-month walkout in 1977 paralyzed the flow of tens of billions of dollars of imports - and the nation's retailers and other businesses fear a painful replay if the 14,500 dockworkers make good on their threats.

"Unless something miraculous happens, I think we're looking at a strike," said Kevin M. Burke, president of the American Apparel and Footwear Association, which represents an industry that imports \$72 billion in dresses, shoes and other goods each year through the East Coast and Gulf Coast ports facing a possible shutdown.

"Our companies are preparing for the worst," Mr. Burke said, "but hoping for the best."

The strike threat has so alarmed corporate America that more than 100 business groups wrote to President Obama last week to urge him to intervene to push the two sides to settle - and, if need be, to invoke his emergency powers under the 1947 Taft-Hartley Act to bar a strike. President George W. Bush invoked the act in 2002 to end a lockout at ports on the West Coast, where a different union represents dockworkers.

Despite their small numbers, the East Coast dockworkers have outsize influence. Many of them, like the crane operators who transfer containers from ships to the docks, are highly skilled and cannot be easily replaced. And because they control the loading and unloading of goods in most of the nation's ports, a strike could cause extensive economic damage at a time when the economy is already weak.

"They're in a crucial place in the flow of goods," said Richard W. Hurd, an industrial relations professor at Cornell University.

The Port Authority of New York and New Jersey estimates that a strike would cost the region \$136 million a week in personal income and \$110 million in economic output.

The dockworkers union, the International Longshoremen's Association, opposes presidential intervention, and labor specialists say Mr. Obama, like previous union-friendly Democrats, may be reluctant to enjoin a strike. On the other hand, the economy already faces a potential blow from tax increases and federal budget cuts scheduled to begin on Jan. 1, and a strike would cause further damage.

"The last thing the nation needs right now is a strike that would shut down the East Coast and Gulf Coast ports," said Jonathan Gold, the National Retail Federation's vice president for supply chain policy. "This will have a huge ripple effect throughout the economy."

The 14 ports threatened with a strike - including Boston; New York-New Jersey; Baltimore; Charleston, S.C.; Savannah, Ga.; Miami; and Houston - handled 110 million tons of cargo last year.

The contract negotiations, which have continued fitfully for nine months, broke off on Dec. 18. At the behest of a federal mediator, the two sides are planning to resume talks this week to try to reach a deal before the deadline of 12:01 a.m. Sunday.

Although several issues need to be resolved, the two sides are deadlocked over one point in particular. The United States Maritime Alliance, an association of shipping companies and terminal owners, is demanding concessions on "container royalty payments," which the companies share with union members for each ton of cargo handled. The companies want to freeze those payments for current longshoremen and eliminate them for future hires.

The maritime alliance, known as USMX, says it paid \$211 million in container royalties to the longshoremen last year, averaging \$15,500 per eligible worker. James A. Capo, the alliance's chairman, said that came to \$10 an hour, on top of what he said were already generous wages.

"This issue seems to have dwarfed anything else," Mr. Capo said. "All it does is make the union more uncompetitive than it already is."

The alliance says that, including the royalties, the longshoremen earn \$124,000 a year on average in wages and benefits. Union officials say those figures are misleading and put average annual wages at \$75,000 before benefits - still far more than most union members earn.

The container payments were created in the 1960s to compensate the longshoremen as ports embraced automation and the use of standardized, 40-foot-long containers to ship goods. That caused a big decrease in jobs and working hours. Employment of longshoremen in the Port of New York and New Jersey has dropped to 3,500 from 35,000 in the 1960s.

The shipping companies see the royalty payments as a relic of decades past, while the union still sees them as a core part of wages and as an important way to share productivity gains with members.

The dockworkers union is digging in on the issue.

"We have repeatedly asked them to leave this item alone," said Harold J. Daggett, the union's president.

Last week, a federal mediator asked the two sides to extend their contract until Feb. 1. But Mr. Daggett ruled out an extension unless USMX dropped its demands on the royalty payments.

The union has also complained about other demands the alliance is making for a proposed six-year contract, including delayed contributions to the union's health care fund and annual raises that are below inflation.

Notwithstanding its historical reputation, Mr. Daggett's union has grown tamer since its 1977 walkout. Federal prosecutors have cleaned out much of the organized crime influence in a union long considered one of the most mob-infested. But after decades of labor peace, the elements for a huge confrontation are in place. Mr. Daggett vowed to stand up to employers when he took the union's helm last year.

At the same time, the maritime alliance is taking its toughest bargaining stance in years. It sees an important opportunity for increased business in East Coast ports now that the Panama Canal is being widened. The alliance says high labor costs will hurt East Coast ports when Asian companies like Toyota and Samsung are deciding which coast to use for deliveries.

Mr. Capo also voiced fears of losing business to less expensive East Coast ports like Jacksonville, Fla.

"The I.L.A. faces some tremendous nonunion, non-I.L.A. competition, particularly in the South and the gulf," he said. "With these kinds of wages, they can't survive in an open market."

Dorothy Sue Cobble, a labor relations professor at Rutgers, said the maritime alliance's push to cut labor costs was an example of increased assertiveness among employers at a time when unemployment remains high and many unions are struggling.

"A lot of employers feel it's a good time to demand and receive givebacks," she said.

East Coast and West Coast dockworkers have separate unions. The West Coast association, the International Longshore and Warehouse Union, is known for being leftist and active in politics. It supported the Occupy Wall Street movement, and on Nov. 27, the union's clerical workers, worried that some jobs were being outsourced, began an eight-day strike that crippled the nation's two busiest ports, Los Angeles and Long Beach, Calif.

Business groups said the 11-day lockout that closed 29 West Coast ports in 2002 cost the nation's economy \$1 billion a day until President Bush invoked the Taft-Hartley Act and ordered the ports reopened.

## **As 'fiscal cliff' deadline nears, OPM updates furlough guidelines**

**By [Steve Vogel](#), Published: December 27**

With talks on averting the "fiscal cliff" apparently stalled, the Office of Personnel Management posted [new guidance to federal workers](#) for administrative furloughs on its Web site Thursday afternoon.

"We wanted to take some prudent steps to keep federal employees informed in case of an order for sequestration," said Thomas Richards, OPM's communications director.

He added that the guidelines were not issued as "a reaction to any specific action" involving the talks between President Obama and congressional leaders.

"It's nothing more than that," Richards said.

Nonetheless, after months of the White House expressing confidence that the standoff would be resolved before a crisis hit and that furloughs would be unnecessary, the guidance reflects the reality that little time remains on the calendar to avert the automatic cuts that will be triggered by a failure to reach a deal by the year's end.

Obama returned to Washington from Hawaii on Thursday in an [effort to keep the talks alive](#). As the deadline approaches, [federal workers](#) have grown increasingly worried about the potential threat to their jobs.

The guidance notes that “agencies are responsible for identifying the employees affected by administrative furloughs based on budget conditions, funding sources, mission priorities (including the need to perform emergency work involving the safety of human life or protection of property), and other factors.”

Employees will be given a minimum 60-day notice before any furlough of longer than 22 days takes place, according to the document. A 30-day notice will be given for shorter furloughs.

The guidance also specifies that employees may not take other forms of paid time off, including annual or sick leave, in lieu of being furloughed. Nor is an employee allowed to volunteer to do his or her job for free, unless otherwise authorized by law.

The guidelines are updated from a previous version issued in April by OPM in response to the possibility of a government shutdown at the time.

“The policy folks are diving down deep into the weeds,” Richards said. “We wanted to make sure the guidelines were up to date to reflect the possibility of sequestration.”

Richards said the OPM will soon post answers to frequently asked questions on the agency’s Web site ([opm.gov/furlough](http://opm.gov/furlough)).

“It will be questions like, ‘Do I need to show up for work on January 2nd? Yes, you do,’” Richards said.

12/28/2012 10:00:00 AM

## **U.S. roads tallied traffic gains in week No. 51**

In the year's second-to-last week, U.S. railroads accomplished something that was relatively rare in 2012: year-over-year gains in both carload and intermodal volumes. For the week ending Dec. 22, they handled 290,223 carloads, up 0.9 percent, and 240,119 containers and trailers, up 10.2 percent compared with the same week in 2011, according to the [Association of American Railroads](#).

Fifteen of 20 carload commodity groups posted increases, led by petroleum products (71.5 percent), crushed stone, sand and gravel (29.5 percent), and lumber and wood products (27.3 percent). Chemical volume rose 19 percent primarily because petroleum product shipments jumped 53 percent, benefiting from continued secular growth in shale-related carloads, said Robert W. Baird & Co. Inc. analysts in their weekly "Rail Flash" report.

On the down side, U.S. roads' metallic ores and coal volume dropped 26.3 percent and 11.1 percent, respectively.

Canadian railroads reported 79,734 carloads for week No. 51, up 2 percent, as well as 49,442 containers and trailers, up 3.7 percent. Mexican railroads' weekly carloads climbed 14.5 percent to 15,396 units and intermodal volume rose 16 percent to 9,532 units.

Through 51 weeks, 13 reporting U.S., Canadian and Mexican railroads totaled 19,159,050 carloads, down 1.8 percent, and 15,263,210 containers and trailers, up 4.4 percent compared with the same 2011 period.

12/28/2012 12:30:00 PM

## **UTU's Strunk to retire rather than assume general secretary, treasurer role**

[United Transportation Union \(UTU\)](#) International Vice President Delbert Strunk, who recently was selected by the union's board to succeed Kim Thompson as international general secretary and treasurer on Jan. 1, has instead opted to retire on Dec. 31. Thompson previously announced plans to retire at year's end.

The board soon will meet to determine another successor to Thompson, UTU officials said in a prepared statement.

Strunk began his railroading career in 1973 as a brakeman on the Cleveland Division of the New York, Chicago & St. Louis Railroad. After assuming a legislative representative post in 1975, he held various positions with the UTU over the years, including vice local chairperson, local chairperson, general secretary, alternate vice president-East and international VP.

12/28/2012 1:00:00 PM

## **APTA: Take a train or bus and save more than \$9,000 a year**

Public transit users can save an average of \$9,667 annually by riding a train or bus instead of owning and driving a car, according to the [American Public Transportation Association](#) (APTA).

The savings are based on the cost of commuting via public transportation compared with the cost of owning and driving a vehicle as reported in APTA's latest monthly "Transit Savings Report."

The report factored in the cost of gasoline during the week of Dec. 19, when the average national price was \$3.42 per gallon, and the national unreserved monthly parking rate of \$166.26.

APTA releases the monthly report to demonstrate how much money an individual living in a two-person household can save by using public transportation and using one less car.

The report also lists the top 20 cities with the highest public transit ridership ranked in order of their transit savings. The top five cities were New York, with a monthly savings of \$1,215 and annual savings of \$14,585; Boston, \$1,052 monthly and \$12,612 annually; San Francisco, \$1,048 monthly and \$12,575 annually; Philadelphia, \$967 monthly and \$11,605 annually; and Chicago, \$967 monthly and \$11,239 annually.