

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



NEWS CLIPS

September 11, 2009

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Posted: September 4, 2009 03:14 PM

Happy 'Enlightened' Labor Day

Senate Minority Leader Mitch McConnell said this week that workers in the United States apparently don't want to join unions because of the "very enlightened management in this country now, treating employees better and employees have decided they don't want to pay the dues."

McConnell, R-Ky., husband of the most anti-union Labor Secretary in history, enlightened the rest of the country with his ridiculous reason claiming why no Republican will vote for the Employee Free Choice Act.

To borrow from Rep. Barney Frank, McConnell must spend most of his time on a planet that's much better than the planet the rest of us live on.

In truth, the Employee Free Choice Act is desperately needed on my planet, where 16 workers die on the job every day because managers ignore their health and safety. On my planet, field workers die of heat exhaustion. Laundry workers are killed by dangerous machinery. Exhausted airline pilots die in crashes.

Here's something else very enlightened managers do on my planet: cheat poor workers of their wages. Last week, 68 percent of low-paid workers were victimized by wage violations, according to a new University of Chicago report. The typical worker had lost \$51 the previous week through wage violations, out of average weekly earnings of \$339.

So-called enlightened Amerijet managers forced pilots and flight engineers to strike on Aug. 27. Fort Lauderdale-based Amerijet doesn't put working toilets on its Boeing 727s, which fly from Florida to Venezuela and the Caribbean. Amerijet's female pilots are forced to relieve themselves by squatting over bags. Male pilots urinate into bags hanging just outside the cockpit doors. There are no sanitary facilities in which to wash.

Amerijet managers are so enlightened they think it's a good policy to force exhausted, hungry, sick pilots to fly long hours. The company pays a small fortune to union-busting lawyers who have prevented Teamster pilots from negotiating a contract for 5-1/2 years. But Amerijet managers pay their co-pilots less than \$35,000 a year.

Sen. McConnell might be surprised to learn of the outpouring of support for the Amerijet strikers from their dues-paying Teamster brothers and sisters in the airline and trucking industries. Teamster maintenance workers and cleaners at Miami International Airport are refusing to cross the picket lines. Amerijet's picket line is being walked by unions at American, US Airways, Southwest, JetBlue, UPS, the Air Line Pilots Association and the Coalition of Airline Pilots Association. Other South Florida unions, as well as organized labor in the Caribbean and South America, are supporting the strikers.

So-called enlightened managers make life difficult for school bus drivers, who have an important job that requires skill and hard work. This is how managers at one private school bus company treated its drivers before they became Teamsters: At several depots, the toilet paper was removed from the employees' bathroom. Workers had to ask for it at the office. They would get four or five squares.

Along with shabby treatment, school bus drivers earn low pay and enjoy few benefits. The Teamsters are building a movement of school bus and transit workers to change that. Almost 30,000 school bus and transit workers became Teamsters in the last three years. They are now seeing real improvements in their jobs and in their lives.

We are organizing school bus workers at First Student, Bauman/Acme and Durham School Services. Next week, we plan to file petitions with the National Labor Relations Board to unionize 3,500 school bus drivers, aides, attendants, monitors and mechanics at 30 yards across the country.

Studies show that millions more workers would belong to unions if they had the chance. We are working hard to pass the Employee Free Choice Act over Sen. McConnell's objections. Workers need the chance to decide for themselves -- without being spied on, threatened, interrogated or fired by their employers -- whether to join a union.

The Employee Free Choice Act would give them that chance.

September 5, 2009

Union Head Would Back Bill Without Card Check

By STEVEN GREENHOUSE

WASHINGTON — The A.F.L.-C.I.O.'s president has signaled a significant shift to try to move a long-stalled pro-union bill, saying he would support a change that calls for speedy unionization elections, a provision that would replace the much-attacked card-check provision.

In an interview, John J. Sweeney, the federation's president, said he would accept a fast election campaign instead of card check because it would meet his goal of minimizing management interference during organizing drives.

Mr. Sweeney said he "could live with" fast or snap elections "as long as there is a fair process that protects workers against anti-union intimidation by employers and eliminates the threats to workers."

The move away from card check would be a victory for the business community. Randel Johnson, senior vice president for labor, immigration and employee benefits at the United States Chamber of Commerce,

nonetheless criticized the proposal for elections after a short campaign.

“That has the effect as a practical matter of eliminating the ability of the employer to educate its employees about the potential adverse effects of unionization,” Mr. Johnson said. “It still begs the question, what is wrong with the existing secret ballot process?”

In recent months, several crucial Democratic senators have told organized labor that they could not round up the 60 votes needed to assure passage of any bill containing card check.

Despite such warnings, labor leaders continued to cling publicly to the idea; Mr. Sweeney’s comments were a major departure from that position.

“If modifying that in some way or another is going to bring some more votes for the bill, I think that’s worth it,” Mr. Sweeney said.

Under Mr. Sweeney’s idea, a secret ballot would be held probably within five or 10 days of a substantial number of workers petitioning for a union. Such a brief length of time would be far different from the current practice when campaigns often last two months, giving companies time to persuade workers to vote against a union.

Even before President Obama took office, labor made it clear that its No. 1 legislative goal was a law that would make organizing easier, including a so-called card-check provision that required employers to recognize a union as soon as a majority of workers signed cards favoring a union.

But card check faced huge opposition from Republicans and corporations, which complained that it would largely replace secret ballots. Under current law, companies that face organizing drives can insist on secret-ballot elections, which unions say they often lose because of management’s lengthy and intense anti-union campaigns.

In an interview Thursday evening, Richard Trumka, the A.F.L.-C.I.O.’s secretary-treasurer, who will become the federation’s president on Sept. 16, stopped short of endorsing fast elections.

He said the A.F.L.-C.I.O. wanted to make sure that any legislation contained three components: a process in which workers were free of intimidation; greater penalties against employers that break the law during organizing drives, for instance by firing outspoken union supporters; and binding arbitration to prevent employers from indefinitely dragging out negotiations without ever reaching a contract.

Business groups denounce the binding arbitration provision, saying it would be wrong to have federally

appointed officials issuing rulings that determine a company's wages, hours, pensions and working conditions.

Echoing Mr. Trumka, Mr. Sweeney said he would accept snap elections only as part of a bill that also called for binding arbitration and stiffer penalties against management.

Mr. Sweeney said President Obama had assured labor that as soon as health care legislation was passed — if it was passed — he would work with labor and the Democrats to pass the pro-union legislation, known as the Employee Free Choice Act.

Mr. Sweeney voiced optimism that the bill would pass.

“It's going to be this year,” he said.

Mr. Sweeney said that corporate lobbyists would find it harder to attack fast elections than card check because business could no longer contend that labor wanted to eliminate “sacrosanct secret-ballot elections.” But some corporate lobbyists are already attacking snap elections as “ambush elections.”

David Bonior, a former House Democratic Whip who heads a group, America Rights at Work, that has campaigned for the pro-union bill, said he still hoped card check could be salvaged.

“The first preference for everybody in labor is the original bill,” he said. “And if we preserve the principles of the original bill and there are some changes — and if we can get 80 to 90 percent of what we started with — I think people would move forward on that.”

Meanwhile, a Gallup Poll released on Thursday found that while 66 percent of Americans continued to believe unions were beneficial to their own members, fewer than half of Americans — 48 percent, a record low — approved of unions. That was down from 59 percent a year ago.

September 9, 2009

THE WORK-UP

Bristling at Health Plan to Cover Early Retirees

By STEVEN GREENHOUSE

Within the battle over President Obama's health care overhaul, critics of organized labor

have latched onto a little-noticed provision in the legislation already circulating in Congress. The provision would cost \$10 billion in federal money to subsidize employer-sponsored health plans covering early retirees, as a bridge to Medicare.

Labor's critics assert that the provision, aimed at retirees ages 55 to 64, is a Democratic payback to unions and would further drive up the federal deficit.

"It looks like it's just a big giveaway of \$10 billion to bail out a bunch of unionized companies," said Gregory Mourad, director of legislation for the National Right to Work Committee, a nonprofit group that often battles organized labor. "It's part of a Christmas list of giveaways to unions."

But supporters deny that the provision is a sop to labor, saying it would help stabilize the health insurance system and would benefit union and nonunion retirees alike, as well as their employers. Backers include the United Automobile Workers, the United Steelworkers and the A.F.L.-C.I.O.

Variations of this program have been approved by the three House committees that have adopted health bills, and by the Senate Health, Education, Labor and Pensions Committee.

It is not clear whether the provision will be included in whatever bill the Senate Finance Committee may eventually come up with, under the chairmanship of Max Baucus, Democrat of Montana. Under the provision, the federal government would pay as much as \$10 billion to cover 80 percent of the cost of an early retiree's medical claims of more than \$15,000, with a cap at \$90,000 — at which point the employer's plan would pay the rest.

The plan, which is called the temporary catastrophic reinsurance program by many of its backers, would in essence subsidize employer plans whenever they paid for an unexpectedly costly medical event.

Supporters say the program will cover all employer-sponsored group health plans — whether a unionized health plan for steelworkers; a state, county or municipal plan for retired firefighters; or a corporate plan for white-collar retirees.

Most significant to the U.A.W., it would also cover the health care trusts, known as

VEBAs — voluntary employee beneficiary associations — set up for Detroit’s autoworkers. The plan would help extend the life of these trusts before they pay out all their assets for health care.

“It has the potential to make a lot of key employers and unions pretty happy,” said John Sheils, of the Lewin Group, a health care consulting firm.

According to the Kaiser Family Foundation, the nation has 5.8 million retirees ages 55 to 64, and 3.3 million of them have employer-sponsored coverage. Health experts say no one knows how many were union members.

Supporters of the proposed program say it would help stabilize the financing of early retiree plans until the recession ends and until the full impact of a health care overhaul takes effect a few years down the road, assuming Congress does pass some form of health legislation.

The subsidies, supporters say, will help employers’ balance sheets and also preserve health coverage for those who retire before age 65, when Medicare coverage begins.

Alan Reuther, the U.A.W.’s legislative director, said the program would help persuade employers not to terminate health coverage for early retirees. If those plans are terminated, many early retirees will lose their coverage, and if that happens, he said, many early retirees will join the new regional insurance exchanges that Mr. Obama wants to set up as part of his reform package, something Mr. Reuther said could end up costing the government more money.

“This plan is trying to encourage private employers, state and local governments and VEBAs to keep providing coverage to early retirees because that’s better for them,” Mr. Reuther said. “If they stop providing coverage, and you’re on your own and you go into an exchange, that’s bad for the exchange because a bunch of high-cost people are going into the exchange. That will push up rates for everybody else, and that will cost the government more.”

Supporters say the provision resembles one passed in 2003 when Congress created the Medicare Part D program to subsidize prescription drugs for older Americans; it took effect in 2006.

In that case, the government gave sizable subsidies to employers that offered coverage to help finance prescriptions for retirees. The goal was to discourage those employers from terminating those programs, which would have saddled the government and seniors with higher costs.

Mr. Reuther said the proposed reinsurance program was not specifically intended to help unionized retirees. “I’ve seen Fox News types saying this is a union provision,” he said. “It has little to do with unions. It’s open to any plan that has early retirees.”

But Mr. Mourad disagreed. “With the current administration,” he said, “I have a funny feeling we’ll see union-covered plans given a lot more of that \$10 billion.”

Unionized companies are more likely than nonunion ones to offer health coverage to early retirees. Forty-six percent of large companies with unionized employees offer retiree benefits, Kaiser says, compared with 24 percent for those without union workers. Over all, 31 percent of companies with more than 200 workers offer coverage to early retirees, down from 66 percent in 1988.

Many governors, mayors and county executives favor the provision because it would transfer some of their health care costs when they face huge strains.

“We welcome this effort to help cities and towns meet some of their financial obligations for retirees who are not yet eligible for Medicare — and that often can be police and firefighters,” said Neil Bomberg, a lobbyist for the National League of Cities. “This would certainly save hundreds of millions of dollars for many cities and towns, and that would be very significant.”

Mr. Sheils voiced concern that the program would not help the neediest, but instead early retirees with employer benefits. He said he was worried that Washington would be pressured to spend billions more as soon as the first \$10 billion ran out.

Having done calculations on how rapidly the \$10 billion would be spent, Mr. Sheils said: “We found that the money would be gone in just a little bit over one year. Wouldn’t you expect them to push to extend it?”

Some commodity groups see carload gains

September 10, 2009

Seven of the 19 carload freight commodity groups charted by the Association of American Railroads showed gains for the week ended September 5, compared with the corresponding week in 2008. The gains ranged from 2.3% for motor vehicles and equipment to 11.4% for chemicals. Among decliners, metallic ores fell most steeply, 46.2%.

All told, U.S. railroads reported originating 284,715 cars, down 6.7% compared with the same week in 2008. Carloadings were down 7.1% in the West and 6.0% in the East. U.S. intermodal traffic was down 0.2% from the same week last year.

Canadian railroads reported carload volume down 14.0% for the week compared with last year, and intermodal fell 4.9%. Mexican railroads reported carload volume was down 33.6% for the week, while intermodal slumped 30.4%.

Combined North American rail volume for the first 35 weeks of 2009 on 13 reporting U.S., Canadian, and Mexican railroads totaled 11,786,932 carloads, down 19.2% from the comparable period last year. Combined North American intermodal traffic fell 16.6%.

9/11/2009 Traffic

Signs of hope in latest North American rail traffic tallies

Heading into Labor Day weekend, U.S. railroads' traffic slowed, but not as dramatically as weeks past. During the week ending Sept. 5, the roads originated 284,715 carloads, down 6.7 percent, and 201,239 intermodal loads, down 0.2 percent compared with volumes from the same week last year, according to the [Association of American Railroads \(AAR\)](#).

Canadian railroads reported weekly volume of 64,461 carloads, down 14 percent, and 44,656 intermodal loads, down 4.9 percent. For Mexican railroads, carload volume fell 33.6 percent to 10,867 units and intermodal volume tumbled 30.4 percent to 6,676 units.

The AAR also reported August traffic totals for U.S. railroads, whose carloads declined 16.4 percent to 1.1 million units and intermodal volume decreased 16.7 percent compared with August 2008 totals.

"August was another month where we are seeing traffic data moving in the right direction - but we are still in a wait-and-see mode," said AAR Senior Vice President of

Policy and Economics John Gray in a prepared statement. "Railroads are beginning to bring cars out of storage - a promising sign there is growing demand to move more things by rail.+

Such as autos, which posted a 40 percent traffic increase in August to 44,272 units primarily because of the federal "Cash for Clunkers" program. BNSF Railway Co. attributes its best auto-carrying month so far this year to the program. Auto loadings, which were down 38 percent through August, fell only 18 percent last month on a year-over-year basis.

"The success of the 'Cash for Clunkers' program left many dealers' inventory levels at historically low levels," said Marc Allen, BNSF assistance vice president-consumer products, in an item posted on the [BNSF News+](#) Web site. "Most manufacturers have announced plans to increase production in the third and fourth quarters which will translate into stronger BNSF rail volumes for us at the end of this year."