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# USW@Work

A Publication of the United Steelworkers

Volume 1/5 Fall 2006

A Powerful Voice for Workers

## FIGHTING The Big Squeeze





USW activists Leslie Curtis and Rick Benson urge Pittsburgh resident and union member Robert Pasquantonio to vote in November. USW volunteers are walking neighborhoods to get out the vote in election battleground states including Minnesota, Ohio, Pennsylvania and Wisconsin.

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// To make  
democracy work,  
we must be a nation  
of participants, not  
simply observers.  
One who does not  
vote has no right to  
complain. //

Louis L'Amour,  
U.S. author, 1908-1988

04

**Goodyear Strike**

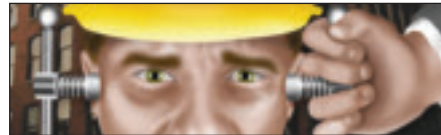
A contract dispute forces some 15,000 USW members to strike 16 Goodyear Tire and Rubber Co. plants in the United States and Canada.



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# Speaking Out

USW active and retired members and their families are invited to "speak out" on these pages. Letters should be short and to the point. We reserve the right to edit for length. Mail to [USW@Work](mailto:USW@Work), Five Gateway Center, Pittsburgh PA 15222 or e-mail to [editor@usw.org](mailto:editor@usw.org).



## Your vote counts

I have been a member of various unions during my working career, with the USW being the present. I have enjoyed the benefits that union involvement and membership brings, as well as the downturn of a plant closure (Aerovent Inc. of Piqua, Ohio, 1992).

Recent articles in the union's publication, [USW@Work](mailto:USW@Work), concerning the various attacks by government and employers are on the money.

We basically have no friends in places of power that can or will stop the onslaught against organized labor. These persons in power should remember that the luxuries they enjoy are a direct result of the labors of thousands and thousands of hard working union members past and present.

I would strongly urge every member of any local to remember the importance of their voice in the upcoming elections. If our glorious nation is going to survive, WE THE PEOPLE, will be her savior.

*Donald Hutton  
Chillicothe, Ohio*

## Vote for our own

Let us face it folks none of the politicians are true working people. We need to find people of our own to push for election to the public offices. Just because you don't have a degree from college does not disqualify you from public office. I would love to see a president some day who is just a plain old working man like myself.

*Russell Terry Powell  
Danville, Ill.*

## Remembering retirees

I would like to add my thanks to all those who worked so diligently on past contracts, helping retirees with coverage for prescription medicine, doctors' visits and hospitalization. I know at times it wasn't easy.

I am 90 years old, retired 31 years with 39 years of service.

Thanks for remembering those who are gone but are still with you. Keep up the good work.

*Harry F. Reynolds  
Las Vegas, Nev.*

## Runaway jobs

In reading articles in [USW@Work](mailto:USW@Work) on Continental Tire, I became quite upset.

I was a proud member of the union for over 20 years when I worked at Briggs & Stratton.

During this time we lost many union jobs to Murray, Ky., when Briggs decided to move for cheaper wages. We also had a costly strike in which members lost their houses.

Never once did I hear anyone from Kentucky ask about those thousands of jobs lost in Milwaukee and say, 'we can't let this happen.'

I predicted then, in the mid-1970s, that those jobs in Kentucky and in other southern states would be moved overseas before they retired, and when they cried it would be heard all the way back to Milwaukee.

*Randy Kwiatkowski  
Milwaukee, Wis.*

## Training assistance denied

I was just reading the letter in the latest edition of [USW@Work](mailto:USW@Work) from a woman in Kentucky whose husband was laid off by Continental Tire.

I worked at a (Kaydon Custom Filtration Corp.) plant in Greeneville, Tenn. under Local 6884, and in 2005, after a slow start, we went to a four-day week for one-third of the year while the company decided whether to move the plant to LaGrange, Ga.

By mid-year we were working six and sometimes seven days a week, only to be told in November that the plant would close in 2006. We were a union plant, our wages were double the rates in Georgia and our benefits were better.

After the Greeneville plant closed on May 12, I was told by our local unemployment office that we do not qualify for any job retraining assistance because the jobs didn't go overseas.

This country is not going to be happy until we all work at Wal-Mart for \$6 an hour and drive Chinese imports.

*Lynn Malone  
Afton, Tenn.*

## Keep jobs in the U.S.

My wife works for a company in Utica, N.Y., that was purchased by a Japanese firm and she will lose her job because the work is being moved to Japan. She also worked for Chicago Pneumatic Tool for many years until they moved their headquarters from Utica to South Carolina. The business was sold to Atlas Copco, an international company based in Sweden.

This crap has to stop. Where will it end? Keep our jobs in the U.S.

*Thomas D. Stilwell  
Utica, N.Y.*

## Buy made in the USA

I am responding to the letter in [USW@Work](mailto:USW@Work) from Shirley Adamczak, who questioned buying goods from Third World countries.

Yes, we are all guilty. But I come from a union family, and try my hardest not to buy anything but goods labeled "Made in the USA"

Imagine my surprise and delight when I found the web site, [www.howtobuyamerican.com](http://www.howtobuyamerican.com), by Roger Simmermaker. They have just about everything you can think of on this site, not just clothing. Please print this in the next issue of the magazine. I'm sure other union members might also be interested.

*Mary Ritsema  
Hastings, Mich.*

# Saving Jobs, Securing Health Care

## USW Strikes 16 Goodyear plants in U.S. and Canada

Three years after the USW gave steep concessions to bring the company back from the brink of bankruptcy, a healthier Goodyear Tire and Rubber Co. forced a strike by seeking to close U.S. factories in favor of offshore production and to cut wages and benefits.

"The company left us with no option," USW Executive Vice President Ron Hoover said after nearly 15,000 members walked off the job Oct. 5 at 16 tire or rubber products plants in 10 states and Canada. "We cannot allow additional plant closures after the sacrifices we made three years ago to help this company survive."

USW President Leo W. Gerard urged the nation's political leaders to encourage Goodyear to invest in American production instead of abandoning American workers, retirees and their communities in a global race to the bottom in pursuit of cheap labor and unregulated foreign markets.

### Enough is enough

"Simply put, enough is enough," Gerard wrote.

If Goodyear's demands are allowed to stand, Gerard predicted

a dramatic acceleration in the offshoring of U.S. manufacturing beyond the 3 million jobs already lost to countries where health care costs are subsidized and labor and environmental standards are lax or totally nonexistent.

"The time is now to stop the disastrous decline of America's industrial base," Gerard added. "Our members can no more endure this assault on their basic living standards than the American public can endure the unabated rise in the cost of health care and prescription drugs, let alone Congressional inaction on health care reform."

**The expired master contract between the USW and Goodyear covered 14,000 workers at 12 U.S. plants in Akron, Ohio; Gadsden, Ala.; Buffalo, N.Y.; St. Mary's, Ohio; Lincoln, Neb.; Topeka, Kans.; Tyler, Texas; Danville, Va.; Marysville, Ohio; Union City, Tenn.; Sun Prairie, Wis.; and Fayetteville, N.C.**

The union offered to work with Goodyear to ensure production of tires for military use in Iraq, but company negotiations did not fully respond by the strike deadline.

In the 2003 negotiations, the

USW agreed to the closure of a facility in Huntsville, Ala., and gave the company additional financial flexibility by accepting wage, pension and health care cuts. In addition, each local union worked closely with their plant management to increase productivity and enhance efficiencies.

### Goodyear rewards others

"We worked very hard with the company in 2003 to deal with a difficult situation," Hoover said. "While more can be done, Goodyear has rebounded and other stakeholders have been rewarded accordingly. Now, the company seems determined to only take more away from our members."

Bargaining started months before the scheduled July 22 expiration of the previous three-year master contract. Talks continued under a day-to-day contract extension that was canceled when it became clear that Goodyear was intent on gutting our contract and closing our plants.

### Goodyear plans

As we went to press, members at all locals were maintaining strike solidarity. There was evidence of unprecedented public support, suggesting that the strike is perceived as a fight to defend manufacturing communities and the economic security of workers rather than a more conventional labor-management dispute.

While USW members organized peaceful picket lines, Goodyear said it would use salaried workers at the struck plants and continue production at nonunion plants in Lawton, Okla., and Napanee, Ontario, as well as draw on inventory and tires from overseas.

The company would not offer contractual protection to all of the U.S. facilities where the USW represents workers.

"Closing more plants would not only cause additional job losses and devastate the communities where the operations would cease, but it would also threaten the long-term viability of Goodyear," Hoover said. "You can't build long-term viability by giving up market share."

Goodyear workers march toward the company's headquarters in Akron.  
AP Photo/Mark Duncan





# Medical Tourism

## USW Denounces Outsourcing of Health Care to Low-Cost Countries

**T**he United Steelworkers denounced a shocking new approach that employers are considering to limit health care expenses — sending employees to India or other low-cost countries for expensive medical procedures.

Dubbed "medical tourism" by the media, the idea of outsourcing medical care to low-cost countries is finding its way into corporate agendas as a way to cut health care costs.

"Our members, along with thousands of unrepresented workers, are now being confronted with proposals to literally export themselves to have 'expensive' medical procedures provided in India," USW President Leo W. Gerard said in a letter sent to Senate and House committees with jurisdiction over health care issues.

Blue Ridge Paper Products, Inc., of Canton, N.C., proposed sending one of its employees, a USW member, to India for surgery — a move that would have

saved the self-insured company tens of thousands of dollars.

The USW, however, intervened and the company withdrew the proposal. Both sides agreed to work together to find an alternative within the United States for the employee, who had volunteered to undergo surgery in India in return for a share of the savings.

"With companies now proposing to send their own American employees abroad for less expensive health care services, there can be no doubt that the U.S. health system is in immediate need of massive reform," Gerard said.

### Frightening risks

No U.S. citizen should be exposed to the risks involved in traveling internationally for health care services, said Gerard, who described the willingness of employers to offer incentives for employees to assume those risks as frightening.

"The right to safe, secure and dependable health care in one's own

country should not be surrendered for any reason — certainly not to fatten the profit margins of corporate investors," he added.

### Real issues ignored

The United Steelworkers is concerned with the unwillingness of employers and government to confront and address the issues that are driving up health care costs for our employed members and our retirees.

The union remains steadfast in its commitment to rebuild a domestic health care system, one that does not subject our members other U.S. citizens to the immeasurable risks of dealing with foreign health care providers.

"The offshoring of family- and community-supportive jobs is bad enough," Gerard said. "Exacerbating this crisis by attempting to outsource health care is not only shameless; it does nothing to solve the nation's skyrocketing health care costs.



# The Big Squeeze

**American Dream Slips Away for Middle Class as Wages Stagnate and Jobs Move Overseas**

**M**iddle-class families are taking it in the neck. While the Bush administration boasts of a glittering economy where jobs, corporate profits and stock prices are up, those of us in the middle class, or working hard to get there, are dealing with a world outside the Washington Beltway that's a whole lot different.

Every day it is getting harder to hold onto those things that make up the American dream: good and stable jobs, the promise of a secure retirement after a lifetime of work, access to affordable housing and health care, the ability to send our children to college and to care for our elderly parents.

At the same time, big business and other powerful interests are abandoning American workers, particularly in manufacturing, by using lousy trade agreements to send millions of good jobs overseas.

Yet the Administration's policies ignore the economic realities that are squeezing the middle class. In many ways, we're paying for the Administration's addiction to tax cuts for millionaires, giveaways to big oil special interests and skyrocketing budget deficits.

So the question is, can we afford the Bush policies any longer and the Republican-controlled Congress that rubber

stamps them? Or is it time to make a change at the voting polls in November?

Anxiety about the future is growing. Consumer confidence as measured by the University of Michigan has fallen sharply. People's expectations for the future are now as downbeat as they were in 1992 and 1993, when the job market had yet to recover from a recession.

If current trends continue, we are in the first sustained period of economic recovery since World War II that has failed to offer a prolonged increase in real wages for most workers.

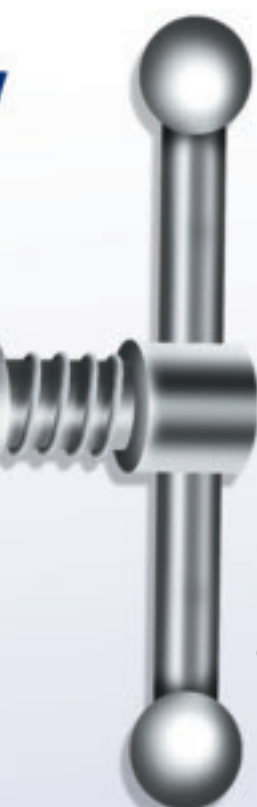
For most of the last century, wages and the productivity of American workers have risen together, increasing rapidly through the 1950s and 1960s and growing more slowly in the 1970s and 1980s.

In recent times, though, wages and productivity have parted ways. The median hourly wage has declined while productivity, an economic measure of how much an average worker produces in an hour, has soared.

This isn't happening by accident. Consider a comment made nearly 20 years ago by Goodyear executive Stanley J. Mihelick to *The New York Times*.

"Until we get wage levels down much closer to those of the





Brazils and Koreas, we cannot pass along productivity gains to workers' wages and still be competitive," Mihelick, an executive vice president, said in 1987.

### Worker productivity up

Worker productivity rose 16.6 percent from 2000 to 2005, while total compensation for the median worker rose less than half as much — 7.2 percent, according to an analysis of government statistics by the Economic Policy Institute, a Washington-based research group. And benefits accounted for most of the increase in compensation.

As a result, wages and salaries now make up the lowest share of the nation's gross domestic product (GDP) since the government began keeping tabs of the data in 1947. At the same time, corporate profits have entered a golden era, climbing to their highest share of GDP since the 1960s.

As wages stagnate, the rising costs of gasoline have driven up the costs of driving to work. Staying warm at home costs more, too.

Natural gas prices have risen by 140 percent over a decade.

Helping your kids get ahead with a better education is also outrageously costly. The average college tuition for a four-year public school is up by 95 percent in the last decade.

While employees' wages have stagnated, CEO compensation has soared to new heights. Last year, the compensation for the chief executives of the 500 largest U.S. companies averaged \$10.9 million. In addition, these CEOs can expect enormous pensions and lifetime health and welfare benefits in retirement.

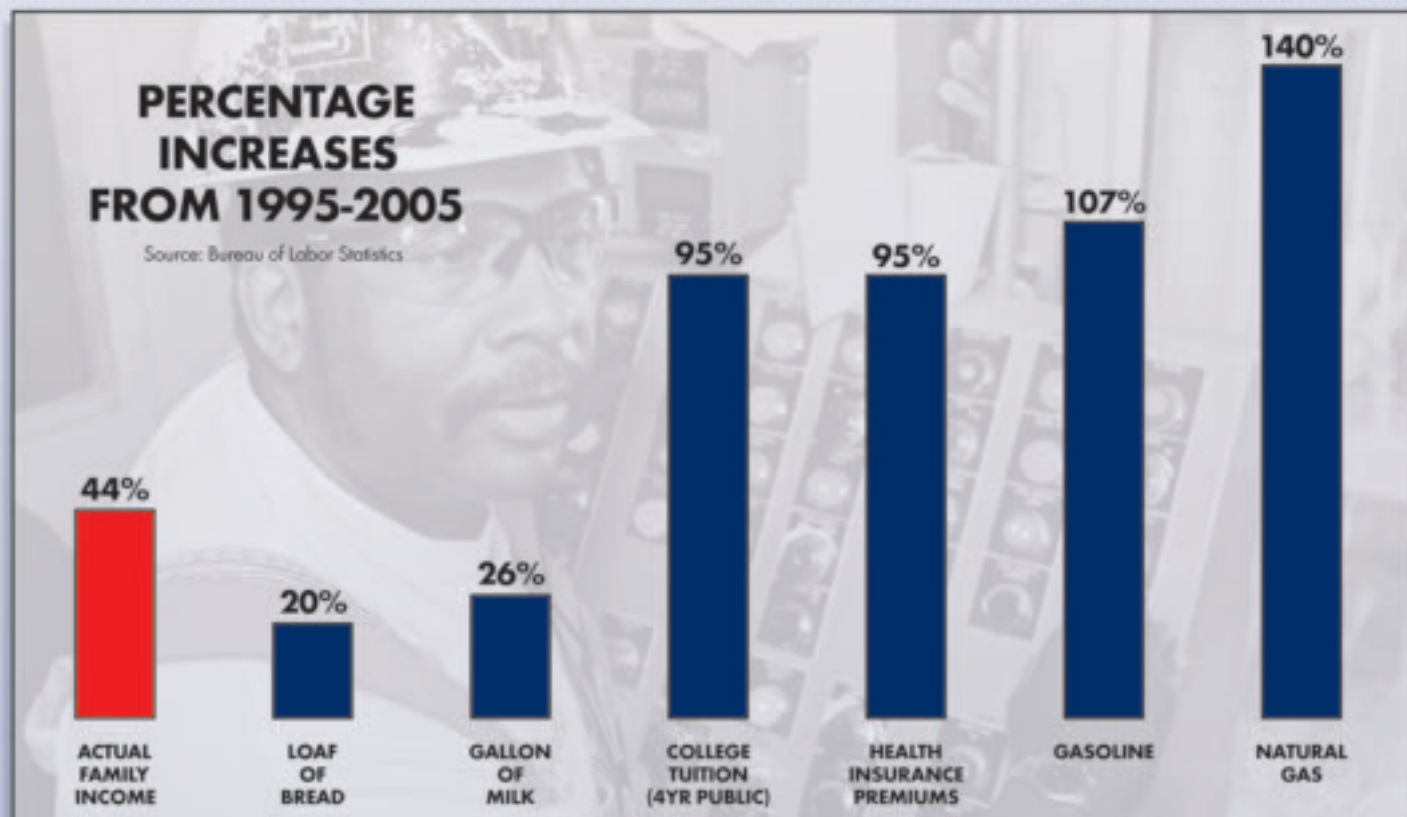
The top 1 percent of earners — a group that includes many chief executives — received 11.2 percent of all wage income in 2004, compared to 8.7 percent a decade earlier and less than 6 percent three decades ago.

While the CEOs retire in style, corporations, with the help of politicians and bankruptcy courts, are chopping health care benefits and breaking pension promises for average workers.

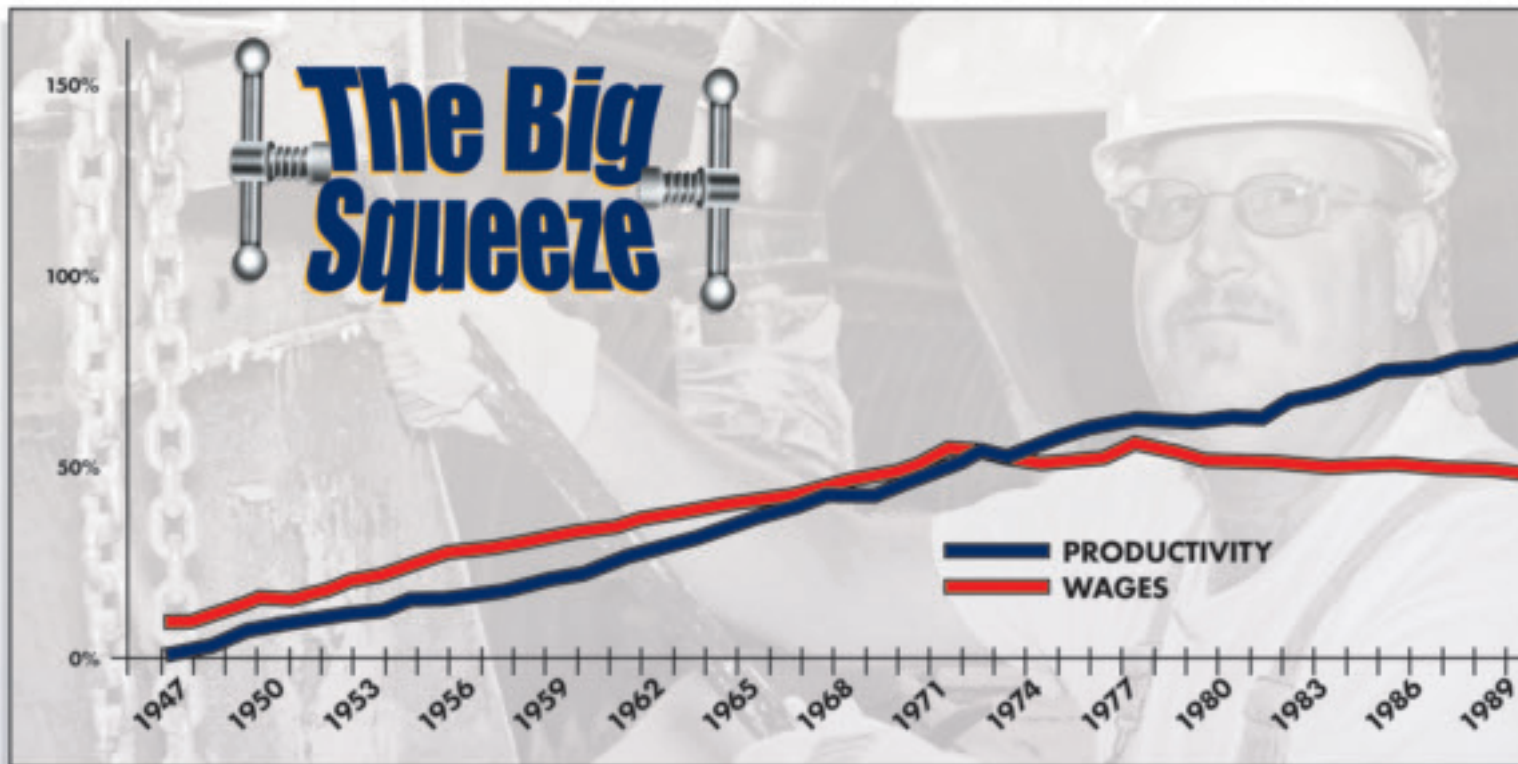
Pensions for America's workers are taking a beating as corporations dramatically scale back traditional defined benefit pension plans that were supposed to provide a steady income for life.

Those traditional defined benefit plans, which provided a monthly check based on years of service and income, are being replaced by savings plans into which employers make

## WORKING AMERICANS SQUEEZED EVERY WHICH WAY



# PRODUCTIVITY: WE MAKE IT — T



set, or defined contributions, leaving it up to the worker to make the amount stretch until death.

## Health care costs up

After several years of steep rises, the cost for family health coverage under an employer health plan now averages \$11,480 a year — nearly double what it cost in 2000 and more than the entire annual income of a full-time minimum-wage worker.

Premium costs rose this year by an average of 7.7 percent — more than twice as fast as the growth in workers' wages (3.8 percent) and overall inflation (3.5 percent), according to a survey by the Kaiser Family Foundation.

It is little consolation that this year's premium rise is less than the 9.2 percent increase recorded in 2005 and the recent peak increase of 13.9 percent in 2003. Employees now pay an average cost of \$2,973 toward the family plan premium.

"While premiums didn't rise as fast as they have in recent years, working people don't feel like they are getting any relief at all because their premiums have

been rising so much faster than their paychecks," said foundation president and CEO Drew E. Altman.

As costs go up, fewer workers and their families have coverage.

Last year, the percent of people with employer-provided health care fell for the fourth year in a row. Nearly 3.7 million fewer people had employer provided health insurance in 2004 than in 2000.

To pay for tax cuts that benefit the rich, the Bush administration and Congress have amassed record federal deficits and trimmed social spending in areas such as job training, housing and higher education.

The latest tax cuts signed by Bush in May are being paid for entirely with borrowed money, according to an analysis by Citizens for Tax Justice, a non-profit public interest and research organization.

## National debt balloons

The national debt, including amounts owed to the Social Security Trust Fund, will balloon by \$3 trillion over the fiscal

2002 to 2007 period. The cost of this borrowing binge will ultimately come out of taxpayers' pockets, through spending cuts or future tax hikes.

The benefits of the Bush tax cuts have gone primarily to the wealthiest one percent of Americans — leaving the vast majority of the nation's taxpayers to pick up the tab.

Government services are being cut at a time when America's working poor — people who work as secretaries, cooks, laborers, clerks and others — are finding it difficult to meet their basic needs.

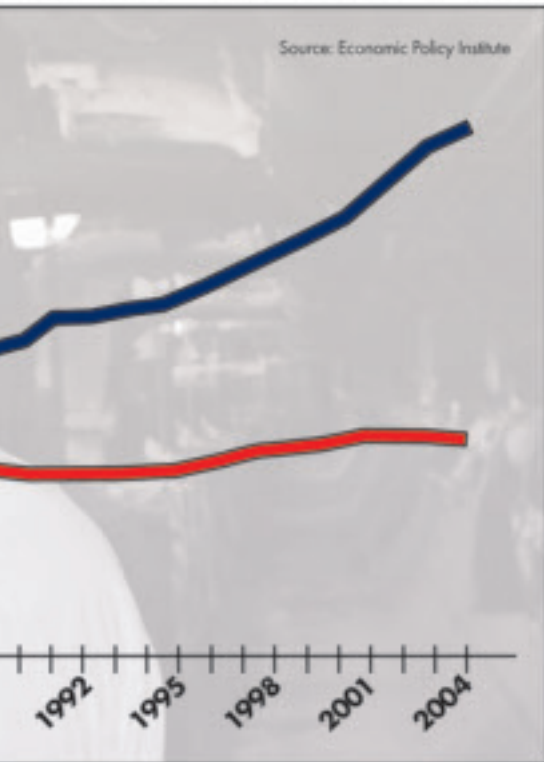
Not even the troops who put themselves in harms way for our country have escaped the impact of budget cuts. One telling example is the reduction in funding for one of the most common injuries of the Iraq war.

Traumatic brain injuries have become the signature wound of the Iraq war, a by-product of roadside bombs, suicide attacks and improved armor that allows our troops to survive attacks that could otherwise be deadly.

Yet Congress is poised to cut military spending on researching and treating



# HEY TAKE IT



traumatic brain injuries. House and Senate versions of the defense appropriation bill under consideration at press time would chop funding for the Defense and Veterans Brain Injury Center from \$14 million to \$7 million. The center runs 10 facilities across the country, including one at Fort Bragg that has treated soldiers' injuries since 1998.

## Minimum wage stagnates

While millionaires are getting tax cuts, the U.S. congress can't agree on raising a federal minimum wage that hasn't budged from \$5.15 an hour since 1997.

The mean-spirited Republican agenda showed itself in the details of a minimum wage bill that passed the House earlier this year, yet failed to get Senate approval.

In addition to extending a host of expiring tax cuts for high wealth individuals and businesses, the bill would have decreased earnings for people who depend on tips for a living.

Waiters, waitresses, bellhops, hotel housekeepers and parking lot attendants working in Alaska, California, Oregon, Minnesota, Montana, Nevada and Washington state would have seen their

pay cut since the Republican bill called for pre-empting more generous state minimum wages and mandating instead a lower federal wage rate of \$2.13 for tip earners.

## Squeezed on all sides

We are getting squeezed on all sides by a corporate agenda that favors tax cuts and out-of-sight CEO pay for the tiny minority at the top and high unemployment, higher benefit costs and low or stagnant wages for workers.

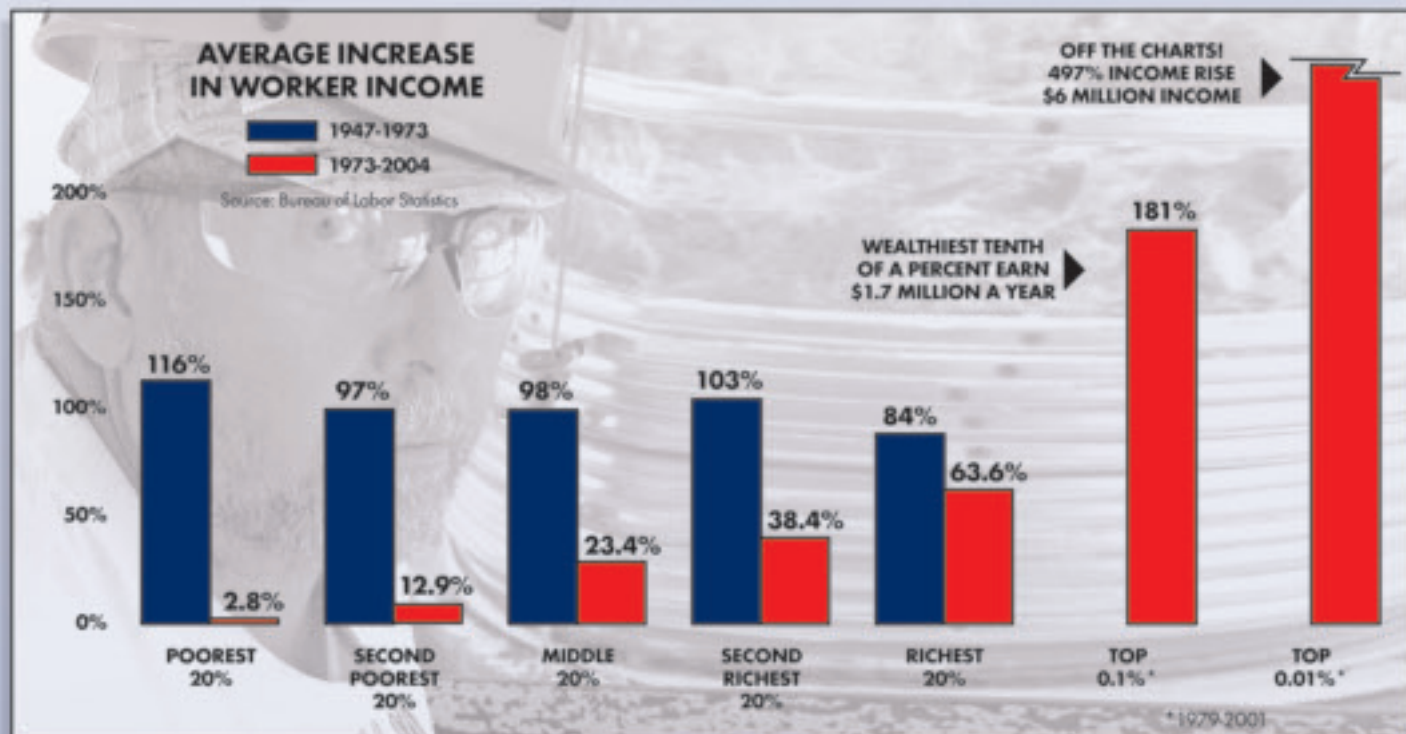
This strategy plays out when an employer engages in union busting and the outsourcing of good-paying jobs to lower-wage countries. You can also see it in moves to privatize and deregulate government and public services.

The business agenda is to distract, divide and conquer us, eliminate labor unions and pressure politicians to serve the interests of corporations rather than working people.

Our agenda must be to fight back — to organize new workers and be strong in bargaining and politics.

You can start by getting involved in your local union and becoming a committed and educated voter in the November congressional elections.

# TOP BRASS RAKING IT IN



# Challenging Economic Inequality

By PAUL KRUGMAN

Paul Krugman is a syndicated columnist for *The New York Times* and a professor of Economics and International Affairs at Princeton University whose professional reputation rests largely on international trade and finance. He has taught at Yale, MIT and Stanford and is the author or editor of 20 books and more than 200 papers in professional publications.

Recently, Henry Paulson, the Treasury secretary, acknowledged that economic inequality is rising in America. In a break with previous administration pronouncements, he also conceded that this might be cause for concern.

But he quickly reverted to form, falsely implying that rising inequality is mainly a story about rising wages for the highly educated. And he argued that nothing can be done about this trend, that "it is simply an economic reality, and it is neither fair nor useful to blame any political party."

History suggests otherwise.

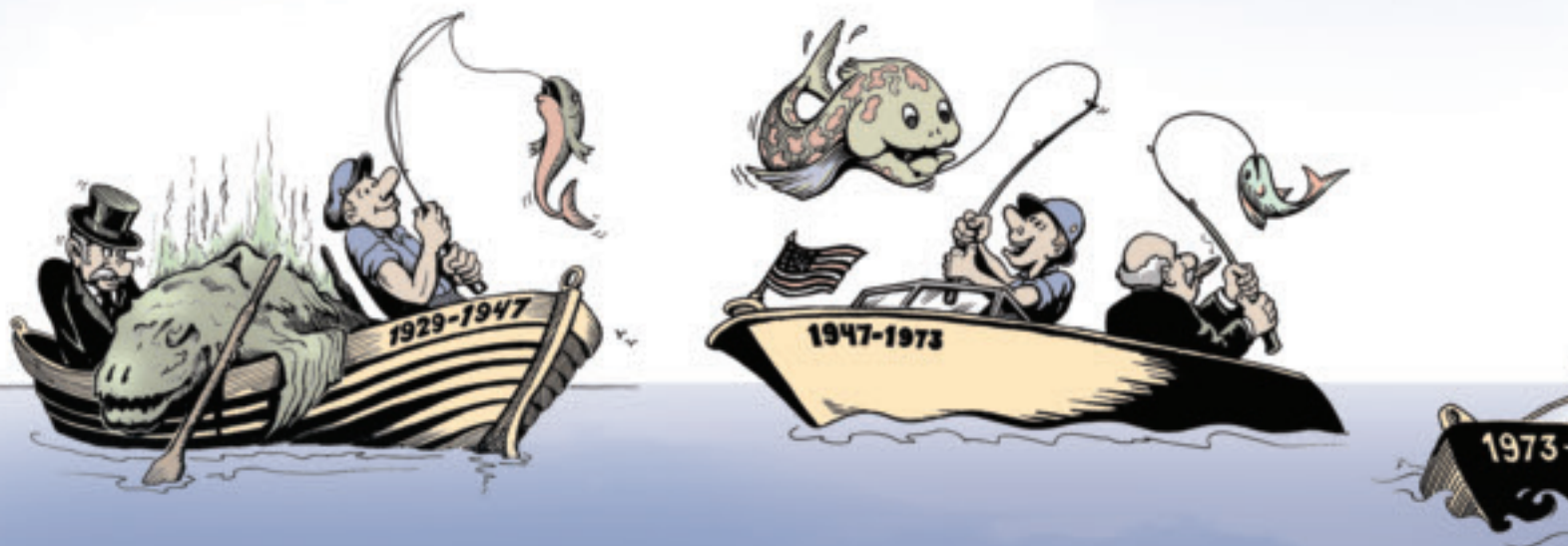
I've been studying the long-term history of inequality in the United States. And it's hard to avoid the sense that it matters a lot which political party, or more accurately, which political ideology rules Washington.

## Eras of inequality

Since the 1920s there have been four eras of American inequality:

***The Great Compression, 1929-1947:*** The birth of middle-class America. The real wages of production workers in manufacturing rose 67 percent, while the real income of the richest 1 percent of Americans actually fell 17 percent.

***The Postwar Boom, 1947-1973:*** An era of widely shared growth. Real





wages rose 81 percent, and the income of the richest 1 percent rose 38 percent.

**Stagflation, 1973-1980:** Everyone lost ground. Real wages fell 3 percent, and the income of the richest 1 percent fell 4 percent.

**The New Gilded Age, 1980-?:** Big gains at the very top, stagnation below. Between 1980 and 2004, real wages in manufacturing fell 1 percent, while the real income of the richest 1 percent — people with incomes of more than \$277,000 in 2004 — rose 135 percent.

What's noticeable is that except during stagflation, when virtually all Americans were hurt by a tenfold increase in oil prices, what happened in each era was what the dominant political tendency of that era wanted to happen.

### **New Deal wages soared**

Franklin Roosevelt favored the interests of workers while declaring of plutocrats who considered him a class traitor, "I welcome their hatred." Sure enough, under the New Deal wages surged while the rich lost ground.

What followed was an era of bipartisanship and political moderation; Dwight Eisenhower said of those who wanted to roll back the New Deal, "Their number is negligible, and they are stupid." Sure enough, it was also an era of equitable growth.

Finally, since 1980 the U.S. political scene has been dominated by a conservative movement firmly committed to the view that what's good for the rich is good for America. Sure enough, the rich have seen their incomes soar, while working Americans have seen few if any gains.

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## **“ Inequality seems to be an issue whose time has finally come. ”**

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By the way: Yes, Bill Clinton was president for eight years. But for six of those years Congress was controlled by hard-line right-wingers. Moreover, in practice Mr. Clinton governed well to the right of both Eisenhower and Nixon.

Now, this chronology doesn't prove that politics drives changes in inequality. There were certainly other factors at work, including technological change, globalization and immigration, an issue that cuts across party lines.

### **Government plays big role**

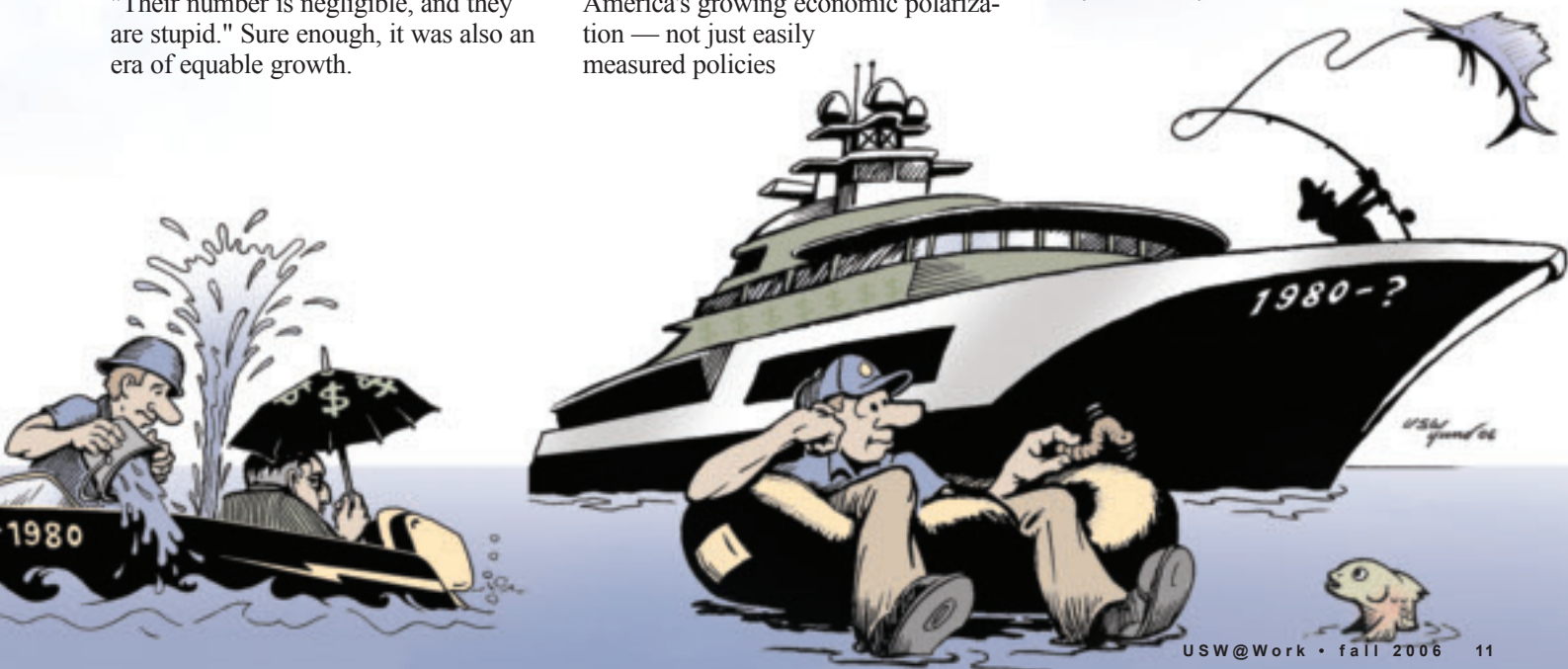
But it seems likely that government policies have played a big role in America's growing economic polarization — not just easily measured policies

like tax rates for the rich and the level of the minimum wage, but things like the shift in Labor Department policy from protection of worker rights to tacit support for union busting.

And if that's true, it matters a lot which party is in power — and more important, which ideology. For the last few decades, even Democrats have been afraid to make an issue out of inequality, fearing that they would be accused of practicing class warfare and lose the support of wealthy campaign contributors.

That may be changing. Inequality seems to be an issue whose time has finally come, and if the growing movement to pressure Wal-Mart to treat its workers better is any indication, economic populism is making a comeback. It's still unclear when the Democrats might regain power, or what economic policies they'll pursue when they do. But if and when we get a government that tries to do something about rising inequality, rather than responding with a mixture of denial and fatalism, we may find that Mr. Paulson's "economic reality" is a lot easier to change than he supposes.

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# Steeling



Lee Ann Jendrejeski pulls a test from an electric arc furnace at Allegheny Ludlum's Brackenridge, Pa. plant to check the chemistry of the heat.



# for Activism

## Women of Steel Growing Stronger

**T**wo years after a 1974 federal consent decree opened the way for women to work alongside men in the steel industry, Lee Ann Jendrejiski landed a job in a melt shop at Allegheny Ludlum, a specialty steelmaker.

She was 19 then — coming into a job that had traditionally been a man's world with all that entails — dirty and difficult work, rough language and no rest rooms specifically designated for women.

At first, there was resentment as women came pouring into mills as a result of the consent decree, which set hiring goals for women and minorities and was the outcome of decades of civil rights litigation and activism.

Some men outright rejected the presence of women in blue-collar mill jobs while others were overly solicitous towards them. Women had to prove over and over that they could fit in.

### Novelty at first

"We were a novelty," said Kathy Garrison, who started working 30 years ago at an open hearth furnace at Bethlehem Steel's Sparrows Point plant, now owned by Mittal.

"A lot of men had never worked with a woman and they didn't know how to take us. There were comments: 'Go home' ... 'You're taking a job away from a man.'"

Over the decades, Jendrejiski has seen attitudes towards women and their accommodations improve, sometimes slowly. A rest room for women where she works was recently renovated 30 years after it first became an issue.

"We're still struggling. But things have actually lightened up," said Jendrejiski, who now works in a mold and prep area. "You always have some folks who aren't as open minded as others, but that is the exception to the rule."



Garrison still does a strenuous job — cutting steel slabs to length after they emerge from a continuous caster. Robots help do the work in a very hot environment.

"I still do a man's job for a man's pay," she said. "Nontraditional jobs were very physically demanding. Technology has really helped everyone, not just the women."

### Women have a role

As the work place matured, so did women's role in their union. They challenged sex discrimination, advocated for women's rights on the job and built a movement, "Women of Steel" — a name that endured as the union diversified to represent workers in other manufacturing sectors, health care and government.

As a union program, Women of Steel is dedicated to increasing activism among women through sharing of information and networking in the varied industries where the USW has a presence.

The program started in Canada as a leadership development course for women in the union who were doing nontraditional jobs in the mid-1980s under former Director Leo W. Gerard, now the union's international president.

The leadership course grew into women's committees under Gerard's direction. It didn't take long for women to build confidence and get involved in union and local politics.

"Within a few years we had tripled the number of women in executive positions in the locals and the districts," Gerard recalled. "And a number got elected to regional political offices like school boards."

One of the first women to attend the course in Canada, Carol Landry, became a full-time local union president and a USW staff member. She is now an assistant to the District 3 Director Stephen Hunt.

### From Canada to U.S.

The idea gravitated to the United States and took root at first as a women's caucus in the steel producing areas, notably in Indiana and Illinois, formerly District 31, now District 7.

"Women, especially those in nontraditional areas, came together around issues that were affecting them in the mill," said Sharon Stiller, retired assistant to the USW President on Women's Issues. "They really weren't getting a lot of help from the establishment, either the company or the union."

Realizing that they could take an active role in promoting change, women created women's committees in their locals and kept in touch by phone or fax. At first, those committees were not officially sanctioned by the union.

Eventually, Stiller said women began to agitate to make the Women of Steel course available to all women throughout the union and campaigned on the grass roots level for a convention resolution to make that a reality.

### Unanimous victory

After drumming up broad support on the local and

district levels, a resolution to turn Women of Steel from a course into a union movement was passed by unanimous vote at a 1989 convention. Women's Committees were made mandatory for local unions with women members at the last convention, held in April, 2005.

Under retired president George Becker, the union established the position of Assistant to the International President on Women's Issues. Stiller was the first to hold that assistant's job, now held by Leeann Anderson. Ann Flener is Women of Steel Director.

When the USW held its first international women's conference in Pittsburgh in 2000, some 775 women attended to share stories and discuss union activism and issues of importance to women.

"The women's conference is one of the most uplifting conferences I attend as an officer of this union," Gerard said. "They are engaged. They are motivated and full of energy and ideas."

“Someone once said that, ‘if you've got a tough job in the local, give it to a woman and get out of the way.’ The same holds true for fighting the good fight in the labor movement.”

### Moving forward

There is the hope that Women of Steel will continue to grow as a voice for working class women in North America, identify common issues of concern and work with other unions and organizations to advance a common agenda for working women.

"We intend to not only move Women of Steel forward, but use the foundation of the WOS network to build a working class women's network in North America," Flener said. "When women come together great things happen."

Our network of active women can be used to support the broader initiatives of the union including political action, corporate campaigns, organizing and the Rapid Response program. Regional Councils of women can, for example, support work going on in the union's districts.

"Labor is at its best when it remembers it is a movement. Women of Steel has a role to play in building our union as an activist union," Anderson said.

"Someone once said that, 'if you've got a tough job in the local, give it to a woman and get out of the way.' The same holds true for fighting the good fight in the labor movement," she added. "Women are key to building power in our new union and WOS has a critical role to play."



# High Anxiety

## Women Feel The Squeeze Too

**F**ork lift driver Linda Howard is feeling financially squeezed.

She earns less now under a new employer than she did last year at the same Pennsylvania factory where she has worked for more than three decades and pays more for health care coverage.

"Our golden years are not looking very golden," said Howard, 57, a USW member at Signature Aluminum in Greenville, Pa., which last year took over a factory formerly owned by the Werner Co., a ladder maker that moved production to lower-cost Mexico and China.

"Those of us left are pretty much glad to have a job but we're living day to day, paycheck to paycheck," said Howard, her family's principle wage earner. "As far as trying to save money, that's a joke."

### Working women worried

Howard is not alone in her anxiety. Working women all over the United States are worried about rising health care costs, their pay not keeping up with the cost of living and dwindling retirement benefits, according to a survey of 22,000 working women by the AFL-CIO.

"What we heard was a sense of desperation about how hard it is to keep things together," said Karen Nussbaum, director of Working America, an affiliate of the AFL-CIO.

The "Ask a Working Woman" survey was supported by the USW's Women of Steel program.

Affordable health care topped the list of concerns for working women. Ninety-seven percent of women across age and race lines said they are worried about the rising costs of quality care while 65 percent ranked health care as their top legislative concern.

### Out of control

"Health care right now is totally out of control," said Lee Ann Jendreyeski, of USW Local 1196 at Allegheny Ludlum's plant in Brackenridge, Pa.

"It is a problem for all women because we worry about our families," said Pam Foxx, who was laid off this year from Continental Tire in Charlotte, N.C., where she worked as an inspector.

Any health care legislation should take into account the changing structure of American families, said Kathy Garrison, who chairs her local's Women of Steel group at Mittal's Sparrows Point plant in Maryland where she works in the cast house.

"Most women who work now aren't working just to entertain themselves or to occupy themselves because the kids went off to school," said Garrison, herself a single mom. "A lot of women out there are single parents and a lot of them are the main breadwinners."

### Night shift blues

A third of all women work evenings, nights and weekends. Two in five women work different shifts than their partners or husbands — a percentage that increases for African Americans.

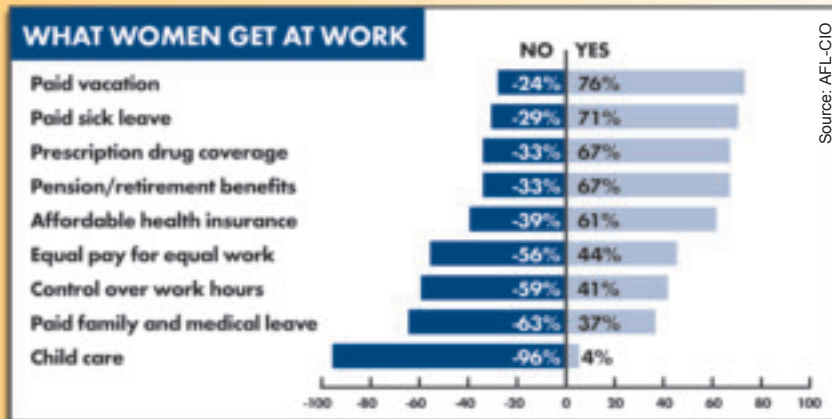
"The hard thing about being a working mom is that not only are you expected to bring home the bacon, but you have to fry it up in the pan, and wash the pan and do the laundry after that," Garrison said.

An 89 percent majority of working women who participated in the survey expressed concern for the future of young women going into the work force. Women without college degrees are even more worried — 93 percent described themselves as concerned for the next generation.

Women want CEOs and corporations to be held responsible for their actions and mega profits. Nearly half, 48 percent, want to limit CEO pay when workers are being laid off or losing benefits. Additionally, 47 percent of women want to protect employees' rights to pay and retirement benefits if a company files for bankruptcy protection.

### Loud and clear

"Could working women be more loud and clear about what they want and need?" asked Linda Chavez-Thompson, executive vice president of the AFL-CIO. "Affordable health care. A paycheck that keeps up with the cost of living. A secure retirement. Quality child care. And they want CEOs held accountable when workers' jobs are on the line."



# Supervisor Redefined

## NLRB Ruling Strips Workers of Union Rights

In a decision that could disenfranchise millions of workers who need unions, the National Labor Relations Board has established broad new standards for determining whether an employee is a supervisor.

The long-awaited decision, which came in one of a trio of cases known collectively as "Kentucky River," gave employers an easy-to-read road map by which they can deny union rights to nurses and other skilled workers.

"The collective bargaining rights of millions of workers, who up until now were assumed by all to have the right to form a union, are now in jeopardy," USW President Leo W. Gerard said.

Gerard called the ruling, which clarified issues left open by a related 2001 U.S. Supreme Court case, a political decision to further undercut the right of workers to enjoy collective bargaining benefits.

"What is left to our union members is a political challenge to immediately fight back by encouraging voters in this November's mid-term election to hold accountable those legislators who helped to give us this pro-corporate Supreme Court and board," Gerard said.

### Party line vote

Nurses who regularly run shifts at health care facilities should be considered supervisors and exempt from federal protections that cover union membership, the board ruled in its 3-2 decision.

People who work supervisory shifts only on a rotating basis may be exempt

from supervisory status in some cases but not others, depending on the frequency and consistency of the shifts, the board also said.

If the decision is upheld on appeals and implemented, it could affect hundreds of thousands of union-represented nurses and perhaps 8 million other workers in a broad swath of industries.

"Health care and particularly nurses have been one of the areas where the labor movement really has been making some strides in organizing," said Paul F. Clark, who heads labor and management relations studies at Penn State University. "When they really do start to get traction in an industry, the Bush NLRB steps in and throws a big road block in their way."

Professional employees who have some supervisory duties are among those who could be hurt by the ruling, said the two NLRB members who dissented from the majority.

"The decision "threatens to create a new class of workers under federal labor law: workers who have neither the genuine prerogatives of management, nor the statutory rights of ordinary employees," they wrote.

### Oakwood lead case

The case the board used to expand the definition of supervisor involved charge nurses at the Oakwood Heritage Hospital of Taylor, Mich., a facility that the United Auto Workers was trying to organize.

In two related cases, one involving the USW and the Golden Crest Healthcare Center in Hibbing, Minn., the board ruled that workers with limited supervisory duties were not supervisors.

The lead decision was roundly denounced by labor union leaders including Gerard and AFL-CIO President John Sweeney. As expected, the board ruling was praised by business interests.

### Radical reinterpretation

Former NLRB Chairman William Gould, who served on the board from 1994 to 1998 during the Clinton administration, called the ruling a "radical reinterpretation of the statute."

"This decision constitutes a flawed and erroneous interpretation," said Gould, now a professor at Stanford Law School. "It has potential for harm to the collective bargaining process."





# Strike Settled

## Nurses Go Back to Work With Improved Health Care Coverage

**A**fter months of preparations and negotiations followed by an intense test of solidarity with a 25-day strike, 1,300 registered nurses at New Jersey's Robert Wood Johnson University Hospital ended up with a new three-year agreement that improves health care coverage for themselves and their families.

"This victory belongs to the nurses who stood together to demand dignity and respect from their employer," USW Vice President Fred Redmond said. "Without their steadfast determination and unwavering support, this agreement would not have been possible."

In a climate where management in virtually every industry is seeking concessions from employees, the new agreement included improvements in all areas of the contract, most notably in health care coverage, without any additional costs to the employees.

While our members were able to secure a better deal, the entire U.S. health care system remains severely broken. Skyrocketing costs are driving the employer-sponsored health care system deeper into crisis, causing grave problems at bargaining tables around the country and swelling the ranks of the uninsured.

"It is past time for a new approach," Redmond said. "As a nation, we need to take a renewed look at universal coverage."

Using the slogan, "Be Fair to Those Who Care," the nurses stood strong on the picket lines in the face of

management's decision to temporarily replace strikers with highly-paid registered nurses provided by a national staffing company.

The contract was ratified on Sept. 17 by a vote of 769 to 117. The strike began Aug. 24 after the nurses twice rejected tentative agreements in votes held on Aug. 16 and July 27.

"Our membership voted not just in their own best interests, but also in the best interests of the hospital and the community," said Jerry Collins, president of USW Local 4-200, which represents the nurses.

"The nurses decided it was important to take the high road," he added. "They were concerned about getting back to the patients and re-establishing the hospital so it can go back to taking care of the community."

### Insurance key issue

The key issue in the strike, which began Aug. 24 and ended with the Sept. 17 ratification, was high insurance deductibles that the nurses had been forced to pay for non-emergency medical procedures performed outside the hospital or by doctors not listed as participating in the hospital's health plans.

Nurses, many of whom live out of state, called deductibles of \$800 to \$1,000 a "penalty" they were forced to pay for not using the New Brunswick hospital. They also cited the lack of participating specialists available through the insurance program.

The new contract, which was retroactive to July 1, reduced the deductibles by an estimated 30 percent in addition to other health care improvements, said Collins, the local union president.

In addition to major improvements in the health care coverage, the agreement includes wage increases of 3 percent for each of the three years of the agreement and no increases in the health care premiums.

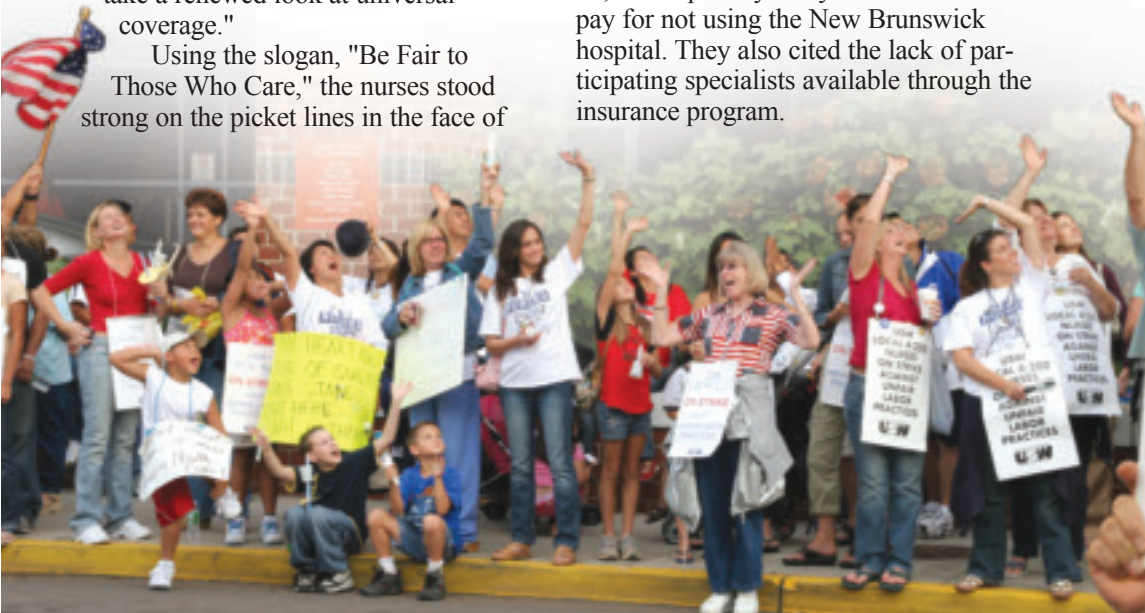
### Contract improvements

There were improvements in contract language covering bereavement, acuity and staffing levels, as well as new provisions to protect employees' rights and their safety on the job.

To limit the impact of future NLRB rulings, the parties agreed that any position currently in the bargaining unit will continue to be considered part of the bargaining unit, irrespective of any future decision.

That provision was designed to protect supervisors who could lose union representation in the wake of the labor board's October decision that expands the definition of supervisor.

Photos by Alison Wilks



RWJ  
NURSES  
ON  
STRIKE  
FOR  
QUALITY  
HEALTH  
CARE



# CAPITOL LETTERS

*The inside scoop on what's going down in D.C.*

**C**ongress galloped back into town after Labor Day with a monumental "to do list" of unfinished business. Instead of tending to the 12 massive bills that must be passed annually to fund the government and take care of other pressing issues, the House and Senate leadership instead devoted a lot of floor time to message bills that appeal to their "base." They're counting the days until they can get back in their districts and do what really matters — raise money and campaign for re-election.

## Don't Eat the Horses

You have to wonder what House Republicans were thinking when the centerpiece of their agenda on returning to Washington after Labor Day was the passage of the American Horse Slaughter Prevention Act banning the killing of domestic horses for human consumption. While there is certainly nothing wrong with stopping cruelty to animals, it is astonishing that more pressing issues weren't at the top of their agenda. Have you met any of the 46 million Americans (8.4 million of them children) who have no health insurance? What about those (3.4 million) disappearing manufacturing jobs?

## Who Will Make the Fence?

Not long after saving horses, the House Republicans were determined to save America from illegal immigrants.

Leading up to and during the summer break, House members conducted endless field hearings on immigration, particularly concentrating on border and conservative states where emotions on the issue run high.

There was no action on a comprehensive solution, but the House has passed and the Senate is considering a stand-alone bill to build a 700 mile

double-layer fence along our border with Mexico.

If any campaigning member of Congress talks about this great "accomplishment" ask him or her if there are provisions to "Buy American" for any components of this fence. It will be no surprise if our Congress builds a fence to keep out "foreigners" that is made with foreign steel.

## Where's the Reform?

Remember Dubai Ports World when the U.S. government almost gave a state-owned company in the United Arab Emirates ownership of some of our biggest ports?

Remember the outrage of members of Congress that this dangerous lapse of national security almost happened under their nose? Remember the calls for reform regarding the Committee on Foreign Investment in the United States (CFIUS) — a Department of Treasury panel that is supposed to review their effect on national security?

Well, once again our champions in Congress are punting.

The House has passed a business-endorsed bill that will only notify Congress after deals are done by CFIUS to sell national assets to foreign countries. To the Senate Banking committee's credit, they have written a bill that actually lets Congress know about the deals before it's too late.

## Give Away More U.S. Jobs

Despite their reluctance to bring them up for vote before the November election, the White House has been busy negotiating free trade agreements all over the world, including one signed with Peru, where the labor rights record is horrific.

If its labor record was not bad enough, Peru has given Dubai Ports World a contract for its ports. Once the trade agreement is in place, the company owned by the government of Dubai in the United Arab Emirates will have protection to again bid on operating U.S. ports!

In addition, President Bush is traveling to Vietnam in late November and wants Congress to give him Permanent Normal Trade Relations (PNTR) with that country. The vote is expected after Nov. 13.

Negotiations are progressing with South Korea and that agreement is expected to be completed by early 2007. The Korea-U.S. Free Trade Agreement will have enormous economic impact as it is the largest economy we have negotiated with since NAFTA.

Just recently President Bush notified Congress that he intends to sign a free trade agreement with Columbia. Columbia is the most dangerous place in the world to be a trade unionist. During the two years that the U.S. and Colombia were negotiating the trade agreement, nearly 200 trade unionists were murdered and many more threatened with death!

## Give With One Hand...

You may remember the Rose Garden ceremony in July when President Bush signed the extension of the Voting Rights Act. After initial Republican resistance, this bi-partisan effort ensured that millions of American citizens will have their voices heard at the polls.

But wait, too many of those "voices" might be registered Democrats! Just last week House Republicans passed a bill that will require all Americans to show proof of citizenship in order to vote in the 2008 elections. The measure is being touted as a means to keep illegal immigrants from voting.

The bill, however, will mandate that by 2010, every single American who shows up at the polls must have a U.S. identification card. Called a "21st Century Poll Tax" by Democrats, this bill will place an enormous burden on traditional Democratic voters — the elderly, the rural, the poor and minorities — who may have trouble paying for and producing the required papers for proof of citizenship.



# Growing Threat

By George Becker

Our Industries are Targets of China's Expanding Industrial Policies

**N**ot surprisingly, the U.S. trade deficit with China will reach new record highs this year. With it, jobs, lives and livelihoods will be lost.

No other union understands the China trade problem better than the USW. The diversity of our membership does not insulate us from China's growing industrial might and its predatory and protectionist trade practices.

Our industries are the targets of China's industrial policies. Manufacturing is a key not only to their economic success, but their desire for military strength as well.

It's easy to understand why the USW has been the nation's leading voice on the need for a fair trade policy and for active and aggressive enforcement of our nation's trade laws.

## Steel expansion drive

In steel, China has been a key ingredient in the downsizing of our industry. Despite global overcapacity, China continues to expand their facilities. We already face a threat from China, but you can bet that when China's economic growth rates begin to slow, they will flood our market with their excess production.

In the forest and paper products sector, an industry-sponsored group identified approximately \$2 billion in subsidies that China has used to help their industry and to attract some of our key producers to set up facilities on their shores. The USW has had to fight the dumping of Chinese paper products.

Right now, some of the paper and forest products key companies are setting up facilities in China. It's just a matter of time before they begin to service the U.S. market from their Chinese operations.

In glass, China has flooded our market. Our employment and domestic operations have plunged as China penetrates our market. Between 1996 and 2005, China's share of our market in one major category of glassware rose by more than 400% capturing more than one-third of our market.

## A flood of cheap tires

In rubber, China has hundreds of manufacturers and the major international producers have either set up shop there or are using Chinese manufacturers to source major product lines for sale here in America. Millions of cheap tires made in China are now sold in retail outlets all across America. These tires directly result in lost production and employment here at home.

In fiber optics, one of the most high-tech productive sectors here in America with USW members, we've seen China block sales of our products to benefit their own producers. They want U.S. technology and producers to move there to help them gain the competitive edge with the ultimate goal of being the world's supplier.

In autos and auto parts, China is growing by leaps and

bounds. Shortly they will have twice as much supply as demand. China is exporting auto parts to the U.S. and many of our companies have rushed there to take advantage of cheap labor working in unsafe and unfair conditions. Some Chinese producers already plan to ship cars here. It's just a matter of time before the Big Three does so as well, at the further expense of production and employment here at home.

Supporters of allowing China into the World Trade Organization said that China would be an enormous export opportunity for the U.S. They claimed that it would create huge opportunities for our companies and our workers. They also claimed that greater economic engagement would result in greater freedom and rights for the Chinese people.

## Wrong on all counts

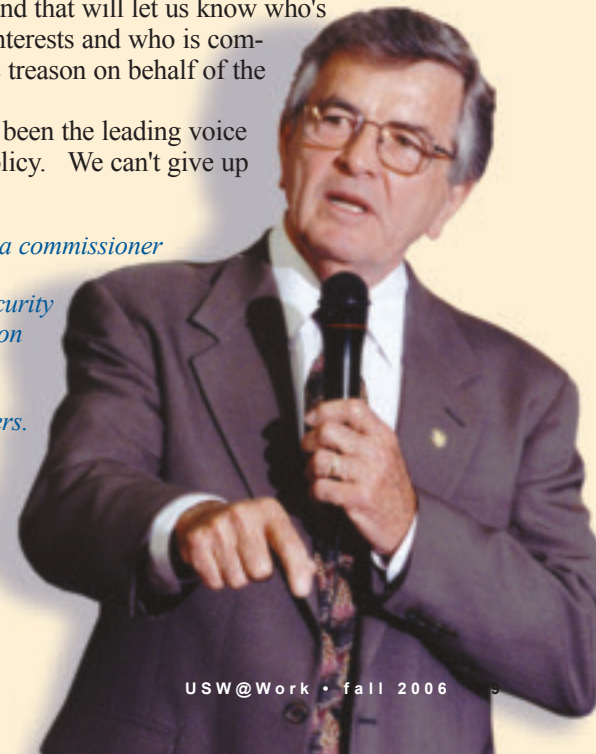
They were wrong on all counts. We knew that our competitors were willing to do whatever it takes — even resorting to cheating — to win.

Hundreds of thousands of American jobs have been lost as China has claimed more and more of the economic pie. Democratic rights, religious freedom, workers' rights and human rights all have been trampled on by China's leaders. China is treating us like chumps, and our leaders are letting them get away with it.

Being right is no consolation. But, the USW's continuing refusal to give up is making a difference. It's time not only to defend the laws we have on the books, but to create new legislative tools to fight China's unfair, predatory and protectionist practices. We need tools that will stop their cheating once and for all and that will let us know who's fighting for our interests and who is committing economic treason on behalf of the Chinese.

The USW has been the leading voice for a fair trade policy. We can't give up the fight.

*George Becker is a commissioner on the U.S.-China Economic and Security Review Commission and the former President of the United Steelworkers.*





# SAFETY FIRST

## USW's First Union-wide Joint Health and Safety Conference Draws 650 Members and 100 Management Representatives

The desire to maintain safe working conditions drew 650 USW members and about 100 management representatives to the USW's first union-wide Health and Safety Conference.

A highlight of the event, held August 21-25 in Pittsburgh, was a powerful address by Carolyn Merritt, chairman of the U.S. Chemical Safety and Hazard Investigation Board, which investigated the deadly explosion at BP's Texas City refinery.

A culture of safety in the workplace requires commitment from the highest level of management as well as the workers on the shop floor, Merritt said.

There is often a gap, she said, between executive management's view of the safety culture that exists under their leadership and the actual safety on the ground at facilities.

Even though executives believe they are conveying the message that safety is a top priority, oftentimes in practice safety is dead last — forgotten in the demands of production, profit and returns on investment.

"This gap can be miles deep and miles wide," she said.

Fifteen workers were killed and about 170 others were

injured as a result of a series of explosions at the USW-represented plant on March 23, 2005, during a restarting of a hydrocarbon isomerization unit.

Dozens of workshops were held during the conference on topics ranging from establishing an effective safety committee to OSHA-certified standards training.

### Real mark of success

"The conference got great reviews from the participants — both union and management," USW health, safety and environment director Mike Wright said.

"But the real mark of success isn't what happened at the conference itself, it will be what happens back in our workplaces in the weeks and months to come."

USW members work in nearly every kind of environment from steel mills to hospitals, underground mines, tire plants, chemical plants and public utilities.

Every workplace has hazards, but every workplace can be made safe with the help of a strong local union safety and health program that focuses on eliminating hazards and correcting unsafe conditions.

## A Cooperative Management Produces a Safer Workplace

Management cooperation with union safety committees can lead to a reduction in workplace accidents, results from two Shell Chemical locations show.

"We've just celebrated one year without an OSHA recordable injury," said Tracy Schmitz, a lab technician at the company's Mobile, Ala., plant. She is Local 9-265's Triangle of Prevention (TOP) rep; helping to coordinate safety with the company.

"We're small and we're a pretty tight group," she said. "It's pretty open and honest out there (in the plant) and our members are encouraged to bring up any safety issues in their work areas. We investigate near misses and management cooperates in getting things fixed."

Rob Colbert, a TOP assistant representative for Local 13-1 at Shell's Pasadena, Texas, plant echoes the sentiment on the value of joint cooperation. At his plant, management and hourly workers combine efforts in safety training, accident prevention and education.

"We had 170 safety incidents over a recent one-year period and now we're down to 20. "It's drastically improved because of the joint program," he said.



## George Kline Receives I.W. Abel Award

The I.W. Abel Award, named after USW's 3rd international president, is given to a member of our union who has demonstrated a willingness to sacrifice himself for the safety and health of his fellow workers. This year's winner is George Kline, a member of Local 6996-23 in Reading, Pa. Here is his story.

Maintenance man Ron Moyer was checking acid levels in the tanks at the Exide Battery plant. As he descended a 10-foot ladder, he tripped and fell backwards on to a 4-inch plastic line, causing it to break off from the tank. He was lying face down on the ground when uncut sulfuric acid began pouring over him.

"I pulled him out, walked him over to a water hose and started rinsing him down," said Kline, who was also splashed with acid during the rescue effort.

As soon as Moyer was able to use the hose unaided, Kline hurried to a nearby safety shower and rinsed himself off. Co-workers called for help.

A helicopter carried them to Lehigh Valley Hospital Burn Center. Burns covered 85 percent of Moyer's body. Despite several surgeries, he died about a month later.

Burns covered 60 percent of Kline's body.

"I can never return to my old job," he said. "The acid mist in the air eats away at my skin grafts. I do mostly office work now."





USW Health & Safety specialist Kim Nibarger discusses plant safety with Dale Battiste and Greg Kahner.  
Photo by Gerald Dickey

## BP's Push for Discipline at Texas City Hurts Program

**M**ore than 700 USW members are employed at the BP refinery in Texas City, Texas where in March, 2005 a massive explosion killed 15 people and injured 170, most of whom were contractors.

"We're revamping our safety program," said Dale Battiste, a pipefitter/welder and member of the local union safety committee. "We've added more union safety reps and it seemed like the company was coming on board with our safety program but things have changed."

Greg Kahner, an operator and safety committee member, explained that hourly people are getting the message, supervisors are trying to do their best and upper management is saying the right things.

"But everybody's afraid to put their signature on anything because they might be disciplined for it," Kahner said. "Somebody put out orders to do a lot of discipline."

"We've got to get the threat of discipline away from safety," said Battiste. "It intimidates the workers from voicing safety concerns and reporting injuries. Our members are concerned about their jobs. There was some improvement but now there's a lot of confusion."

## Fatality Results in Renewed Commitment to Safety

**A**t 4:30 a.m. on a February day in 2005, railroader John Novick was riding the lead gondola car of a train being pushed to a loading area at Allegheny Ludlum's steel plant in Brackenridge, Pa.

Holding firmly to the ladder on the side of the car as conductors do, Novick could not see what lie ahead on the bend where the tracks narrowed. Another train of gondola cars loaded with steel slabs was stored on adjacent tracks.

There was not enough room between the two trains and Novick was crushed. He was 50 years old with 10 years of service.

Why did it happen? In the darkness, Novick could not see. Railroad cars had never before been stored on that track. The company wanted to get more production out of its employees so it cut back on crews. Leaving the loaded train parked there saved time.

What did OSHA do? It fined the company \$70,000, the maximum that it could issue under a "willful citation"—meaning the company knew an unsafe practice existed and did not correct it. The company was also required to correct a list of numerous safety problems.

### An ongoing struggle

"We called OSHA into the plant almost a year before the accident," said Local 1196 President Walt Hill. "We had lots of safety problems on the railroad. In fact, we even shut it down over safety."

Following an initial OSHA inspection in 2004, four citations were issued. However, the company delayed fixing problems, providing evidence that the company knew of safety issues but did

not correct them. That knowledge led to the "willful" citation following Novick's death and the maximum penalty.

"We know that we have to keep fighting," Jeannie Nesbit, Local 1196's safety chairman, said as she looked back over her 30 years in the mill.

Nesbit's first involvement as a union activist was as a member of the Workers' Compensation Committee. "The company used to deny every injury," she said. "When we dug into it, we found records missing and eventually, we uncovered the biggest case of a lack of record keeping by a company." OSHA fined the company \$3,000.

It was an important lesson to Nesbit. She realized that the Safety Committee and the Workers' Compensation Committee must work together so that injured workers get proper treatment and unsafe conditions are corrected.

### Union reps do training now

"We work for a company that has a history of fighting the union on everything," Nesbit said. "But it's better today. Union safety representatives do the safety training instead of

the foremen. We do the jobs and we know how to do them safely. We have hourly safety coordinators in every department."

Reflecting on all that has happened in his local, brings Hill to focus on the most important ingredient for a safe workplace. "The members know that the union will stand up for them," he said. "And that's what makes the difference."



Pictured from left are: Local 1196 President Walt Hill and safety committee members Terry Davidek, Jeannie Nesbit, Rick Kus and Fran Arabia. Photo by Gerald Dickey



# Stand Up!

UNITED STEELWORKERS  
**Civil Rights**

## *Fight to Take Our Country Back, Civil Rights Conference Delegates Urged*



**E**velyn Mosley left the USW's 14th International Civil and Human Rights Conference energized, inspired and ready to do the work necessary to get our country back on the right track.

Mosely, representing USW Local 2801 in Long Beach, Calif., shed her doubts at the opening session of the conference, held at the Sheraton Music Center in Nashville from September 7-10.

"When I was asked to take on this awesome task, I didn't know how to start. But when I entered the hotel, I encountered hundreds of my sisters and brothers with eager anticipation of a powerful movement on their faces," Mosely recalled. "I said, 'oh yes, I can do this.'"

Mosley, one of approximately 650 delegates to the conference, said she was inspired to hear Fred Redmond, USW vice president of human affairs, explain how the union became a leader in the civil rights movement.

### **Fair employment**

In 1960, the late USW President David McDonald pressed the union to work closely with other labor unions in the AFL-CIO to promote a national civil rights policy and to lobby in Washington for fair employment policies.

In 1962, the union negotiated a non-discrimination clause and broader seniority rights in basic steel agreements. Similar provisions were included in contracts covering aluminum, mining and metals fabrication.

In the late 1960s and 1970s the union held a series of discussions over the issue of inclusion. That debate culminated in 1976 when the position of vice president of human affairs was established and Leon Lynch became the first minority member of the executive board. Lynch is now retired.

International Vice President Fred Redmond addresses the delegation at the Civil and Human Rights Conference held in Nashville, Tennessee. Photos by Kenny Carlisle





**“Like it or not, you are competing with global slave labor,” Redmond told the delegates. “You are a commodity, not a person. Your value is based on your production versus your cost.”**

Since then, Redmond said, we have seen an increase in minorities and women serving the union in a variety of positions from servicing staff, sub-district directors, technicians, clerical staff, department heads and assistants to the international president.

The nation is in serious trouble. Wal-Mart has supplanted General Motors as the country’s largest employer and many of its employees have neither health care nor retirement benefits.

**Millions of jobs gone**

Over the past five years we have lost over 3 million U.S. jobs that have been outsourced to other countries and millions more are poised to leave. The bulk of these jobs are producing goods abroad under conditions that would never be allowed in this country.

“Like it or not, you are competing with global slave labor,” Redmond told the delegates. “You are a commodity, not a person. Your value is based on your production versus your cost.”

“Where do we go from here?” Redmond asked as he called for the delegates to mobilize in their communities, get out the vote for the November election and defeat the political allies of the Bush administration. “It is time for us in organized labor to stand up, to do what only organized labor can do, to take our country back.”

Redmond’s speech was one of many calls made to the delegates during the conference to become active. International Secretary-Treasurer Jim English challenged the delegates to look within their locals for our leaders of tomorrow and to build power within their locals to help combat the race to the bottom.

**Turn out the vote**

Bill Lucy, secretary-treasurer of the American Federation of State County and Municipal Employees (AFSCME) and President of the Coalition of Black Trade Unionists (CBTU), enthusiastically encouraged the delegates to turn out the vote. Chuck Rocha and Peter Kaval of the USW Political Mobilization Department urged delegates to become elected officials in their communities and offered the USW’s assistance to help make it happen.

Richard Womack, assistant to AFL-CIO President John Sweeney and a former USW member, noted that the USW always stirred the pot and asked the delegates to keep that tradition going.

“We’ve got to learn to be obstinate! Be strong!” said Clayola Brown, president of the A. Philip Randolph Institute. Speakers also included Alex Powell, retired civil rights director; Maria Somma, president of the Asian Pacific American Labor Alliance; Jean Hervey, executive vice president of the Coalition of Labor Union Women; Tim Waters, Rapid Response director; and Michael Scarver, PAC coordinator.

Delegates heard panel discussions on Hurricanes Katrina and Rita, their aftermath and USW efforts to help; foreign sweatshops, foreign policy, international affairs and immigration reform.

**New awards announced**

Two new civil & human rights awards were also announced.

The Rosa Parks Award will be presented annually to two local union members who exemplify the boldness of the late Mrs. Parks, a civil rights leader. This year’s recipients are Cindy Boyd-Williams and former local union president Eddie Coppedge of Local 8888 in Newport News, Va.

The second award will be presented at all future conferences to honorees who reflect the qualities and ambitions of the union’s Civil & Human Rights Department. This year’s recipients were Lynch and Sharon Stiller, retired Assistant to the President for Women’s Issues.

# DuPont Cuts Contributions

## Pension Reform Bill May Hasten Demise of Traditional Pensions

The ink was barely dry on a new pension reform bill signed by President Bush when the chemical manufacturer DuPont announced it would cut contributions to employee pensions by two-thirds after 2007.

The changes at DuPont affect union and nonunion workers alike. The USW has filed a grievance in Niagara Falls, N.Y. over the change, arguing that the new plan breaches a labor agreement by withdrawing coverage from new hires. The union represents 1,700 chemical workers at DuPont.

"It's a blatant lie to say this is good for workers," said USW staff representative Jim Briggs. "They did what they felt was best for DuPont. That has nothing to do with what's best for employees."

DuPont said its traditional pension will be off limits to new employees starting next year. In 2008, the company will change its defined benefit pension formula for current employees to lessen their payouts in retirement.

### Sea change in relations

The announcement by DuPont was another signal of a sea change in U.S. industrial relations as large companies continue to accelerate their move away from traditional defined benefit pensions toward so-called defined contribution programs, such as 401(k) plans.

DuPont is among the first major U.S. companies to cut pensions after President Bush signed into law new rules that overhauled the country's pension system, the most sweeping reform in more than 30 years.

Other companies making similar moves after the pension law was signed include: Tenneco Inc., an automobile parts company; Blount International, an outdoor equipment maker; Arkema Inc., a chemical producer, and Calgon Carbon Corp.

Although the Bush administration hailed the legislation as a way to strengthen retirement security and make corporations keep their promises to employees and retirees, critics suggest that just the opposite may happen.

It is feared that a dramatic increase in funding requirements could make the traditional benefit system so financially unpalatable that companies will increasingly freeze or drop defined benefit pensions rather than bear the additional costs of funding them and paying for higher federal insurance premiums.

### Corporate transition

The changes reflect a corporate transition from defined benefit to defined contribution plans where employees assume more of the financial burden of their retirement.

DuPont executives asserted that the new changes will enhance the "portability" of employee retirement benefits and "provide more opportunity for employees to self-manage" their retirement benefits.

But based on company projections, the USW's Briggs esti-

mates that current employees could see their pension checks drop by \$300 a month or more when they retire even with new savings plan contributions.

The 907-page pension reform bill, signed by the president in August, was cloaked in Bush administration rhetoric as a way to strengthen retirement security and make corporations keep promises made to employees and retirees.

But a close look at the details show an effort by Republicans and their corporate allies to hasten the demise of traditional defined benefit plans that guarantee retirees steady income for life.

Little in the new law is likely to stop the trend away from defined benefit plans. In fact, stricter funding rules may only encourage companies to freeze pension plans rather than comply with new standards.

### Trojan horse?

Business consultants speculate that more companies will follow DuPont's lead, in part because tougher pension accounting rules take effect at the end of this year. The Financial Accounting Standards Board will require companies to include pension funding obligations in their balance sheet, which could potentially reduce net worth.

Lawmakers may look back at the law as the "Trojan horse" that brought the end of the defined benefit pension system, said U.S. Rep. Charles Rangel of New York, the top Democrat on the House Ways and Means Committee.

"Erosion of the defined benefit pension system represents a dangerous shift from a 'we' society to a 'me' society, where every worker is on his or her own," Rangel added.

## Highlights of Pension Legislation

### The measure will, among other things:

- Require plans each year to compare the market value of plan assets to the amount needed to fully fund the plan. Any shortfall must then be funded over a seven year period. This calculation must be performed annually to take into account changes in the market value of fund assets. More stringent funding rules are applied to plans that are considered to be "at risk" due to lower funding levels.
- Prohibit employers and unions from increasing pension benefits from single-employer plans that are less than 80 percent funded, or if the employer is in bankruptcy.
- Prohibit so-called "magic number" shutdown pensions if a plan's funding is below 60 percent.
- Measure the five year phase-in of PBGC-guaranteed benefits from the plant's shutdown date rather than the effective date of the benefit. Further, if a plan is terminated during bankruptcy, PBGC guarantees and maximum benefit limitations are calculated as of the initial bankruptcy filing date.
- Impose additional restrictions on the payment of pensions in a lump sum.



# Trade Commission Finds U.S. School Paper Industry Harmed by

# IMPORTS

**T**he U.S. International Trade Commission (ITC) agreed to place tariffs of up to 250 percent on lined school notebooks and paper from China, Indonesia and India, protecting 600 USW-represented workers in Pennsylvania.

USW President Leo W. Gerard applauded the decision to levy tariffs, which will provide relief to 400 workers at MeadWestvaco's paper plant in Alexandria, Pa. and more than 200 workers at Roaring Springs Blank Book Co. in nearby Roaring Springs, Pa.

## Illegally dumped

"The ITC agreed that school notebooks, composition books, filler paper, and other school supplies are being illegally dumped into our markets, injuring American jobs and the paper industry," Gerard said. "This decision should be a loud message that says 'enough!'"

The September ruling means job security at MeadWestvaco, said Michael Heaton, president of USW Local 10-1442. Heaton attended an ITC hearing in July on the issue with fellow union members.

"We produce a good product with world class technology and productivity," Heaton said. "We can't let unfair imports purchased by mass retailers harm our family-supportive jobs."

Debbie Foor, president of USW Local 10-488 at Roaring Spring, said the union workers at her plant already made big sacrifices to help the company survive as millions of imported school notebooks flooded the market.

"We lost jobs and benefits. Now we can get breathing space to recover our sacrifices by sending a message to customers that American made products mean quality and good jobs," Foor said.

Import + Import = NO JOBS!

10.5 x 8 in / 26.6 x 20.3 cm  
SUBJECT  
Spiral NOTEBOOK  
WIDE RULE

# News Bytes



## USW Editors and Webmasters Polish Skills

**U**nited Steelworker editors and webmasters came from across North America to the 21st Biennial Conference of the United Steelworkers Press Association. The conference included courses in writing, editing, layout and design for delegates at the novice, intermediate and advanced levels, as well as courses and information for webmasters.

"Everything we do is about education," International Vice President Tom Conway said in opening the conference, which was held in Pittsburgh from August 13-16.

USW President Leo W. Gerard presented 22 awards to local union editors and webmasters at the end of the conference. Most notable were the Raymond W. Pasnick awards for editorial excellence.

Pasnick awards went to USW Local 1023, Salem, Va. (circulation under 1,000), USW Local 1746L, Tyler, Texas (1,000 to 2,000 circulation), and USW Local 1123, Canton, Ohio (circulation over 2,000).

The Michael R. Enos award for best local union web site went to USW Local 1998, Toronto, Ontario. The Howard J. McCartney award for achievements in labor communication went to Dana Dixon of Local 831L, Providence, N.C.

Delegates elected Van Tenpenny, of Local 1155L in Morrison, Tenn., USPA president to succeed outgoing President Ucinda Sims.



## Dunn Accepts Position

**U**SW Associate Secretary-Treasurer James Dunn has been elected secretary-treasurer of AFL-CIO's Union Label & Service Trades Department. He succeeded Matt Bates, who resigned to teach and pursue a doctoral degree at the University of Maryland.



A former PACE member, Dunn began his union career at International Paper's pulp and paper mill in Pine Bluff, Ark., where he served as local president from 1963 to 1967.

## Thompson Honored

**T**he Kentucky Labor Management Conference has named Ernest R. "Billy" Thompson, director of USW District 8, the 2006 winner of its prestigious Labor Person of the Year Award.

Each year the award goes to a representative from labor and management who have demonstrated a sincere commitment to the concept of labor-management cooperation.

Thompson is serving his third term as Director of District 8.



**R**on Marino, president of USW Local 5032, addresses a rally at the Neville Chemical Co. near Pittsburgh. Approximately 150 USW members were locked out of their jobs Aug. 1 by Neville Chemical in a contract dispute over health care coverage. A new three-year agreement was reached on Sept. 7 and employees began returning to work a few days later.

Photo by Robert V. Pollak



## Aruban Union Affiliates with USW

The USW expanded its presence in petroleum refining and allied industries by affiliating with a 320-member oil workers union on the southern Caribbean island of Aruba.

The affiliation between the USW and the Independent Oil Workers Union of Aruba (IOWUA), which represents workers at Valero Energy Corp.'s oil refinery in San Nicolas, took effect Sept. 15.

Through its 2005 merger with PACE, the USW represents more than 75,000 workers in the petroleum industry including more than 1,800 workers at Valero's U.S. refineries in Delaware, Ohio, Tennessee and Texas. Valero acquired the refinery from El Paso Corp. in 2004.

The affiliation coincided with the start of contract negotiations with Valero. The current agreement expires on Oct. 31.

Renamed IOWUA-USW Local 1961 as a result of the affiliation, the local has represented workers at the refinery since 1961. It is the USW's first local union outside the U.S. and Canada (including Puerto Rico and the U.S. Virgin Islands).



Shown working, from front to back, are USW members Ron Davis, Mike Dryslowski and Kevin Moore. Photo by Mittal Steel USA

## Continental Tire Workers Get Support

The Mecklenburg County Commissioners in North Carolina passed a resolution supporting Continental employees who lost their jobs when the company shut down its plant in Charlotte.

The resolution acknowledges that Continental abandoned most of its North American operations, devastating thousands of workers. It also states that the commissioners expect all employers to treat employees fairly.

The City Council in Mayfield, Ky. passed a resolution supporting United Steelworkers Local 665. The company announced in August that it would close the Mayfield facility in 2007 and move production elsewhere.

## Calling a Scab a Scab

The USW has filed an unfair labor practice allegation on behalf of a nonunion employee who was fired, in part, for calling replacement workers "scabs."

"It's in Webster's. It's purely descriptive and wasn't meant to be offensive," the USW's Stan Johnson said of an incident at the Nuclear Fuel Services facility in Erwin, Tenn., where 370 USW members have been on strike.

The unfair labor practice charge was filed with the National Labor Relations Board against NFS for firing salaried worker Kim Gordon for describing replacement workers as scabs.

The union asserts that the company violated laws that permit non-supervisory employees to express opinions on labor matters.

## Mittal, USW Adopt Mississippi Town

Steelworkers from Mittal Steel USA's plant in Conshohocken, Pa. lent time, strength and skills to help refurbish public and children's libraries in Long Beach, Miss., that were destroyed by Hurricane Katrina.

As part of a company-wide effort to help Long Beach recover, 10 Steelworkers from Conshohocken spent a week installing interior walls in the libraries, wall board in city hall, council chambers and the water department office.

Mittal "adopted" the town of Long Beach a week after Katrina hit last year and has donated \$1 million in cash plus services. (The USW had already donated more than \$1 million for relief of members whose homes were devastated by Katrina.) For the library project, employees at all facilities collected 45 boxes of crayons, books, DVDs, paper and other supplies, plus checks totaling more than \$14,000.

A wall of water more than 12 feet high hit the facilities, damaging buildings and ruining books, files, records, computers, DVDs and other media, said librarian Jeannie Ripoll.



Photo by Lindsay Patterson

USW member John Moss of Local Union 4889 is interviewed in West Philadelphia for a political commercial supporting U.S. Senate candidate Bob Casey, a Democrat vying to unseat Republican Rick Santorum. Moss, a father of five, is scheduled to lose his job at BOC Edwards — Stokes Vacuum in November when the company moves production to the Czech Republic. Casey has vowed to keep jobs in the United States.

## Steelworkers Win Mine Rescue Competition

**S**teelworkers from Local 13214 at the FMC Trona Mine in southwestern Wyoming finished in first and second place at a National Metal and Non-Metal underground mine rescue competition held in Reno, Nev. The competition, which drew 34 teams from across the country, tests the skills of rescue teams by staging mock mine disasters. The events help rescue teams stay sharp and prepared for actual disasters.

## Winner Steel Goes USW

**W**orkers at Winner Steel Inc., a maker of galvanized steel coil in Sharon, Pa., voted 137 to 55 in August to join the United Steelworkers union. Winner has operated in Sharon since 1995. It opened a third galvanizing line at the plant in 2004.

## Contracts Approved at Two Sappi Mills in Maine

**A**fter a protracted contract campaign, union workers at two Maine paper mills owned by Sappi Fine Paper North America voted to accept the terms of labor agreements that they say will provide regular pay raises, strong family health insurance and other long-term improvements in the terms of employment for workers.

The union gained a commitment that negotiations will be more congenial in Cloquet, Minn. and Muskegon, Mich.

## NOTICE TO ALL EMPLOYEES COVERED BY A UNION SECURITY CLAUSE

All USW represented employees covered by a union security clause have the right, under *NLRB v. General Motors*, 373 U.S. 734 (1963), to be and remain a nonmember subject only to the duty to pay the equivalent of union initiation fees and periodic dues. Further, only such nonmember employees have the right, under *Communications Workers v. Beck*, 487 U.S. 735 (1988), to limit payment of union-security dues and initiation fees to certain moneys spent on activities germane to a union's role as collective bargaining representative. This latter statutory right is embodied in the USW's Nonmember Objection Procedure.

The Procedure is available to any USW represented employee who is subject to a union security clause but who is a non-member and who objects to his or her union security fees being expended on nonrepresentational activities. Paragraph 1 of the Procedure states:

"1. Any individual, who is not a member of the United Steelworkers and who is required as a condition of employment to pay dues to the United Steelworkers of America pursuant to a union security arrangement but objects to supporting ... political or ideological expenditures by the United Steelworkers which are not necessarily or reasonably incurred for the purpose of performing the duties of an exclusive collective bargaining representative shall have the right upon perfecting a notice of objection to obtain an advance reduction of a portion of such individual's dues obligation commensurate with expenditures unrelated to collective bargaining as required by law."

An eligible employee who objects to the USW expending monies for nonrepresentational activities such as charitable or political activities may choose to perfect a notice of objection under Paragraph 2 of the Procedure, which states:

"2. To perfect a notice of objection, the individual must send an individually signed notice to the International Secretary-Treasurer during the first thirty days following either the individual's initial date of hire into the USW represented unit or an anniversary date of such hiring: provided, however, that if the individual lacked knowledge of this Procedure, the individual shall have a 30 day period commencing on the date the individual became aware of the Procedure to perfect a notice of objection; and, provided, further, that a member who resigns membership shall have the opportunity to object within the 30 day period following resignation.<sup>1</sup> Any objection thus perfected shall expire on the next appropriate hiring anniversary date unless renewed by a notice of objection perfected as specified above.

Objectors are not USW members and have no right to vote in union elections or to be a candidate, no right to participate in union meetings or activities, and no right to vote on contract ratification.

Upon perfecting properly a notice of objection, the objector is entitled to an advance reduction of a portion of his or her union security obligation commensurate with expenditures unrelated to collective bargaining, as required by law. International Secretary-Treasurer James D. English has determined, based upon expenditures for the calendar year 2004, that the reduction percentage under the Procedure is 11.65% (29.61% if organizing expenditures were to be included).


There are court decisions holding that organizing activities are non-representational activities. The USW does not agree with those rulings. However, without intending to waive its position that its organizing expenditures are not subject to objection and without intending to waive its right to assert its position if there is a challenge to the reduction percentage, the USW has deemed it expedient to apply the 29.61% figure to most current and future objectors. Therefore, an objector will be charged 70.39% of the regular dues amount. Each objector will be given a detailed breakdown between representational and non-representational activities with a report by an independent auditor.

The Procedure contains an appeals system under which challenges to the reduction percentage determination must be filed within 30 days of the Notice of Determination and are to be decided by an impartial arbitrator appointed by the American Arbitration Association. Disputed amounts are escrowed pending appeal.

While a notice must be individually signed and timely mailed, there is no form for a notice. Processing is faster, however, when the notice contains the objector's name, address, local union number, and employer.

<sup>1</sup> Any right of a resignee to pay a reduced amount under this Procedure may or may not be superceded by the resignee's check-off authorization."





Gracie Shumpert kisses a television screen showing a live video of her son, Senior Master Sgt. Thomas Shumpert Jr., who is stationed in Iraq.

Photo by Jon L. Hendricks/The Times of Northwest Indiana

# Freedom Calls

## USW Career Center helps service members connect with their families

It started with a gasp and ended with a kiss and a prayer.

Tears flowed when USW member Thomas Shumpert Sr. and his wife, Gracie, caught a glimpse of their son, a senior master sergeant serving in Iraq, on a large-screen television set up in the union's Career Development Center in Burns Harbor, Ind.

"We started crying," Mrs. Shumpert said of seeing her son, 19-year Air Force veteran Thomas Shumpert Jr. "And he did too."

Mrs. Shumpert, carrying a wad of facial tissue and surrounded by mesmerized relatives, kissed her son's image on the TV after the family was able to speak with him for 30 minutes via a Web video camera.

### Freedom Calls Foundation

The Shumperts and four other union families were able to visit loved ones serving in central Iraq during video reunions organized by USW Local 6787 in cooperation with Mittal Steel and the New York-based Freedom Calls

Foundation, a nonprofit organization that helps service members in Iraq and Afghanistan keep in touch with their families free of charge.

"It was very heartwarming," Al Long, the local's financial secretary, said.

The foundation, formed by New York businessman John Harlow, supports about 1,000 video conferences a month between service members and their families with the help of donors.

"We do more than 1 million minutes of phone calls per month," Harlow said. "For every family that we help, I have to turn down three because we don't have the resources to reach the other camps in Iraq and Afghanistan."

The senior Shumpert, an employee of Mittal's Indiana Harbor plant in East Chicago, learned of the opportunity from a bulletin board notice in the furnace area where he works. He both laughed and cried when talking with his son, who is nicknamed Juno.

"It sure is good to see you, Juno," he said. "This is big to us."

### Good-natured fun

The family reveled in their short time together. They poked good-natured fun at each other and talked about the weather and baseball. The son teased his father about his gray goatee.

"Dad, what have you got under your chin?" Juno asked, smiling broadly.

Thomas Sr. stroked his gray beard and laughed. Then he pulled off his cap to show his bald head. "I'm taking after you, Juno," he said.

The session ended with a quiet prayer.

After the Shumperts concluded their call, the family of Gisele Rios, 23, a dental hygienist for the Army National Guard's 738th Medical Company, got their turn.

Gisele was able to pass along birthday greetings to her grandfather, Robert Rodriguez, who turned 84 the day of the call. Her grandmother, Carmen Rodriguez, wiped away tears.

"This is something we are never going to forget," said her father, Jesus Rios.



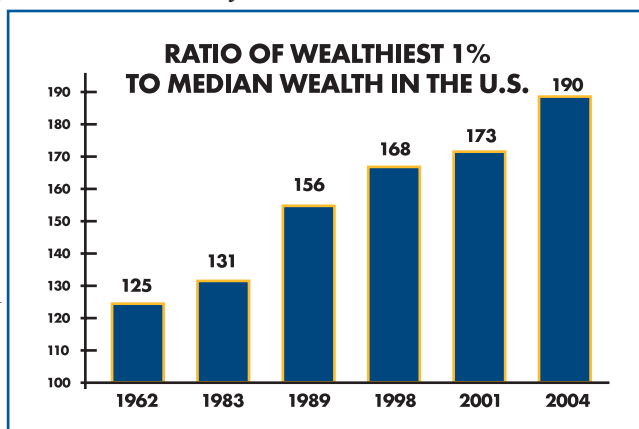
# Worker Economics

## Economic Inequality on the Rise

**E**conomic inequality in the United States is on the rise whether measured in terms of wages, family incomes or wealth, and is much higher than that experienced by other advanced countries.

The accompanying chart by the Economic Policy Institute shows that one economic measure — wealth — has not only persisted but grown over time.

The richest 1 percent of Americans had 125 times the wealth of the typical household in 1962. By 2004, the richest 1 percent had 190 times as much as the typical household, or \$14.8 million in wealth for the upper 1 percent, compared to just \$82,000 for the household in the middle fifth of wealth.



## Uninsured Americans Hits New Record High

**T**he number of Americans without health insurance hit a record high in 2005 as medical costs increased three times as fast as wages, according to preliminary Census Bureau forecasts. The total has climbed every year since George W. Bush took office.

When final numbers are available, health policy researchers from Harvard and Princeton universities believe that the number of uninsured will top what it was in 2004 when one in six Americans were without coverage.

The average expense of providing medical care for a family of four rose 9.6 percent this year to \$13,382, according to a separate survey by the Seattle-based Milliman Consulting Group.

When the costs of health care and health care insurance rises, fewer employers typically offer coverage for their employees and fewer workers accept coverage when it is offered.

## AT&T Returns Outsourced Jobs to Company Payroll

**I**n a move hailed as a union victory, San Antonio-based AT&T has agreed to return 2,000 outsourced jobs, including some that were shifted overseas, to the company payroll.

After negotiations with the Communications Workers of America, the telecom giant next year will begin turning 800 jobs now filled by outside contractors into union-represented company positions. It will also return to its U.S. payrolls about 1,200 customer service jobs now filled by overseas contractors, many in India.

The jobs support AT&T's growing high-speed internet business.

"I think this is a considerable victory for labor," said Alex Colvin, labor studies professor at Penn State University. "They won it at the bargaining table using traditional union leverage at a time when people talk about unions' dwindling influence."

## Executive Order Discourages Outsourcing

**P**ennsylvania Gov. Ed Rendell signed an executive order at the USW International headquarters in Pittsburgh encouraging state contractors to use American workers rather than outsourcing operations overseas.

Under the order, businesses must disclose where they intend to have the work done. Those companies that agree to keep work within the United States will receive extra consideration from the state.

A similar approach was used successfully to encourage minority- and women-owned businesses to compete for state contracts. Procurement service contracts to businesses owned by minorities or women quadrupled in four years.

Sending jobs overseas has become a growing trend for private sector employers. Millions of U.S. manufacturing jobs have moved to foreign countries so far with no end in sight to the practice.





## Court Rules Against Can Company Retirees on Health Benefits

A federal judge newly appointed by President Bush has ruled that a major can company, Rexam Inc., has the right to stop providing health benefits to many of its retirees.

The ruling by U.S. District Judge Patrick J. Schlitz overturned most of a more favorable ruling made a few months earlier by U.S. District Judge Ann D. Montgomery, a Clinton appointee.

Rexam and its predecessors, the American and National can companies, provided health benefits to retirees for decades. After making changes to these benefits in 2003, Rexam earlier this year terminated benefits completely for all retirees who are eligible for Medicare. Unlike pension benefits which automatically vest under the law, federal law permits companies to reduce or terminate health benefits unless the company and the union have agreed that the benefits would be vested.

Shortly after cutting benefits in 2003, Rexam sued the USW and several individual retirees seeking court approval for the cuts. The USW countersued, seeking restoration of benefits.

Last year, Rexam filed a motion for summary judgment, asking the court to rule that the company can discontinue the benefits.

Last February, Judge Montgomery denied Rexam's motion, finding there was sufficient evidence of vesting that the matter should be decided by a jury. The company then asked for reconsideration and the case was transferred to Schlitz, who entered summary judgment in favor of Rexam.

A trial will be held on the claims of the American Can retirees in early December. The union will appeal Judge Schlitz's ruling as to the National Can retirees.

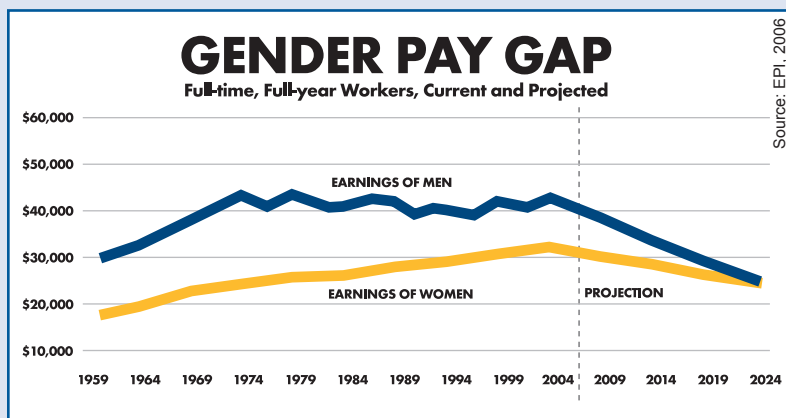
## Gender Pay Gap Slips as Wages for All Fall

New data released by the U.S. Census Bureau shows that the gender pay gap for full-time, full-year workers is the smallest on record. But the report is not the good news that it seems.

The gap between what men and women earn has shrunk over the past two years following an increase from 2002 to 2003. Women now earn 77 cents on the dollar compared to men.

The declines, however, were solely due to the fact that earnings have fallen for both men and women, but have fallen more so for men — not exactly a desirable scenario.

The Labor Department brags that the gender gap in pay is now the smallest ever, while ignoring what made the gap narrow. Following the trend, the gap could be eliminated in a few years if wages fall another 40 percent for men and 22 percent for women.



## Top Paying Jobs (average)

Surgeons — \$181,850  
 Chief executives — \$140,880  
 Pilots, flight engineers — \$134,090  
 Dentists — \$132,650  
 Lawyers — \$110,590

## Low paying jobs (average)

Fast-food cooks — \$15,980  
 Waiters — \$15,980  
 Gaming dealer — \$16,730  
 Amusement park attendant — \$16,730  
 Farm worker — \$17,110

## Clocking In

**7.5 million Americans** hold more than one job  
**294,000 workers** hold down two full-time jobs  
**28 percent of workers** clock more than 40 hours a week  
**8 percent of workers** work more than 60 hours a week  
**10 percent of workers** have stayed with an employer 20 years or more  
**4 years seniority** the median time Americans have in current job  
**62.2 percent of mothers** work while raising child under age 6  
**78 percent of mothers** with kids between 6 and 17 work  
**4.7 million people** work from home

## Wage Gap

**\$41,383** annual median earnings for men working full time 2005  
**\$31,858** annual median earnings for women working full time 2005

## Commute

**25.1 minutes** average daily commute to work 2005  
**87.6 percent of Americans** drove to work in 2005, up from 64 percent in 1960  
**10.6 percent of Americans** carpooled in 2005, versus 19.7 percent in 1980  
**4.6 percent of Americans** took public transportation in 2005 — down from 6.4 percent in 1980



# USW-SCA Tissue

## Partnership Shows Better Way

Imagine having an employer who doesn't think of the union as an obstacle but as an ally to help the business grow and compete in the global economy.

Sound like a fairy tale?

Not at SCA Tissue where the USW and the company have a formal partnership to engage in an open and honest relationship with one another and to look out for the best interests of the business and its employees.

"The only way for such a program to succeed is to have an absolute commitment from the CEO and from the international union president," said International Vice President Dick LaCrosse, who is responsible for national paper bargaining.

USW International President Leo W. Gerard and SCA President and CEO Joe Raccuia reaffirmed their organizations' partnership and "Principles of Behavior" for organizing drives last June.

"I give credit to the former PACE leadership and SCA management for setting aside their differences and agreeing to forge a new approach to satisfy the needs of the workers and the company," Gerard said.

### Born out of fire

Labor-management relations at the Swedish-owned company weren't always cordial. Back in 2002 the union and the company were at each other's throats during contract negotiations at the Alsip, Ill., paper mill.

SCA decided it was cheaper to buy pulp in the open market than to make it so it shut down the de-inking department and laid off about one third of the membership, said Local 1085 President Howard Snell.

"After they did that there was no relationship, except on paper. Morale went down the tubes. The union showed repeatedly how it wasn't a good idea to eliminate the de-inking department but management's attitude was that 'it was our way or nobody's way,'" Snell said.

SCA also attacked the contract and decreased benefits. In response, the union launched a corporate campaign against the company and started lining up global support. "It was getting contentious," said retired District 7 co-director Bill Gibbons, who played a key role in putting together the partnership in 2004.

"I said to the company, 'If you want to improve operations, attacking the workers and the rights of workers is not going to enhance productivity. There's a better way to do this. No one understands the operations better than the employees. Our people can run the mill. Give them the ability to do that. Cutting pay only leads to poor morale and productivity.'" "

Independent consultant John Nee helped facilitate the discussions leading to the USW-SCA partnership and Principles of Behavior agreements. A senior level labor-management Joint Advisory Committee was established to engage in honest and open discussions over SCA's business and to assist each location in implementing what it thinks is important, Gibbons said. Each SCA location also has a joint labor-management steering committee.

### Turnaround in Alsip

When negotiations came around again in Alsip during the fall of 2005, Local 1085 received a guarantee from the company: Local management would approach corporate headquarters in Sweden and ask for a de-inking project if the local union would accept concessions.

"When the higher-ups knew the union wanted to work with them, they agreed to do the project," Snell said. "It's up to the work force to make it work. Maybe in another year the company will put in more investment. I'm optimistic."

Grievances also dropped dramatically — a result reported at other SCA locations as well. "Because of this strategic





# to Confront Globalization

alliance, our grievances went from a couple of hundred a year to maybe 20,” Snell said. “They (management) used to flagrantly violate the contract. Now, they work with us to decrease the number of grievances we need to file.”

Local 12-8850 President Dave Hetzler from the SCA Bellemont, Ariz. converting operation said the partnership is a more productive relationship than the traditional adversarial ones he hears about from USW members at other companies.

## A high performance work system

Both the Bellemont and Barton operations started out with a high performance work system that places more control over a job into the employees’ hands. Extensive work system redesign is underway at the Neenah and Menasha, Wis., and South Glens Falls, N.Y., facilities.

One of the hallmarks of such a work system is mutual problem-solving. “We have meetings every two weeks with management and the union to work on problems,” Hetzler said. “We don’t always agree but we agree on what we can. We put the rest aside for the next meeting. We try and focus on things that benefit us mutually.”

Management now seeks the union’s input and gives it a complete accounting of the company’s finances and other business information. “They come to the union for solutions now instead of implementing stuff,” said Local 324 President Chris Schrader of the Menasha tissue mill.

He said SCA management asks the union for input on capital projects, handling of pensions and “stuff you thought they’d never ask you before.”

The union membership is in on designing the high performance work systems in their departments, which evolves over

time. At the Neenah converting operation, the design teams from the departments have two-thirds representation from the union membership and one-third from management, said Local 2-1279 President Denny Lauer. He said feedback from the hourly workers in the department that is being redesigned is important, and they decide whether or not to ratify the design changes.

Under SCA’s high performance work system, supervisors become mentors and workers take on greater responsibilities such as vacation, equipment and training schedules.

The Barton mill union-management leadership team is looking at the level of decisions workers should take on, their accountability for those decisions and how this affects pay, said Local 9-1535 President Joey Weston.

“In the traditional way the supervisor decides what you’ll do. Everything is set up for you and you do the job,” Weston said. “In our facility we have to order the products and decide whether they’re good or not. You make these choices and you’re responsible for them.”

## Who benefits

“We’re solving so many things but we’re not holding a gun to each other’s head,” said Local 1478 President Keith Baker of how workplace problems are resolved before they become grievances.

“We need to work together,” he said, “because if SCA succeeds, we succeed.”

“I think with this new form of labor-management relationship our company is better able to weather the difficult times the U.S. paper industry is experiencing now,” Snell said.

That will be the best test for this innovative way of confronting globalization.

## USW-SCA Partnership Opens Door to Organizing

**H**ave you ever heard of an employer failing to interfere when employees talk openly about organizing a union in front of the boss?

It happened at SCA Tissue during organizing efforts by the former PACE union.

Production, logistics and maintenance workers at SCA Tissue’s converting plant in Bellemont, Ariz., voted 88 to 50 for union representation in a 2004 National Labor Relations Board election that was remarkable for its good behavior.

The union and the Swedish-based paper giant agreed to “principles of behavior” during the campaign that allowed for an expedited election, determination of the bargaining unit

and a positive code of conduct.

The agreement removed the usual contentiousness and confrontation that is often found when workers try to organize a union, said USW organizer Jack Cavanaugh. The earlier owner of the facility, Georgia-Pacific, had vigorously fought previous attempts at unionizing.

The Bellemont win followed a successful card check drive in Barton, Ala., where SCA had agreed to voluntary union recognition as a result of the partnership agreement with the USW. This was a major accomplishment for the union because it was the first new Greenfield mill organized in recent history.



# USW Photo Contest

# WINNERS

2 0 0 6

The results are in for the 2006 USW Photography Contest. Union members from across the country took their cameras to work to capture co-workers and fellow USW members doing their jobs.

The second- and third-place winners, along with several photographs judged to be honorable mentions, are shown on these pages. The first place winner was given a more prominent place of honor on the back page of USW@Work.

This year is the first time the union has conducted a members-only contest and we were pleased with the number of entries and the general quality of the photography.

We will conduct the contest again next year and encourage

you to take a camera along with you to work when possible and keep an eye open for the artful or unusual portrait.

Most of this year's entries reflected the proud manufacturing tradition of the USW, the nation's largest industrial union.

Next year, we hope entries will also show the growing diversity of the USW with photographs of members in health care and other less traditional sectors in addition to our core manufacturing industries.

This year's prizes were \$300 for the first place winner, \$150 for second place and \$50 for third place. Look for a few of the winners in this issue of USW@Work.

Thank you and good luck in 2007.

## Honorable Mention



**Robert Garuccio**  
Parma, Ohio — Local 979



**David Treece**  
Leeds, Ala. — Local 3-0542



**Peter Dinger**  
Lindenhurst, Ill. — Local 1744



**Joseph M. Mattero**  
Worcester, Mass. — Local 2285



**Albert Herman**  
Jeanette, Pa. — Local 532



**Robert Guier**  
LaBarge, Wyo. — Local 15320



**Photographer:** Peter Dinger  
Lindenhurst, Ill. — Local 1744

**Title:** "Going With the Flow"

**Prize:** \$50 Third Place Prize

3rd  
Place



2nd  
Place

**Photographer:** Robert Guier  
LaBarge, Wyo. — Local 15320

**Title:** "The Inspector"

**Prize:** \$150 Second Place Prize



**And the Winner is...**

Turn to the back cover to see the 1st place winner!

# USW Photo Contest **WINNER**

2 0 0 6



**Photographer:** Tim Huff  
Butler, Pa. — Local 9445-11  
**Title:** "Heat at Night"  
**Prize:** \$300 Grand Prize

Turn to page 26 to see  
more contest winners!

# 1st Place

## Have You Moved?

Notify your local union financial secretary, or clip out this form  
with your old address label and send your new address to:

**USW@Work**

USW Membership Department,  
3340 Perimeter Hill Drive, Nashville, TN 37211

Name \_\_\_\_\_

New Address \_\_\_\_\_

City \_\_\_\_\_

State \_\_\_\_\_ Zip \_\_\_\_\_