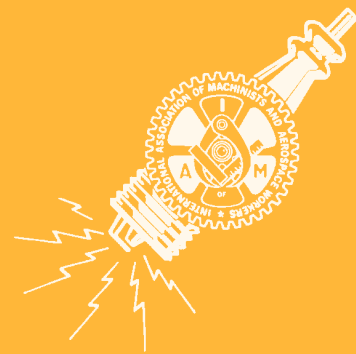


The IAM District 190 Sparkplug



VOL. 4, NO. 5

August/September 2002

Serving the Active and Retired Members of IAM District Lodge 190

IAM members will feel it—if not on their current contract, then on the next one

Health care costs skyrocket out of control

Health care costs are going up—not just for Machinists and Automotive techs, but for teachers, stockbrokers, and hospital workers.

“It’s across the board...a national epidemic,” says District Lodge 190 Directing Business Representative Jim Beno. “And our members are going to feel it, if not right away, then when their next contract comes due.”

Most members who work in machine and manufacturing are covered under the Machinists Trust Fund (previously called CMTA). Members who work in the automotive and truck industries are covered by the Automotive Industries (AI) Trust.

The Machinist and the AI Trusts used all of their bargaining might to get the best possible deal this year, and still, some members will have to pay monthly co-pays that they never had to pay before.

Cost history

Throughout the 1990s, costs remained relatively low and stable. In six years, from September, 1993 through September 1999, the monthly cost for the Machinists Health Plan rose from \$400 to \$430. Things started to change in 2000 when the rate jumped to \$480.

But nobody expected that the monthly health and welfare rate would ever reach or exceed the \$600 cap that was set for many union contracts. Things were still safe in 2001 when the rates hit \$550.

For the coming year, starting on September 1, 2002, the monthly rate for Health and Welfare will rise to \$650 for the Machinists Trust and an average of \$620 for the AI Trust.

Many members covered by AI have “maintenance of cost” contracts, which means that the employer will pick up the full tab, no matter how high the rates increase. But many in the Machinists Trust will have to lay out \$50 a month or more for the first time in the history of their contracts.

Keeping the rates down

“The actual cost of the current Machinists’ plan would have been \$711,” says Administrative Assistant Herman Howell. “But instead of making the members pay \$111 per

month, we tinkered with the benefits to reduce the co-payment. So now, a doctor’s visit will cost \$15 instead of \$5, and drugs will cost a little more for each prescription.”

In addition, “the Trust is reducing its cash reserves to subsidize the payments for our members by almost \$21 per month,” Howell adds.

For the AI Trust, Kaiser initially proposed a 24.3% increase and PacifiCare proposed a 25.5% increase. By

the time the negotiations were complete, the Trustees were able keep the overall increase for everything—medical, prescription drug, dental, orthodontics, vision, short-term disability and life-insurance—to less than a 14% increase. The rates for the dental, ortho and life insurance segments of the package actually went down.

Beno said that everybody expected the increases to be a lot higher. “By fine tuning, we kept the increas-

es below 15%. But next year is another story. And we don’t know what increases we’ll be facing—and the rumors don’t sound good.”

AI plan modifications

What fine tuning means is that members at Kaiser will now have a \$10 co-pay for office visits instead of \$5, and they’ll no longer get a reimbursement on drug co-pays.

For members in PacifiCare, their office visit co-pay goes from \$10 to \$15 and there will no longer be a reimbursement program.

For members who have PacifiCare or Direct Pay medical, the co-pay for brand name prescriptions goes from \$10 to \$20, but the co-pay remains at \$5 for generic drugs and \$35 for non-formulary drugs.

The trustees are considering changing the drug administration company. This will not impact benefits or rates. Watch *The Sparkplug* to see what action is taken at the next trust meeting.

The Trustees of both plans tried to keep the costs down and have the least impact on the members as possible. “Because the Trusts incurred such large increases, the next time we go into negotiations, we can expect more of the increases that we win at the bargaining table to be put into medical costs, instead of wages and pensions,” Beno said.

Behind the increases

“Costs are going up for a number of reasons,” says Tim Biddle, who works for the Segal Company, an actuarial consultant to both the Machinist and AI Trust Funds.

“For one thing, HMOs are losing their value. Throughout the 90s, HMOs controlled costs by squeezing doctors and hospitals.”

But two things resulted. One is that they succeeded in squeezing all the fat out and there’s no more to be found. And two is that doctors and hospitals consolidated and are now bigger than the HMOs. The medical groups now have the leverage, and they want big increases.

Also contributing to the problem is that Medicare unilaterally reduced payments to hospitals and doctors. “But someone has to pay the bill,”

(continued on page 2)

What about National Health Care?



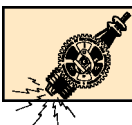
In the early days of the Clinton presidency, there was much talk about National Health Insurance and ‘single-payer’ systems. The goal was to ensure coverage of the 38 million people who were uninsured. Today, with 48 million people uninsured, costs are rising without limit.

“The Managed Care system was a direct result of high medical costs,” explained DBR Jim Beno, who sits on the AI Trust Fund. “HMOs came in to control costs and we had several years when premium rates were frozen. But they did it at the expense of doctors and hospitals. The pendulum which kept prices down in the 90s is swinging back today and nobody can say where it will end.”

Beno has suggested that the California Labor Federation initiate talks among the unions that have their own trust funds, to develop a game plan to keep costs down. “We need to think about amalgamating our trusts together to negotiate the best price with medical carriers. We also need to start thinking about National Health Care, because the system we have is not working.”

INSIDE THIS ISSUE

Plant closures	2
2002 Elections	3
In memoriam	3
Around the locals	4-5
Talking to your kids about personal safety	6
Labor Day Car Show	7



FIGHTING PLANT CLOSURES

Company gets government to replace IAM jobs

As reported in the last issue of *The Sparkplug*, MSC and Pinole Point Steel in Richmond were bought by a Mexican company, Grupo IMSA, operating in the U.S. as Steelscape. The company immediately laid off all 144 members of Local 1584.

The new owners plan to re-open with only 80 workers. The laid-off workers will not be given priority, Steelscape officials say.

All of that's bad enough. But what frosts this nasty cake is that the new owner was going to the county's publicly-funded "one stop" employment centers to fill the vacancies.

"As soon as we learned what they were trying to do, we took action," says Local 1584 Business Representative Chris Rasmussen. "We went to the Richmond City Council and met with county officials in Martinez. We got all of them to agree not to send applicants out there—because that was using city and county funds to replace high-wage union jobs with low wage positions."

"Steelscape seems to have clogged the employment centers with laid-off workers, then used the same tax-subsidized resources to hire a work force," said County Supervisor John Gioia, of Richmond. "Steelscape disrupted and upset many more lives than it had to."

"They're just trying to sidestep the union," said John Dalrymple, executive director of the Contra Costa Central Labor Council. "Steelscape has a responsibility to hire those workers who were laid off. They're trying to use the government as a tool to facilitate their shameful behavior."

Health care costs skyrocket

(continued from page 1)

Biddle said. "So, premiums that retirees pay are going up at an even faster rate."

The aging workforce is an additional factor. "The average age of AI members went from 40.9 in 1998 to 42.2 in 2001," Biddle explained. "From an underwriting standpoint, that represents a huge increase."

Another actuarial issue is the "fixed dollar co-pay." If inflation drives the plan cost up 20% from, say \$100 to \$120, but the member's co-pay remains at \$5, then the plan is actually paying \$115 instead of \$95—or 21% more.

Eventually, this cost will be shifted back to the members, as will additional costs such as mandated benefits and administrative upgrades.

And then there's the issue of advertising. "With all the ads on TV about new drugs, people go to the doctor self-diagnosed and self-pre-

If it walks like a duck...



Myers Container in Richmond maintains it's still open for business, but according to Local 1584 Business Representative Chris Rasmussen, the company has downsized from 60 to three employees, pulled out all the equipment and let weeds overtake the parking lot.

"They say they're still in business but they look pretty much out of business to us. They're maintaining only enough of a presence to try to circumvent the contract and avoid recall rights and severance," Rasmussen says. "We're taking them to arbitration, and are looking for them to compensate our members what they're due."

According to Rasmussen, the company accepted applications from about 15 former employees. But at presstime, he didn't know if any of these union members got jobs. Steelscape is offering \$15 per hour to start, which is \$6-7 less than the previous company was paying.

After 51 years, Hosokawa calls it quits

Hosokawa Manufacturing announced on July 17 that it is closing its Santa Rosa plant, putting 80 members of Local 1596 out of work.

This 51-year old company made giant pieces of machinery—some 12 feet wide and 40 feet long—for processing powders and foods.

In 1996, Hosokawa had more

than 150 employees and local sales of \$39 million, a 54 percent increase over the previous year's revenues. According to the *Santa Rosa Press Democrat*, the company planned to expand its Santa Rosa workforce by nearly 20 percent.

But starting about three years ago, the food and chemical processing industries started experiencing a wave of major mergers. Many companies suddenly found themselves with extra equipment and they didn't need to purchase machinery from companies like Hosokawa.

Last year, the company was down to 100 employees and \$27 million in sales. Orders this year fell even further.

"They asked for concession bargaining about nine months ago," explained Business Representative

Tom Brandon. "But the members said 'no.'" So the company gave its 60-day WARN notice in July and will close in early October.

Brandon pulled in Administrative Assistant Herman Howell and a group of Local members to negotiate a severance package that improved what was called for in the contract. The company will pick up the whole cost of the Health Plan, including the \$50 rate increase, for the next three months and for three months after closing. Severance, calculated at a week per year, will be rounded up to the next full year. And those who work through the close-down of the plant will get a \$750 loyalty bonus.

"Lots of these people have been there for 30 or more years. Probably a quarter of our members here will retire," said Brandon. In addition, the company will try to help employees find new jobs by offering out-placement services, and the union has already directed some employees to union positions in the area.

Impact of the Crown shutdown

The closure of Crown Cork and Seal in Modesto "has had an impact on all the can plants in the valley," says Local 1528 Business Representative Gilbert Gonzalez, "more than anyone realized. The three remaining can plants are very busy right now, and they haven't even started packing yet."

Gonzalez reports that some of the folks who worked at Crown have found jobs at the other plants. "And right now, everybody's working weekends to get ahead before they start packing fruit and tomatoes."

Moving? The union needs to know!

If you plan to move or have moved already, please notify your Local Union office immediately. Use the mailing label on this newspaper, or write your name, local number, and address clearly and send it to your Local.

See calendar on page 8 for your local union's address.

What lies ahead?

A couple of big plans serve as a bellwether for the coming year.

One of these is CalPERS, which expects its HMO rates to go up by 25% and its PPO plans to increase by 19-22% next year. Blue Cross is projecting increases next year of roughly 19%, not including prescription costs.

"This is not good news," Biddle says. "There's hope that by the end of 2003 we'll be back to 10-12% increases—but that's anybody's guess."

The IAM District 190

Sparkplug



The Sparkplug (USPS 007966) is published bi-monthly for \$3 per year by District Lodge 190, International Association of Machinists, Oakland, Calif., a non-profit organization. Periodicals postage paid at Oakland.

The Sparkplug is the official publication of District Lodge 190 and its affiliated local lodges and notification of any meeting or election in this paper shall constitute official notice per Article B, Section 4 of the IAMAW Constitution and Articles V and VII of District Lodge 190 By-Laws.

Postmaster: Send address corrections to: The Sparkplug, 7717 Oakport Street, Oakland, CA 94621.

Beagle & Bleiweiss Communications • Debra Chaplan, Managing Editor

THE 2002 ELECTIONS

Congressional Score Card

Tuesday, November 5 is another election day. The big statewide races are Governor, Lieutenant Governor, Secretary of State, Superintendent of Schools, Insurance Commissioner and Attorney General. We'll provide more information on these races in the next issue of *The Sparkplug*.

The entire House of Representatives is also up for election. The big question is whether the balance of power will stay in the same hands, with Republicans in control of the House and Democrats in control of the Senate.

At *The Sparkplug*, we bite our tongue and try not to tell you who to vote for. We'll show you how your representatives voted on key issues. We hope you'll take the time to analyze whether your rep is—or is not—on your side, and vote accordingly.

Here are the issues, and the votes taken in 2001:

1 - Fast Track

This bill gives the President wide latitude to negotiate trade deals with other nations. The legislation includes no meaningful workers' rights or environmental standards.

2 - Aviation Security

This amendment would federalize passenger and baggage screeners at the country's largest 140 airports and give the Justice Department responsibility for airport and airline security.

3 - Economic Stimulus

H.R. 3090 would spend \$162 billion over the next ten years to pay for additional tax cuts for large corporations and wealthy individuals. This bill fails to provide any meaningful relief to the hundreds of thousands of workers who have been laid-off since September 11.

4 - PBOR/HMO Liability

This amendment to the Patient Protection Act replaces the bill's original liability provisions that enforce the patient protections with

more limited liability provisions, creating bigger hurdles for patients seeking to sue HMO's that improperly deny them care.

5 - Mexican Trucking

The House passed an amendment to the Transportation spending bill that would prohibit Mexican trucks and buses from operating in our country until they can meet all U.S. safety standards..

6 - Tax Reconciliation

The 2002 tax reconciliation bill would use \$1.74 trillion worth of projected budget surpluses over the next ten years to pay for tax cuts that would primarily benefit the wealthy

7 - Workers' Safety

The House passed the first health and safety standard nullification in OSHA's 30-year history. This resolution eliminated the current ergonomics standard and also prohibited OSHA from issuing another similar rule unless Congress gives subsequent permission.

Supporting those who support working people



In June, Dennis Cardoza came to Local 1528's Modesto office to receive a donation from the IAM. Cardoza is running for Congress in the Modesto/Central Valley district currently held by Gary Condit.

	Hometown	1	2	3	4	5	6	7	Score
1. Mike Thompson (D)	St. Helena	+	+	+	+	+	+	+	100%
2. Wally Herger (R)	Marysville	-	-	-	-	-	-	-	0%
3. Doug Ose (R)	Sacramento	-	-	-	-	-	-	-	0%
4. John Doolittle (R)	Rocklin	-	+	-	-	-	-	-	14%
5. Robert Matsui (D)	Sacramento	+	+	+	+	+	+	+	86%
6. Lynn Woolsey (D)	Petaluma	+	+	+	+	+	+	+	100%
7. George Miller (D)	Martinez	+	+	+	+	+	+	+	100%
8. Nancy Pelosi (D)	San Francisco	+	+	+	+	+	+	+	100%
9. Barbara Lee (D)	Oakland	+	+	+	+	+	+	+	100%
10. Ellen Tauscher (D)	Alamo	+	+	+	+	+	-	+	86%
11. Richard Pombo (R)	Tracy	-	+	-	-	-	-	-	14%
12. Tom Lantos (D)	San Mateo	+	+	+	+	+	+	+	100%
13. Fortney Stark (D)	Fremont	+	+	+	+	+	+	+	100%
14. Anna Eshoo (D)	Atherton	+	+	+	+	+	+	+	100%
15. Michael Honda (D)	San Jose	+	+	+	+	+	NV	+	86%
16. Zoe Lofgren (D)	San Jose	+	+	+	+	+	+	+	100%
18. Gary Condit (D)	Ceres	+	+	+	+	-	-	+	72%
23. Elton Gallegly (R)	Simi Valley	-	+	-	-	-	-	-	14%
24. Brad Sherman (D)	Sherman Oaks	+	+	+	+	+	+	+	100%
25. Howard McKeon (R)	Santa Clarita	-	-	-	-	-	-	-	0%
26. Howard Berman (D)	Valley Village	+	+	+	+	+	+	+	100%
27. Adam Schiff (D)	Burbank	+	+	+	+	+	-	+	86%
28. David Dreier (R)	San Dimas	-	-	-	-	-	-	-	0%
29. Henry Waxman (D)	Los Angeles	+	+	+	+	+	NV	+	86%
30. Xavier Becerra (D)	Los Angeles	NV	+	+	+	+	NV	+	72%
31. Hilda Solis (D)	El Monte	+	+	+	+	+	+	+	100%
32. Diane Watson (D)	Los Angeles	+	+	+	+	+	+	+	100%
33. Lucille Roybal-Allard (D)	Los Angeles	+	+	+	+	+	+	+	100%
34. Grace Napolitano (D)	Norwalk	+	+	+	+	+	+	+	100%
35. Maxine Waters (D)	Los Angeles	+	+	+	+	+	NV	+	86%
36. Jane Harman (D)	Venice	+	+	+	+	+	+	+	100%
37. Juanita Millender-McDonald (D)	Carson	+	+	+	+	+	NV	+	86%
38. Steve Horn (R)	Long Beach	+	+	-	-	-	-	-	28%
42. Joe Baca (D)	Rialto	+	+	+	+	+	NV	+	86%
43. Ken Calvert (R)	Corona	-	+	-	-	-	-	-	14%



IN MEMORIAM

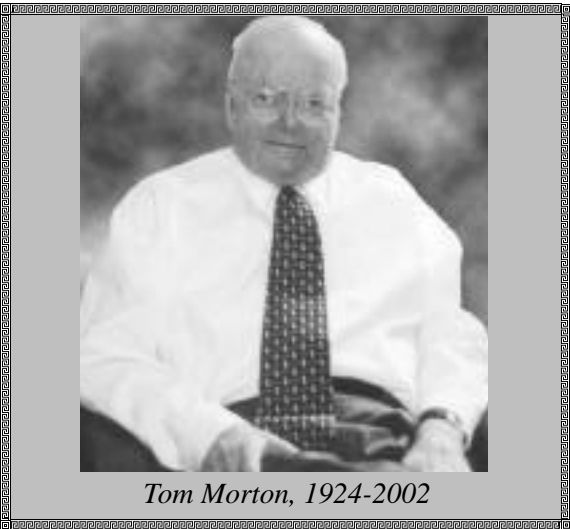
Tom Morton managed the AI Pension plan since 1962

Thomas A. Morton, San Francisco Bay Area native and long-time friend of unions across California, died on June 29, 2002 of cancer. He was 78 years old.

Tom Morton managed the AI Pension Plan and the Northern California Carpenters since 1962—these two funds put his firm, McMorgan & Company, in business in 1969.

When Morton first started managing the AI Pension plan, it had about \$36 million in total assets. Now, the plan is valued at \$1.4 billion.

As Chairman of the Board of McMorgan & Company from 1979 through 2001, Morton built a business to serve the unique needs of multi-employer pension and benefit plans. Over 500,000 participants in those plans relied on Morton and his firm to manage assets so they would have a secure retirement.



Tom Morton, 1924-2002

ous philanthropist, supporting more than 100 different charities. His priorities were education and animal care. He was honored by many of these organizations including the Guide Dogs of America, which named him recipient of the national "Gift of Sight" award in 2001.

Tom Morton is survived by a loving and large family and will be missed by his friends throughout the IAM.

His firm provided excellent investment returns and an extraordinary level of client service much of it based on Morton's direct involvement with Trustees. As a result, many of the firm's original clients—including the AI Trust Fund—remain with McMorgan & Company to this day.

Tom Morton was an avid golfer and sports enthusiast and a gener-

IAM member Jose Sanchez killed on the job

On June 14, Jose Sanchez was working 85 feet up on a platform, performing ship repair for ITS in Los Angeles. On June 14, Jose Sanchez died. He was 56 years old.

According to the CalOSHA investigation, Sanchez' come-along snapped, hitting him in the chest and throwing him off the platform.

Sanchez had 23 years with the company and with the union. He leaves behind a new wife, a daughter and other family.

CalOSHA has assured the union that the company will be fined and will have to conduct fall protection training in the future.

"This was the first of our members to die in a worksite accident in a long long time," said Local 1484 Business Representative Kevin Kucera. "And hopefully he's the last."

IAM Blue Ribbon Commission hears feedback in Bay Area



Commission solicits member feedback at Burlingame Town Hall meeting on June 8.

The IAM's Blue Ribbon Commission held 40 town hall-style meetings across the country from April through July, getting feedback from members on union policies and direction.

"These meetings are designed to put IAM members in the driver's seat," said IP Tom Buffenbarger. "At similar meetings in 1995 and 1998, thousands of members showed up and made dozens of recommendations that resulted in better programs, better communication and better representation for every member of this union."

At the Bay Area meeting, held June 8 at Local 1781's hall in Burlingame, members had an opportunity to answer these questions.

- What's working well with our union?
- What's not working well with our union?
- What changes need to be made?

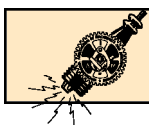
Commission members were careful not to argue with any of the suggestions, but merely to record them accurately, asking questions only to ensure clarity.

Some of the things noted as **working well** included: the IAM Web Site, the Winpisinger Center for Education, the increased emphasis on organizing, accessibility of leadership, coordinated bargaining, and union visibility.

Some of the things members cited as **not working well** were: Business Reps who are spread too thin and not handling grievances in a timely way; the B-lodge; there was criticism of the union's political decisionmaking: one person urged that the IAM not just support Democrats, but support those who support us; another suggested that Locals need more say in funding candidates; and some felt there's still not enough organizing going on—with so many unorganized people, our strikes are less effective.

Areas for improvement included: better and more frequent steward training, more communicating about MNPL to members; more representation from Business Reps at the smaller shops, and greater international oversight of the Local Lodges.

This issue of *The Sparkplug* went to members of Local 1484 in the Los Angeles area and asked them the same Blue Ribbon questions. Their answers are on pages 4-7.



AROUND

Ups and downs at Parker-Robb

It never hurts to show some muscle, especially when that muscle comes in the form of 300 union members at a meeting showing support for the 31 members at an auto dealership. And that's what happened on July 9, when Local 1173 members came out en masse to support the techs at Parker-Robb Chevrolet.

The basic issue was whether the members could keep their IAM pension plan. The company called it "pension choice," saying they wanted members to choose whether to be in the pension plan or have a 401(k). But the Pension Fund Trustees—a group composed of labor and management—have a rule that stipulates 100% participation in the pension plan—or else nobody can be in it.

"Actually, the 'choice' issue was put in the contract in 1997," explained Area Director Vern Dutton. "When one person dropped out of the pension plan, the trustees didn't invalidate the plan. But when seven or eight people opted out, the trustees said 'enough is enough.'"

The members voted in June, by 22-9, to authorize a strike. When it came time to vote on the employer's proposal, they turned it down by the same margin.

"We were prepared," Dutton says. "We got strike sanction through the Central Labor Council and Joint Council 7 of the Teamsters. "On July 9, nearly 300 people from all of our shops showed up for a General Membership meeting. It was very upbeat—people are ready to take this company on."

At 4:30 on the day before the meeting, Dutton received a call from the company's attorney asking how to stop the strike action. "I said 'take choice off the table.' He said, 'done.' So that's how the strike was stopped," Dutton explained.

Unfortunately, the story doesn't end there. The negotiating team met with the company on July 16 to settle the remaining issues on the table. One issue that the union thought was settled was that the company had agreed to \$1.20 wage increase each year and Maintenance of Benefits for the three-year contract.

When they got back to the table, the union was in for a big surprise. "They went backwards," says Business Representative Mark Hollibush. "Their new offer did put everyone

back in the pension plan, but it froze the wages for the body shop and gave only 40¢ increases for the mechanics. They told us 'they were trying to buy the members' votes'...but since they didn't succeed, the company is no longer interested in giving \$1.20 wage increases."

Another meeting is set for August 9. "If we don't settle, I believe it'll go to a strike," Hollibush said. "The guys are very upset.. They want a contract and they want it now."



Saturn pickets bring new owner

The techs at Saturn of San Francisco voted for union representation nearly a year ago, and Local 1414 has been working mightily to get them a first contract. But, this company-owned dealership wasn't budging.

The Local maintained a picket in front of the dealership on a regular basis, which apparently didn't look good to the guy who owns the GMC/Buick dealership next door. So, he bought the competition and the dealership now called Colma GMC/Buick/Saturn.

According to organizer Jesse Juarez, the Saturn shop's new owner, Ken Okenquist, is pro union. "He didn't have a problem with the contract; he just wanted the picketers out of there. He told everybody to consider themselves under union contract."

Juarez expects that the members will get everything they've been fighting for since late September.

The victory is MOB

The 16 Local 1528 members at Gieger Manufacturing, a machine shop in Stockton, ratified their new four-year contract in July.

According to Business Representative

SHOP TALK: Following up on the Blue Ribbon Commission, what's right and



Martin Crespo
Container Care
Local 1484

"The union helps us with everything—any problem we have with the big boss. But I would like our Business Rep to come more often than he does."



Robert Agajanian
Marine Terminals Corp.
Local 1484

"The union brings good wages, benefits and job protection. Our Local has improved a lot recently. I would have said 'we need to see the Business Rep more,' but now we do."



Rigo Corado
Marine Dockside/MTS
Local 1484

"What I've seen of the union, so far, I like—and have no complaints. I do have some questions about the insurance."



Joe Baca
Toyota Logistics
Local 1484

"Job security is the most important union benefit—along with good benefits and retirement. We have a voice within this large corporation. It's probably fair, but our dues are really high."



Jose Zendejas
Container Care
Local 1484

"It's been a good union but right now we have some problems with medical insurance and questions about the pension. The company doesn't respect seniority when it comes to overtime work."

THE LOCALS



ir folks,” Gonzalez adds.
Special thanks go to Shop Steward Eddie Robbins, who represented the membership at the bargaining table.

Health care stickier than salt
Local 1584’s members at Morton Salt overwhelmingly ratified a new three-year agreement, reports Administrative Assistant Herman Howell.

The contract provides wage increases of between 40-52¢ each year. “The real sticking point was the health and welfare cost. The wage package would have been much better if this had not been an issue” Howell says. “We raised the health care cap from \$520 to \$600 per month in the first year, and up to \$700 per month with a 50-50 split on future increases. This represents an additional 46¢ in wages, but with health care costs so out of control, we have to make tough choices.”

Howell thanks the Morton negotiation committee—Mike Mellow, Juan Aguirre and Fred Chaffler—for their assistance in this very difficult negotiating process.

A friendlier Friendly?
Local 1101 is hopeful that the new managers at Friendly Ford in San Jose will be more user-friendly... “but it’s hard to tell,” says Business Representative Glenn Gandolfo.
Local 1101 members have been working on an extended contract since the company was bought last year, and management has been

Gilbert Gonzalez, they got small wage and pension increases, but the key is that the contract calls for Maintenance of Benefits for the Health and Welfare. “This was really important to

pushing for a straight flat rate.
“They plan on making some changes to enhance productivity and raise compensation, Gandolfo explained. “They seem to be more cooperative in straightening out problems. On a day to day basis, it’s friendlier than it was but we don’t know how it’ll be at the bargaining table.”

Learning a lot at lunch
In past years, the South Bay dealers association was represented by Bruce Conhain, “a decent fellow who does a good job representing the dealers,” says Local 1101 Business Representative Glenn Gandolfo. “We heard that they were probably going to work with him again this year.”

But then when the Local 1101 staff went to their goodbye lunch for Area Director Steve Pape, they were in for a surprise. At the same restaurant, they ran into almost all the dealers in the association, who were attending a seminar by the anti-union consultants Fisher and Phillips.

“All these dealers who brag that they would never harm their employees...here they were at a union busting seminar,” Gandolfo said. “We’re letting our members know just who was there.”

Arbitrator rules that lower-paid workers must pay more

Local 1546 put up a hard fight on behalf of the lower-paid workers under contract with the East Bay Motor Car Dealers, but lost in the end.
As a result of a recent arbitration, non-journeyman employees will have to pay the full share of any Health and Welfare increases, even though they only get a pro-rated share of the journeyman’s salary.

“It’s really sad,” says Area Director Don Crosatto, “but it was all about percentages. The arbitrator’s ruling was based on the fact that a fixed amount of money was negotiated and the health care insurance cost is identical for everybody regardless of rate of pay. Therefore prorating the increase for lower-paid workers would effectively raise the cost for the employer, and that wasn’t in the contract. Therefore, the full cost of the increase has to come out of the lower paid employees wages.”

Now that this issue is resolved, the union will finally be able to get the contract signed and will get copies to all the members.”

Can Container Care compete?

Can a company continue to pay good union wages when it’s the only one in its industry...and when the industry itself is being undercut by global competition and underbidding?



That’s the question facing Container Care, a long-time union company that repairs and stores containers at the Port of Los Angeles.
“We face a variety of problems,” explains John Berke, manager of this facility. “Clients

only care about price, not quality. The Chinese pay their labor \$1.25 an hour and they’re overbuilding the market. It’s now cheaper to buy containers, which are practically disposable, than to maintain them.”

Berke complains that his is the only union shop on the waterfront. “The IAM has been very supportive of us, but it’s economics. Frankly I know that I make our competitors on the waterfront stronger, because they pay their labor less, but charge our labor rate. Either the competition has to get up to my wage, or I have to go down to theirs, because right now I can’t compete.”

“Our workers have made this company. Many have been here since day one. I like the union. Having a collective bargaining agreement to deal with instead of 30 separate voices makes life easier. But we’re at a crossroads.”

According to Business Representative Kevin Kucera, the Local’s entire staff has been meeting with Container Care’s management to shape a new contract.

“It’ll be good for the union, and for the company, if we can organize the competition—so we’ve got some proposals to help make that happen. We look forward to continuing to work with Container Care into the future,” Kucera added.



Above: Containers are stored up to 7 high. Below: Members repair the boxes.

What the union and what needs to be improved?



Louis Gutierrez
Toyota Logistics
Local 1484

“The union was great when I first joined in ‘62. We’ve seen a lot of changes. We need more master contracts so we have better bargaining choice, and it’s better for the younger guys.”



Roberto Ayala
Marine Dockside/MTS
Local 1484

“My problem is with the work, not the union. I like the pizza that they have at meetings. The only problem is that people lost vacation time with the new contract.”



Rick Bachik
Marine Terminals/HanJin
Local 1484

“What’s right? In 3 more years I can retire early and collect a pension. We have good benefits. Our biggest gripe was not enough representation, but that’s been improved.”



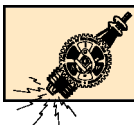
German Cardenas
Toyota Logistics
Local 1484

“I haven’t had much experience with the union, beyond paying my dues—and it seems the more I make the more the union makes.”



Fernando Rodriguez
Toyota Logistics
Local 1484

“Other than our health insurance co-pay being too high, I don’t have any problems with the union. I would like to see our Business Rep more, though.”



BENEFITS NEWS

How to talk to your kids about talking to strangers

Child abduction—a parent and caregiver's worst nightmare. While only a small number of kids are kidnapped across the country in a year, media coverage makes the problem seem epidemic, raising fear among parents and kids.

To alleviate that fear, it will help if you take action to ensure your child's safety. If you haven't talked to your kids about their personal safety, start today. Communication, education, and repetition are absolutely crucial.

Start teaching personal safety early. Make sure your children know their full name, address (city and state), and phone number with area code. Be sure that they also know how to call 9-1-1 in case of emergencies and how to use a public phone.

Set boundaries for your children at play. Teach your children that they are *never* allowed to go anywhere without you knowing their whereabouts. They need to be home at the time that you discussed with them, and if they're running late, even a few minutes, they must call you.

Initiate conversation with your children. Encouraging children to come to you with questions or concerns is great, but it's equally important to initiate conversation with them. For instance, if your children see a public service announcement regarding child abduction this is a good time to talk with them. Ask them questions about their feelings and take time to listen to their fears about people or places that make them uneasy. Tell them to trust what they feel. Their instincts are just as important as their other senses.

Use everyday opportunities to talk. Kids tend to resist formal sit-down discussions, so use everyday situations, such as



during a TV commercial, at the dinner table, and in the car, to talk to them about their personal safety.

Use language that your children understand. When you say the word "stranger" to a child, they may think of someone hiding in a dark alley or the villain wearing all black on TV.

Teach your children three things that determine a stranger: Do I know this person's name? Do I know where this person lives? Have I seen this person before? If they answer 'no' to any of these questions, treat that person as a stranger.

Teach your children to say NO. Let your children know that if they feel uncomfortable in a situation, it's completely acceptable for them to say NO to an adult. This applies to strangers, as well as family and friends. Remind them that it's always better to be safe than sorry.

Talk, educate and listen, again and again. Most young children only take in small bits of information at any one time, so one single discussion won't be enough. Let time pass, then ask your child to tell you what he/she remembers about your conversation. This will help correct any misconceptions and allow you to reiterate your message.

It's hard to think about anything bad ever happening to your child. But the best way to handle your fear and anxiety is by teaching your child about their personal safety.

Whether you need help developing a plan to make your family feel more secure or you just need someone to help you with anxiety that you may be feeling, call your Member Assistance Program (MAP), provided to you by the Automotive Industries and Machinists' Health Plan Trust Funds.

If you're covered by the AI or Machinists' Health Plan Trusts, you have a MAP!

The MAP has trained counselors available to help you 24 hours a day, 7 days a week.

Call your MAP at 1-800-491-3334

and receive confidential, concrete advice for you or any member of your household.



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doctor and PacifiCaresm



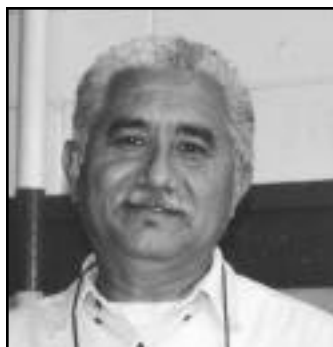
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SHOP TALK: What's right about the union and what needs to be improved?



Ezequiel Morales
Toyota Logistics
Local 1484

"What's right is having a good, secure job. What's wrong is that we don't have a 401(k), and that's a nightmare for a man my age."



Marcos Fernandez
Toyota Logistics
Local 1484

"The benefits that we get are what's right about the union. Of course I prefer lower union dues, but what we really need is more up-to-date info about what's going on."



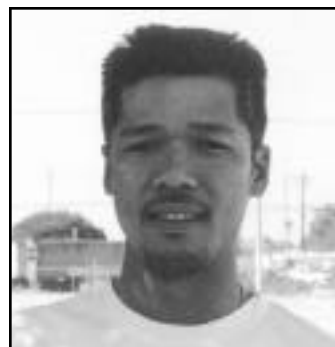
Al Bidwell
Toyota Logistics
Local 1484

"The pension, job security, benefits...that's what's right. The co-pay is a sore spot, but we vote to accept the contract, so we shouldn't complain. I don't like the union telling us who to vote for at election time."



Richard Rico
Container Care
Local 1484

"I think they're handling our contract pretty well, but we need to get a handle on the insurance. We're getting charged too much for the co-pay, and some people aren't covered like they should be."



Liem Nguyen
Marine Dockside/MTS
Local 1484

"What's good is that the workers have rights to decide their benefits. My biggest complaint is not about the union but about the boss—he's a disaster!"

Take job-stealing off the table, then we'll talk **Solidarity is a two-way street...**

When the International Longshore and Warehouse Workers Union (ILWU) came to the California Labor Federation convention, they were in for a big surprise. The ILWU was looking for support from the state's unions for their negotiations battle with the Pacific Maritime Association (PMA).

Led by the Machinists and the CWA, union after union got up and talked about how the ILWU didn't respect jurisdictional lines, and that some of these very issues were on the bargaining table right now. "I told the delegates that we support the ILWU in their efforts to get a good contract for their own members, but if they get what they want at the table, many IAM members

will lose their jobs at the new piers in Long Beach," said District Lodge 190 DBR Jim Beno.

A vote was called, and the resolution to support the ILWU was rejected 121-93.

Immediately after, however, delegates passed a resolution urging the Labor Fed's Executive Officers to get the ILWU to sit down with the other port unions and try to resolve their differences.

"Our position is that we want to support the ILWU in their efforts to get a good contract. But first they have to take their wall-to-wall proposals off the bargaining table or they won't get our support," said Beno, who looks forward to a meeting with the ILWU leadership.

ATPA

ASSOCIATED THIRD PARTY ADMINISTRATORS

ATPA is the administrator for the Automotive Industries Pension and Welfare Trust Funds and Machinist Health Plans (Active and Retiree).

**You can contact us at
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The Third Annual Sacramento LABOR DAY CAR SHOW

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whole family
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setting

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**September 2, 2002
9 a.m. – 3 p.m.**

Hagan Park • 2197 Chase Drive • Rancho Cordova
Take the Folsom Blvd. exit off Hwy 50. Go right on Coloma and left on
Chase to Hagan Park. Follow signs to car show.

Vehicle Entry Fee: \$25.00 (First 200 entries receive t-shirt)
Spectators: \$5.00 ♦ Children under 12: Free

Spectacular Prizes:

People's Choice: \$100 and trophy
Best of Show: \$100 and trophy
1st Place: \$50 & plaque* ♦ 2nd & 3rd Place: plaque*
(* in each of 7 categories)

For information call 916-985-8101

SHOP TALK: What's right about the union and what needs to be improved?



Ricardo Flores
Toyota Logistics
Local 1484

"There's nothing right or wrong about the union—it's just there. It protects our job security, but I haven't had any problems. We do have a 40-hour guarantee, which I love."



Mark Flotron
Marine Terminals/Hanjin
Local 1484

"We still have a job with a five year contract, and we seem to have our medical. My concern is having issues taken care of quickly—but that's improved over the last several months."



Steve Griego
Marine Terminals/Hanjin
Local 1484

"Everything is basically fine. It would be good to get better job security for our 60 percenters—schooling to help them upgrade their skills. The company should provide an incentive to bring them up."



Greg Saenz
Marine Terminals/Hanjin
Local 1484

"The job security is good and the representation is a lot better than it was. I have no complaints. I'm pretty happy here."



Keith Sewell
Toyota Logistics
Local 1484

"The IAM is a strong union, but that strength is not always felt at this shop. We need more clout, and the type of backing they have at the port."

