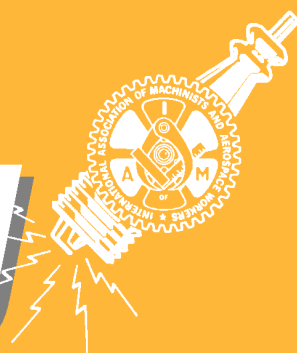


# The IAM District 190 Sparkplug



VOL. 7, NO. 4

June/July 2005

Serving the Active and Retired Members of IAM District Lodge 190

## Lawmakers hold hearing on labor law hassles

### IAM members testify “We can’t rely on the NLRB”

“I was a union member and that’s all that mattered,” testified Local 1173 member Phillip Wilson who worked at the Lithia Ford dealership for 16 years before getting fired when the dealership changed hands. “I worked my butt off. If the boss asked me to do something I’d do it. Suddenly none of that counted. They just didn’t want a union.”

Wilson had an opportunity to speak for himself and the 23 other IAM members who were fired from Future Ford of Concord in October, 2004 because the shop’s new owners didn’t want to deal with the union.

On May 6, Congressman George Miller was joined by a group of state and local legislators to take testimony from union members about the attack on their rights to be in a union—imposed by employers and sanctioned by the National Labor

Relations Board. Also on the panel were State Senator Tom Torlakson, Assemblyman Joe Canciamilla, Contra Costa County Supervisor Mark DeSaulnier, City of Concord Mayor Laura Hoffmeister and Council Member Susan Bonilla.

*“I no longer have the confidence that the Labor Board will protect workers’ rights.... We just can’t rely on them.”*

“Since I lost my job, my resources have been bled down,” Wilson said. “Medical care is outrageous and out of control. I’m paying \$700 month in bare-bones coverage with COBRA—and I only get \$1,600 in unemployment. It takes a toll on my family.”

Wilson explained that when the pending sale was announced, he and the other Lithia Ford techs planned to bail out and look for other jobs. The new owner, Henry Hansel, assured the workers that he wasn’t planning to bring in replacements.

“Suddenly we see our jobs advertised in the paper,” Wilson says. “We



Contra Costa legislators hear testimony from union members and reps. (L to R): Susan Bonilla, Concord City Council Member; Mark DeSaulnier, County Supervisor; State Senator Tom Torlakson; Congressman George Miller; Assemblyman Joe Canciamilla; Laura Hoffmeister, Mayor of Concord.

had to submit our resumés to reapply for our old positions. At my interview, they explained that this would now be a non-union shop. Then I didn’t hear from them again.”

#### No confidence in Labor Board

The union took swift action in response to the mass firing of the long-time workers at Lithia, explained Local 1173 Area Director

Mark Hollibush. “I filed an Unfair Labor Practice (ULP) charge with the Labor Board immediately. On top of the firings, new owner Henry Hansel told me that ‘the union is a cancer and I’ll cut the cancer out of my dealership.’”

How did the Labor Board respond to this blatant gutting of union rights? They refused to issue a complaint.

**continued on page 2**



Area Director Mark Hollibush testifies about how the labor board has unreasonably ruled against Local 1173 at Future Ford and elsewhere. Next to him are Area Director for Organizing Jesse Juarez and Local 1173 member—and former Future Ford employee—Phillip Wilson, who both also testified.

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## Pension safeguards in place

By JIM BENO

### Directing Business Representative, District Lodge 190

In mid-May, a federal Bankruptcy Court judge allowed United Airlines to terminate four pension programs, transferring responsibility to the federal Pension Benefit Guaranty Corp. (PBGC), the safety net agency that takes over when plans fail.

By being relieved of its pension obligation, United says it will save about \$6.1 billion in pension costs over the next six years, potentially enabling the airline to recover from bankruptcy.

For United’s employees and retirees, the consequences are not nearly as positive. After accepting wage and benefit give-backs for the last three years, they will now be forced to swallow pension reductions as well.

There are numerous reasons why what happened to United’s employees will not happen to IAM members covered under either the Automotive Industries pension plan or

the IAM National pension plan. As a trustee on the AI Plan, I can assure you that both plans have taken steps to ensure that they are solvent and funded well into the future.

Current law allows a private company to terminate its pension plans when, under certain circumstances, the distressed company pleads that it doesn’t have the wherewithal to make good on past promises. Our union plans are “multi-employer” plans and are legally much more difficult to terminate.

The biggest issue that faced United was “unfunded liabilities.” During the 1990s, United was making a lot of money and the markets were doing great. Pension plans were making money. United, and most private pension plans, did not fund their plan—they lived off their investment earnings. The law allows single-employer plans to get

**continued on page 6**

## Union members say labor board doesn't work for workers anymore

from page 1

Since that ruling, the union changed its strategy and is now picketing to fight for area standards in terms of wages, benefits and pension. "The employer filed a ULP charge against us to stop us from picketing," says Hollibush. "If the Labor Board rules against us again, they'll basically be saying that we no longer have the right to fight for our members."

"I no longer have the confidence that the Labor Board will protect workers' rights. In fact," Hollibush continued, "the IAM general counsel has advised us that we shouldn't go to the Labor Board any more. We just can't rely on them."

These problems are not limited to the IAM. Teamsters Local 315 Secretary-Treasurer Dale Robbins told a story about how the employees at Antioch Rock and Ready were forced to hold—and win—four separate elections over four years before the company would agree to begin bar-

gaining. "It took ten months of negotiations to finally get a contract."

Robbins asserts that when a union wins an election, the employer should have to bargain in good faith. "I don't bargain to put any employer out of business. I just want a fair deal for the workers."

### "I could write a book"

"These days, the Labor Board is so useless, I could write a book," says Area Director for Organizing Jesse Juarez. Employers use a wide range of tactics, from hiring anti-union consultants, to giving bribes and holding captive audience meetings. "Workers lose their jobs and then quickly they lose confidence in the union's ability to represent them."

Juarez gave a string of examples including Geweke Ford, U-Haul and Lexus of Concord. "In theory, we have a right to organize. In reality, it's a war against working people."

UFCW member Kim Rohrbach worked at Wild Oats in San Francis-

co. She explained how, within weeks of the employees voting for union representation, the store was closed down with no notice, ostensibly for renovation. "We can't rely on the Labor Board. We've had to rely on the community."

Bob Blanchet, an organizer with the Teamsters Port Division and President of Local 287 talked about port drivers, who work like sharecroppers and yet can be sued under the Sherman Anti-Trust Act if they try to work together and organize.

Blanchet testified that a local policeman threatened to shoot him for passing out leaflets to port drivers in Long Beach. "No laws were broken. I had permission from the port authorities to hand out the leaflets."

### The Legislators respond

After hearing about 90 minutes of testimony, the legislators were clearly moved.

"I thank the union members here for having the courage to testify. Your testimony has been compelling," said Congressman George Miller. "The NLRB is broken. Employers hire consultants to advise them on the most effective ways to intimidate union workers and those who would seek to join a union. I

find it fascinating that the NLRB cites no evidence on behalf of the unions. They're not on the level."

Miller offered one solution: "We have to organize, organize, organize. This is about the standard of living and economic growth in our communities. Others are riding on the back of unions because you set the wage and benefits standard."

Miller asked for strong support for the Employee Free Choice Act of 2005, which he introduced in April. Among other provisions, the act would require employers to recognize a union after a majority of workers sign cards authorizing union representation. (See box on this page for more details.)

Senator Tom Torlakson agreed with Miller. "We have the biggest fight in some decades. I'm confident. If we continue to fight, and if we continue to tell the human stories, we will win."

Supervisor Mark Desaulnier suggested that we should only patronize companies that support workers and workers rights.

"People have a right to work," concluded Local 1173's Phillip Wilson. "Employers wouldn't like it if they got replaced. There would be lawsuits. It's just not right."

## Employee Free Choice Act Restoring the Right to Organize

On April 19, 2005 a bipartisan coalition reintroduced into Congress the historic Employee Free Choice Act (S. 842 and H.R. 1696). Congressman George Miller is sponsoring this bill to strengthen and protect workers' rights by simplifying the organizing process, expanding the remedies for employer interference and committing the parties to true good-faith collective bargaining. This bill:

- **Simplifies Workplace Organizing:** The bill provides a simple, fair, direct method for workers to form unions by signing cards or petitions.
- **Provides more effective remedies against employer coercion:** The bill provides for three times the amount of actual backpay when a worker is fired during an organizing campaign or first-contract negotiations. It also gives workers equal access to injunctive relief.
- **Facilitates first contract negotiations:** This bill sets hard time limits for bargaining a first contract. If those time limits are not met, the bill authorizes involvement of the Federal Mediation and Conciliation Service and, if necessary, a third-party arbitrator.

According to Congressman Miller, freedom of association and the right to bargain collectively are basic, internationally recognized human rights. They are rights by which we measure the democratic nature of foreign governments. They are rights that are equally critical to the welfare of American workers and our democracy.

By undermining the right of American workers to organize, we are not simply suppressing basic freedoms; we are also diminishing the living standards of American citizens.

For more information about the Employee Free Choice Act and how you can work for its passage, go to:

[www.aflcio.org/aboutunions/voiceatwork/efca.cfm](http://www.aflcio.org/aboutunions/voiceatwork/efca.cfm)



## HEALTH CARE UPDATE

### Nor Cal Health Care Coalition gains strength

Unions and employers across Northern California are meeting to devise strategies that will enable them to form a large, cohesive group that can bargain for better health care rates.

Is it possible? Absolutely. According to health care consultant Tom Moore, the Hotel Employees in Las Vegas have had cost increases of just 4.5% for the past two years, while the IAM's rates have gone up 30%.

How'd they do it? Through effective and persistent research, they learned which physicians groups were the most expensive. But cutting the 50 most costly doctors out of their pool of 1,800 doctors, they saved about \$1 million per doctor—

or a total of \$67 million.

"The hospitals and doctors don't want you to know this stuff," says Area Director Don Crosatto, who's been working to build the coalition. "They try to keep it a secret. But if we can get a big enough group to establish a purchasers conference, we can start to develop common standards for quality and pricing. Then we can demand the data to see what we're paying to hospitals and physicians groups."

Crosatto says this is the first step to establishing our own network to manage the HMOs. "We need the information—and if they don't want to give it, there will be consequences," Crosatto adds.

## The IAM District 190 Sparkplug



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## AROUND THE LOCALS

### Local 2182

#### Surprise: NLRB rules for workers

Local 2182 members at Geweke Ford in Yuba City won a fantastic D.C. National Labor Relations Board decision, which is unusual in these times.

In January of 2004, the company implemented a new health and welfare plan without bargaining with the union. The union filed charges and went to trial and got a weak decision from the judge. The union appealed that ruling to Washington, D.C. and, agreeing with the union, the NLRB said the judge didn't go far enough.

Surprisingly, the Bush-appointed Board ruled that the employer had failed to bargain over the change. Therefore, Geweke had to put back into place the original 2003 Blue Cross plan. The board also said that the employee's co-pay cannot exceed what they were paying in 2003 and the employer had to pay the difference. Finally, the employees must be made whole in any differences they've paid over the past 16 months—plus interest.

"I've never seen such a far-reaching order from Bush's labor board—or from any board for that matter," says Area Director Mark Martin.

#### Health coverage warning

During negotiations with Clark Lift Team Power last September, Local 2182 had to make some tough choices. In a tradeoff, the company would go back into the AI pension plan, but the members had to enroll in a company health and welfare plan.

In yet another example of why it's better to stick with the union, the company health plan was far from what was promised. "Employees have much greater out-of-pocket expenses than expected," says Mark Martin. "The employer is now having to pay the difference between negotiated co-pay maximums and what he put into place. It may be as much as \$5,000 in some cases. We're all learning some lessons from this debacle."

### Local 1546

#### More dealerships sold

In June, Fremont Ford was sold to Steve Hallock, who formerly owned Concord Toyota. "We think we can get a deal," says Area Director Don Crosatto, "though there are staffing issues as well as an overall lack of

### Daughter of Local 1414 member wins prestigious IAM scholarship



Whitney Hsiong came to Local 1414's May meeting to accept her four-year IAM college scholarship, presented by Grand Lodge Rep Don Whitaker. The funds should come in handy as she begins her studies at Harvey Mudd College in Southern California with a major in Electrical Engineering. Whitney, who attended Lowell High School in San Francisco, is the daughter of Local 1414 member Youmans Hsiong who works for SF Muni's Woods Body Shop. (Pictured L-R: Kelly Chen (mother); Youmans Hsiong, Whitney Hsiong and Don Whitaker. At podium is Local 1414 President Paul Jones.)

management which we hope Mr. Hallock will be able to address. We know it won't be easy to turn this store around as it's lost several million dollars over the past few years."

Codoroli Ford, in Livermore, was sold back to the factory in June. "It's now a dealer development shop. We'll see if they keep enough of our techs to remain a union shop," Crosatto says. "This family has been in business for 40 years, but sales have been down for a lot of reasons that range from SUV sales being in a slump to some management issues. It's too bad, because this shop had Local 1546's best contract."

#### East Bay auto talks start

Talks with the East Bay Motor Car Dealers Association will commence on May 31. The Association currently represents seven dealers who employ about 200 IAM members.

"As with all our negotiations these days, the main theme will be pension and health and welfare costs," says Crosatto.

#### Doten changes hands

As *The Sparkplug* goes to press, we've just learned that Doten Honda in Berkeley was sold. It looks like the new owner will hire back enough techs to ensure that he must recognize the union, although he has terminated some people already. "Unfair labor practice charges have

dealers live for the day and don't want to set the standard for the rest."

Gandolfo requests that members encourage their own employers to start negotiations early.

#### Dealership trouble

Anderson Chevrolet, in Los Gatos, was sold and the Local is negotiating an agreement with the new owners. Friendly Ford, currently owned by Sonic Automotive, should sell around July 20th. Effects bargaining is slated to start in mid-June.

Gandolfo reports that Sunnyvale Toyota is attempting to withdraw recognition from Local 1101. "We believe this action is totally illegal and without merit, because of the intimidation factor. We're taking this dealership to the NLRB on numerous unfair labor practice charges."

### Local 1484

#### Getting back past losses

Local 1484 is pursuing a contract re-opener with ConGlobal, now that the merger between Container Care and Global Intermodal is complete. "The company made some real advances and they're really busy now," says Business Rep Kevin Kucera. "We want to get back some of the items we had to make concessions on in the last contract."

#### Taking it to the investors

Kucera reports that he attended the AutoNation stockholders meeting in Fort Lauderdale, FL in April. "We went to express our resolve to get a first contract at the Torrance dealership, where workers had voted for union representation last year. We wanted them to understand the consequences of not bargaining in good faith."

Kucera says that the union reps made a lot of noise outside the meeting. "I was yelling 'Warning, Warning, AutoNation violates federal labor law,' which I'm told they could hear inside the meeting."

Meanwhile, Grand Lodge Rep Don Whitaker attended the meeting with a worker from Torrance and spoke to the investors. He explained that the IAM will put its resources behind getting this contract and the company should stop violating the National Labor Relations Act and start bargaining in good faith.

### Local 1596

#### New contracts with Hansel

The employees at Henry Curtis Ford in Petaluma (owned by Henry Hansel) have a new three year contract which includes \$230/month for year one and \$250/month for year two put into their AI pension plan. At Hansel Ford in Santa Rosa, the employees ratified a two year contract, but they get \$200 in Hansel's 401K plan, and \$30 in the AI pension. Non-journeymen get half.

"This isn't a great deal, but since Hansel also co-owns Future Ford of Concord, we know he's capable of doing a lot worse," said Area Director Tom Brandon.

### Local 1101

#### Start negotiations early

"We've sent letters to all the dealers who have contracts expiring in 2005 and early 2006 requesting that they start negotiations early. We anxiously await their responses," says Area Director Glenn Gandolfo, who expects that many of the dealers are choosing to depart from the Dealers' Association and negotiate separate agreements. "Unfortunately, many

## ORGANIZING WINS

In a unanimous vote, the six mechanics at Esposti Chevrolet in Sonoma voted to be represented by the IAM Local 1596 on May 20.

"Management was only there two hours a week," says Area Director Tom Brandon about why the techs wanted the union. "When he did come in, he blamed the techs for any problems."

This dealership had been a union shop when Bob Nobles owned it. But when Nobel sold it to Karl Esposti in 2004, two members retired and one left, and the union no longer met the 50% threshold to claim jurisdiction. However, Esposti hired two new techs who had previously been members of Local 1546. They wanted the union back, and an election was scheduled.

"They didn't even fight us on this—they knew it was unanimous," says Brandon. "But we'll see what happens at the bargaining table." As soon as the labor board certifies the election, the Local will ask to start bargaining.

#### In memory

#### Two Local 1546 members killed on the job

##### Anthony Raygoza

Anthony Raygoza, 25, worked for Miles Motor Transport in Oakland for about 10 months. On his way back from lunch on April 10, he was in an auto accident—swerving to avoid hitting a woman. He ended up hitting a pillar holding up the BART tracks and was killed instantly.

##### Nelson Magana

Nelson Magana, 48, of Union City, died on April 12 when a portable scissor lift collapsed at Central Chevrolet in Fremont. A car was on the lift when it collapsed. Both Cal/OSHA and the coroner are investigating the death.



## THE POLITICAL SCENE

### What has Arnold Schwarzenegger done for you lately?

Many union members joined the large majority of Californians who voted Arnold Schwarzenegger into office in the historic 2003 Recall campaign. Perhaps you were one of the millions who did. After all, Gray Davis was a relentless fundraiser. He had no personality or pizzazz. And to balance the state budget, he was reinstituting the Vehicle License Fee, which had been suspended when the budget was flush.

During his first year in office, Governor Schwarzenegger enjoyed high approval ratings

and was successful in passing a number of propositions.

But his star has started to falter. The Governor lost ground when he attacked nurses and teachers, whom he refers to as "special interests," and when he had to retract a bad pension reform bill because it privatized pensions and denied payments to widows and children of firefighters and police killed on the job. In addition, the fact has come to light that he has raised more money in one year from out-of-state con-

tributors than Gray Davis raised in his entire five years in office.

Rather than try to negotiate with the state legislature—which is his job—the Governor has some propositions that he'd like you to vote on in a special election in November, 2005. With the state budget still running a multi-billion dollar deficit, he thinks the counties should pony up another \$70-\$80 million for an off-year election.

Is this election necessary or is it a political vendetta against public employees? You decide.

#### Governor's attacks on worker's rights

- Weakened the right to a lunch break
- Misuse of "emergency" regulations
- Cut workers comp benefits: Rules that the Schwarzenegger administration issued in January would reduce by 40 percent the number of workers eligible for permanent disability payments and reduce the benefits by 58 percent for those who still qualify.
- Proposed the elimination of 88 boards and commissions
- De-funded the Institute for Labor Education (a University of California labor research think tank.)

*"Arnold Schwarzenegger announced he is going to ask President Bush for help with the budget. What better way to deal with a \$38 billion deficit than get advice from a guy that created a \$450 billion deficit."*

— Jay Leno

#### The value of an \$80 million special election

The Governor must decide by June 13 (after *The Sparkplug* goes to press) whether he wants to have a special election on November 8, 2005, or to hold his initiatives until the already-scheduled election in June 2006. The Special Election is estimated to cost about \$80 million. Here are some examples of what \$80 million could be better spent on:

- \$80 million pays for the salaries of more than 2,300 teachers.
- \$80 million pays for almost 4 million up-to-date textbooks for our students.
- \$80 million implements class size reduction in nearly 6,000 classrooms.
- \$80 million pays for almost 1,200 shiny new school buses.
- \$80 million could pay for college for almost 10,000 UC students and almost 12,000 Cal-State students.
- \$80 million pays for more than 4,000 caregivers so that 5,000 seniors and persons with disabilities can receive quality homecare.
- \$80 million pays for a year of health insurance for approximately 29,900 uninsured Californians between the ages of 30-49 – taking care of the largest group of uninsured in our state.

### Governor's Anti-Working Family Initiatives

#### Paycheck deception for public sector unions

This initiative would prohibit a union that represents any public employees from using union dues or fees for political contributions or public involvement at all unless each member provides written consent on a form mandated by the initiative. Also known as the "son of Prop 226," the effect of this initiative is to make it more difficult for working people to have a voice in the political process.

#### Elimination of seniority in public schools

This initiative would prohibit a school district from designating a teacher as a permanent employee until he or she has worked five consecutive school years. Not only would this affect job stability, but it would alter when teachers are eligible for health and retirement benefits. The initiative would also allow a school district to terminate a permanent employee based on two negative job evaluations.

#### Reapportionment

Borrowing a page from the Texas handbook, Gov. Schwarzenegger wants to require a three-member panel of retired judges to immediately redraw congressional and state legislative district lines. The Governor has stated that the purpose of this maneuver is to elect more moderates to the Legislature and congress. The real goal is to boot the pro-worker majority out of legislative power in Sacramento.

#### Elimination of school funding commitment

This Initiative allows the Governor to make devastating mid-year budget cuts if revenues fall below expenditures. It would gut Proposition 98, the law voters approved to guarantee minimum funding to our schools. It eliminates the requirement that the state must restore any money owed to schools when education funding falls below the minimum guarantee.

### SHOP TALK: With Bush's social security reform plan and United Airlines dump



**Diane Burns**  
AMAC  
Local 1596

"You work all your life and then don't get anything—that's wrong. I feel confident in our plan, but I worry, too, that it might not be there when I retire. It's no good for workers to have nothing in their golden years."



**Leo Ferrari**  
AMAC  
Local 1596

"I don't like what Bush is talking about for Social Security. He's going to wreck what's been a good system. Therefore, I focus 100% on my union pension."



**Nancy Goldberg**  
AMAC  
Local 1596

"I think I'll be okay with our union pension, but I don't like what Bush is doing with Social Security."



**Albert Farrens**  
Donal Machine  
Local 1596

"I'm not confident about Social Security, as long as Bush is there, he'll screw it up. Here, we're not in the union plan. Our money goes into an IRA, so they can't take it away from us. United should not be able to renege on its promise to the workers."



**Pete Kalogiannis**  
Donal Machine  
Local 1596

"I'm not confident. You can't rely on your own company to provide for your pension and welfare. I'm young enough so I can prepare; I feel bad for older folks who relied on their pension and it was taken away or cut back."



**Frank O'Connell**  
Donal Machine  
Local 1596

"On United, the rug pulled out of line—he should have authority to do what he promised some on it all your life. Sounds like the rug pulled out of you. Sounds like Security plan."





The California Conference of Machinists held its annual legislative meeting on May 25 in Sacramento. Delegates heard from several legislators, candidates running for higher office, and learned about the IAM's legislative agenda for 2005.



IAM members join 20,000 teachers, firefighters, nurses and other union members at the steps of the State Capitol on May 25 to tell the Governor that his special interests are not California's interests. California Labor Federation Secretary-Treasurer Art Pulaski (white shirt) joined with the IAM group.



IAM members display their banner for best visibility at rally.

## IAM takes care of business at UPS

IAM District 190 represents more than 300 UPS workers across Northern California. The IAM got its first master agreement in 2003, but sticky issues continue to pop up.

### Upcoming hearings on subcontracting

The longstanding subcontracting disputes between the Machinists and UPS are being scheduled for full hearings within two months. These disputes were first raised during contract negotiations in 2003.

"We'll empanel a board of Adjustment at the District 190 offices to resolve a variety of subcontracting issues," says Directing Business Rep Jim Beno. These include: the Plant Engineering Department's use of subcontractors to perform bargaining unit work and the company's use of non-union personnel to perform automotive and building maintenance work in outlying areas.

### No beards in public?

UPS policy states that any employee who meets or has the potential to meet with the public must be clean shaven. "We understand they want a certain image—a clean presentation and hair cut to go along with those snappy brown uniforms," says Local 2182 Business Rep Skip Hatch. "But our members don't interact with the public at all. They're only in public view if they're picking up parts or a broken truck. The policy is not reasonable."

Hatch explained that several IAM members had beards when they were hired, and these are pictured on their initial ID cards. "Some members have religious objections to shaving off their beards. We are a diverse union. We'll fight this out," Hatch said.

### Grievance won on call-in pay

The UPS contract guarantees that if a worker is called in on an emergency basis, outside of their regularly scheduled shift, they are guaranteed three hours pay at time-and-a-half.

What does this mean in real life? Say a worker's shift is scheduled to start at 3:00 a.m. The company calls him at 1:30 a.m. to come in and he arrives at 2:30. He should get three hours premium pay for the work he did between 2:30 and 3:00.

Local 2182 grieved the case and won. Now UPS is paying the three-hour guarantee.

### What's permanent?

The contract says that UPS can hire people on a temporary basis for 120 days, but once they work 121 days, they must be considered permanent. One Local 2182 member exceeded his 120 days, but at two different locations. "We say he's a permanent employee; they disagree. So we're taking it to arbitration," Hatch said.

### It should all be so easy

Members in Sacramento filed a grievance about work they felt should not have been subcontracted. "The manager agreed with the guys and so he paid up," says Hatch. "It doesn't usually go so smoothly."

## ing its pension obligations, are you confident in your retirement plans?



Crabtree Machine Local 1596

The judge was out. I couldn't have the money. You're not getting anything and counting on it, and then get it out from under you. Like Bush's Social Security.



Dave Parks Donal Machine Local 1596

"Our retirement's fine because we get it in an IRA in our name. United is too risky—how did they let that happen? I want them to reform Social Security and put the money in a lock box for each of us."



Moses Medina Donal Machine Local 1596

"Bush screwed up big time. He's trying to make the richer more rich and the poor more poor. It was the same thing in Mexico—they got rid of the middle class. I'm all right with my pension—they can't take it away, like at United."



Frank Medina Donal Machine Local 1596

"What they're doing is wrong. They don't care about people like us; they only support powerful people. People work hard our entire life then they're told their pension plan is gone—that's not right. We're safe here because our money is in an IRA."



Steve Pinner KVAL Local 1596

"I find it hard to believe that the government could allow that. The workers put money in for years and years; the government shouldn't be able to say the company doesn't have to pay it any more. Ours is through the union, so it's safe if any one company goes into bankruptcy."



James Becker KVAL Local 1596

"United is pretty messed up. What's the point of working all that time and losing your pension investment. It's a waste. Anything could happen—the way the world is, stuff changes every day."





# Pension safeguards in place

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away with not funding them. However, when the economy and the stock market both took a sustained downturn, United, and several other companies in the steel and airline industries, realized they had fewer active employees paying into the plan and more retirees—and suddenly their shortfall was growing precipitously.

## AI and IAM National Plans both take steps to ensure solvency

Our AI and IAM pension plans are structured to require employers to pay in every month, in good years and bad. While both plans took an investment hit in the four years of the depressed stock market, we've positioned ourselves to pull out of it. The trustees have taken several concrete steps to insure that our plans remain solvent for years to come. On one side, we've adjusted the benefit accrual rates to ensure that we're not caught short. And on the other, we've diversified the plans to get the maximum benefit out of the stock market. As we reported in the February/March issue of *The Sparkplug*, we now have nine fund managers for nine different asset categories. In the last quarter, eight of these categories beat their index. By diversifying as

we did, we spread out our exposure over several different asset categories—taking advantage of those that are up, and taking a smaller hit from those that are down. One fact to be aware of is that pension plans run on a five-year running average, which means that we're still climbing out of the hole created in the 2001 and 2002 stock markets. We therefore anticipate a few more years of deficits before the plan starts moving in the right direction. Those employers who are in it for the long run shouldn't have anything to worry about. However, if an employer closes its doors and gets out now, then they will be liable for an amount of the plan's unfunded liability—based on the number of their employees. While the Trustees have met with union members to explain the hit we've had to take on the accrual side, we haven't yet met with the employers. Our plan is to bring in our consultants, the Segal Company, the Dobbs Group and ATPA, to explain what unfunded and withdrawal liabilities are and to answer employer questions. Information is power, and we hope that by understanding the steps we've taken, we'll set your minds and your employers' minds at ease.

# UNION PEOPLE

## Miguel Contreras brought the Los Angeles labor movement to new heights

As the Executive Secretary-Treasurer of the Los Angeles County Federation of Labor, AFL-CIO, Miguel Contreras energized 345 local unions representing 800,000 working Angelenos into a dynamic force for L.A. working families. He created a model for Central Labor Councils across the U.S. and a major force for the national labor movement. On May 6, 2005, Miguel succumbed to a massive heart attack and died at the age of 52.



Miguel Contreras, a major force in the Los Angeles labor movement

Born into a family of farm workers in Dinuba, Miguel labored in the fields with his parents and five brothers. He began organizing with the United Farm Workers, where his leadership caught the eye of UFW founder Cesar Chavez, who asked him to join the Union staff. He worked for the UFW until 1977. Miguel left the UFW to join the Hotel Employees and Restaurant Employees Local 2 in San Francisco. Two years later, he helped coordinate a citywide 27-day strike that produced the biggest wage and benefit increase in the history of HERE Local 2. Miguel's work with HERE brought him to Los Angeles. Working with HERE Local 11, he and his wife, Maria Elena Durazo, rebuilt grassroots rank-and-file activism in L.A. hotels and restaurants. Miguel brought fresh energy, renewed commitment and a broad vision to the Los Angeles labor movement when he joined the County Federation of Labor in 1993 as the

organization's political director. He was elected Executive Secretary-Treasurer in 1996 and his visionary leadership helped move L.A. to the forefront of organized labor. During his tenure, union membership in the County Federation grew by more than 125,000. IAM Local 1484 was proud to work under Miguel's leadership on a wide range of political campaigns. "Miguel was tremendous. He led the County Fed to a number of important victories. We'll really miss him," says Local 1484 Business Rep Kevin Kucera. Working with labor-friendly officials that the County Fed had helped get elected, Los Angeles passed the living wage and the Superstores ordinances. In a lifetime dedicated to serving working men and women, Miguel Contreras touched many lives and made a real difference to working families in Los Angeles, and throughout California and the nation.



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ATPA is the administrator for the Automotive Industries Health & Welfare and Pension Trust Funds.  
Contact us at 510-836-2484

# SHOP TALK: If United can dump it's pension plan, are you confident in yours?



**Jose Solis**  
**AMAC**  
**Local 1596**  
"What happened to United workers is terrible. Now I worry about my pension—after working so hard, we should get back what we put in."



**Andrew Lund**  
**KVAL**  
**Local 1596**  
"So far, I have money going into our pension so I'm feeling okay."



**Don Whitaker**  
**IAM Grand Lodge Rep**  
**Local 1596**  
"Nothing is absolute in this world, but Taft-Hartley pension plans, like AI, are the only way to go. They're not dependent on the good fortune of the company you work for."



**Joe Crivelli**  
**KVAL**  
**Local 1596**  
"I'm happy with our pension plan now. Anything could happen at any time—nothing's for sure. But what happened at United, that's not right."



**Steve Key**  
**KVAL**  
**Local 1596**  
"This is a better plan than I've ever had before. The only thing keeping me here is this pension plan, because it's pretty secure. I stay for the security."



**Mike Lamke**  
**KVAL**  
**Local 1596**  
"It's totally illegal. United is taking money that's not theirs—they should earn their own money. I guess I'm confident in our plan here; they seem pretty fair."



### Workers pleased to be ‘out of the dungeon’

# New digs for Honda of Oakland

“Our first official day here was April 21st, but of course, we’re still doing construction,” says Honda of Oakland’s Service Manager Robert Isbell. “We’re very proud of it. The facility works for us, and enables us to be even more professional”

Honda of Oakland moved a few blocks up Broadway’s Auto Row into what had been the old Val Strough Chevy facility. This dealership is owned by PSC Corporation, which also owns three other Honda dealerships and one Suzuki dealership.

“The guys were instrumental in making this move easy and successful,” said Isbell. “We hired a flat bed truck to move all the toolboxes, and worked that same day. There was minimal downtime.” Isbell is quick to admit that the transition was smooth because of the effort of all of the crew. “These guys are a cut above; it’s always been that way, here.”

Isbell says that business is a little slow, but he thinks it may just feel that way because there’s so much more space. “Oakland does an excellent job of advertising and promoting it’s ‘Buy Oakland’ message to bring Oaklanders back. This facility has helped out a lot. Sales have jumped considerably since we moved here and service is picking up.”

According to Local 1546 Business Rep Mike Cook, Honda of Oakland employs about 35 IAM members including technicians, service writers and the parts department.

The techs agree with Isbell about the improved working conditions at the new facility. “It’s a much nicer place to work,” says Phil Rice, who’s been at this dealership for seven years. “We have better lighting, better equipment, a

bigger facility, and more room for techs. I’d say everybody likes it.”

Zoe Pierce agrees. “It’s like night and day. The facility is much larger, which brings a lot of advantages. You can actually see what you’re doing. We’re no longer in the dungeon.”

Tony Tamburrino says he “spent 14 years in the s—hole down there. It’s just more professional here in a more state of the art facility; the atmosphere is much better. It was way overdue.” Tamburrino says he appreciates the amenities, like a new lunch room that isn’t overrun with the sound of an air compressor.

Parts Manager Ed Ibsen is pleased to have the opportunity to set up the parts department in a way that promotes efficiency and makes sense. “I’ve wanted to do this for years. It’s still a work in process, but it’s working,” he says. Ibsen explained that increasing the parts inventory helps reduce downtime. “We’ve been able to increase our inventory significantly. We hope to be number one in the East Bay soon.”



Top: Service Manager Robert Isbell is proud of how smoothly the move was accomplished.

Middle: Service Writer Tech Heng says that “as long as my customers are happy, I’m happy. We haven’t increased the prices and the space is great.”

Bottom: “It’s like night and day,” says Service Writer Terroll Melton. “There’s more access to get in and out, and it just feels more professional.”



Above (left): Parts Manager Ed Ibsen says that the parts department is still a work in progress, but he finally has the opportunity to build in efficiencies.


Right: Parts employees Philip Mueller and Kent Frasier both appreciate the increased amount of space. Frasier says it’s “not as cramped,” though Mueller says that while they’re still getting organized, “you can get lost in it.”






It’s unanimous—this group of techs is pleased to be “out of the dungeon.”

## SHOP TALK: If United can dump it’s pension plan, are you confident in yours?




**Don Munsch**  
KVAL  
Local 1596

“I’m worried—it seems like there’s no end to the changes they can make. It’s wrong that the government can step between two entities that made a contract. Maybe we’re a little safer here, but who knows. I know the private plan we had for a while wasn’t as good as the union plan.”




**Gregory Fedoroff**  
KVAL  
Local 1596

“What happened at United is total BS. Those employees were loyal and are being betrayed by the federal government, the judges and United. It’s scary for me—it makes you wonder if the end of the road will actually be there. Now our solid pension feels shaky.”




**Robert Stephenson**  
KVAL  
Local 1596

“What happened at United is not cool—it’s the reason we chose a good pension, because it’s supposed to be guaranteed. Now you can’t believe anything any more. We expect our government to protect us, not steal from us.”



**Tony Zamagni**  
KVAL  
Local 1596

“I feel pretty confident but you never know what might happen. I think the owners and the union will try to keep things going for us. It’s not fair what happened at United—they are hard working people just like anybody else.”



**Brian Roe**  
KVAL  
Local 1596

“Our pension is insured through Taft Hartley. I feel sorry for the United workers—it’s criminal that United could back out of its pension obligation. There ought to be federal laws to protect those monies for the workers.”



Local 1546 Members and Spouses

## ANNUAL PENSION SEMINAR

Are you thinking about retiring in the next few years? If so, this seminar will answer all your questions about pension and retiree medical coverage.

Saturday, July 9, 2005  
9:00 a.m. — Continental Breakfast  
9:30 a.m. — Pension Seminar

Local 1546's Hall • 10260 MacArthur Blvd., Oakland

**Note:** If you are over the age of 50 and if you RSVP by June 23, we can have your pension printout available for a more personalized discussion. Pension representatives from ATPA will be on hand to answer any and all of your questions.

Space is limited • First come—first served!  
Please call Yolanda or Tanya at 510-638-6705 to reserve your space



## 21st Annual Michael J. Day Memorial Guide Dogs of America Charity Golf Tournament

Friday, August 19, 2005  
Alameda Municipal Golf Course  
1 Club House Memorial Drive, Alameda

Sign-In: 9:00 a.m.  
Shotgun Start: 11:00 a.m. (South Course)

No host Cocktail Party: 4:30-5:30 p.m.  
Dinner: 5:30 p.m.

**Francesco's Restaurant**  
Pardee & Hegenberger, Oakland

Entry Fee: \$300 per person/\$1,200 foursome  
Includes: Greens fee, golf cart, special gift, golf balls, tee prizes, awards dinner

For more information: 510-635-2060

## Moving?

Send the mailing label on this newspaper to your Local Union office.  
See Calendar below for your local union's address.

UNION MEETINGS	
<div><div><h3>District Lodge 190</h3><p>7717 Oakport Street Oakland, CA 94621 510-632-3661</p></div><div><p><b>Executive Board Meeting</b> <i>Fourth Tuesday of each month at 6:30 p.m.</i> June 28 • July 26 • August 23</p><p><b>General Delegates Meeting</b> <i>Fourth Tuesday of each month at 7:30 p.m.</i> June 28 • July 26 • August 23</p></div></div>	<div><div><h3>Local 1528</h3><p>713 16th Street Modesto, CA 95354 209-529-9210</p></div><div><p><b>Executive Board Meeting</b> <i>First Wednesday of each month at 5:30 p.m.</i> June 1 • July 6 • August 3</p><p><b>General Membership Meeting</b> <i>First Wednesday of each month at 7:00 p.m.</i> June 1 • July 6 • August 3</p><p><b>Women's Committee Meeting</b> <i>Fourth Sunday of each month at 11:00 a.m.</i> June 26 • July 24 • August 28</p></div></div>
<div><div><h3>Local 801</h3><p>7717 Oakport Street, Oakland, CA 94621 800-655-2182</p></div><div><p><b>Membership Meeting</b> <i>Third Thursday of the month at 4:00 p.m.</i> June 16 • July 21 • August 18</p><p><i>Meetings are held at the Carpenters' Hall, in Reno.</i></p></div></div>	<div><div><h3>Local 1546</h3><p>10260 MacArthur Blvd., Oakland, CA 94605 510-638-6705</p></div><div><p><b>General Membership Meeting</b> <i>First Tuesday of each month at 7:00 p.m.</i> June 7 • July 5 • August 2</p><p><b>Shop Stewards Meeting</b> <i>First Tuesday of each month at 5:30 p.m.</i> June 7 • July 5 • August 2</p><p><b>Executive Board Meeting</b> <i>Thursday preceding membership meeting at 6:30 p.m.</i> June 30 • July 28 • September 1</p><p><b>Retiree Club Pot Luck Luncheon</b> <i>First Wednesday of each month at 12 noon</i> June 1 • July 6 • August 3</p><p><i>Alcoholics Anonymous: Every Saturday, 9 a.m.</i></p></div></div>
<div><div><h3>Local 1173</h3><p>1900 Bates Ave., # H Concord, CA 94520 925-687-6421</p></div><div><p><b>Executive Board Meeting</b> <i>Second Thursday of each month at 6:30 p.m.</i> June 9 • July 14 • August 11</p><p><b>Membership/Shop Stewards Mtg.</b> <i>Third Thursday of each month at 6:30 p.m.</i> June 16 • July 21 • August 18</p></div></div>	<div><div><h3>Local 1584</h3><p>8130 Baldwin Street Oakland, CA94621 510-635-2064</p></div><div><p><b>Membership Meeting</b> <i>Third Thursday of each month at 7:00 p.m.</i> June 16 • July 21 • August 18</p><p><b>Executive Board Meeting</b> <i>Preceding Monday at 7:00 p.m.</i> June 13 • July 18 • August 15</p><p><b>Retirees Club</b> <i>First Tuesday of each month at 12:30 p.m.</i> June 7 • July 5 • August 2</p></div></div>
<div><div><h3>Local 1414</h3><p>150 South Blvd. San Mateo, CA 94402 650-341-2689</p></div><div><p><b>Shop Stewards Meeting</b> <i>First Thursday of each month at 6:00 p.m.</i> June 2 • July 7 • August 4</p><p><b>Executive Board Meeting</b> <i>Second Thursday of each month at 6:00 p.m.</i> June 9 • July 14 • August 11</p><p><b>General Membership Meeting</b> <i>Third Thursday of each month at 6:30 p.m.</i> June 16 • July 21 • August 18</p><p><b>Retirees Club</b> <i>First Wednesday of June, Sept., Dec., March at 11:00 a.m. All are welcome!</i> June 1 • September 7 • December 7</p></div></div>	<div><div><h3>Local 1596</h3><p>4210 Petaluma Blvd. No. Petaluma, CA 94952 707-795-0085</p></div><div><p><b>Membership Meeting</b> <i>Third Tuesday of each month at 7:00 p.m.</i> June 21 • July 19 • August 16</p><p><b>Executive Board Meeting</b> <i>Third Tuesday of each month at 6:30 p.m.</i> June 21 • July 19 • August 16</p></div></div>
<div><div><h3>Local 1484</h3><p>1261 Avalon Blvd. Wilmington, CA 90744 310-835-6688</p></div><div><p><b>Executive Board Meeting</b> <i>Third Thursday of each month at 6:00 p.m.</i> June 16 • July 21 • August 18</p><p><b>General Membership Meeting</b> <i>First Tuesday of each month at 6:00 p.m.</i> June 7 • July 5 • August 2</p><p><b>Retiree Club</b> <i>Third Wednesday of each month at 1:00 p.m.</i> June 15 • July 20 • August 17</p></div></div>	<div><div><h3>Local 2182</h3><p>967 Venture Court, Sacramento, CA95825 800-458-9200</p></div><div><p><b>Executive Board Meeting</b> <i>Second Tuesday of each month at 6:00 p.m.</i> June 14 • July 12 • August 9</p><p><b>General Membership Meeting</b> <i>Second Tuesday of each month at 7:00 p.m.</i> June 14 • July 12 • August 9</p><p><b>Retirees Club - VISTA CLUB</b> <i>Third Wednesday of each month at 11:00 a.m.</i> June 15 • July 20 • August 17</p></div></div>