

METALETTER

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2008 Metal Trades Conference



Two hundred delegates broke away from labor's get-out-the-vote efforts in late October to attend the annual Metal Trades Conference in Las Vegas where they received a large dose of encouragement for the final two-week push of political action.

"This is our chance to change lives," declared **Metal Trades President Ron Ault** as he urged the delegates to make election work their highest priority in the election's home stretch.

Alluding to the May 2007 strike by shipyard workers at Ingalls, Ault said the strike happened because "our people in Pascagoula wanted to take back their lives. They were tired of paying too much for gasoline, insurance, food. They were frustrated by the slow pace of recovery from the Gulf storms. They wanted a chance to change their lives and they took it."

Ault recounted the past eight years under the Bush administration as a "state of siege."

"We've taken their toughest shots," Ault said—referring to the Bush Administration's onslaught of regulations, executive orders, investigations and attempts to take away collective bargaining rights from DOD personnel. He said the Department should be rightfully proud of its response to the National Security Personnel System (NSPS). The

coalition of more than 30 unions that came together to battle Donald Rumsfeld and the NSPS, he said, "was the greatest coalition we ever built. Had we not stood up to NSPS, it would be the law of the land now, not just for DOD workers, but for the rest of the federal workforce and private sector workers as well."

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British trade unionists Peter Kane flanked by Charles Thompson and David Whitnell offered fraternal greetings to the conference. The three are part of a larger team from the UK who have been working together with the Hammer facility in Richland, Washington to develop safety training programs for workers in the nuclear industry.

Season's Greetings

For my entire adult working life, the average American worker's wages, working conditions and fringe benefits have been stagnant or declining. Every U.S. President since Ronald Reagan has implemented economic policies that mainly benefit Wall Street and shift increased costs—such as the burden of taxes and health care costs to the middle class and working poor. Our national wellbeing is measured in the overall GDP; not in an improved quality of life for Americans. Using the quality of life measure America is a lot worse off today than we were thirty-five years ago.

More government regulation isn't the answer to every question, but federal government policies, regulations and the enforcement of those regulations have real consequences in every aspect of our life.

As a labor representative, I have spent my thirty-five-year career fighting management "takeaways":

- The two-tier wage system, where newly employed workers get much lower wages and fewer benefits;
- A 401(k) instead of a defined pension plan;
- Shifting the costs of health insurance on to the backs of workers for a lot less coverage, more out-of-pocket costs, higher deductibles and a higher percentage of the total cost of the policy paid by the workers;
- Less time off with pay; and
- Overtime only paid after the first 40-hours, regardless of how many hours per day they work or what days of the week they work.

Those of us engaged in this long fight against a corporate onslaught on workers' have vowed to fight as long as it takes to restore fairness and the dignity of work to our nation. We will restore wages, benefits, political clout, a voice on the job and influence over public policy.

For the first time I can remember, I am filled with hope that the darkest days for

America's workers will finally be behind us after January 19, 2009. I drank the Kool-aid. I am a believer. I am an optimist—some detractors say a fool—but I am also a realist.

Never in our history has the USA ever been where we are today. The challenges the United States of America faces seem insurmountable. No other nation on earth has the crushing debt that we owe to our foreign creditors and trading partners. The first hundred billion dollars each year of our national output goes to pay just the interest we owe on that debt. Our national infrastructure is failing and in need of a complete overhaul or replacement. Our education system is failing to produce the educated workforce that we need compete in the world's market place. Our healthcare system is the most expensive and has the highest number of uninsured in the developed world. We have no national energy policy other than blindly trusting the unregulated private sector not to screw U.S. consumers to death and a stupid political slogan: "drill, drill, drill." Our national economy is on life support. We are at war—spending 10 billion tax dollars a month. Our military is spent and needs to be totally re-equipped, rebuilt and refurbished.

In short, as a nation, we are in one hell of a mess!

But, if it were easy anyone could fix it! We elected Barack Obama President to begin the process of restoring hope for a better future. It won't be easy, nor should we expect it to be quick. It took decades to get into this mess and it will take time to get out. I believe we are all finally fed up with things the way they have been and ready to help make things the way they should be.



Metal Trades Department President Ron Ault met President-Elect Barack Obama while campaigning earlier this year.

Change is different; change is the unknown. Change can be scary. Therefore, change is going to be difficult and slow to achieve. No one should expect a handout from our federal government...but everyone deserves an opportunity to succeed in life. Everyone deserves to live in a nation of laws allows for its citizens access to those opportunities for success. That is the essence of the American dream. A place where even a child from a broken home, born into the working class, can work hard and dream about growing up to become President of the United States...and achieve that dream. Only in America!

As we celebrate with our families this Holiday Season, let's all pledge our help, cooperation and assistance to make the changes we need, and deserve, a reality.

I, for one, believe—Yes, we can!

Happy Holiday wishes from the staff, officers and councils that represent the skilled craft trades men and women who build and overhaul the submarines, ships, weapons systems; safeguard and maintain our strategic nuclear facilities and forces; who manufacture, maintain and provide the essential energy, chemicals, goods and services that keep America safe and strong—every day of every year!

In solidarity,

President, Metal Trades Department



Building Trades President Mark Ayers

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He cautioned councils to beware, that NSPS “is not dead. It’s just in a state of suspended animation.”

Pointing to the strong likelihood of an Obama victory, Ault said: “I am looking forward to at least one full term under a progressive administration.”



John Meese, Ault’s predecessor as the Department’s head, reminded the delegates that “everything we’ve ever done has been hard and taken a long time, but that’s not a sufficient reason to flinch from the task.” The decline in living standards for American workers and the disproportionate distribution of wealth that is at the heart of the nation’s economic problems ought to be enough to spur working families to vote the right way, “but they need to be reminded every day about the importance of this election,” Meese declared.

Pointing out that the various agenda topics for the conference—shipbuilding, nuclear developments, politics and legislation are “all right on point and vital to labor,” **Pat Finley, General President of the Operative Plasterers and Cement Masons** and a member of the Department’s Executive Council, noted that one of the defining moments in this election came in the New York debate between Obama and McCain. “McCain said unequivocally that he supports the Columbian Free Trade Agreement, and Barack Obama looked squarely into the camera and told Americans that he could never support a free trade agreement with a Columbia as long as that country is allowing the murder of labor leaders and arresting organizers. That was significant.”



From left: Rick Brown of NFFE, Byron Charlton of the AFL-CIO and MTD Rep. Jim Seidl led a discussion on the status of NSPS.

Building Trades President Mark Ayers doubled up on his appearance at the conference—offering a message from **AFL-CIO Secretary-Treasurer Rich Trumka** as well as his own. Trumka had to cancel at the last minute.



Sporting a lapel button proclaiming: “Nuclear Power is Union Power,” **Frank L. “Skip” Bowman** of the Nuclear Energy Institute urged Metal Trades Councils to join NEI’s efforts to press Congress to enact federal financing guarantees for the construction of new nuclear plants. Bowman applauded the Department’s continued cooperation and support as the U.S. scrambles to expand the availability of electricity to meet growing demand.

Bowman, a retired rear admiral, explained that today 104 nuclear plants supply 20 percent of U.S. electricity needs, with applications pending to build 26 more.

“The nuclear power industry is the only industry group in Washington proposing



Tom Sanders, head of Global Futures Initiative at Sandia Labs in Albuquerque.

expansion of Davis-Bacon regulations specifically to build these new plants,” Bowman said.

He pointed out that **MTD President Ron Ault, Building Trades President Mark Ayers** and **UA General President William Hite** are members of the NEI board. Bowman said the industry is grateful for the “powerful relationship between labor and the nuclear industry” that has developed.

As the U.S. develops its energy policy to address the twin concerns of rising demand and concern over the environmental effects of greenhouse gases, “nuclear power must be part of the mix,” Bowman said.

Currently, NEI is concerned about the “shortsighted approaches” that many
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in Congress have demonstrated with regard to financing for the construction of new nuclear plants, Bowman noted. He urged delegates to the conference to assist in building support for federal loan guarantees—similar to the Title XI guarantees for shipbuilding—to back up financing for new construction in the industry.

Financing is but one part of the puzzle for the nuclear industry. Equally daunting is the need to meet the demand for skilled craft workers to build and operate nuclear plants. NEI estimates that each new plant will create 3,000 to 4,000 jobs in the construction phase and 400 to 700 operator jobs—for three or four generations of workers. That job creation doesn't even account for the additional jobs required to build components for new plants.



NFFE President Rick Brown, Metal Trades Department General Representative Jim Seidl and Byron Charlton of the AFL-CIO led a conference panel discussion on the current status of the National Security Personnel System (NSPS) and reviewed the history of opposition to the plan. The panelists explained that Congress authorized sweeping changes in the Pentagon's personnel system in 2004, but the Administration had developed the details of the plan within weeks after the first Bush inauguration in 2001, based on papers developed by the Heritage Foundation in the mid-1990s.

Although the enduring coalition of Defense Department workers successfully blocked implementation through Congress, the courts and the media—they warned that the plan is just dormant, not dead.



A conference panel consisting of (from left) Portsmouth (NH) Council President Paul O'Conner, Richard Parker of Sandia, Quentin Jones of Tidewater, Don Bongo of Pearl Harbor, Bob Scott of Puget Sound, Fred McClure of Hanford and Clarence Rashada of Amarillo, discussed how Metal Trades Councils handle political activities and community activism in their region. The session was facilitated by Chico McGill of the IBEW and Bob Moses of the AFL-CIO.

Since the Pentagon implemented NSPS rules on unrepresented workers, Brown said the impact will be felt throughout DOD. Workers who are retirement eligible (and nearly half the Pentagon workforce is at or approaching retirement) will be inclined to leave rather than continue to fight. "And, their knowledge will be impossible to replace," Brown said.

Seidl charged that DOD management was intent on "relegating us to collective begging. They wanted us to allow them to put the machinery in place to put us out of business," he said.

Another danger from NSPS was the likelihood that it would infect labor relations in the private sector, declared Charlton. Charlton praised the members of the coalition, "who did a great job in getting us to this point."

Seidl urged private sector workers to get more familiar with NSPS because "it's going to be as much a problem for them as it is for the government workers unless we kill it."



If delegates to the Las Vegas Metal Trades Conference needed any added prodding to energize them for the presidential election, **Laborers President Terry O'Sullivan** was the man for the job. O'Sullivan recited a litany of charges against the current administration, condemning George W. Bush and company for attempting to "silence the voices of working families."

Bush and his allies in Congress have undermined health care, pensions, fair trade, retirement security, home foreclosures, project labor agreements, national security, workers rights, even the federal procurement policy, "replacing Buy American with Buy Foreign," O'Sullivan said.

Delegates responded with a half dozen standing ovations.



Conference delegates got a first-hand look at some of the newest and most revolutionary concepts in nuclear power from **Tom Sanders**, manager and integrator for Global Futures Initiatives at Sandia Labs in New Mexico.

He said the U.S. has been lax in permitting foreign-owned companies to dominate the nuclear industry, with French-owned companies leading the world.

Pointing out America's challenge in catching up to the rest of the world in



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Cindy Brown, head of the American Shipbuilders Association

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nuclear power, Sanders said the one clear advantage the U.S. enjoys is that “we are not hampered by the innovator’s dilemma. We don’t have preconceived notions about the size or shape of the next generation of reactors,” which will be small and fast, Sanders said.

Among the products he displayed was a power plant the size of a tractor-trailer standing on end, producing enough power to satisfy a small town and operating maintenance-free for 30 years.



Cindy Brown of the American Shipbuilders Association (ASA) sounded a warning that the Navy’s target force structure—313 ships by 2024—remains an elusive goal as long as annual output lags. The Navy will have to put out an average of 12 ships a year for the next 15 years—or double the current build rate, Brown said. She noted that—in addition to China’s ambitious plans for its navy—

both Russia and India are in a massive naval buildup.

The Metal Trades and ASA are continuing to work together on several other issues of concern, including putting an end to the Pentagon’s practice of long-term charters. ASA and the Metal Trades are also collaborating on efforts to keep the Coast Guard’s fleet rebuild on track—a project that will put out some 33 new vessels; and in support of congressional action to re-authorize some \$60 million for Title XI shipbuilding guarantees.



Apprenticeship Training

Several Metal Trades Councils reported progress on apprenticeship training programs. Representatives from Oak Ridge and Puget Sound both offered presentations to the session outlining innovations in efforts to train the next generation of craft workers in specialized areas such as nuclear construction, operations and maintenance and in all areas of shipbuilding.



Garry Whitley of the Oak Ridge Metal Trades made a joint presentation with retired **Admiral Bill Klimm**, former NAVSEA commander and now heading the Y-12 program at Oak Ridge, exploring how to meet the nuclear manpower needs of the future.



NEI’s Skip Bowman (right), Sandia’s Tom Sanders (center) and MTD President Ron Ault compare notes between sessions.

Klimm said it is widely recognized that 50 percent of the skilled workforce in U.S. nuclear facilities are retirement eligible.

Within the Oak Ridge facility, the unions and management have entered into a training partnership that will produce 50 skilled workers. The cost to the employer, Klimm said, is \$3,000 per student. The negotiated rate for these apprentices is \$19.30 an hour for jobs that ultimately pay nearly \$30 an hour when they become journeymen.

When the Oak Ridge unions put out the first call for applicants from the communities around Chatanooga, Tennessee, Whitley said, more than 2,600 applicants shelled out \$18 apiece to take the test. More than 1,200 of the original applicants passed the initial screening.

On the other side of the country, the Puget Sound Metal Trades Council revived its apprenticeship program in June 2005. Despite the strong emphasis by the council, the program is having difficulty in holding on to apprentices because of a lack of steady work, according to **Brett Olson**, president of the Council. Olson, who is an IBEW electrician, described a plan to encourage apprentice utilization in federal projects that the council hopes to put before the next Congress. It would require the Navy and the Coast Guard to adopt targets for using apprentices in all their shipbuilding projects, similar to one adopted by the state of Washington for its ferry construction program a year ago.



A panel discussion led by Boilermakers Political Director Bridget Martin, flanked by Vince Panvini of the Sheetmetal Workers (left) and Jim Kolbe of the Ironworkers (right), discussed political action resources available to Metal Trades Councils, the importance of Senate and House races in 2008, and battles over anti-union ballot initiatives such as a so-called “paycheck protection” move in the state of Washington.

COUNCIL REPORTS

Hawaii Federal Metal Trades Council

Don Bongo

After the threat of the Base Realignment and Closure procedures died out, we were challenged to improve our cost and schedules to ensure that our shipyard would be there for the future. We accepted the challenge by creating the union's version of process improvement. We call it Moonshine, the third alternative. Moonshine has ushered in many innovative projects improving productivity—run entirely by the union. HFEMTC provided the leadership necessary to meet the costs and workload at Pearl Harbor Naval Shipyard.

Our focus has been on recruiting new and younger members into active involvement in the council. In this past year, we have hired 125 apprentices and organized about 100 new members.

However, labor relations at Pearl Harbor still lag. Our grievance numbers have gone up. We are planning to renegotiate the contract to address the problems in labor relations.

Puget Sound

Bob Scott



Eighteen months ago, the state of Washington approved an apprenticeship set aside—providing a model apprenticeship utilization

program. The ferry construction project actually got started in the early 1970s. Over the years, we developed a relationship with lobbyists to keep ferry construction in the state of Washington. Now, the employers are taking credit for the apprenticeship program, but that just means that they now see it as a plus.

The unions have set up a summit



on apprenticeship to bring together the unions, along with union and non-union employers to develop plans.

One thing we recognize is that the next generation of workers is a smaller pool. We're working to develop incentives to match mature workers with new apprentices in a mentoring program.



Hanford Washington Dave Molnaa

With 15 locals and 2,800 members, the council has cultivated relationships

with Sen. Patty Murray and Gov. Christine Gregoire to assist in fighting off efforts by the Department of Energy to impose a two-tier pension system on the workforce. Even the contractors see that as a threat. They are interested in partnering with the union because the pension battle is impairing morale.

Hammer's reputation continues to grow—largely due to the efforts of its 66 worker instructors. In recognition of the contributions of the instructors, the council convinced the Hammer Steering Committee to display a plaque honoring the instructors.

At the council's urging, Hammer has adopted a sitewide lock-out tag-out procedure. The unions are now working on several additional safety issues, including beryllium and respirators as well as a confined-space procedure.

Amarillo Clarence Rashada

As a result of the efforts to develop a new corps of apprentices, the council has an active Recruiting and Apprenticeship Committee. We have also connected with the area Building Trades to address direct-hire issues, steering management away from hiring non-union for temporaries. The council's Davis-Bacon Committee is able to define



the scope of work for all projects. The committee meets with stewards from the appropriate trade to protect jurisdictional lines.

Over the past two years, some renegade supervisors have attacked stewards for union activity. The council is fighting one termination based on those attacks.

Oak Ridge Garry Whitley

With 17 unions and 14 contractors, the Atomic Trades & Labor Council at Oak Ridge is dealing with some short range budget issues—prompting an early retirement package that was taken by some 100 people. The council also recently revived its apprenticeship program after a 15-year hiatus.

The council recently concluded a four-year agreement, providing wage increases totaling 16 percent with 6 percent in the first year. The contract establishes full-time safety representatives.

The council also is managing a medical screening program for 3,000 workers in conjunction with Queens College that we hope will save some lives.

Eastern Idaho Bryon Cottrell

We have a fight on our hands every day. Every person in the council has felt the effects of the negative National Labor Relations Board decision. The council is in constant contact with the business agents of each of the 13 unions covered in our agreement. The council has a backlog of 128 grievances over the nuclear worker jurisdictional issue; 30 pending arbitration requests. It is unclear whether management is Navy or Department of Energy—half the funding comes from each agency.



The Navy recently awarded a \$1.2 billion contract to Bechtel Bettis. Despite that, the company has been pushing us in negotiations for a pay cut.

Tidewater

Quentin Jones

Commuting problems are expected with the removal of the current bridge into the base. Management says workers will be shuttled from a satellite parking facility to the base until a new bridge is built.



In mid-October, the council welcomed some 135 new apprentices—30 of the training graduates had perfect 4.0 averages.

Approximately 75 percent of the shipyard is on forced travel—including Tiger teams assigned to locales where they are assigned to diverse projects, such as up-armoring humvees, or work in other shipyards, including Puget Sound and Northrop Grumman in Norfolk. The council is dealing with problems arising from the Defense Travel System (DTS) when employees are required to travel, or remain in a remote locale for unexpected assignments. Approximately half the grievances arising from these problems have been resolved. Three unfair labor practice charges are pending.

Sandia

Bill Sena

The director is working with the union on a new apprenticeship program.



Staffing and manpower issues are the same at Sandia as at most other locations. Machinists and electricians have existing training programs. The council is reviewing training programs for welders, heating, ventilation and air conditioning, and maintenance. The council is dealing with an immediate problem over subcontracting that would affect 125 people.

The parties agreed to a contract extension through January 30.

Portsmouth, NH

Paul O'Connor



Politics has been and remains the core of what we do since before the threat of base closure two years ago. The Portsmouth yard has become a major focal point

for political candidates in recent years. Over the past year, every Democratic presidential candidate visited the base. The council invited Republicans as well, but none accepted.

Funding and manpower continue to be major issues. Contracting has become a persistent issue—affecting many of the same trades every year. The council argues that it would be more efficient and better for the local economy if management would simply go ahead and hire permanent, full-time personnel for those jobs that are constantly subbed out.

At Portsmouth, the chain of command has been partitioned—creating five separate chains and undermining efficiency. Navy's consolidation has had a negative impact.

Portland

Gary Lee

The council reached a new agreement on subcontracting, with a maintenance of benefits on health care, improved holiday pay, but no training funds. In tandem with the local building trades, the council has a project labor agreement, providing wall-to-wall union representation.



Cascade General is still in direct competition with U.S. Barge and Bigger Marine, non-union yards in the area. Still, Cascade is mixing crews, and that practice has undermined morale.

Groton MTC Concludes Solid Contract

The Metal Trades Council in Groton, Conn., recently concluded a winning contract with Electric Boat, a subsidiary of General Dynamics, that provides covered members with substantial pay increases, improvements in retirement benefits and a stock plan that aligns with management's.

Pay increases over the life of the contract total 19 percent with annual raises of 3.5, 4, 3.5, 4 and 4 percent. The 65-month contract became effective in November and runs through April 2014. Members received a \$1500 ratification bonus in addition to pay increases.

The agreement holds the line on medical benefits for the first year, with no increases. The second year of the contract, employees will switch to one of two plans given to managers. The contract removes the \$10,000 lifetime maximum for dental services and provides for dependent life insurance for spouses and children.

Changes in the stock plan will also mirror management's.

The contract also calls for increases the company's monthly contribution to retirees' pensions. Starting in December 2008, retirees will now receive \$54 per year of credited service upon retirement. This is a \$5 increase. To encourage retirees and other experienced workers to return to work, the contract bumps up the hourly wages for those who "bridge" or return to work after a long hiatus.

The members voted 10 to 1 in favor of ratification. Electric Boat makes nuclear submarines. The Metal Trades Council represents 2,400 employees in Groton and Quonset Point, R.I.

Near Unanimous Vote Approves New Ft. Rucker Pact

Employees of Ft. Rucker and Shaw Infrastructure (Alabama) approved a new four-year agreement with a near unanimous vote in early November. The agreement, negotiated by the Wiregrass

Metal Trades Council—and ratified by a vote of 148 to 4—provides for a 14 percent first-year wage increase, followed by two annual increases of 4 percent each, with a wage reopener in the final

year of the contract, reports Metal Trades Department Representative Jim Seidl.

Additionally, the agreement calls for sick leave and improved health care benefits, as well as all federal holidays.

Another significant provision of the agreement expands fringe benefits for the unit based on credited work hours. Employees required to be on-call also receive premium pay for that duty, and all employees will receive fringe rates during any military leave.

The pact covers employees of Shaw Infrastructure who work maintaining the buildings and facilities at Ft. Rucker.

In addition to Seidl, who served as the chief negotiator, Council President Kerry Riley, Secretary Elli Canterbury, Vice President Marc Posey, and Gary Smith formed the Council's bargaining committee.

Steelworkers Ratify Contract with NGSS

Highlights Include Wage Increases, Pension Improvements

The Steelworkers at Northrop Grumman Shipbuilding in Newport News, Virginia ratified their latest contract last month providing wage increases, pension improvements, and a first-time ever personal/sick leave policy. The contract will also work toward holding down health care costs for covered employees and protect jobs at represented shipyards.

The 52-month agreement provides wage increases of 3.75 to 4 percent for employees, depending on job title and grade. The average wage increase will be \$3.05 per hour over the life of the contract. In addition, the union negotiated an increase in shift premiums for members working the second and third shifts. The premium increased \$.50 to \$1.25 per hour.

One major breakthrough in this contract is a personal/sick leave policy. Employees will accrue sick leave hours starting in July 2009.

Recognizing that an experienced workforce is invaluable, the union negotiated retirement benefits that encourage employees to work beyond their 30 years. The contract includes language that credits years of service beyond 30 when calculating pensions.

The contract also specifies increases in the minimum pension benefit for those retiring at 30 years.

For those employees not in the defined benefit plan (hired after June 2004), the union won assurances that employees under this plan will continue to receive adequate monthly pension benefits upon retirement.

With health care costs still skyrocketing, the negotiating committee relied on strong rank and file support to maintain the current health care structure. The company sought concessions on this front, but the union held strong and was able to retain reasonable rates for its members.

To top it all off, the negotiating committee won a contract clause that sets a framework for the way temporary jobs are assigned between shipyards. The clause will force the company to use "qualified" employees between shipyards and stabilize the workforce between the yards to avoid layoffs whenever possible. The contract also provides that the company cannot use non-represented employees at the Newport News yard.



Wiregrass Metal Trades Council Negotiating Committee for Ft. Rucker from left: Kerry Riley, Elli Canterbury, Marc Posey and Gary Smith.

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