Shipbuilding, Nuclear Work, Organizing Dominate MTD Conference Discussions

The future of nuclear work, shipbuilding and union representation were the top three topics for speakers and the more than 150 delegates attending the annual Metal Trades Education Conference held in Las Vegas in mid-October.

Convening just two weeks before what Metal Trades Department President Ron Ault described as “one of the most significant elections in our lifetime,” virtually all the featured speakers alluded to labor’s full court press to reclaim Congress for working families. Ault, along with Building Trades President Ed Sullivan, AFL-CIO President John Sweeney, and Asbestos Workers President Jim Grogan underscored the make or break nature of the then-pending elections.

Expressing a theme that would be repeated by many conference speakers, Ault warned delegates against “allowing differences to divide us.”

Building & Construction Trades Department (BCTD) President Ed Sullivan brought a message of solidarity to the session, describing collaborative efforts between the Building Trades, Metal Trades, AFL-CIO and various community groups and religious organizations to bring back the Gulf Coast. Sullivan said the ongoing Workforce Development Plan in the Gulf Region and a successful

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Coast Guard Rejects MTD Kit Ship Appeal
Ault: ‘We’ll See You in Court’

In a mid-November letter, Coast Guard Rear Admiral B.M. Salerno rejected the Metal Trades Department’s formal appeal of an earlier ruling that favored Aker Philadelphia Shipyards plans to build ten “kit ships.” The Department has charged that the kit ships violate the Jones Act, with vast volumes of component parts—from bows and sterns to winch assemblies, engine rooms, crew quarters and massive sections of superstructure—manufactured in Korea and transported to Philadelphia on container ships.

Department President Ron Ault has authorized the Metal Trades attorneys to prepare a lawsuit to challenge the Coast Guard decision in federal court.

The Department also asserts that the safety of these kit ships is questionable in view of the fact that they apparently do not conform to newly adopted structural safety standards for tankers.

Aker launched and christened the first of its planned ten 600 foot MT 46 Veteran Class tankers in Philadelphia this Fall. The second ship is well under construction and the keel for a third in the series is in place. In a series of paper transactions, the ships will be transferred to an Aker financial subsidiary and eventually leased to yet another subsidiary, the Overseas Shipping Group, for operations.

The Department is challenging the timing of the Coast Guard’s approval for Aker and NASCO in San Diego, which received a similar okay to build kit ships. Both Aker and NASCO lodged their requests with the Coast Guard to make sure their orders were in place before new structural standards for tankers went into effect on April 1, 2006. The International Association of Classification Societies (IACS) approved new structural standards last December for implementation in April, a move that was widely hailed in the maritime industry as a way to keep shipbuilders from compromising on vessel safety. Conforming to the new safety standards will be significantly more expensive for shipbuilders.

Ault lobbied the kit ship issue with a dozen key members of Congress at a meeting of the American Shipbuilding Association in November—including Rep. Bennie Thompson (D-MS), who will chair the House Homeland Security Committee, which oversees the Coast Guard.
Ain’t It a Shame

By Ron Ault,
Metal Trades Department President

Ain’t it a shame? When labor organizations have to sue the United States Government to compel the government to obey its own laws; laws that were specifically and clearly designed to protect vital United States industries? The Aker Philadelphia Shipyard Jones Act lawsuit is our third federal lawsuit in three years against our federal government. So far we have won every one of our lawsuits in court trials and before the appeals courts against this administration. I think you have to ask the question…are we that good or is this administration that bad?

We contend that the Commandant of the USCG is misinterpreting the Jones Act regulations to permit South Korean shipyards to ship hundreds of shiploads of prefabricated “modules” that are “plug and play” units: machinery rooms, bow, stern assemblies, preformed hull steel, rudders, propellers, shafts, antennas, crew ladders, stairs, deck handling equipment and much more. Just like a model airplane kit you would buy in a hobby shop.

Assembling one of these “kit ships” requires a mere handful of shipyard workers in comparison to the manpower requirements for building a ship from scratch. At issue is much more than just jobs, although that is certainly a major concern. America is also losing “competence” and “capacity” for shipbuilding, and that’s what the Jones Act was designed to protect.

This preassembled, foreign built modular technique not only destroys the ability of American shipyards to build ships and de-skills (and cheapens) the labor force. It also destroys the blueprints to launch, it also destroys the jobs that are required to take a ship from blueprint to launch, it also destroys the entire American ship supply industrial base.

One American pipe supplier immediately lost $13 million worth of pipe orders when Aker signed the partnership agreement with HMD for the Koreans to procure and supply all components for Aker’s 10 product tankers. Instead of buying domestic American steel, pipe, valves, wiring, air compressors, cranes, winches, pumps, glass, electronics, those and other assemblies were provided by foreign enterprises.

More than 200 large and small American companies located all over our nation manufacture components for major U.S. shipyards. These American companies provide jobs for tens of thousands of your neighbors and friends with good pay and benefits that sustain middle class lifestyles, that fuel the American dream.

General Dynamics National Steel Shipyard (NASCO) in San Diego has signed a similar partnering agreement with a major South Korean shipyard to build the same type of product tankers Aker is building. How long will it take for the entire shipbuilding industry to adopt the Aker model of business? The domino effect moves at the speed of gravity.

America is vast, but we are really an island nation surrounded by oceans. Without a viable domestic shipbuilding industry we will become totally dependent on foreign governments for transporting the goods that are vital to our economy.

The impact of the Coast Guard’s endorsement of the outsourcing of our shipbuilding capacity parallels the economic devastation that Wal-Mart wrought upon other areas of our economy. The only difference is that this new “Beast of Bentonville” has been given the blessing of our own government to destroy our living standards and our communities.

The United States Coast Guard is responsible for issuing regulations carrying out the intent of the Act. There is the rub…the regulatory authority has been entrusted to an organization responsible for protecting the United States, but today’s Coast Guard—attached as an appendage to the Department of Homeland Security—has been co-opted by a President with a political agenda.

Over the past four years the International Association of Classification Societies (IACS) has collaborated with the Oil Companies International Marine Forum (OCIMF) to develop a new set of strength standards for the construction of tankers. These rules are called Common Structural Rules for Tankers (CSR) and governed by appropriate international classification organizations, such as American Bureau of Shipping in the U.S. or Lloyd’s in the UK.

Aker’s product tankers will evade these rules because they were contracted before April 1, 2006. Yet, the CSR standards were under development by the industry long before the Aker contracts were signed, and the oil company customers for the ships were pressing the industry to move to this higher standard.

Durable and rugged All-American built, American equipped double-hulled tankers designed to weather 30 years of service cost a little more to build than cheap imported ships. How does that extra cost compare to the devastation that a tanker disaster would cause. Can Miami Beach or Puget Sound afford a major oil spill? Anyone remember the Tory Canyon disaster?

So the Metal Trades Department on behalf of its 17 National and International affiliated unions say this to the Bush Administration’s Department of Homeland Security and the U.S. Coast Guard, who make and interpret the Jones Act regulations- WE’LL SEE YOU IN FEDERAL COURT!

INSERT RON’S SIGNATURE
Conferees Focus Sharply on the Future of Nuclear Power

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The Department of Energy will continue to play a significant role in planning and managing America’s energy infrastructure, Spurgeon said, underscoring that point by noting: “Energy security is the key to national security.”

Fernald Reaches End of the Road

One week after the Metal Trades Department Education Conference closed the last handful of workers at Fernald walked away from a project that took more than 30 years to complete.

An operation that once kept nearly 1,000 workers busy seven days a week around the clock removing more than 287,000 tons of radioactive material without an incident shut its doors and declared its mission accomplished. Project managers John Hopkins and Frank Blowe provided the conference with an overview of the Fernald cleanup, stressing that its union workforce was pivotal in accomplishing the task from start to finish.

British Trade Unionists Attend

Mike Graham, an official with, Prospect, the British trade union representing workers in nuclear power plants in the United Kingdom, was one of five British union officials who took part in the Department’s educational conference.

He said workers in the UK share many if not all of the same concerns as U.S. workers—especially the squeeze from globalization. His union, Prospect, differs from traditional U.S. unions in one key aspect—it represents all workers in the industry, including blue collar crafts, operating personnel, scientists and management—even HR personnel, Graham pointed out.

England is embarking on clean up projects similar to those handled by Metal Trades personnel at Hanford and Fernald, Graham said. He and his colleagues are “encouraged” to see that the Metal Trades and British unions use similar approaches in dealing with labor relations. “When we have a difference of opinion with management, we put it on the table and talk it out,” he said.

HAMMER

Managing one of the premier safety and health training operations in the nation requires two key traits: the commitment to stand firm on worker safety and the dedication to the principle that the people who face the greatest risks should have the largest say in how to create a safe workplace, declared Karen McGinnis. McGinnis has been director of HAMMER since its founding some 10 years ago.

HAMMER grew out of the vision of one of the tri-cities most unique individuals—Sam Volpentest. An iconic and successful developer and community leader, Volpentest spurred the creation of the facility to protect both the workers and the community in which they live as a key element in cleaning up the Hanford nuclear site that straddles the Columbia River and the communities of

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Sweeney Applauds MTD Role in Battling White House

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Columbia, Kennewick and Pasco.

HAMMER’s success has grown out of its unique training model—relying totally on union members to both manage its operations and to train other workers in best safety practices. “Everything we do is dependent on the labor management partnership,” McGinnis said.

In addition to worker training, the facility now also trains first responders, law enforcement and security personnel. It has hosted a number of tours for federal and state and local officials interested in establishing similar programs for homeland security personnel.

McGinnis said HAMMER recently concluded a formal alliance with federal law enforcement training centers to expand training opportunities.

Angie Howard, senior vice president of the Nuclear Energy Institute, predicted an upsurge in interest in nuclear energy in the decade ahead as America’s demand for affordable energy expands exponentially. There are currently 103 nuclear energy plants operating in the US, which she said are producing at rates of between 90 and 95 percent efficiency. Because nuclear energy is economical, efficient and does not emit greenhouse gases, influential policy makers have come to embrace it as an integral factor in energy production over the next 20 years, Howard said.

America’s real energy crisis is a matter not of shortages, but lack of investment, she said, noting that feeding America’s future energy needs will require a tremendous investment in new nuclear generating facilities.

Congress has enacted a series of measures that provide incentives for lower emission fuels with loan guarantees for up to 80 percent of the cost of building new generating plants, plus production tax credits and federal subsidies.

Howard said that the government has certified designs for the next generation of reactors to be built, but the nuclear industry remains concerned about the availability of skilled workers both in new plant construction and to operate and maintain nuclear generating plants. “Now is the time to start filling the personnel pipeline. In recent years, most of the hiring in the industry has been in the area of security, not operators and maintenance workers,” she said.

Humanitarian Award

Metal Trades Department President Ron Ault presented Northrop Grumman Ship Systems President Phil Teel with the Department’s first-ever Humanitarian Award in appreciation for Teel’s personal commitment and the company’s sustained efforts to restore normalcy to the company’s 20,000 workers affected by the Gulf storms of 2005.

Teel credited the character and dedication of all the men and women at the company’s Ingalls and New Orleans shipyards. He said management and the union were intent on finding ways to help people survive in the days after the storm. The upshot was that just 14 days after Katrina, the Ingalls yard was back to building ships.

The experience has created a new resolve permeating throughout the two yards creating an unprecedented “level of team work” over the past year, he said.

Teel said the company is intent on building a lasting relationship among labor, management and NGSS customers.

Housing in the region remains a major issue—there are on the order of 100,000 jobs related to shipbuilding in the region but thousands of houses have yet to be rebuilt. He expressed confidence that there will be a long-term recovery. The outlook for sustained success is bright, he said, noting that NGSS has delivered three ships since the storms and is continuing production on another dozen.

“I am fiercely proud to be part of this group of shipbuilders,” Teel concluded.

AFL-CIO President John Sweeney congratulated the Metal Trades for being in the vanguard of the battle to protect the rights of working Americans, noting the role the Department played in counteracting the National Security Personnel System and generally contesting efforts by the Bush White House to curb union rights in America. “I’m proud to stand with your President Ron Ault in battling against the efforts to strip away bargaining rights of federal workers and to meddle with the collective bargaining agreements of workers in the private sector,” Sweeney said.

He urged delegates to issue a message to the Bush Administration and its allies in Congress that “we have had enough.”

“We may be a nation divided on some issues, but we’re united in terms of the direction we’d like to see our nation go,” Sweeney said, adding: “We’re fed up with corruption and fed up with attacks on our unions” that began “the day Bush took
Navy’s Role Crucial to Shipbuilding Future

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office.”

Sweeney rattled off a long list of Bush Administration attacks on unions and union families. “There is something wrong when corporate profits and CEO pay are way up and wages are way down,” Sweeney said.

Dr. Alvin Trivelpiece, former director of the DOE Oak Ridge, Tennessee National Laboratory, discussed the next generation of nuclear energy technology, noting that the US has, in recent years, ceded leadership in developing nuclear technology to other nations—including India and France. Trivelpiece predicted radical new designs to increase output, efficiency and economy for nuclear fuel. He is part of a group of scientists and technicians which is mounting a public education campaign to renew interest in research and application of nuclear science as well as the job-creating and economic potential of nuclear energy.

Panel on Shipbuilding

Cindy Brown, President of the American Shipbuilding Association (ASA) said the industry is experiencing an uptick based on new indications that at least the leadership of the US Navy is committed to establishing a 313 ship fleet. She said the industry will work with Navy officials to try to persuade Congress, the President and the Pentagon to go along with that target.

She thanked the Metal Trades Department and its councils for assistance in advancing the ASA’s other goals—to limit what has become a defacto practice of buying foreign built ships through the backdoor by signing successive 10-year leases of used foreign-built ships. She said Representatives Jo Ann Davis (R-VA) and Gene Taylor (D-MS) have been leading the fight in Congress to combat the Pentagon’s leasing practices.

She criticized the Bush Administration for failing to fund Title XI ship guarantees through the Maritime Administration. The program works to help ship owners to secure affordable financing to build new ships.

Boilermakers Legislative Representative Abe Breehey outlined efforts by the Department and affiliates to combat so-called “Kit Ships” now being built at Aker Shipyard in Philadelphia and NASCO in San Diego. (See ‘Kit Ships’ story, page 1.) The practice violates both the letter and the spirit of the Jones Act.

Breehey told delegates that several key members of Congress are also questioning the propriety of the practice. Those lawmakers are in a position to force the Coast Guard to reconsider its position, Breehey said.

Domestic companies that supply shipyards with products and material are equally threatened by the trend toward kit ships, declared Michael Munz. The struggle, he said, is all about US jobs and the Metal Trades unions share the same concerns that domestic parts suppliers have. Munz, an executive with a Jacksonville, Florida public relations firm representing shipbuilding suppliers, said that employers are prepared to develop a partnership with Metal Trades unions. Together, he said, shipbuilders, suppliers and unions can use the power of the press to “persuade members of Congress that this is a serious threat,” he said.

Ken DelaCruz (Electric Boat) and Bobby Scott (Bremerton) both reported employment levels down at their respective shipyards. Policymakers seem to have the erroneous idea that “you can build submarines like turning on a spigot,” DelaCruz said. Noting that it typically takes three to four years start to finish for an atomic sub, DelaCruz charged that erratic policies are increasing the risk that the US could lose its ability to build subs and that would, in turn, threaten national security.

Echoing those concerns, Scott described the situation at Bremerton as dire, even though the yard continues to accomplish missions that seem impossible.

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Councils Look to Navy Work to Pick Up the Slack

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“We overhauled the USS Lincoln while we were down some 500 people.” He said the union’s efforts “to communicate concerns over reduced manpower and lost capacity have been frustrated in recent years.” Employment levels are down to where they were 25 years earlier and the apprenticeship program is all but gone. Navy continues to rely on contractors in the region instead of direct hires. “If we don’t get our superiors to listen to us, we’re going to run this thing into the ground,” he warned.

Northrop Grumman has launched three ships in recent months and there is considerable work underway for the short term, said Pascagoula Metal Trades Council President Mike Crawley. However, he said, “we’re definitely concerned about the long run.” Outsourcing and offshoring shipyard work is an ongoing concern for NGSS workers, too, he said. “We want the work done here,” Crawley concluded.

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Council Reports

Amarillo Atomic Trades Council, Amarillo, TX

Clarence Rashada took over as head of the Amarillo Atomic Trades Council in April 2006, immediately confronting jurisdictional issues involving job descriptions. With assistance from Metal Trades General Representative Tom Shaeffer, the council has addressed those problems, he said.

Pantex is a contractor-operated DOE facility charged with decommissioning surplus atomic weapons and materials. Amarillo represents 1,100 employees at the Pantex Plant—with approximately 75 percent of the unit signed on as members. As the Council prepares for negotiations in 2008, Rashada said it will mount a sustained organizing campaign to sign up non-members.

Bremerton Metal Trades Council

The Bremerton Metal Trades Council has been grappling with official time and job description issues, and was recently dealt a setback in an arbitration decision over asbestos exposure, according to Council President Bill Buetenbach.

New hires are highly interested in what the union is doing—and everybody in the yard is concerned about NSPS. The role of the Department in NSPS has been very important to Bremerton workers.

Portsmouth Naval Shipyard Metal Trades Council

Portsmouth Council President Paul O’Connor echoed the sentiments expressed by other reports from Navy locales regarding job description issues—reflecting the Navy’s emphasis on blending its yards together under the “one shipyard” concept.

The Portsmouth Council is concerned over the Navy’s use of the Navy-Marine internet system which has been contracted to Texas-based EDS at a cost of $1 billion at a time when the Navy is scrambling for money to build ships. The Council is also concerned over the practice of “stove piping”—managing critical local functions from locations as much as 500 miles removed. At Portsmouth, this practice has resulted in inefficiencies for the supply and public works functions.

O’Connor said that the Council has had positive results in setting up voluntary 5-4-9 work schedules—enabling those represented workers who prefer to alternate between a five day week, followed by a four-day week, working nine hours daily. That program replaced an unsuccessful management plan to impose four-day, ten hour schedules which did not work.

The Council has historically been politically active, even before the major community and worksite mobilization that defeated a BRAC plan to close down the shipyard. Earlier this year, the Council marked the first anniversary of that effort when the governors of Maine and New Hampshire visited with the workers.

The Council has built on the foundation that turned around the BRAC recommendations a year ago to launch vigorous campaigns on behalf of pro-worker candidates in the area, O’Connor said.

Hanford Metal Trades Council

Hanford Council President Dave Molna reported that the Council continues to work well in sync with contractors to confront DOE efforts to cut budgets and impose layoffs on the site.

The Council is preparing for negotiations in March of 2008 when four collective bargaining agreements will expire.
Preliminary discussions with CH2M Hill and Fluor Hanford have been positive. The Council’s immediate problems stem from administration and DOE policies.

Hanford has added three more VPP (OSHA Voluntary Protection Program) Star flags to its collection. To date, Hanford has nearly half of all VPP awards earned by DOE sites. At Hanford, the success has been directly attributable to workers who have total control of the program. “It’s a real testament to the overall safety commitment that contractors have given workers true ownership of the safety program,” Molna said.

Molina singled out CH2M Hill for its decision to restructure operations based on worker safety recommendations as another example of the effectiveness of the program. Hamtech has 18 safety representatives and HAMMER has 66 workers responsible for training co-workers.

Similarly, in an example of sound labor-relations, Molna reported that Batelle agreed to honor the terms of a five-year agreement negotiated with its predecessor company at Hamtech even after DOE issued controversial directives to water down pension and health care benefits.

The Council has ratcheted up its community involvement with an annual golf tournament to raise funds for the community food bank as well as active support for blood drives, Habitat for Humanity and the area’s Junior Achievement program.

New Orleans Council

Representing the New Orleans Council, Merland Farria said affiliated locals at the Northrop Grumman shipyard in New Orleans have had to counteract mid-level management efforts to undercut the union with one-on-one membership pitches to new hires. New worker orientation by management often paints a negative picture of the union. A concerted effort by constituent locals has resulted in a steady flow of sign ups after new workers come on board, he said. The IBEW local alone has signed up 65 new members since the program began.

Fernald, Ohio Metal Trades Council

In sharp contrast to most other Councils in the Department, the work at Fernald is over and the handful of workers that remain are there to turn off the lights and close the doors. Reporting on behalf of Fernald’s workers, Ray Beatty said that during the past several months, as the successful clean up closes down, the workforce has gone from 750 to zero.

Beatty credited Rep. Ted Strickland who, long before he became Ohio’s Democratic Gubernatorial candidate had sponsored legislation to help Fernald workers who were near but not yet eligible for retirement. Strickland’s measure allowed those workers to take their health insurance with them once the shutdown is complete.

The average age of Fernald’s workforce in the final months of the operation was 52 and the workers always knew that their job was to work themselves out of a job, Beatty said.

Pearl Harbor Metal Trades Council

Council President Matt Hamilton said the Pearl Harbor Council has embarked on a focused effort to train and mentor new young workers. “We’re preparing to pass the torch,” he said.

Young workers at the yard are making changes to fit the needs of the next generation at the shipyard. One of the key elements of that effort is the Moonshine program which Hamilton described as a “common sense approach to engage the new generation in the workforce.”

Hamilton also noted that workers at Pearl Harbor have responded well to the Council’s efforts to mobilize against the NSPS because they understood that NSPS would open the door to nepotism and patronage.

Puget Sound Metal Trades Council

The Puget Sound Metal Trades Council represents 22 local unions and administers ten collective bargaining agreements. “We have a lot on our plates,” declared Council President Bobby Scott, “but if there is one message I’d like to leave with this conference it is that we must organize those who aren’t yet organized.”

Portland, Oregon Council

During World War II, the Portland Council handled labor relations for 25,000 people building one Liberty ship every day. Today, the Council is a shadow of that size, with approximately 250 workers, and one contractor under a Metal Trades contract, reported Council President Al Shropshire. The lesson of the Portland Council’s rich history, he said, is “that there is nothing we cannot accomplish together…but if we don’t care who gets the credit.”
Although the operation has been awarded a VPP Star for success in workplace safety, he predicted problems around the corner over manpower issues. “We have around 1,000 people ready to retire and only 100 apprentices in the pipeline,” Jones said.

**Oak Ridge Atomic Trades Council**

Sixteen unions cover 17 units and 2,200 workers at the Oak Ridge activity. The Council is currently attempting to negotiate a new contract with a new contractor at the Y-12 site, Oak Ridge LLC, according to **W.E. Johnson**, speaking for the council. On a positive note, the medical screening operation is fully functional, conducting more than 100 physicals and some 180 CT scans monthly.

**Sandia, New Mexico National Laboratories**

With a human resources operation that reports directly to Lockheed headquarters, the Council is running into some difficulties in representing the 550 or so union members at the lab, according to Council President Bill Sena.