

METALETTER

Metal Trades Department • AFL-CIO

ISSN #00476870

Metaletter • Published by the Metal Trades Department (AFL-CIO) • First Quarter 2004



Metal Trades Department Vows All-Out Effort for Kerry

Metal Trades Department has pledged “every effort we can muster” toward the election of John Kerry as president. “We will leave no stone unturned to be successful in November in the election of a workers’ champion as president of the United States,” declared Metal Trades President

Ronald Ault. Ault, along with the presidents of AFL-CIO-affiliated unions and heads of the federation’s other constitutional departments, cast a yes vote when the federation’s General Board issued its endorsement of Kerry on February 19th, in Washington, D.C.

Ault said the presidential contest “is crucial for the future of middle-class

Continued on page 3

MTD Fights NSPS Threat

Coalition Unites Labor’s Opposition—Forces Pentagon to Slow Down Process

The Metal Trades Department has taken a lead role in combatting the controversial National Security Personnel System. Since the plan first officially surfaced at the end of 2003, MTD President Ron Ault organized a nationwide tour of Navy shipyards by a “truth team” headed by Metal Trades Representatives Jim Seidl and Tom Schaeffer. The team also included representatives from the Boilermakers, Machinists, IBEW, Ironworkers, SMWIA, Laborers, Carpenters, and UA.

Trades Councils to mobilize union members to oppose the plan by contacting lawmakers and to alert public opinion to the threat with letters to the editor and calls to talk radio.

Noting that the new system would menace all

Continued on page 4

Ault also contacted all Metal



Kerry, Sweeney Headline Event

MTD Annual Conference Sept. 1-2, in D.C.

Democratic Presidential candidate Sen. John Kerry has been invited to address the 2004 Annual Metal Trades Conference scheduled for September 1st and 2nd at the Capital Hilton in Washington, D.C. The Democratic nominee has indicated a strong interest in attending the event, but has not yet indicated whether his schedule will permit him.

AFL-CIO President John Sweeney is among the headliners who have accepted the Department’s invitation, along with a number of the Department’s executive board members and Cynthia L. Brown, president of the American Shipbuilding Association.

Other invitees include congress

Continued on page 3

The Dirtiest White House Secret: The Bush Administration is Undermining National

By Ronald Ault, president
AFL-CIO Metal Trades Department

The Bush Administration has been frequently described as the most secretive White House ever. Perhaps one of the dirtiest of their secrets is the havoc that they have created for our national defense.

Over the past three years, the White House and the Pentagon have hoodwinked the media and the public with their deliberately deceptive defense budgets. Sure, they're spending more money than ever, but it's not making us any stronger although it is making a handful of smart lobbyists a lot richer.

Today, with two shooting wars going on half a world away, the number of U.S. troops in uniform at 1.41 million is lower than it was in 1950 (1.46 million)! Defense Secretary Donald Rumsfeld claims that expensive technology and sophisticated weaponry have reduced the military's manpower needs. But, the truth is that our armed services are stretched to their limits.

The service which has suffered the most serious decline is the Navy. Last year's budget did not provide enough money to build replacement ships for those being decommissioned and cut up for scrap. U.S. Navy shipbuilding and ship repair is woefully under funded again in the President's proposed 2005 budget.

In 1987 we had 594 naval ships in the US Navy fleet. In 2003, we had 294 and the bottom is not in sight. Our merchant marine and fleet reserve is in the same sad shape, if not worse off.

Our Navy is critically in need of replacement ships. The average age and condition of our active fleet is deplorable. We have stretched our naval fleet too far. We cannot even maintain the current 294 naval ship fleet with this budget and that is our total naval ship fleet, not just combat ships like destroyers, aircraft carriers and submarines, but all our naval ships including non-combatant ships.

For the past three years, military allocations have had the net effect of unilaterally disarming America while at the very same time we are in a declared war on terrorism and have conducted a preemptive military invasion in Iraq.

During the Iraq war, the U.S. deployed 70 percent of the Navy's total surface fleet and 50 percent of its submarine fleet—the highest deployment rate since World War II. The Navy needed even more vessels, but the remaining ships were unavailable because they were either being repaired, deployed in other troubled waters or used for training purposes. If we had been fighting a real war for a prolonged period against a strong adversary instead of a small third-world country, the Navy's deployment requirements would not have been sustainable.

The White House favors expenditures on expensive, exotic and unproven weaponry over the more mundane requirements of traditional armed services. If current economic conditions were different, perhaps there would be funds for both. But, with the nation saddled with a record high budget deficit, effective leadership requires us to make more realistic decisions.

DOD Skirts Rules With Long-Term Ship Leases

Rep. Jo Ann Davis (R-VA) has authored an amendment to the FY-05 Defense Authorization bill that would require the Department of Defense to end the practice of engaging in long-term leases of foreign-owned ships. The Metal Trades-supported measure would force DOD to live up to the letter of the law that requires that military vessels must be built in the United States.

In the 1990s, Congress passed the Budget Enforcement Act to tighten up on the practice of long-term leases. Earlier congressional restrictions had limited the term of ship leases to 18 months.

In an effort to get around those requirements, DOD has continued to negotiate lease options for up to five years, which resulted in deferring the construction and purchase of military ships and the consequent decay of shipbuilding and related companies in the U.S.

"This shady accounting practice puts our national defense industrial base at risk and denies American shipyards long-term financing for ship construction. We're losing thousands of union jobs here in America and rewarding foreign shipbuilders with windfall profits in U.S. tax dollars," declared Metal Trades President Ron Ault.

Union members are urged to contact members of the House and Senate Armed Services Committees to keep the Davis Amendment in the final Defense Authorization bill.

(ISSN 00476870)

Published Quarterly by the Metal Trades Department of the AFL-CIO,
Ronald Ault, President

Publication Address:

888 16th St. NW 6th Floor,
Washington, DC 20006

Periodicals Postage Paid at Washington, D.C.

Direct Change of Address or Editorial Inquiries to:

The Metaletter.
888 16th St. NW, Room 670,
Washington, DC 20006.
Greg Kenefick, editor
e-mail: gregk141@aol.com



Metal Trades Councils Energized for Looming

Continued from page 1

working Americans. Our jobs and our very security have been threatened by the reckless policies of the Bush Administration.”

As a candidate, “Sen. Kerry will face a tough fight against a ruthless opponent.” Ault said, adding: “He’s courageous enough to take on the challenge; we must be courageous enough to give him all the help we can.”

The Department is planning a major voter information and get-out-the-vote effort in shipyards, nuclear facilities, industrial operations and petrochemical plants that employ members of its 17 affiliated unions.



Army Goes Offshore for Ammunition

The Machinists report that the U.S. Army is on a search for foreign sources for military ammunition. The state-owned Israel Military Industries Ltd. recently won a major contract from the Army to produce 70 million rounds to meet the growing need for ammo for troops in Iraq, Afghanistan and for training.

Services Face Shrinking Budgets as Tax Cuts Erode, War Costs Explode

U.S. defense operations are feeling the squeeze as a result of the double whammy of exploding war costs and reduced revenues resulting from Bush’s tax cuts for the rich.

Various Metal Trades Councils around the nation report that Navy commanders have convened meetings to explore cost-cutting strategies to deal with new budget realities. The Army is reportedly imposing a 40 percent budget cut on domestic installations to stay within allocations for FY 2004.

In the Navy’s Mid Atlantic region, Metal Trades Council leaders have been told that Navy facilities have lost as much as 40 percent of their annual budget in reshuffling by the Pentagon to divert money for the war. Amenities such as public transport shuttles between downtown areas and bases are slated for cuts, cafeterias and officers’ clubs are scheduled to be privatized and others will be closed down or opened up to the public to generate revenue.

More significant for actual Navy operations, services such as tug and crane operations have been cut back, reducing options for moving ships in and out of port. Other services, such as parking, motor pools, medical facilities, phone and cable television allocations will also be cut.

According to current reports, these and other cost-cutting measures are due to be continued through the end of the current fiscal year.

MTD Annual Conference Set for September 1-2, in D.C.

Continued from page 1

sional leaders from both sides of the aisle: Senators Hillary Rodham Clinton, (D-NY), Mary Landrieu (D-LA), Susan Collins (R-ME) and from the House of Representatives, Minority Leader Rep. Nancy Pelosi (D-CA) and Minority Whip Rep. Steny Hoyer (D-MD).

The tentative agenda includes breakout sessions on developments involving the National Security Personnel System in DOD, health and safety issues in the Department of Energy and legislative developments.

Delegates should make hotel reservations directly with the Capital Hilton 1-800-HILTON or (202) 393-1000. Ask for the Metal Trades Conference Rate. Packets of registration forms and detailed information on Conference logistics have been mailed to all Metal Trades councils. Please check the Metal Trades web site (www.metaltrades.org) for updates over the next several weeks.



DOD's NSPS Proposal

Seen as Menace to Employee Rights

Nationwide Tour Alerts Shipyards



DOD Civilian Employees in Hawaii protest proposed NSPS. Photo inset Norfolk employees rally against Rumsfeld plan.

Continued from page 1

DOD personnel regardless of their union affiliation, Ault said the plan would also be an open invitation to private employers to erect similar systems.

Councils Mobilized

“Be creative, be aggressive, be assertive,” Ault urged MTD councils. “Our existence as a labor organization, the last bastion of protections for workers, is at stake. As we go, so goes all organized labor.”

The threat arose from legislation attached to the Department of Defense Authorization Act of 2003 which gave Defense Secretary Donald Rumsfeld wide-ranging authority to “reform” personnel practices within the Department. Rumsfeld, in characteristic fashion, interpreted that authority as a virtual license to attack collective bargaining and labor agreements, establish a convoluted “in-house” appeals process and toy with “pay for performance” plans.

Among the controversial “flexibilities,” the new system would permit Rumsfeld to scrap union representation for large numbers of DOD employees by claiming “national security” concerns. The plan would target teachers employed in DOD schools, clerical and secretarial personnel and even janitors whose duties might bring them into contact with sensitive information to be excluded from union membership. Attempts to do away with veterans preference hiring rules and throw away anti-nepotism regulations also surfaced, but Rumsfeld disavowed them.

A statement issued by the Metal Trades in February 2004 charged that the purpose of the NSPS as it was originally unveiled was the total destruction of collective bargaining within DOD and to set the stage for contracting out the vast majority of the Pentagon’s operations.

When news of Rumsfeld’s “interpretation” filtered back to Capitol Hill, it was





Members of the DOD Coalition meet in Washington to review developments.

greeted with a firestorm of criticism from both Republicans and Democrats. Rep. Chris Van Hollen (D-MD) and Rep. Jo Ann Davis (R-VA) called on DOD to slow down the pace and give workers an opportunity to have their views considered.

Rumsfeld Backpedals

The reaction forced Rumsfeld to beat a hasty retreat on the nepotism plan and the trashing of veterans benefits—although many questions remain including some question about how veterans would fare under reductions-in-force as the plan moves ahead.

\$3 Billion Pricetag

The cost of NSPS is another open sore that not even members of Congress have been willing to confront. As Rick Brown of the IAM’s National Federation of Federal Employees originally pointed out, Congress authorized \$500 million a year for six years to implement the plan. That authorization totals \$3 billion

over the projected six year life of the plan. The Department of Defense has disputed Brown’s projection, but no one has come up with any hard figures that would counter it.

The MTD Truth Tour followed a meeting in late February where more than 25 organizations met with a group of Pentagon officials for their first official look at the elaborate plans drawn up at the direction of Rumsfeld. The reaction

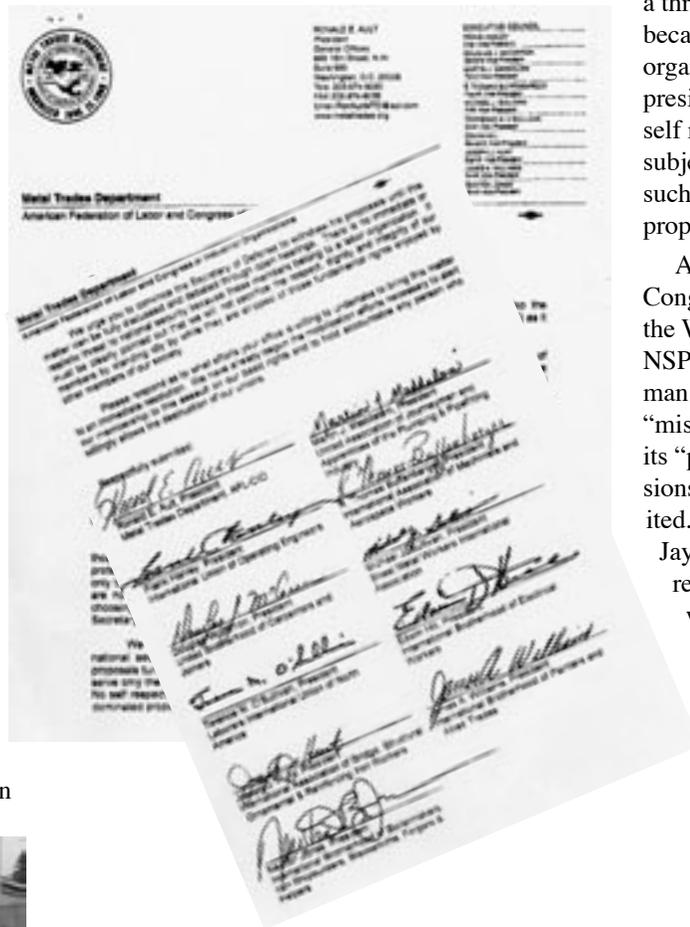
of the assembled unions was the same as that of a number of leading members of Congress. DOD had been given certain authorities to change its personnel systems under the terms of the 2004 Defense Appropriations Act. However, the documents, charts, graphs and cryptic notes that DOD officials rolled out to the unions on February 26th, far exceeded those authorities.

MTD E-Board Letter

Members of the Executive Council of the Metal Trades signed a letter to all members of Congress objecting to the inference that union membership might somehow compromise national security.

“We view it as an insult to suggest that these skilled men and women pose a threat to national security simply because they belong to a labor organization,” the 10 international presidents declared, adding: “No self respecting labor leader would subject his or her membership to such a management dominated proposition.”

A number of members of Congress have spoken out against the White House stampede to foist NSPS on DOD workers. Rep. Norman Dicks (D-WA) called the plan “misguided” and pointed out that its “pay for performance” provisions have been tried and discredited. Dicks and his colleague, Rep. Jay Inslee (D-WA) introduced a resolution to exempt shipyard workers from the plan, but that measure never got to the House floor for a vote.



Bremerton Shipyard employees and union leaders, including Rickey Blea of the UA, handbill spent time handing out fliers outlining the dangers of the proposed NSPS

Marine Product Companies Sink as Navy Shipbuilding

Budget cuts in the Navy's shipbuilding program, reliance on foreign suppliers and erosion of Buy American regulations continue to squeeze domestic producers of marine goods and equipment. This table shows a partial list of companies which have been forced to shut down as a result.

Name of Company	Location	Marine Systems/Equipment Produced
Aegis Electronics	Hawthorne, NY	Electronics
Allied Nut and Bolt	King of Prussia, PA	Fasteners
Aluf Industries	Hampton, VA	Accumulators, Hoist Cylinders, Hydraulic Cylinders
American Quality Industries	East Hartford, CT	Fasteners
Anderson Greenwood	Houston, TX	Relief Valves
APG Electronics	Newport News, VA	Electronics
Aurora		Pumps
AWH Corp. - Raphine Factory	Lofton, VA	Marine Furniture
B&W Beaver Falls	Beaver Falls, PA	Cold Drawn Marine Tube
Beth Corp	Bethlehem, PA	Steel Fabrication
Bethlehem Steel - Sparrows Point	Baltimore, MD	Auxiliaries
Bethlehem Steel - Texas	Beaumont, TX	Surface Combatants
Bethlehem Steel - San Francisco	San Francisco, CA	Surface Combatants
Birdsboro		Castings
BP Chemicals, Hitco Div.	Gardena, CA	Bow Domes
Carlton Precision	Norwich, CT	Machined Parts
Carrier Transicold	Syracuse, NY	Refrigeration Plants & Air Conditioning
CBI Services	Kankakee, IL	Formed Spherical Shapes
Chicago Bridge & Iron	Cordova, AL	Hull/Structured Units
Cincinnati Gear	Cincinnati, OH	Gear Boxes & Reduction Gear
CMI Quaker Alloys	Myerstown, PA	Ferrous and Non-Ferrous Sand Castings
Columbia Bronze	Freeport, NY	Propellers
Contromatics	East Hartford, CT	NAVSTD Ball Valves - MIL SPEC Butterfly Valves
Creasy Electronics	Chesapeake, VA	Electronics
Custom Marine Engineering	Old Saybrook, CT	Ball Valves
Dean Products	Brooklyn, NY	Eject Chamber Conditioning Coils
Delackner Inc.	Mount Vernon, NY	Accumulators, Watertight Doors
Delroyd	NJ/Niagra Falls, NY	Gears
Diefendorf Gear	Syracuse, NY	Gears
Dreadnought Marine	Norfolk, VA	Services
EDY	NJ	Motors
Empire Steel	PA	Foundry
Empire Valve & Fitting	Philadelphia, PA	Pipe Fittings
Erico International	Moorestown, NJ	Weld Studs
Esco Foundry	Portland, OR	HY 100 Castings
Falk	Milwaukee, WI	Reduction Gears
Ferguson Propellers	Hoboken, NJ	Propellers
Fredrick Iron		Pumps
Frequency Eng. Labs		Services
G.D. Fore River Shipyard	Quincy, MA	Amphibious Ships
General Electric	Erie, PA	500 KW MG Sets

House DOD Appropriations Delays Base Shutdowns

Just before Memorial Day, the Republican-dominated House of Representatives defied President Bush and ordered a delay in base closing decisions in the coming fiscal year. The action came on a 391-34 vote to pass the \$422 billion 2005 Defense Appropriations bill despite threats by the White House to veto the bill over the issue of base closings. The Pentagon claims that it is operating with a 20 percent excess capacity as a result of bases it no longer needs. The Senate has yet to take up the bill.

However, Republican leadership in the House bottled up efforts to strengthen Buy American language in the bill, but that issue, too, could resurface when the Senate considers the measure.

The appropriations bill contains \$25 billion in additional funding for the war in Iraq.

Navy Mulls Cutting Subs

According to media reports, the Navy is considering cuts of up to one-third in funding its attack submarine force, a decision with widespread ramifications for Metal Trades-represented workers who build and maintain the force. Boston Globe reporter Bryan Bender recently cited a Navy internal study which discusses shrinking the attack sub fleet as a cost-saving measure.

The American Shipbuilders Association (ASA) reports that the U.S. naval fleet continues to shrink at an alarming rate. There are fewer combat ships in the Navy fleet than during the World War I. At the current rate of production, the fleet level will fall to 180 active ships, ASA reports.

Navy officials continue to declare that the optimum fleet level is 375 active ships. Sen. Mary Landrieu (D-LA) has sponsored a measure to establish a 375 ship fleet target. Her bill, S 902, is accompanied in the House of Representatives by HR 375 sponsored by Rep. Jo Ann Davis (R-VA) and Gene Taylor (D-MS).

MTD Key Contacts Meet

“Key contacts” from Metal Trades affiliates are on-call for periodic meetings in the Department’s Washington headquarters to review developments affecting Metal Trades Councils. From left, standing: Gil Bateman, IBEW; Bill McDevitt, IUPAT; MTD President Ron Ault, Ted Jacobson, Teamsters; Gene LeClerc, Asbestos Workers; Jim Price, IAM. Seated, from left: Tony Walencik, Ironworkers; Tom Tighe, IUOE, Daryl Townsend, Laborers; and Don Buchanan, SMWIA.



DOE Assistant Secy Third to Resign from Hanford Oversight

The resignation of Jessie Roberson as assistant secretary of Energy for environmental programs puts a new face on the clean up of the Hanford nuclear energy program. It’s unclear, however, how that switch will affect the administration of the program.

Roberson announced in mid-June that she will leave the agency effective July 15th. **She will be replaced by Paul Golan, a top deputy in the program.**

Roberson follows DOE Undersecretary Robert Card and Beverly Cook, both of whom resigned in April.

The Hanford cleanup, which Roberson has been overseeing, has been a focus of criticism from many directions. Efforts by DOE Secretary Spencer Abraham to speed up the process and cut down costs have come under fire. Critics, including Senator Patty Murray (D-WA), also cite the Department’s failure to consult with workers on site, poor communications between DOE and state, regional and city officials, safety shortcuts which compromise workers and local communities and generally reduced cleanup standards.

Early this year, the Department protested DOE’s intention to write contracts which would result in two-tiered pension systems for workers at three Hanford facilities which would result in a cutoff of contractor contributions after five years.

Metal Trades President Ron Ault charged that DOE is turning its back on incumbent workers. DOE “is now taking the position that because the Hanford mission has changed from production to cleanup or closure, they no longer have an obligation to the incumbent employees,” Ault said. He pledged that the Department will take strong opposition to any efforts to erode the continuity of benefits for Hanford employees.

Puget Sound Works Round the Clock To Keep Navy's Combat Vessels Afloat

The Puget Sound Naval Shipyard (PSNS) is closing out one of the busiest periods of its recent history as it returns the carrier USS Abraham Lincoln and the USS Houston, a fast attack submarine, to service.

More than 1,600 PSNS workers worked virtually round the clock six days a week for months on the \$279 million Lincoln project. More than 450,000 worker days were spent on the Lincoln alone. That project was complicated by management errors in scheduling, resulting in mammoth overtime bills leading to a scorching memorandum from Vice Admiral Philip Balisle to PSNS management. Balisle removed one manager and as-

“Our workers aren’t getting shot at, but they are as big a part of the nation’s ability to preserve freedom as some of those folks in support roles in uniform. They are a very dedicated group of individuals who are very mission focused.”

signed a high level team of Naval Sea Systems Command personnel to shake things up.

PSNS expects to maintain a heavy pace in the months ahead on upgrades and refueling for several submarines.

The accomplishments of the PSNS workforce have been a source of pride for Navy management at the yard. PSNS commander Capt. Clarke Orzalli recently told the Bremerton Sun: “Our workers aren’t getting shot at, but they are as big a part of the nation’s ability to preserve freedom as some of those folks in support roles in uniform. They are a very dedicated group of individuals who are very mission focused.”

Oak Ridge MTC Rallies for Catering Workers

More than 200 supporters showed up for a unity rally on behalf of employees of Oliver’s CateringA who provide eating facilities for Oak Ridge (Tennessee) workers represented by the Atomic Trades and Labor Council. Council Recording Secretary Kenny Cook said the January 14 rally attracted considerable media attention and public interest in the workers’ battle for a fair contract. Union members represented by the ATLC brought bag lunches to the facility until the dispute was resolved.



The Metaletter
888 16th St. NW 6th Floor,
Washington, DC 20006

ISSN #00476870



Phone: (202) 974-8030
Fax: (202) 974-8035