

TEAMSTER



ALL ABOARD!

Historic BLE Merger Adds 36,000 New Members



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36,000 New Members

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A MESSAGE FROM THE GENERAL PRESIDENT

America's Promise

Our nation's economic and jobs crisis is having a profound effect on millions of workers throughout all sectors of the economy. Not only have we lost nearly 3 million jobs under George W. Bush, but a weak economy has taken its toll on the retirement security of millions of American workers. At the same time, health care costs are rising at the fastest rates in decades.

While Big Business reaps the benefits of billion dollar tax cuts, working families are under attack like never before. As jobs are destroyed or move overseas, millions of workers are left without health insurance and millions more without any protection in their old age.

Protecting Working Families

The anti-union administration in Washington—and its corporate supporters—sees no hypocrisy in attacking labor while claiming to support workers. The facts tell a different story. In 2003, weekly wages for union members were 27 percent higher than the wages paid to nonunion workers. Health insurance plans covered 75 percent of the union workforce, compared to less than half of all nonunion workers. And 69 percent of all union members were covered by a defined benefit pension plan, compared to only 14 percent of the nonunion work force. The numbers don't lie—working Americans are better off with strong union representation. And Corporate America doesn't like it.

Our union is proud to have stood with Dick Gephardt in his bid to return a pro-

worker voice to the White House. And while we are disappointed that he will not be the nominee, we are exhilarated by the fact that the issues he injected into the campaign—fair trade, universal health insurance, worker rights and pension reform—are issues that are becoming the focus of the national debate. The 2004 election must be a time for us to stand together to defeat the anti-worker agenda and fight for good union jobs, health insurance for all Americans, and a retirement system that protects us in our old age.

A Stronger Union

In the same way that adding jobs leads to a stronger economy—adding members leads to a stronger union. The creation of the new Teamsters Rail Division, strengthened by the addition of 36,000 new members from the Brotherhood of Locomotive Engineers and Trainmen, translates directly into more strength at the bargaining table, in the halls of Congress and on the picket line. We must continue to organize new members and build our union. The only way to counter the strength of corporations is through the strength of an active and growing membership.

The Teamsters Union has built a century of success by standing united and utilizing our collective strength. Let's use that power to fulfill the promise of an America that works for everybody.

In Unity,

Fighting for Pension Relief

Senate Proposal Would Help Deal With Fund Losses

The Teamsters Union, led by General President Jim Hoffa, is fighting to win passage of legislation in Washington that will help protect members' retirement security by providing some financial relief to ease the current pension crisis.

The bill, passed in the U.S. Senate and pending in Conference Committee, would give temporary relief to multi-employer pension plans so they would have more time to recover from the losses suffered during the recent stock market collapse. Those multi-employer plans cover more than one million Teamster members and retirees.

An Important First Step

"Protecting our members' retirement security is a top priority," Hoffa said. "This pending legislation is an important first step."

"This legislation is critical to help protect our members who earn retirement benefits under these plans, and to the companies that contribute to multi-employer pension plans," added Tom Keegel, Teamsters General Secretary-Treasurer.

The unprecedented decline of the U.S. stock market and historically low interest rates has had a devastating effect on defined benefit pension plans. An estimated 30 percent or more of all multi-employer

defined benefit plans could encounter minimum funding problems over the next decade, with many occurring in the next few years.

Needed Relief

The legislation before Congress would help multi-employer pension plans by providing an optional three-year suspension in the amortization of recent investment losses.

"Multi-employer plans need temporary relief to allow time to find long-term solutions to their funding problems," Hoffa wrote in a letter to Senators urging them to pass the legislation. "The temporary multi-employer funding relief proposal will help many plans, large and small, continue to operate and provide stable retirement benefits to plan participants."

"Protecting our members' retirement security is a top priority. This pending legislation is an important first step."

— JIM HOFFA, TEAMSTERS GENERAL PRESIDENT



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\$50 Million UPS Victory

Members to Receive Credit for Progression

Teamsters General President Jim Hoffa hailed a \$50 million arbitrator's decision won by the union as a "tremendous victory for our hardworking UPS members."

Arbitrator Howard Edelman ruled that UPS violated Article 41, Section 2(c) of the Master Agreement when it did not give effect to the various supplemental provisions which give part-time employees, who serve as temporary drivers, progression credit toward the full-time progres-



sions that give part-time cover or utility drivers credit toward the full-time progression once that employee bid into a full-time driver job. Instead, the company was reducing the employee's rate of pay by starting them at the lower start rate once the employee bid into a full-time job.

"This decision will result in our members receiving more than \$50 million in back pay and future wage increases," said Ken Hall, Director of the Parcel and Small Package Division.

More Victories

The Arbitrator ruled that the company must restore full-time credit previously accrued to the affected employees and that the company should make the affected employees whole for lost wages.

This ruling comes on the heels of two other important victories for UPS workers. The Teamsters National Grievance Committee took on UPS over a longstanding dispute concerning medically unqualified drivers. When the ruling came down, Loa Boggs—a package-car driver from Local 505 in Huntington, West Virginia—won more than \$100,000 in back pay and benefits.

"The Teamsters really stood by me during this ordeal," said Boggs.

Another important decision was settled in favor of a former member in late December. Carlos Harris was a four-year employee of UPS and member of Local 996 in Honolulu. After being fired, Harris alleged that UPS punished him more severely than other workers accused of the same violations he was fired for. Harris settled the discrimination complaint with UPS for \$150,000.

Another Battle

The Teamsters Parcel and Small Package Division is vigorously fighting UPS's plan to shift some package deliveries to the U.S. Postal Service.

The Teamsters have filed a grievance, and a hearing is scheduled for the next National Grievance panel in April.

The UPS plan, called UPS Basic, is an attempt to win new customers who want to send one- to five-pound packages. The plan would take advantage of a Postal Service program called Parcel Select that offers discounts to people or companies that sort and deliver items to the post office nearest the item's final destination. A U.S. Postal Service carrier delivers the packages the rest of the way.

"While we are always happy to see UPS gain additional volume, we must be vigilant in ensuring that our members' work is protected while UPS expands its services," said Hall.



sion once that employee bids into a full-time driver job.

"We've said from day one that these workers deserved to receive credit for their part-time service as required by the supplements," Hoffa said.

Prior to this decision, UPS had refused to abide by the various supplemental provi-

A Brighter Future

Locals Recognized for School-to-Career Programs

Three Teamster locals were honored for innovative School-to-Career programs at a special ceremony at Teamsters Headquarters in Washington, D.C. Locals 20, 122 and 1150 were recognized by the International Union for work to educate students about good jobs and the role unions play in building vibrant, strong communities in North America.

"We're proud of the work our local does with the students from the Harvard Trade Union Program," said John Murphy, Secretary-Treasurer of Local 122 in Boston and International Vice President.

"All locals that have School-to-Career programs should be proud that they're giving young people a much-needed education on labor issues."

Outstanding Educators

The locals recognized this year were cited for their outstanding job in educating students about workers' rights, labor history and the Teamsters. The programs also connect young people to high wage careers in growth industries.

The three honored programs include:

- Local 20's Labor Education Program—The local takes the union message into schools in the Toledo area and teaches students about what a union does, how a union performs services for its members, the benefits of being a Teamster and labor history. They engage



students in mock contract negotiations, arbitration hearings and grievance handling.

- Local 122's education of college students about unions—Murphy has been reaching out to the Harvard Trade Union Program for many years. This past year, Murphy addressed students at the Harvard Business School on the role of unions in the economy and the overall impact union workers have on the job and in their communities. In the program, graduate students interact with a life-long labor leader to test theo-

ries and assumptions about the real world of work.

- Local 1150's Union Mentoring Program—Local 1150 in Stratford, Connecticut involved high school students in an annual summer mentoring program at Sikorsky Aircraft Corporation—a Teamsters worksite. There, students are matched with Teamster mentors who teach them their trades and the value of being a Teamster. The program also includes a "Labor History Day" where students learn the history of labor and labor-management relations.

TEAMSTER-MADE

This Magazine's Paper is a Teamster Product

If you're reading this magazine, you already know that frequent encounters with Teamsters or Teamster-made products are not unusual. From UPS deliveries to the person taking your toll on a local highway, Teamsters are everywhere.

Did you know that you have a Teamster-made product at your fingertips right now? Not just the stories about your union Brothers and Sisters in the Teamster Magazine—but the very paper it is printed on.

The Blandin Paper Mill in Grand Rapids, Minnesota manufactures some of the highest quality magazine paper in the world—and 424 Teamsters from Local 346 in Duluth, Minnesota make it.

"Teamsters at Blandin do everything from unloading logging trucks to crushing the wood to making the paper," said

Patrick Radzak, Secretary-Treasurer of Local 346. "We represent the janitors, the pipe fitters, the maintenance workers, the electricians—that place is wall-to-wall Teamsters."

A Powerful Union

"They got in touch with us because they wanted to be represented by a union with power," Radzak said. "These workers were facing tough negotiations with their employer and felt the Teamsters would do the best job representing them. They like our way of thinking and our reputation for delivering good contracts."

The Teamsters at Blandin not only produce the paper used in this magazine but some of the nation's most-read publications. When you're reading Time Magazine, Sports Illustrated or just about any major magazine, catalogue, brochure or direct-mail advertising, you are holding a Teamster-made product.

Workers at the mill are proud that nearly every Teamster in North America holds the product of their labor.

"It's not only great to be a Teamster—it's great knowing that every Teamster in America comes in contact with the work that we do," said Dan Skelly, a Local 346 steward and mechanical fiber utility worker at Blandin.



Fighting Discrimination, Earning Appreciation

American Diabetes Association Recognizes Local 251

Local 251 in Providence, Rhode Island has long supported the fight to end the blanket ban preventing people who use insulin to treat diabetes from obtaining or keeping a Commercial Drivers License (CDL). Recently, the American Diabetes Association (ADA) formally recognized the members of Local 251 for their hard work and support of this issue.



Joseph McManus, ADA Senior Area Director, visited the local to thank the members for their efforts to end the ban and for their participation in America's Walk for Diabetes in Providence.

"[Local 251 Secretary-Treasurer] Stu Mundy knows that a CDL represents the economic livelihood for

many in the Teamsters family," McManus said. "Over the past two years, thousands of ADA supporters—including many Teamsters—have signed our petitions opposing this discriminatory ban. We are grateful for their support."

"One of the women here was diagnosed with low blood sugar and that led to my interest in the research the ADA was doing," said Lori Ucci, a six-year member of Local 251 who works at USF Red Star Express. Ucci has been involved in the walk and other ADA-related events for years. "We've had some visits from the association at our local's meetings and it was a real eye-opener to discover what a large problem diabetes has become in this country."

Top Fundraising Team

The ADA believes no one with diabetes should be denied a job for which he or she is otherwise qualified. Local 251's leaders and members agree that each person with diabetes should be assessed individually with regard to how diabetes affects him or her, rather than being subject to a blanket ban. The current, outdated government policy prevents the vast majority of people who have insulin-treated diabetes from being considered for an interstate CDL.

Mundy, who is also an International Representative for the Building Material and Construction Trade Division, said he has been diagnosed with diabetes and holds a CDL. "Not only does our local take an interest in this issue but I have a personal interest as well," he said.

Local 251 has been one of the top fundraising teams for America's Walk for Diabetes in Providence for the past three years. This year's walk raised more than \$75,000 to fight the diabetes epidemic. To date, more than 18 million Americans—including 80,000 people in Rhode Island alone—have diabetes. More than 210,000 Americans each year will die from its complications.

The Meaning Of Unity

Locked-Out Dairy Teamsters Share Strike Checks

When Darigold Teamsters from Local 66 in Seattle extended pickets to other Washington, California and Oregon Darigold facilities, they knew they were asking their sisters and brothers to share in the burden of forcing the company into a settlement.

In appreciation, the 200 locked-out workers opted to share some relief by voting to sign over one week of their strike benefit checks and distribute the money evenly to workers honoring the pickets in other cities. Some have donated even more.

"This company keeps saying this lockout is all about the money," said Mark Jones, Secretary-Treasurer of Local 66. "But the workers just keep proving them wrong."

After the Local 66 members' contract with Darigold expired on July 31, 2003, Darigold fired 14 warehouse employees and outsourced the jobs of another 60 drivers. A month later, Darigold locked out its production workers.

A Huge Moment

"It hurt to give up the check," said Phil Cain, a Local 66 member. "But it meant a lot to know there was support out there. It was a huge moment because that's what solidarity is all about."

"We felt it was important to let them know we appreciate the efforts," said Dennis Heberlein, also of Local 66. "They were sharing the burden with no thought to themselves."

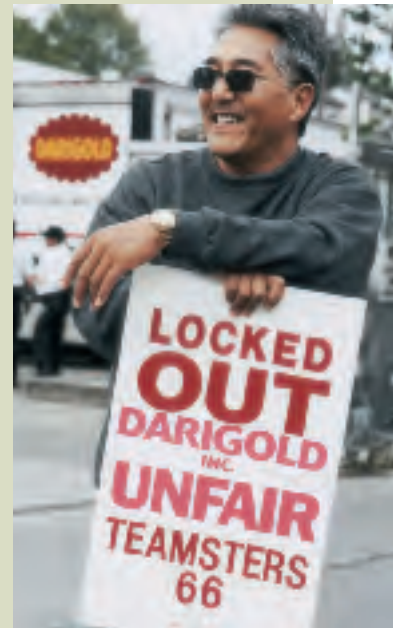
Mike Mauermann, Secretary-Treasurer of Teamsters Local 252, applauded the workers' willingness to share their strike benefits even though they had been locked out for more than two months.

Morale Booster

"It was a tremendous morale booster just knowing that the employees took that out of their own pockets," Mauermann said. "They obviously know that even though they are sacrificing, the locals who are supporting them are also paying a serious price."

"If we don't stick together, then being a union means nothing," said Ray Watson from Local 252.

"We all should do our best to help each other," said Heberlein. "That's the bottom line."



A Simple Matter of Safety

DOT to Launch Safe Chassis Program

A new program is being put in place that will change the way the flawed intermodal truck chassis system works. On January 26, the U.S. Department of Transportation (DOT) announced that it would launch a safety inspection program for intermodal container chassis.

Before the announcement, the practice at container yards was to forgo preventive maintenance on an intermodal truck chassis until the brakes or wheel bearings failed. The policy led to a rash of deadly but preventable accidents.

The chassis is the flat trailer that carries overseas containers shipped from huge ocean carriers. Truck drivers enter a port or rail terminal, pick up a chassis and then go to another

nearby spot where a crane lowers a container on the chassis and it is hauled out onto the highways.

A Giant Step

"A rigorous DOT inspection program is a giant step toward safer highways," said Jim Hoffa, Teamsters General President. "Finally, the steamship lines and railroads that own the chassis will be held responsible for poorly maintained equipment."

Before the DOT announced their new program, the Teamsters held a series of rallies protesting the current practices surrounding unsafe chassis.

"This is a simple matter of highway safety. We've passed laws requiring the use of seat belts while driving. We've

passed laws requiring motorcyclists to wear helmets and laws requiring a hands-free device when motorists use cell phones while driving," said Ray Plowden, the district staff director for Congressman John Conyers Jr. (D-MI), a supporter of the Teamsters' position on chassis safety.

At a recent rally at the Port of Newark in New Jersey, mechanic Ronny Capri demonstrated the difficulty of safe chassis inspection.

Demonstrating Difficulty

"Once a year the wheels on these chassis have to be removed and inspected to ensure they are safe," said Capri. "You can't certify a chassis as road worthy with a drive-by inspection. Truck

drivers are not trained or equipped to do the inspection. The problem can be solved by providing routine maintenance at the terminal to ensure that drivers are given safe equipment to begin with."

At the rally, Hoffa cited the recent \$23.5 million jury award to the family of a New Jersey physician killed in a crash caused by brake failure on an intermodal truck chassis. Also in the last few months, eight people were killed in Chicago, six near Long Beach, California, and one in Texas—all because of equipment failure.

"These chassis carry 80,000-pound loads at highway speeds," Hoffa said. "This program, when implemented, will save countless lives."



"This program, when implemented, will save countless lives."

— JIM HOFFA, TEAMSTERS GENERAL PRESIDENT



A Healthy Decision

America West Mechanics Win Sick Leave Award

Teamster mechanics at America West Airlines are celebrating a long awaited victory over a sick time accrual dispute. Two years ago, management slashed sick time accruals in half, denying mechanics earned sick days guaranteed in the contract.

An arbitrator agreed with the Teamsters that America West management violated the contract by changing the calculation of sick leave accrual and usage.

"This decision means that the Teamsters are willing to stick with it when we know we're right," said Armon Rheume, an avionics technician with America West. Rheume has been with America West since 1990. "We're getting back what was taken away from us unjustly and we deserve what we won."

It was determined that America West must return to the negotiated contract provisions. In addition, the arbitrator ruled that the company must make affected mechanics whole by reinstating sick leave hours denied from January 2002 through December 2003.

This will cost the company \$1 million in owed sick time and an additional \$650,000 per year in sick time moving forward.

A Wake-Up Call

"This decision should be a wake-up call to management that the Teamsters will not tolerate a violation of the Collective Bargaining Agreement no matter how long it takes for justice to be served," said Andrew Marshall, Secretary-Treasurer of Local 104, which represents America West mechanics.

"Even though the contract language is clear, the company blatantly violated our agreement and the rights of Teamsters at America West," said Paul Stevens, Local 104 Trustee and aircraft inspector. "This is why we organized with the Teamsters. Without our benefits in writing, management can steal them from us."

"The local kept us informed every step of the way," Rheume said. "It was great seeing the lengths they would go to for us."

Paper Chase

Local 25 Strikes XPEDX, Protects Health Care

Employers around the country continue to put up roadblocks to affordable health care and the Teamsters keep knocking them down.

Nearly 100 Local 25 Teamsters in Boston went on strike against XPEDX International Paper's distribution company after it switched to a health care plan that greatly increased costs to members.

The strike forced the company back to the negotiating table and, as a result, members ratified a four-year contract paving the way for affordable health care for XPEDX Teamsters and their families.

"We're very happy with the results," said Mike Wolf, an XPEDX employee in Wilmington, Massachusetts. "We got a lot of support from the local. They walked with us, gave us gift certificates for food and provided the support we needed."

A Galvanizing Effort

"The members were determined to get what they wanted," said Jim Wilson, a Local 25 business agent. "After 18 months in negotiations that weren't moving, the company switched to a health plan that cost each of our members \$72 a week."

As a result of the strike, workers are now paying nothing.

"Our members never gave up. They picketed seven days a week, 24 hours a day," Wilson said. "They really stuck together."

Together, Local

25 and the International Union created a community support program and materials that were distributed in the greater Boston area. Part of the program was a large Veterans Day rally that featured an appearance by U.S. Rep. John F. Tierney (D-MA). The day after the rally, the company called Local 25 back into negotiations. The result was a shift of the company health care plan for all 91 employees to a fully paid New England Teamsters plan.

In addition, the XPEDX Teamsters will receive significant pension increases and pay increases in each year of the agreement.

"The strike caused XPEDX to lose 35 percent of their customers," Wilson said. "People really identified with us. Now that the contract has been settled, they have regained nearly all of those losses."





RAILROAD TIES

**BLE Members
Approve Merger
With Teamsters**



Engineer Bob Justice carefully scans the railroad tracks in front of him for a half-mile or so, monitors the train's air pressure and watches the overhead signals—all while doing a cool 125 miles per hour.

He glances at paperwork outlining speed restrictions along his 228-mile route between Union Station in Washington, D.C. and Penn Station in New York City. While sounding the horn to warn workers along a nearby track, he begins slowing the electric-powered train to the restricted speed—a mere 100 mph.

“It’s not just anyone back there,” Justice says in explaining why his paramount duty is to ensure the safety of the more than 300 Amtrak passengers. “They’re somebody’s mothers, fathers, daughters, sons, husbands, wives or grandparents. Everybody back there is important to somebody.”

It’s another day on the rails for Justice, a dedicated member of the Brotherhood of Locomotive Engineers and Trainmen (BLET)—formerly known as the Brotherhood of Locomotive Engineers (BLE)—the oldest labor organization in North America, founded in 1863. Last fall, BLE members—who work for Amtrak, other passenger rail systems and for freight companies—overwhelmingly voted to merge with the Teamsters Union, assuming the new name. The BLET is now a division of the new Teamsters Rail Conference.

Every day, BLET members like Justice are responsible for the safety of hundreds of thousands of passengers and the general public. With the merger that took effect January 1, the BLET and the Teamsters have teamed up to make sure the interests of these hardworking men and women are being protected.

PHOTOGRAPHY BY JIM SAH



AD



Two Great Unions

"Two great unions have begun a partnership that strengthens our ability to represent workers across the transportation spectrum," said Jim Hoffa, Teamsters General President. "The Teamsters have always had a vision for a seamless transportation union giving workers real power on the job and in the political arena. This historic merger brings us closer to our union's vision."

"We are pleased to merge with the Teamsters," added Don M. Hahs, BLET International President. "Our members will receive the benefits of belonging to the largest, most powerful, and politically influential transportation union in North America."

Back on the rails outside of Philadelphia, Justice eases on the throttle to gain speed. The 48-year-old has been an engineer for about 25 years. He's optimistic about the merger.

"I'm glad to see we're going with the Teamsters. I'm hopeful it will increase our clout in Congress and in negotiations with employers," said Justice, a member of the BLET's Division 482 in Washington, D.C.

BLE members approved the merger by an 81 percent to 19 percent margin in the United States and a 63-to-37 percent margin in Canada.

The BLET has about 32,000 active

members in the United States and about 4,000 in Canada. In joining the 1.4-million member Teamsters, the BLET members have become part of the new Locomotive Engineers and Trainmen Division within the Teamsters Rail Conference. In Canada, a Teamsters Canada Rail Conference has been established.

"Together, we will continue to provide the BLET members with a powerful voice at work and in the political capitals of the U.S. and Canada. At the same time, our Teamster members look forward to the support of rail labor," Hoffa said.

Broader Effort

The merger is part of the Teamsters broader effort to unite all transportation labor. Other AFL-CIO unions have contacted the Teamsters regarding possible mergers, and the Brotherhood of Maintenance of Way

Employees (BMWE) is currently in merger discussions with the Teamsters. The addition of "Trainmen" to the name of the BLET is also a significant step.

"The doors are now open and the structure in place," Hahs said. "Throughout negotiations, it was our intent and the Teamsters intent to allow the new organization to represent trainmen under the umbrella of the Teamsters Rail Conference."

Trainmen perform a variety of work, including operating track switches to route cars to different sections of the yard. The structure of the BLE will basically remain intact but some changes will be made as the BLET expands to incorporate additional trainmen members. Most importantly, the BLET will have autonomy under the merger, and will continue to elect its own officers and have its own conventions.

That combination of retaining auton-



A Long, Proud History



The Brotherhood of Locomotive Engineers, now called the Brotherhood of Locomotive Engineers and Trainmen (BLET), was founded on May 8, 1863. It was originally known as the Brotherhood of the Footboard. Other important events in its history include:

December 5, 1866 – The first Canadian unit, Division 70 in Toronto, was chartered.

1867 – The Locomotive Engineers Mutual Life Insurance Association was established at Port Jervis, New York, to protect members' families.

1873 – The union had grown to 9,500 members and 120 divisions.

1877 – A year of major strikes and labor unrest. Worst was the strike against the Baltimore & Ohio in which federal troops were called

out. In Reading, Pennsylvania, the troops killed 10 and wounded 40. In Pittsburgh, 21 people were killed and 29 wounded, among them women and children.

1888 – A year of crisis for the Brotherhood as a strike lingered for nearly a year at the Chicago, Burlington and Quincy Railroad. The railroad lost more than \$6,000,000 during the strike and the union was brought to its knees financially.

April 30, 1900 – While piloting the "Canonball Express," Brother John Luther "Casey" Jones stayed at the throttle and sacrificed his life in order to save his passengers as his train plowed into a stalled freight train near Vaughan, Mississippi. His act of bravery was immortalized in "The Ballad of Casey Jones."

my while sharing the unity, pride and strength of the Teamsters appeals to many BLET members. BLET members gave *Teamster* magazine a tour of trains at Washington's Union Station and offered their views about the merger.

Members' Views

"Both the BLE and the Teamsters have a strong legacy of representing their members. We can benefit from the past and look forward to the future—working together," said Herbert Harris Jr., a locomotive engineer with Amtrak who is legislative director for the BLET's Division 482.

R.D. Halsey, an engineer and 25-year member of the BLE, noted that employers have used technology as an excuse to cut jobs. Those jobs shouldn't be cut because they affect public safety. He said the merger should help fight that trend, and should strengthen BLET members in their fight for affordable health care and other issues.

"The merger gives us a stronger voice, which should allow us to grow as a union," said Halsey, who serves as Division 482's Vice Chairman.

Bill Broadous Jr., a 17-year BLE member and road foreman for Amtrak, is glad to be part of a much larger union.

"The BLET has about 36,000 active members. By merging with 1.4 million

Members of the Brotherhood of Locomotive Engineers and Trainmen perform a variety of jobs including:

Locomotive Engineers – The people responsible for operating the controls of the locomotive and the train's air brake system.

Trainmen/Conductors – They perform a variety of jobs such as operating track switches to route cars to different sections of the yard. They may signal engineers and set warning signals, help couple or uncouple rolling stock to make up or break up trains, or inspect couplings, air hoses, and hand brakes.

Brakemen – The freight or passenger crew member who inspects the train, assists the conductor, operates the brakes and assists in switching.

Firemen – On diesel locomotives, the firemen monitor controls and assist the engineer.

Dispatcher – They schedule and monitor all train movements, are responsible for traffic control and for communicating routine and unforeseen events which may affect the flow of rail traffic. (The BLET also represent these workers in Canada, where the same position is known as Rail Traffic Controller.)

Switchman – The person who attends the switch in a railroad yard, switching trains from one track to another.

Hostler – The truck driver/yard hostler operates utility tractors in rail yards. The job requires frequent spotting of containers/trailers to parking slots/trackside. They use on-board computers for data entry. They load/unload containers from railcars with overhead straddle cranes. The job requires extensive outdoor work and extensive walking, climbing on railcars, bending, stooping, etc.

1916 – The BLE and three other rail unions successfully lobbied for passage of the Adamson Act of 1916, which created the eight-hour workday.

1925 – One of the wealthiest and most powerful unions in America at the time, the BLE set about the task of founding and developing the city of Venice, Florida, in 1925. After four years of construction and investment, the BLE pulled out of the Venice project after the stock market crash of 1929 and the Great Depression that followed.

1934 – Major amendments to the Railway Labor Act set up boards to hear grievances and assist in disputes.

World War II – BLE members put in long hours to aid the war effort, carrying 90 percent

of all military freight on U.S. railroads, and 97 percent of all military passenger movements.

1960 – The BLE, again accepting arbitration of wage demands, won a 4 percent, two-step increase in the face of the railroad's proposal for a 15-cent-an-hour cut. The award set a pattern for settlement throughout the rail industry.

1964 – BLE launches an apprentice engineer program that eventually assured stable employment and earning to apprentices. That same year, the Health and Welfare Program was established, in which the railroads would pay monthly into a fund to protect workers.

1982 – BLE calls for a strike, which lasted five days. Congress ordered the workers back to their jobs.

1988 – President Reagan signed into law the Rail Safety Improvement Act, which required engineers to be certified and licensed to perform their duties. The BLE challenged part of the legislation as too burdensome.

1991 – The BLE engaged in a nationwide strike. In less than 24 hours, Congress took action passing legislation and sending it to President Bush who signed it into law, ordering the workers back to their jobs.

2003 – BLE members overwhelmingly approve a merger with the Teamsters.



union officials at all levels. This merger gives us the clout at the negotiating table. It's a first step in unifying rail labor. We can't rest on our laurels," Sawyer said. "There are 13 rail unions. We need to aggressively court other unions into this rail conference. I'm also looking forward to the resources that are now at our fingertips that only come from a union with 1.4 million members."

Larry Smith, a conductor with the Union Pacific Railroad in the Los Angeles area and 3 1/2-year member of the BLE, said the companies have gained enormous strength since he

began working on the railroad 37 years ago.

"The railroads have continued to consolidate and now there are only five major railroad companies. They continue to gain clout. This merger will give us the power to take on those railroads and their interests so that our interests are protected," Smith said.

Tommy Miller, the BLET's Director of Organizing, said the merger has already paid dividends. For a year before the merger was approved, the BLE and the Teamsters worked together to successfully organize seven different small railroads throughout the United States, bringing in nearly 700 new members.

The victories include the New York & Atlantic Railway; the Great Western Railway of Colorado; St. Lawrence and Atlantic Railroad; Utah Railway; the Iowa, Chicago and Eastern Railroad; the Indiana Southern Railroad; and the Texas-Mexican Railway.

"To me, you just can't stand alone out here any longer," Miller said of the merger's importance. "If you don't organize, you're going to die. The merger has already helped us organize and I look forward to more success in the future."

At the Rail Yard

During a recent morning at the CSX rail yard in Baltimore, John Shifflett, a BLE member for 31 years, shared his thoughts

On The Right Track

Merger Talks with BMWWE Under Way

Even as the BLE vote was under way, representatives of the Brotherhood of Maintenance of Way Employees (BMWWE) met with Teamsters officials to discuss a possible merger with that union as well. Their move followed a poll of BMWWE members in the United States and Canada that indicated strong support for a merger.

"The Teamsters Union is an integrated transportation union—we represent air, rail and rubber. A merger with the BMWWE will strengthen both unions," said Jeff Farmer, Director of the Teamsters Organizing Department.

The BMWWE, whose members maintain tracks and other equipment, has about 37,000 members in the United States and 5,000 members in Canada. As with the BLET, they would affiliate with the Teamsters Rail Conference. In another similarity, the Teamsters have supported the BMWWE in several struggles, including efforts to fully fund Amtrak and to fend off a raid in Canada by the unions representing steelworkers and automakers in that country.

"I am very excited about our merger discussions with BMWWE," said Jim Hoffa, Teamsters General President. "We are closer to my father's vision of having the Teamsters represent all facets of transportation."

Teamsters, we have gained clout when we have to sit down and negotiate a contract. The merger with the Teamsters gives us strength," Broadous Jr. said.

Mike McCarthy, another engineer at Amtrak, said the merger helps workers address several key issues, including improved wages, retaining affordable health care and bargaining for sick days.

"This merger translates into more bargaining power," he said.

Taking a break at New York's Penn Station, engineer Fritz Edler, who joined the BLE in 1985, said it's time for the engineers to reverse a troubling trend.

"We've had a long streak of givebacks," he said. "In the meantime, we've made tremendous contributions to productivity. We want to have strength and practice solidarity, and this merger will help us achieve that."

Uniting Workers

Hugh Sawyer, Vice Chairman and legislative delegate for Division 316 in Atlanta, has worked for more than five years on the merger campaign.

The long-term goal, Sawyer said, is to unite transportation workers throughout North America and establish the BLET/Teamsters as a new backbone of blue-collar, middle-class labor.

"The Teamsters have a tough reputation. I really like President Hoffa. He demands a high degree of integrity from

about the merger. Shifflett has been the Chairman of Division 97 in Baltimore for 18 years. The 120-member division represents workers at CSX and the Maryland rail system known as MARC.

"I'm hoping the merger improves rail labor for all crafts. It was the right thing to do. I'm very proud to be affiliated with the Teamsters because they are a strong and great union and it's a privilege to be affiliated with them," Shifflett said.

Larry James was visiting the yard from his home base in West Virginia. James is the BLET/CSX Labor Liaison.

"This merger ushers in a new era of trade unionism and teamwork," James said. "Many have advocated bringing all transportation workers and their respective labor representatives under one umbrella to share common goals and interests. With this in mind, I feel this is the first step of many which will create positive results for locomotive engineers and all working men and women in the rail and transportation industry."

Engineer William Terry, riding a train nearby, was a Teamster warehouse worker back in the 1970s. "I think it's a good marriage," he said of the merger. "I had a positive experience being a Teamster, and I look forward to more of that."

Don Menefee, the BLET's General Chairman for CSX Transportation's Northern Lines, has been a proponent of the merger for several years. "To have the opportunity to be affiliated with one of the greatest labor organizations in the world with one of the greatest labor leaders, Mr. Hoffa, is a great privilege. I think we will complement one another well."

J. Leon Stockwell, a member of Division 56 in Richmond, Virginia, is a regional coordinator for the BLET's safety program. Stockwell began his career in 1968 at Ellis Trucking and was a member of Teamsters Local 299 in Detroit.

"I'm glad to be part of a 1.4-million member union," Stockwell said. "I'm glad to be back home with the Teamsters."



Q&A with Don Hahs

Teamster magazine recently spoke with Don Hahs, International President of the BLET, on the historic merger and the major challenges and issues in the rail industry.

Why is the Teamsters Union a perfect fit for the Brotherhood of Locomotive Engineers and Trainmen?

A merger between our two organizations brings workers who operate trucks, planes and trains together under one umbrella of transportation workers. Locomotive Engineers and Trainmen apparently agree with this idea of a seamless transportation union and believe that the Teamsters are a good fit because 80 percent of the BLE members who voted in our recent merger ratification referendum resoundingly told us so. We have begun a process that will hopefully unite all transportation labor in one organization so that, through our solidarity, we can confront the challenges that face all workers. More specifically it gives the rest of rail labor a potential home in the newly created rail division of the IBT.

What can the BLET and the Teamsters do for each other to help the members?

The merger between the BLE and the Teamsters combines the strengths of both organizations to the advantage of its members. Each organization brings its own assets to the table. The BLE has 140 years of experience at working to represent its members in the best manner possible. This experience has served the membership of the BLE well and will also help the members of the Teamsters. The Teamsters' considerable resources—combined with the BLE's wealth of experience in rail labor issues—will make the merged organization a force to be reckoned with and will bring about positive changes in the lives of all of our members.

The BLET has faced many challenges since its founding in 1863. What are some of the major challenges that exist today?

Since its founding in 1863, the BLE has seen the pendulum swing both ways on many issues. Today, some of the critical issues are the right to strike, deregulation of the rail industry, tort reform concerning rail workers injured on the job and remote controlled locomotives. We realize that resolution of each one of these vital issues come down to one major factor—who holds power in the White House and in Congress. Therefore, the BLET plans to confront all of the issues before it in a proactive manner by committing itself to getting people into power who represent the point of view of BLET members and all workers. But that is not the only answer. We intend to aggressively organize unrepresented railroads and recruit new members into our ranks. We also intend to start working on our new national contract right away—even though the ink is not dry on the last contract—utilizing the Teamsters' vast experience in conducting winning contract campaigns.



Pension Security In The Spotlight

America's Pension Funds Hit By An Economic Perfect Storm

THOUSANDS OF PENSION FUNDS ACROSS THE COUNTRY ARE IN CRISIS. They lost billions of dollars in investments in the unprecedented stock market decline of 2000-2002, while at the same time experiencing a decline in participants, an increase in retirees and falling interest rates. In fact, many pension funds can no longer meet their obligations to retirees and have become insolvent.

While the ultimate solution to the pension fund crisis will require action by Washington, pension funds cannot afford to wait. Hundreds of funds that are still able to take action to avoid falling below minimum funding standards are doing so in order to prevent the more drastic consequences of a government takeover that would result in massive reductions in retiree pension benefits. In short, the nation's pension system is under siege.

This article will explain the pension crisis, its extent, its causes and possible solutions.

Most Americans work their whole lives to provide for their families. But when it should be time to relax and enjoy their golden years, they can't. They have only their savings and Social Security to help them survive once their paychecks stop.

The promise of the American Dream is no longer as sure as it once was. Children are raised being told that if they work hard and spend their money wisely, they'll be able to enjoy a secure retirement. After toiling away for most of their adult lives, American workers look forward to being able to enjoy their golden years.

"The Teamsters Union is at the forefront of efforts to win national health insurance for every American and to strengthen the safety net for workers' pensions"

— JIM HOFFA, TEAMSTERS GENERAL PRESIDENT

That's the trade-off.

Today, that promise is looking more and more like a lie. The pensions of Teamsters are still secure, but the system needs to be fixed in order to keep them that way.

The majority of Americans don't even have a pension. Just over 44 percent have an employer-sponsored pension of some sort. Most of those now rely on 401(k)'s or other defined contribution plans which, as the former employees of Enron learned the hard way, is a gamble. The rest, over 70 million, must rely completely on their savings and Social Security checks to get them through their retirement, according to the U.S. Department of Labor.

Those with defined benefit plans have a more certain future, even with problems in the economy. Defined benefit plans provide workers with a set monthly payment that is usually based on a combination of the worker's age, years of service and earnings. This is the type of pension that many Teamsters have.

Unfortunately, a variety of factors are combining to undermine defined benefit plans. Since 1986, defined benefit plans that covered seven million workers have been terminated. They've basically gone bankrupt.

Today, there are only 32,500 such plans left. But these plans cover 44 million workers because many of them involve large companies. Many of these remaining

plans are underfunded. The majority of the workers involved are union workers. Sixty-nine percent of all private sector union members have defined benefit plans compared to only 14 percent of nonunion workers.

In December 2003, Kaiser Aluminum canceled the pension plan that covers its salaried employees. Now, as it tries to emerge from bankruptcy, Kaiser is asking the judge overseeing the bankruptcy for relief from its pension obligations involving 7,000 hourly workers and 20,000 retirees. Rouge Steel asked for help from the federal

government in December when it found itself facing a \$124 million shortfall in its pension obligations. The pensions of the 5,400 workers at the former Ford Motor Company plant are in jeopardy.

But private sector industries are not alone. Public sector pension funds in California and Texas are facing similar problems. The California Public Employee Retirement System (CalPERS) suffered a 25 percent decline in its assets from 2000 to 2002. It lost \$45 billion in that time, shrinking to \$128 billion. And the Texas Teacher



Retirement System lost \$7.7 billion in 2002 alone.

The pension crisis has even extended across the Atlantic. The French and British pension systems are experiencing problems, and three major German corporations recently announced plans to cut pension benefits.

As each additional defined benefit plan goes under, the system designed to insure all defined benefit plans gets pushed closer to failure itself.

result, pension plans across the nation saw their investments shrink.

In order to jump-start the economy and put the stock market back on course, the Federal Reserve Bank lowered interest rates several times. While this is a good thing for people buying homes and cars, it is a bad thing for pension plans. Pension plans often invest a portion of their funds in government bonds because the bond market is less volatile than the stock market. This is to protect workers' pensions

These two factors alone would cause great problems for many pension plans. Unfortunately, there are several other trends that are making matters worse.

In the last 20 years, most pension funds have faced some major demographic shifts: The number of active participants is now outnumbered by the number of retirees. This is true for many industries and throughout the labor movement. There are several reasons for this. First, there has been a demographic shift in the American population. Baby boomers outnumber the current generation of workers and the boomers are hitting retirement age. Secondly, the percent of the population in unions is hovering just above 10 percent. The low-wage, low-benefit growth industries with younger average workforces tend to be nonunion, where the unionized industries tend to be declining and therefore have a falling ratio of active to retired members.

On top of that, retirees are living longer now than they ever have. In 1960, when many of today's retirees entered the workforce, the average length of retirement was about 12 years. Today, it is over 18 years, according to the Pension Benefit

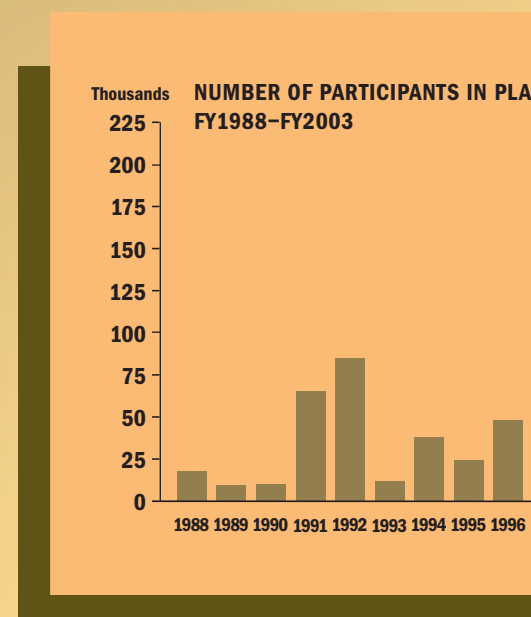
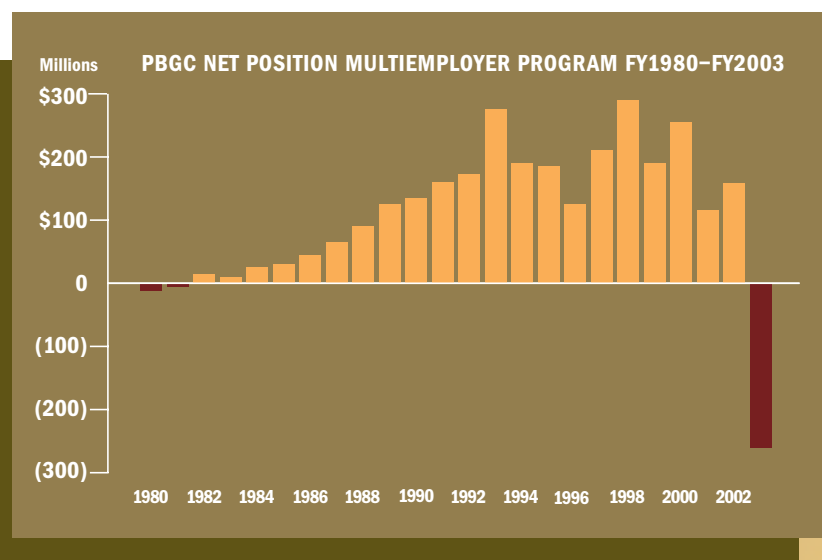
In last 20 years, most pension funds have faced a major demographic shift: The number of active participants is now outnumbered by the number of retirees.

The Perfect Storm

The strains placed on the pension system are the result of several factors that are combining to create a perfect storm.

Beginning in 2000, the stock market went into a staggering decline for three and a half years. The decline was one of the largest and longest in U.S. history. As a

from the less certain world of stocks. Low interest rates in the bond market, however, mean that the pension funds' investments need to have more money now in order to meet their future obligations. As a result, low interest rates today inflate the future obligations of the funds, causing underfunding.



Guarantee Corporation (PBGC), a federal corporation established to provide some level of protection to the nation's pensioners. This type of change causes problems for pensions funds because the funds' investment advisors calculated the future needs of the fund in order to be able to pay out pension checks based on one number, but by the time the workers reached retirement age, things had changed dramatically.

Victims Of Our Own Success

To further add to the problem, workers today are retiring earlier. Here, we are victims of our own success. We have negotiated better and better wages and solid retiree benefits and, over the years, we have improved both. This has allowed workers to be able to retire comfortably earlier and longer. In the Central States Teamsters Pension Fund in 1988, the average retiree collected pension checks for 138 months. In 2002, that number jumped to 202 months. That is an additional five and one-half years.

Think about how all of these factors combine. There are fewer active employees making contributions to the pension

Retirement Plan Coverage			
Percentage of US workers with access to retirement plans, private industry, 2000			
	Any	Defined Benefit	Defined Contribution
Union	83	69	38
Non-Union	44	14	36
Source: US Bureau of Labor Statistics			

plan. There are more retirees collecting checks and they are starting earlier and doing it years longer. Right as this is happening, the stock market tanks and interest rates fall to their lowest rates in decades, so the pension plans see their funds shrink. It really is a perfect storm.

But should we worry when the stock market and the economy are beginning to pick back up? As the stock market rallied during the final months of 2003, pensions across the country did grow by \$100 billion. Even with that burst, if the 500 largest pension plans were asked to make good on their pension promises to workers and retirees right now, there would be a \$259 billion gap, according to Standard and Poor's. One year ago, the gap was \$212 billion. The demographic shifts dis-

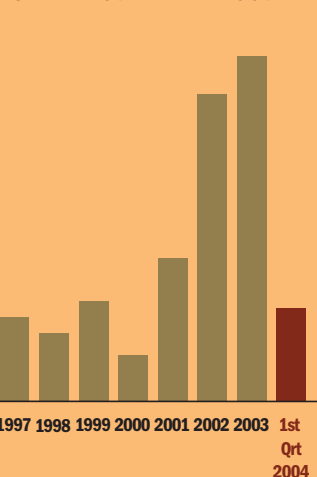
cussed earlier are causing pension obligations to increase faster than the stock market ever could.

One of the strengths of defined benefit plans is that they are insured by the federal government. Employers pay regular premiums to the PBGC, which has amassed billions to guarantee that our pensions will be secure. But once again, the perfect storm is challenging another building block of the pension system.

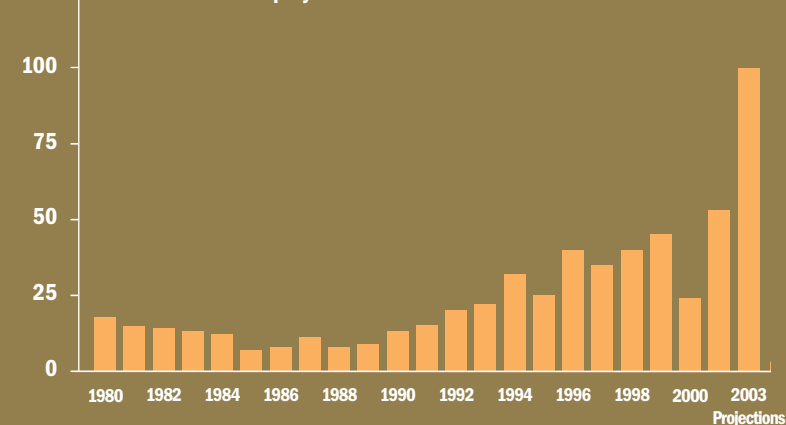
In 1974, Congress passed the Employee Retirement Security Act (ERISA), which created the PBGC. When a plan fails, the PBGC takes over the insolvent fund and assumes financial responsibility for paying retiree pensions.

Currently, the PBGC covers 44 million American workers in the 32,500 remain-

PLANS TAKEN OVER BY THE GOVERNMENT



TOTAL UNDERFUNDING Insured Multiemployer Plans



ing private defined benefit pension plans. The PBGC protects pension assets worth a total of \$1.5 trillion. It is now responsible for paying the benefits of 783,000 workers in 3,000 plans that have gone bad. By the end of 2003, the PBGC was expected to be responsible for the pensions of one million retirees.

Unfortunately, once the PBGC has been forced to take over a pension fund, workers see their pensions dramatically slashed. At Consolidated Freightways, a Teamster employer, while Teamster pensions are better protected because they are in Teamster multi-employer funds, the pensions of management employees were cut by as much as 80 percent after the car-

rier went bankrupt. The same is true for union workers in single-company plans when the PBGC takes over their pension plan. At US Airways, union workers have had their pensions cut by as much as \$1,500 per month. At Bethlehem Steel, workers will lose as much as \$10,000 per year. At LTV, steel workers have seen their pensions slashed by up to \$25,000 per year—from \$3,000 per month to \$900 per month.

Reversal Of Fortune

There are now a record number of underfunded pension plans causing a funding crisis at the PBGC itself. In 2000, the PBGC was 23 percent overfunded. By the end of 2002, it was 19 percent underfunded. According to the 2003 Annual Report, the agency now has a record deficit of \$11.2 billion. This deficit is primarily the result of underfunded single-employer plans. However, multi-employer plans are expected to show their first-ever deficit

soon. A new wave of pension fund collapses means the situation facing workers could be even worse as the PBGC faces its own “bankruptcy,” undermining the entire pension insurance safety net.

The companies that are getting hit the hardest are older companies, especially airline manufacturing and steel; the very industries and companies once considered pillars of the American economy. And the multi-employer funds hit the hardest are those covering workers in industries that have been hit with massive layoffs over the years.

Bradlees, Caldor, Grand Union, Bethlehem Steel, LTV, Singer, Polaroid, TWA, US Airways—all represent underfunded plans of bankrupt or financially troubled companies. Ford, Delta, American Airlines, ChevronTexaco, DuPont, HP, Halliburton and Goodyear are all expected to owe big contributions in the next two years. In 2003, General Motors took the dramatic step of selling \$18 billion in bonds in

When the PBGC Gets Involved, Pensions Shrink

If a pension fund becomes insolvent, the Pension Benefit Guaranty Corporation (PBGC) assumes the responsibility for paying the pensions of retirees in that fund.

When the PBGC takes over a fund, the retirees receive far less than their regular pensions.

I. For single-employer plans, the maximum PBGC pension payout for 2004 is \$3,968.86. Most retirees receive much less than the maximum.

II. For multi-employer plans, the maximum payment is \$35.75 per month for each year of credited service. If you put in 30 years, that comes to only \$1,072 per month or \$12,870 per year.

As more plans become insolvent and the PBGC's deficit grows worse, the maximums may get even smaller. Clearly, pension funds that are having trouble need to take action to right themselves in order to avoid PBGC intervention. Trustees on many funds are taking action to modify future benefits in order to avoid the drastic reduction in benefits for current and future retirees that would come from a PBGC takeover.

ATTENTION ALL PARTICIPANTS, RETIREES AND BENEFICIARIES OF THE ROUGE STEEL CO. - UAW RETIREMENT PLAN ROUGE STEEL CO. SALARIED EMPLOYEE RETIREMENT PLAN ROUGE STEEL CO. - UAW PAST SERVICE RETIREMENT PLAN ROUGE STEEL CO. SALARIED EMPLOYEE PAST SERVICE RETIREMENT PLAN

The Pension Benefit Guaranty Corporation (PBGC), a United States government agency, has determined under provisions of the Employee Retirement Income Security Act of 1974 (ERISA) that the above pension plans must terminate and that PBGC should become statutory trustee of the pension plans.

PBGC has determined that the plans must terminate December 15, 2004 date, participants cannot earn any additional benefits under the plans until they take over the plans assets and assume responsibility for paying benefits. PBGC is appointed trustee, Rouge Steel Co. remains responsible for pay benefits.

PBGC will guarantee benefits, according to plan provisions, up to the amounts allowed by ERISA. Current retirees will experience no initial benefit payments. As participants become eligible for retirement under the plans, PBGC will begin to pay their pension benefits. Currently PBGC pays benefits to more than 300,000 individuals in over 3,000 plans. The maximum guarantee for workers in 2003 is \$3,968.86 a month (for \$47,626.32 a year) for persons under 65. Maximum guarantees are adjusted for retirees at other ages and for survivors benefits.



PENSION BENEFIT GUARANTY CORP.
December 18, 2003

Pension

The International Newspaper of Workers

'VERY PAINFUL' V
**Assets of
plumme**
Nation's defined

By Fred Williams

Assets of 10 years...
pension...
life... 75... units for the

order to raise the needed money to make its pension plan fully funded.

Many Teamsters are in multi-employer plans. They provide greater pension security for workers and allow members to take their pension with them when they move from job to job within the industry. Multi-employer plans are far more stable than single-employer plans. Historically, few have ever needed PBGC assistance, while many single-employer plans have gone under altogether.

Multi-employer funds like those covering millions of union members cannot do what General Motors or other single employer funds can do. They can't simply increase funding to the fund because they are tied to collective bargaining agreements that set specific contribution rates. As a result, many multi-employer funds are now being forced to reduce pension and health care benefits going forward in order to avoid a funding deficiency and the potential of a government takeover that would thoroughly decimate those benefits.

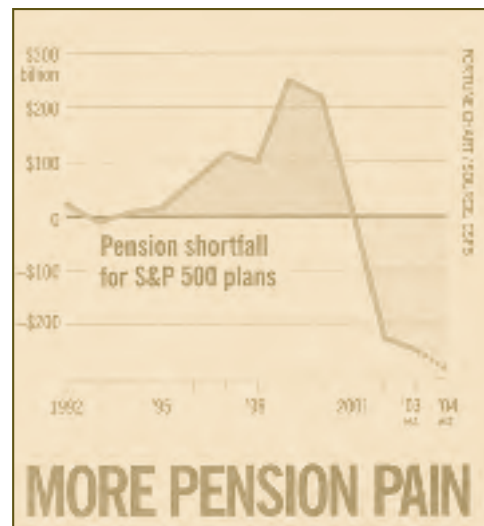
Finding Solutions

With pension plans failing at an alarming

rate and the PBGC on the edge of its own bankruptcy, what do we do?

The Teamsters—along with many other unions and companies—are asking Congress to pass a bill that would give pension plans a little breathing room. The bill would allow multi-employer pension funds to delay recognizing their recent investment losses for two years. Lawmakers are currently tackling the issue during this session of Congress.

“The Teamsters Union will continue to develop ways to counter the pension crisis and find long-term solutions,” said Jim Hoffa, Teamsters General President. “We will work hard to fortify our pensions through victories at the negotiating table. Organizing will be another key area. The more members we have contributing to the plans, the stronger the pension plans will be. Our union will also fight hard for full universal health care. And we will call for Congress to take decisive action to protect the long-term viability of the national pension system.”



Funds taken over by the PBGC

Company	Number of Employees
Bethlehem Steel	95,000
LTV Steel	82,000
TWA	36,500
National Steel	35,000
Pillowtex	23,000
Grand Union Co.	17,000
Anchor Glass Container Corp.	14,000
Polaroid Corp.	11,000
Outboard Marine Corp.	10,000
Reliance Insurance Co.	8,800
Bradlees	8,000
CF Management	8,000
Durango Apparel	7,000

Source: PBGC

ons & Investments

Money Management

January 28, 2003

of top 200 retirement funds
et 24% over past two years
d benefit and defined contribution plans are hurt equally

tribution plans suffered equally,
with DB plans in the top 200
falling 11% and DC plans in the
top 200 also falling 11%. De-
fined benefit plan assets de-

►The
complete
P&I 1,000
report
features an

decline was dramatically affec-
ed by third-quarter equity mar-
ket performance, the index by
Mr. Rosen as one of the worst
quarters since 1987. The Russell



Reaching Out

Minneapolis Parking Workers Join Local 120

As America becomes ever more multiethnic and multilingual, organizers find it increasingly challenging—yet ultimately rewarding—to connect with foreign-born rank-and-file workers.

“We reach out to our immigrant communities and as a result we have hundreds of new Teamsters,” said Brad Slawson Jr., Secretary-Treasurer of Local 120 in St. Paul, Minnesota.

Slawson and Organizer Erik Skoog helped workers to organize Municipal Parking Inc. (MPI), a contractor with the City of Minneapolis that manages 26 public facilities in the downtown area. The company’s largely Ethiopian and Somali workforce was in desperate need of representation and respect.

Bridging the Gap

To bridge the cultural gap, Local 120 tapped into its existing unit of parking workers at the Minneapolis-St. Paul International Airport. Many of its members stepped forward, meeting with the prospective members at ramps scattered throughout downtown.

“We work in many different locations, but we all wanted to belong to one union,” noted John Eng, a parking attendant and Local 120 member.

“The Teamsters helped us to communicate with the boss when we couldn’t,” said Kemal Abubeker, a cashier at MPI.

Community Effort

With the city contract due to expire in the spring of 2004, organizers met with leaders and groups in the Eritrean,



“We reach out to our immigrant communities and as a result we have hundreds of new Teamsters.”

— BRAD SLAWSON, JR.,
SECRETARY-TREASURER LOCAL 120

Ethiopian and Somali communities.

“We told them, ‘We’re Teamsters who are trying to help our fellow countrymen,’” said Fuad Osman, a recently named project organizer who speaks seven languages.

Armed with extensive research provided by the Teamsters National Parking Council, the Teamsters joined community leaders and met

with members of the City Council to apply pressure on the company.

As a result, Local 120 now represents 175 parking cashiers and 15 office workers at MPI.

“My future is more secure now that I have the union,” said Abdu Saln, a cashier of Ethiopian origin.

Slawson sees a bright future for organizing in the immigrant community.

“The cultural diversity of these new members gives us even greater credibility as we continue to reach out to some of the most vulnerable workers in our community,” he said.



[LOCAL 631](#)

PKS Road Oil

A unit of five drivers won voluntary union recognition at PKS Road Oil Company and joined Local 631 in Las Vegas.

The Teamsters' area construction agreement will cover the workers, who operate tank trucks and "boot trucks," which spread oil on road surfaces.

"This is the first contract we've reached in oil, and it's just the beginning of a lot more organizing in Nevada construction," said John Milner, a Local 631 organizer who led the campaign.

[LOCAL 435](#)

BFI

By a better than 2-to-1 margin, 29 workers at BFI Inc. in Greeley, Colorado, voted for Teamster representation. The newest members work as drivers, helpers, loaders and mechanics for the waste management company.

After an earlier organizing effort, "the company had the chance to do something more for the workers, and they did absolutely zero," said Tony Marquez, a Local 435 business agent who led this campaign.

For example, a recent wage increase of 30 cents was more than offset by higher health insurance premiums. BFI is the target of a national organizing campaign by the International Union.

[LOCAL 142](#)

Service Sanitation

After striking for four weeks, a unit of 45 service technicians, mechanics and yard people achieved recognition at Service Sanitation. The company is a

portable toilet firm in Gary, Indiana, and serves the entire Chicago area.

"This will bring dignity and respect on the job and a better way of life to these workers," said Les Lis, a business agent/organizer at Local 142, who credited Operating Engineers Local 150 for helping secure the victory.

With more than 90 percent of the unit signing cards, Local 142 had requested voluntary recognition from management. That same day, the company fired two members of the organizing committee, prompting an unfair labor practices strike.

The action helped spark a successful voluntary recognition drive at competitor Tidy John, according to Larry Regan, also a business agent/organizer at Local 142.

[LOCAL 771](#)

Sico

A unit of 48 plumbers, service technicians and installers for Sico Co.—a heating oil supplier in Lancaster, Pennsylvania—voted 34-11 to join Local 771. The drivers of the company's tankers are already members of the Lancaster local.

"This is the first time we've used the new organizing program [sponsored by the International Union]," said Howard Rhinier, Local 771's Secretary-Treasurer. "We can use more victories like this one."

[LOCAL 703](#)

Sherwood Foods

After a hard-fought struggle against hired anti-union consultants, a unit of 35 warehouse workers and drivers at Sherwood Foods in Alsip, Illinois, voted 27-2 for representa-

tion by Local 703 in Chicago.

To ensure victory, workers drew support from Joint Council 25's Organizing Committee, the Chicago Workers Rights Board and Jobs for Justice, which assisted the union on several house calls.

"Management tried to divide and conquer," said Mike Digrazia, Joint Council 25's Organizing Director. "But the workers stuck together and were able to see through the union-busters' tactics."

[LOCAL 703](#)

Acres Group Landscaping

With a big assist from Joint Council 25, Local 703 and Operating Engineers Local 150 in Chicago garnered 106 workers at Acres Group Landscaping. The unit will be split approximately 50-50 between the two unions under their cooperative organizing agreement.

The Acres win is the first step in a campaign the Teamsters have formed with the Operating Engineers to go after the entire landscape industry in the Chicago area.

Tom Stiede, Secretary-Treasurer of Local 703, said the alliance with the Operating Engineers created a strong presence that impressed the workers. "It's just a good marriage," he said.

[LOCAL 147](#)

Midwest Ambulance

Drivers, dispatchers, emergency medical technicians and paramedics employed by Midwest Ambulance in Des Moines and Grinnell, Iowa, voted 49-3 to join Local 147 in Des Moines.

The union successfully fought management's attempts to divide the unit of 66 work-

ers by location and job classification. "The workers wanted respect and a voice on the job," said Organizer Jesse Case. "They felt their employer wasn't listening to them."

Local 147 also scored wins in Iowa law enforcement. A unit of 24 deputies and jailers in the Mahaska County Sheriffs Office voted 18-2 for the union. Also, the 15 members of the independent Webster County Deputy Sheriffs Association chose to affiliate with the local.

[LOCAL 773](#)

Monroe County

A unit of 17 assistant district attorneys and public defenders in Monroe County, Pennsylvania, voted overwhelmingly to join Local 773 in Allentown, Pennsylvania.

The lawyers shopped around with several unions before settling on the Teamsters, according to a Local 773 organizer.

"These are professionals and they chose our union because of our reputation for professionalism," he said.

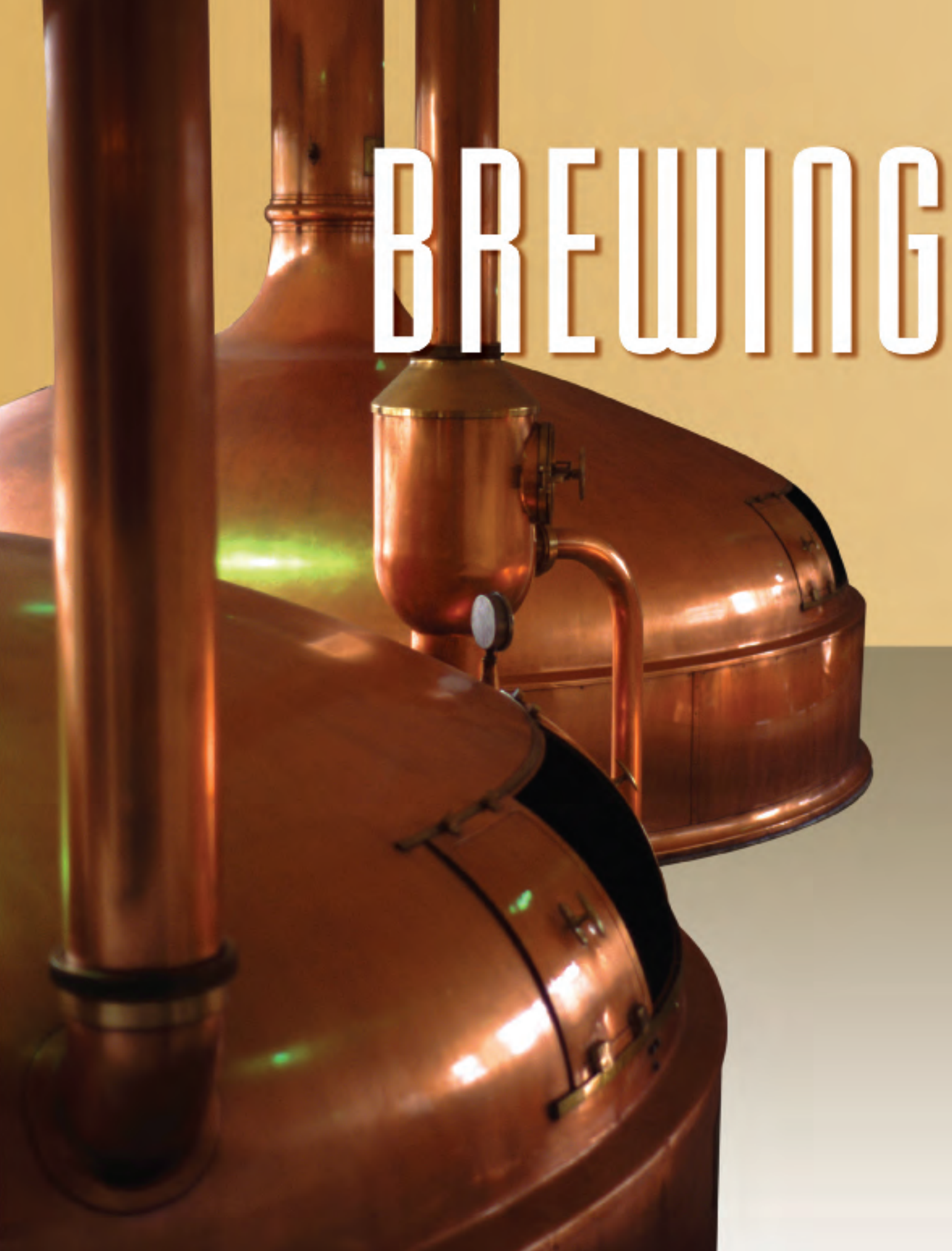
[LOCAL 14](#)

Prison Health Services

Despite management's numerous anti-union campaign tactics, employees of Prison Health Services stationed at the Clark County (Nevada) Detention Center voted 54-7 to join Local 14.

The unit of nurses, records clerks, dental assistants and social workers is the second group of prison healthcare workers in the Clark County area to seek better wages, benefits and working conditions by voting in favor of representation by the Las Vegas-based local.

BREWING

A close-up photograph of a copper brewing system. The image shows large, polished copper vessels, likely part of a brewhouse. A prominent vertical pipe is on the left. In the center, a smaller copper vessel with a gauge and a curved pipe is visible. The background is a warm, yellowish-orange gradient. The word "BREWING" is overlaid in large, white, sans-serif capital letters.

UP A VICTORY

Teamsters Secure Health Care, Job Protections at Anheuser-Busch



Nobody has to tell Amy Baucum about the rising cost of health care. The Anheuser-Busch (A-B) Teamster has seen it all firsthand.

"Before I worked for A-B, I worked at an insurance company for nine years," said Baucum, a bottle packer and member of Local 284 in Columbus, Ohio. "Every year the premiums went up and it costs a lot of money to insure a family."

Baucum, a single mother of two, now has a new five-year contract at A-B that boasts no out-of-pocket increases for health care—a rarity for workers in today's economy. And that's just one of the strengths in the Teamsters new national contract with A-B.

The Teamsters represent approximately 7,500 workers at 12 A-B breweries across the United States under one national master agreement.

The contract—one of the richest in Teamster history—also includes new job protections and the total value exceeds \$4 billion. Workers will also get wage and pension increases each year until the new

contract expires in 2009.

Perhaps the most important aspect is that workers and retirees with the world's largest brewer still do not have to pay health premiums or co-payments.

"This was our first A-B contract for the 21st century and I can think of no better way to start off the millennium for these hardworking men and women," said Jack Cipriani, Director of the Brewery and Soft Drink Conference. "In the past, a lack of unity hurt us in negotiations. We wanted to make a fresh start with A-B and that's exactly what we did."

Preparation and Unity Pay Off

In order to ensure unity, the Teamsters began preparing for negotiations more than a year ahead of schedule. Planning meetings were held at International

Headquarters in Washington, D.C. Each A-B local union sent representatives to discuss bargaining priorities and strategy. In addition to the planning meetings, extensive feedback was sought from rank-and-file members.

"Addressing issues early meant we came to the bargaining table fully prepared," said Dave Laughton, Assistant Director of the Brewery and Soft Drink Conference. "Strong preparation helps win strong contracts."

"All of these efforts ensured that we were on the same page and moving forward together," said John Adkins, Secretary-Treasurer of Local 947 in Jacksonville, Florida—another A-B local. "To know that our solidarity worked, just look at the contract."

During the five years since the last con-

Q&A With Jack Cipriani

Jack Cipriani is the Director of the Brewery and Soft Drink Conference, an International Vice President for the Eastern Region and President

of Local 391 in Greensboro, North Carolina. Teamster magazine recently asked Cipriani about the successful contract negotiations at Anheuser-Busch (A-B).



How has the climate

changed for Teamsters at A-B?

You have to realize that when we took office, A-B had just unilaterally imposed a contract on us. We were divided and the company knew it. They were able to use that to their advantage. After five years of hard work and ensuring that everyone has a voice, A-B knew that we were standing together and this contract reflects that.

How was unity at Anheuser-Busch built?

Unity doesn't happen overnight. You have to work at it. Our first step was to provide channels of input for all of our members at all the breweries. In addition, we held events to foster unity. In 2002, we sponsored a voter registration drive at all the breweries and last year we held a charity drive to support our troops through the USO. Gradually, an atmosphere is built where members feel more connected to each other and the union.

What were your goals entering negotiations?

We listened to our members and two issues came through loud and clear—protect our health care and protect our jobs. At a time when health care costs are skyrocketing and factories are closing every week, these are enormous victories.

What lessons can be learned from the Anheuser-Busch negotiations?

First, everything starts with the membership. If you don't include them from the beginning of the process you're going to have a tough go of things. Second, preparation is everything. There's a saying attributed to legendary UCLA basketball coach John Wooden. He said, "Failing to prepare is preparing to fail." We began preparing for these contract talks more than two years ahead of time and it paid off.

tract, Teamsters at A-B have worked hard to rebuild unity.

"It's like we were just spinning our wheels in the mud last time," said Bobby Gartner, an 18-year member of Local 6 in St. Louis. "This time, A-B knew what we had behind us—the full power of the International Brotherhood of Teamsters. That strength translated into respect at the bargaining table."

The early start in negotiations and an unprecedented level of cooperation between local unions resulted in the ratification of the most lucrative contract in A-B Teamster history.

Start Early, Finish Early, Pay Early

Although the old contract did not expire until February 29, 2004, a tentative agreement was reached nearly four months early. After meetings in each local union to discuss the offer with the membership, the contract was ratified about a month later.

As part of the company's offer, all

wage increases were paid immediately upon ratification and included a \$1,000 ratification bonus.

"A-B has enjoyed tremendous profits and growth," Laughton said. "Our members have helped build the company into the dominant domestic brewer and this contract reflects that."

In 2003, A-B announced that profits rose and its domestic market share soared to more than 50 percent. With thousands of Teamsters at the company's U.S. breweries, members can be proud of the company's performance.

Health Care is the Key

As feedback from rank-and-file members poured in, it became clear that the majority of members agreed with Amy Baumcum—health care was of paramount importance and must be protected.

"I keep abreast of what is going on in other industries in regards to workers' health insurance," said Dave Fuller, an 11-year maintenance technician with A-B



and a member of Local 1129 in Cartersville, Georgia. "I see it all the time—nonunion workers are losing their coverage altogether. My wife and I have two teenage boys, so keeping our family of four covered with no increase to our out-of-pocket costs is a huge gain."

As important as protecting health care was, many Teamsters knew that the task was extremely difficult.

"I see what goes on elsewhere and I know that some of my friends have had severe cutbacks in their health benefits at

"Addressing issues early meant we came to the bargaining table fully prepared. Strong preparation helps win strong contracts."

— DAVE LAUGHTON, ASSISTANT DIRECTOR OF THE
BREWERY AND SOFT DRINK CONFERENCE

work," said Gary Schoenian, a 15-year production technician at the Columbus brewery. "I have to credit our Negotiating Committee and the Brewery and Soft Drink Conference leadership. They really came through for us."

Pensions and Protections

Schoenian is also a Pension Trustee at Local 284 and is excited about the unprecedented pension gains.

"The pension increases were a win for everyone," he said. "A long career at A-B can result in a very comfortable retirement."

The agreement to not close any U.S. breweries provides much needed job security at a time when our country has lost more than three million manufacturing jobs in three years.

"With the ups and downs of the economy, it gives me peace of mind to know that my job isn't going anywhere," said

Monica Walmsley, a Local 633 Teamster working in quality assurance at the Merrimack, New Hampshire brewery.

Other Highlights

Looking ahead, the future is bright for A-B Teamsters.

"To see how far these members have come in just five years is amazing," Cipriani said. "This contract shows what can be achieved when both labor and management commit to a fair and honest bargaining process."

Other highlights of the five-year contract include:

■ Wage increases of \$.65, .60, .60, .60 and

.55 over the term of the agreement;

■ Pension increases of 14 percent for defined benefit plans and 10 cents per hour increase per year for the defined contribution plans for a total of 50 cents per hour;

■ Maintenance of health care benefits; and

■ An agreement not to close any of the 12 U.S. breweries during the term of the agreement.

"Management at A-B counted on disunity and disorganization within our union. They were wrong," Cipriani said. "We stood together and our members are reaping the benefits."



Pick OF THE Litter

When a rock struck the bus Corzella Curry was driving on her route in Charlotte, North Carolina, it broke through the windshield and nearly struck a passenger. It's just one of the many dangers Curry faces on the job—dangers that most people have no appreciation for.

Curry is a driver for the Charlotte Area Transit System (CATS) where workers have taken a giant step towards receiving the appreciation and respect they deserve. Curry and nearly 500 of her coworkers recently voted by a 9-to-1 margin to become members of Local 71 in Charlotte.

"We have to be concerned for the safety of the public as well as ourselves," Curry said. "We often face situations that the public is unaware of. By having a strong union, our concerns will be addressed more quickly."

Determined and Dedicated

The drivers showed their determination to become Teamsters throughout the brief but intense organizing campaign.

"It was exciting to see a group of workers so dedicated to the union cause," said Ted Russell, President of Local 71. "This election

**CATS Drivers
Pounce on
Teamster
Representation**





shows that workers want a strong voice in the workplace. Joining the Teamsters will give these workers their strongest voice ever.”

“I wanted to make sure that when Charlotte develops its rail system, the loyal employees at CATS would be given an opportunity for those jobs,” said John Wakefield, a CATS driver for more than 10 years. “We have seen Charlotte grow and the city has become more cosmopolitan. The rail system in Charlotte is overdue and we want to have a voice in how the work is determined.”

Safety is also a primary concern for the CATS drivers.

A Strong Voice

“The equipment needs maintenance to ensure safe operations and danger can develop when drivers are alone on the streets,” Curry said. “With a union that is always looking out for us, safety is yet another thing that will be addressed.”

“We need a strong voice at the bargaining table and a union that will back us up when we talk to management,” said Pandora Smith,



a CATS driver for the last two years. “Too long we have felt as though we were alone when we faced the company.”

Once the organizing campaign got off the ground, Teamsters from around the country came to Charlotte to set up a base of operations. Rick Her-

nandez and Matt Emmick—two organizers from the International’s Organizing Department—led the drive.

“This was a campaign where we tried to employ all of the best practices in organizing methods,” Hernandez said. “We enlisted help from the Charlotte community, religious groups, student groups and other AFL-CIO affiliates.”

The Right Union

From the beginning, the CATS drivers took over the one-on-one organizing that is critical to a successful campaign. On an individual basis, they built a consensus that the Teamsters are the union for them.

“This is all about the drivers—this is their campaign,” said Bridget Jennings, a Trustee and organizer for Local 71. “These drivers have worked very hard to get a voice and respect from their employer.”

At the union hall, evidence of the hard work that went into the successful campaign was evident in the “war room.” Charts outlining important issues, lists of community groups, newspaper articles, petitions and flyers plastered the walls. More important than these physical traces of hard work were the drivers who congregated at the union hall and shared stories and events that built their solidarity and determination.

“This is what it’s all about,” said Jeanette Barnes, a new organizer who was drafted to help the campaign from Local 639 in Washington, D.C. “These folks are like a family. It shows the world the workers can and will stick together.”

Braving frigid temperatures, stiff wind and cold rain, hundreds of Teamsters marched through the streets of Atlanta on December 10 to declare that Workers' Rights are Human Rights. On December 10, 1948, the United Nations ratified the Universal Declaration of Human Rights, which includes as a basic human right the freedom to form a union.

"It's a dark and dreary day for corporate America, but it's a beautiful day to fight for workers' rights," declared Jeff Farmer, Teamsters Organizing Director.

The march was part of a series of events across Atlanta—the crossroads of the civil rights and labor movements—marking International Human Rights Day. At more than 90 events in 38 states, union members, political leaders and community

activists rallied to demand that workers be given the freedom to form and join unions.

Tales of Courage

"It's really impressive to see the Teamsters out there on Atlanta's streets, reminding everyone that we're the biggest and the best," said Gary Ryan, an organizer with Local 294 in Albany, New York. "We need to continue fighting for human rights and fight for workers' rights against corporate greed."

Before the march, demonstrators gathered at Turner Field where they heard tales of courage by activists across the labor movement. As a succession of activists described their struggles, Teamsters from all over the country were inspired to renew their commitment to organizing the unorganized.

As the march approached its destination at the Georgia State Capitol, nearly 1,000 demonstrators jostled to get a better view of the speakers, who represented the

broad fabric of Atlanta's labor, religious and political life.

With an eye toward the 2004 presidential election, speakers stressed the need to get out the vote as key to changing the anti-union environment that makes nearly every organizing campaign an uphill struggle.

"When workers are denied the right to join a union, their human rights are violated," said Representative John Lewis (D-Georgia). "Next year, we must go out and vote as we never have before."

"We Need to Get Mad"

"It's a great day, and it's great to be a part of this," said Shane Lavender, a Yellow Freight driver and volunteer organizer from Local 480 in Nashville, Tennessee. "We've got a bunch of media, we've got politicians at the rally who marched down through the cold weather. More people need to be involved in this, because we

The Good





“When workers are denied the right to join a union, their human rights are violated.” —JOHN LEWIS (D-GEORGIA)

Fight

could lose everything we have fought for.”

Guests, who included the Reverend James Orange, Atlanta Mayor Shirley Franklin, Georgia Secretary of State Cathy Cox and several state legislators and local union leaders, were joined by workers seeking justice on the job—including farm workers from North Carolina, Atlanta area BFI waste workers and USF Dugan freight drivers.

Tyra Johnson, a single mother of three and a BFI worker, called on the company to stop its campaign to block workers’ organizing efforts. “BFI treats its customers well but gives its employees hell,” Johnson told a cheering crowd. “BFI has a zero tolerance policy—you make one mistake and you’re fired. How do we keep our jobs? With the Teamsters!”

Repeatedly, speakers were interrupted by air-horn salutes from Teamster drivers

passing by in their Roadway trucks.

“More than ever we need unions,” said Jim Hoffa, Teamsters General President. “We need to get mad about what’s going on in this country. We will only achieve change when we get mad. It’s our job to get this done—no one else is going to help us.”

First-Ever Organizing Conference

Immediately following the actions of International Human Rights Day events, organizers from across North America swapped strategies and tactics over two days during the Teamsters’ first annual organizing conference.

Farmer described the union’s plan for revitalizing its organizing program as “building a mighty army.” And much like a well-coordinated military campaign, busloads of Teamsters fanned out across the Atlanta metropolitan area making sur-

International Human Rights Day Focuses On The Right To Organize

prise visits to anti-union employers and demonstrating their support for workers seeking a voice on the job.

“The workers at these companies are trying to exercise their legal right to unionize, yet these companies are doing everything they can to deprive the workers of this right,” said Hoffa. “We are sending the message that management’s actions are totally unacceptable.”

From AT&T to Sam’s Club, Teamsters put employers on notice that their routine deprivation of basic rights would no longer be tolerated. Teamsters also demonstrated at locations of Atlas Cold Storage, BFI, Waste Management and USF Dugan.

“Today, we’re showing unity. We’re showing the strength of the Teamsters,” said Dave Eagan, a USF Holland driver and member of Local 600 from St. Louis. “That’s what it’s all about.”

REPORT 76 TO ALL MEMBERS OF THE INTERNATIONAL BROTHERHOOD OF TEAMSTERS

FROM: Independent Review Board
Benjamin R. Civiletti
Joseph E. diGenova
William H. Webster

DATED: January 6, 2004

I. INTRODUCTION

This is the Independent Review Board's ("IRB") Seventy-sixth Report to you on its activities conducted pursuant to the Consent Order. In this Report, we will discuss matters that have currently come before us, including two new Investigative Reports and the current status of pending charges about which we have previously informed you.

II. NEW INVESTIGATIVE REPORTS

A. JEFFREY WILKENS - Local 295, Valley Stream, New York

On December 18, 2003, the IRB issued an Investigative Report to the Members of Local 295 Executive Board concerning Member Jeffrey Wilkens. The Report recommended that Mr. Wilkens be charged with bringing reproach upon the IBT by refusing to appear for his scheduled in-person sworn examination. The Executive Board was given 90 days to file the charge, hold a hearing and forward a final written report to the IRB.

B. JACK BARRETTA - Local 812, Scarsdale, New York

Before formal charges could be recommended by the IRB to the IBT, Local 812 Member Jack Barretta submitted a compromise agreement to the IRB. In September 2003, the Chief Investigator's Office scheduled an in-person sworn examination of Mr. Barretta for which he did not appear. At the sworn examination, he would have been questioned about his alleged association with organized crime figures. In the Agreement, while not admitting or denying wrongdoing, Mr. Barretta agreed to permanently resign from the IBT and Local 812. The IRB found the Agreement served to resolve the matter. United States District Judge Preska approved the Agreement on December 17, 2003.

III. STATUS OF PREVIOUS IRB CHARGES

A. THOMAS A. PLINIO - Local 97, Union, New Jersey

We have previously informed you that on August 26, 2003, the IRB issued an Investigative Report to the Mem-

bers of Local 97 Executive Board concerning Member Thomas A. Plinio. The Report recommended that Mr. Plinio be charged with bringing reproach upon the IBT by refusing to appear for his scheduled in-person sworn examination. Charges were filed against Mr. Plinio and a hearing was held on October 9, 2003. The Local 97 Executive Board found Mr. Plinio guilty as charged and permanently barred him from Local 97 and the IBT and from receiving any compensation from any IBT entity except fully vested pension and welfare benefits. On December 17, 2003, the IRB notified Local 97 that its decision was not inadequate.

B. ANDRE PITTMAN - Local 295, Valley Stream, New York

In the last issue of the *Teamster* magazine we informed you that on November 3, 2003, the IRB issued an Investigative Report to Members of the Local 295 Executive Board concerning Member Andre Pittman. The Report recommended that Mr. Pittman be charged with bringing reproach upon the IBT by refusing to appear for his scheduled in-person sworn examination. Subsequently, Mr. Pittman requested and was granted a rescheduling of his examination, which was held on December 18, 2003.

C. LOCAL 531 - YONKERS, NEW YORK

In the last issue of the *Teamster* magazine we informed you that on October 30, 2003, the IRB issued an Investigative Report to General President Hoffa recommending that Local 531 be placed in trusteeship. The Local is not being run for the benefit of its members and in accordance with the IBT Constitution. Local 531 has a long history of corruption and ties to organized crime. Prior to an earlier Trusteeship, under the Consent Decree four Local officers were charged.

Furthermore, the Local is in poor financial condition and apparently continues to lack financial controls. As of December 31, 2002, the Local's liabilities exceeded its assets by \$50,064. As of July 31, 2003, the Local's liabilities exceeded its assets by \$44,877. This is after the apparent improper transfer of assets from ERISA Funds to the Local.

During the Trusteeship and continuing to the present, Local 531 received payments from the Local's six affiliated Benefit Funds for alleged administrative expenses without documentation of the administrative services that Local employees allegedly provided to the Benefit Funds. Money improperly taken from these ERISA Funds was transferred into the Local to help keep the Local afloat. The union-appointed Trustees of the Funds failed to stop this practice and the Local's accountant, who was also the Funds' accountant, appeared to facilitate it. In addition, the Local continues to have suspicious collective bargaining agreements and suspicious relationships with employers. Several bargaining agreements remain dramatically substandard.

Mr. Hoffa put Local 531 in trusteeship effective November 19, 2003, and appointed Daniel J. Kane, Sr., as Trustee.

D. LOCAL 901 - SAN JUAN, PUERTO RICO

In past issues of the *Teamster* magazine we informed you that over a number of years Local 901 allegedly engaged in a pattern of conduct in violation of the IBT Constitution and which prevented the members from obtaining information and exercising their rights. In response to the IRB's report, Mr. Szymanski informed the IRB that newly elected officers are in place, revised Bylaws have been approved, and former FBI Agent Angelo Class has completed his investigation and will issue a final report on Local 901.

E. CHUCK CRAWLEY, DENNIS BANKHEAD AND MARIE ESPINOSA - Local 988, Houston, Texas

In the last issue of the *Teamster* magazine we informed you that on October 9, 2003, the IRB issued an Investigative Report to General President Hoffa concerning Local 988 President and Business Manager Chuck Crawley, Secretary-Treasurer Dennis Bankhead and Member Marie Espinosa. The Report recommended that Mr. Crawley be charged with breaching his fiduciary duties to the Local and its members, embezzling and converting Local 988 funds to his own use and the use of others by engaging in a scheme for his own profit. Mr. Crawley also caused the Local to issue checks for \$8,781.78 payable to a vendor for the purchase of t-shirts and stickers when he knew the items were purchased from other vendors for approximately \$5,786.82. He received the difference between the sums authorized and the sums paid to the actual vendors.

The Report further recommended that Mr. Crawley and Mr. Bankhead be charged with bringing reproach upon the IBT, embezzling and converting union property to their own use by taking Local mobile barbecue pits. The Report also recommended that Mr. Crawley and Mr. Bankhead be charged with embezzling and converting Local 988 union funds to the use of another by paying approximately \$2,467.50 for Ms. Espinosa's legal fees in connection with her invoking her Fifth Amendment privilege before the Grand Jury and her motion to quash a subpoena requesting her business records dealing with the Local.

In addition, the Report recommended that Mr. Crawley, Mr. Bankhead and Ms. Espinosa be charged with breaching their fiduciary duties and embezzling and converting Local 988 union funds to the use of another by assisting Ms. Espinosa in embezzling money from Local 988.

After filing the charges recommended by the IRB, Mr. Hoffa referred the charges back to the IRB for a hearing. An IRB hearing has been scheduled to commence on March 29, 2004.

IV. TOLL-FREE HOTLINE

Since our last report to you, the hotline has received approximately 80 calls reporting alleged improprieties. As in the past, all calls which appeared to fall within IRB jurisdiction were referred for investigation. Activities which should be reported for investigation include, but are not limited to, association with organized crime, corruption, racketeering, embezzlement, extortion, assault, or failure to investigate any of these.

Please continue to use the toll-free hotline to report improprieties which fall within IRB jurisdiction by calling 1-800-CALL-IRB (1-800-225-5472). If you are calling from within Washington, D.C., dial 434-8085. The IRB facsimile number is 202-434-8084.

V. CONCLUSION

As always, our task is to insure that the goals of the Consent Order are fulfilled. In doing so, it is our desire to keep the IBT membership fully informed about our activities. If you have any information concerning allegations of wrongdoing or corruption, you may call the toll-free hotline noted above or you may write to either the IRB Chief Investigator or the IRB office:

Charles M. Carberry, Chief Investigator
17 Battery Place, Suite 331
New York, NY 10004

Independent Review Board
444 North Capitol Street, NW
Suite 528
Washington, DC 20001



TOP of the World

Teamster
Makes History
on Mt. Everest

ON MAY 29, 1953, Edmund Hillary and Tenzing Norgay Sherpa were the first people to climb to the summit of Mount Everest.

In 2003, another first was reached on Everest. Don Thornsburg, the Director of Organizing for Local 986 in Los Angeles, was the first person in history to plant a union flag on the world's tallest peak. A Teamster flag.

Thornsburg's trip was about much more than climbing one of the world's most treacherous mountains. It was a mission of compassion. Thornsburg, 59, raised thousands of dollars from fellow Teamsters for the trip.

Honoring His Union

"I wanted to raise money for children in the Himalayan region," he said. "I'm a devout Teamster and have been for 35 years. For 100 years, my union has been serving humanity and that gave me the drive to keep going up the mountain."

Upon arriving at villages in Nepal and Tibet, he handed out clothing, toothbrushes and toothpaste, monetary donations and

other supplies to schoolchildren. Thornsburg said that another goal of the trip was to honor the union that had given him so much. Before going to work full time for Local 986, he was a driver for Yellow Freight.

Mt. Everest is part of the Himalayan mountain range along the border of Nepal and Tibet. At the top of Everest, winds blow at hurricane-strength levels at 118-plus miles per hour.

A Treacherous Climb

"When we got to 22,500 feet, the wind started blowing hard," Thornsburg said. "We got a message that there was an avalanche above us and three people lost their lives."

At the urging of the Sherpa who was guiding Thornsburg, they headed back—but not before planting the Teamster flag and taking in the spectacular view.

"It was absolutely breathtaking to sit on the edge of the mountain and to look at your surroundings," he said. "It was an inspiration. I kept saying to myself, 'I'm here. I'm here.' I had wanted to climb Everest for so long that I could hardly believe I was there."

Join the **DRIVE** to build a
TEAMSTER
MAJORITY

Corporations outspend unions by a margin of 15-1 in supporting their political candidates. With DRIVE, the Teamsters political action committee, we can counter big business.

DRIVE contributions go directly to Teamster-endorsed candidates at all levels of government.

Together, we can show our strength at City Hall, the State House and Congress.

Together, we can build a Teamster majority.

Democrat, Republican, Independent, Voter Education



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