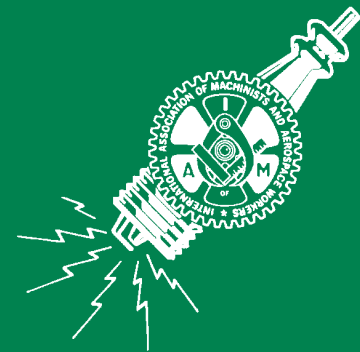


The IAM District 190 Sparkplug



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APRIL/MAY 2004

Serving the Active and Retired Members of IAM District Lodge 190

A heroic defense and a cruel system

By DAVID BACON

The southern California grocery strikers are true working-class heroes. Seventy thousand held fast to their strike over four and a half months, a remarkable achievement in the current “jobless recovery.” Many had to find other jobs to make mortgage, rent or car payments, yet 20,000 were still walking picket lines the day the strike ended.

What kept them going was not simply courage, although they had their share of it. It was the urgent desire to hold onto health benefits, not just for themselves, but for the generation of grocery clerks, baggers and meat cutters to come. It was a heroic defense within a system spiraling out of control—one that, ultimately, they could not win.

When the strike started, store workers faced a proposal that would have forced them to pay \$95 a week for health insurance after three years.

Since three-quarters of the workers are part-timers, and their average weekly pay is only \$312, healthcare would have been beyond their reach.

In the new agreement, the returning strikers will eventually pay some money for insurance, although not the drastic payments the stores originally demanded. But for those hired from now on, health care will be just a dream. Safeway, Albertsons and Krogers will contribute just \$1.10/hour for their health benefits, compared to \$3.80 for the existing workforce.

In just a few years, those lower-tier workers will be the majority. Most will be unable to qualify for benefits. They’ll join the 48 million Americans who have no healthcare because they can’t afford it. But these new additions will be union workers, in jobs that for generations supported a middle-class standard of



Strikers from the Long Beach Albertsons store were thankful for the support from IAM members

living. It’s not just the extreme poor now who must go without medical care. Even those with stable, “decent” jobs increasingly can’t get it either.

Wal-Martization of health care

Throughout the strike, Safeway, Albertsons and Krogers said they needed the cut because competitor Wal-Mart, with expansion plans throughout the state, has no unions, pays low wages, and contributes so little towards healthcare that when its workers get sick, they show up in the county hospital emergency room.

This is the future for new workers in southern California grocery stores—the Wal-Martization of healthcare for California working families. No wonder that so many workers held out on strike for so long. And no wonder that workers in stores in northern California, as well as Washington DC, Washington State, Hawaii, and Colorado, all of whom face the same companies across the bargaining table later this year, are gearing up for similar labor wars.

And it’s not just grocery stores. “We’re expecting a major confrontation with hotel chains over health care costs when our contract comes

up this summer,” says Mike Casey, president of San Francisco’s Local 2 of the Hotel and Restaurant Employees. The Service Employees Union will be negotiating with hospital chains in all major west coast cities this year, and health care costs will be the number one issue. If the union can’t fend off similar demands, those who provide the healthcare will be unable themselves to afford it.

The current system forces workers and their families to fight their employers, to decide who will pay premiums rising at 15% a year. It virtually guarantees war after labor war.

This is a uniquely American dilemma. The southern California grocery strike could never take place in Europe, Canada, or Mexico, because there are no premiums for private health care insurance there to fight over. These countries have national health care programs, in

which taxes pay for medical care for all people, as their right.

Californians took a step last year towards a solution to this problem, when the legislature passed SB-2. Under the law, large employers, like Wal-Mart, will have to provide healthcare coverage for their employees. They won’t be able to undercut their competitors by forcing their workers into the emergency room.

Governor Schwarzenegger, however, has already promised employers an initiative to repeal it. If the governor wins, strikes like the one in Los Angeles will become more frequent and bitter. Employers will demand benefit cuts in order to compete, and workers will either have to give up healthcare or fight.

In the end, only a single-payer system like that sponsored by Sen. Sheila Kuehl can bring a permanent end to these terrible conflicts. Kuehl points out that if all the current healthcare dollars spent in California were used to pay for a single system, instead of on wasteful competing private insurance plans, every state resident could be guaranteed high quality healthcare.

The grocery strikers deserve thanks for their effort to preserve as much coverage as possible under the present broken system. But broken it is. We should not ask tens of thousands more to make similar sacrifices in its defense.

David Bacon is a free lance journalist/photographer in the Bay Area.

Solidarity—straight from the wallet



These Local 1484 members from SSA Marine at the C-60 Terminal in Long Beach raised close to \$600 for the UFCW strikers at an Albertsons Long Beach store. “This is the grocery workers’ struggle today, but it could be ours in the future,” said Frank Honratto, who took on adopting the store and raising the money.

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THE BIG PICTURE



Labor's Solution to the Workers' Compensation Crisis

There's no question that the workers' compensation system is a problem. All of our employers are facing increases ranging from 35-100 percent. Even District Lodge 190 is feeling the pinch. "Our rates jumped from \$7,800 a month to more than \$12,000," says DBR Jim Beno. "This is almost enough to hire another Business Rep."

The problem is clear: California businesses are paying the highest rates in the nation, and injured workers have to endure months of appeals to collect some of the lowest compensation rates in the country.

The 2003 Legislature passed a reform package that was estimated to save \$5 billion annually, but insurance companies have now pocketed those savings rather than passing them on to employers.

The California Labor Federation has developed a proposal for further reforms in the workers' compensation system. This proposal makes substantial changes in the system aimed at creating incentives to get injured workers treated and back to work as soon as possible.

Labor's proposal achieves the following goals:

- 1. Maintain access to benefits and medical care for injured workers.** Injured workers will get immediate medical attention while their claim is being reviewed. Workers will be allowed to choose their own doctor.
- 2. Return workers back to work.** Returning to work is the best outcome for injured workers and employers. This proposal provides financial incentives to employers and workers to return to work.
- 3. Integrate social insurance pro-**

grams into a seamless safety net. While this may be a long term goal, this proposal is the beginning by integrating group health insurance with workers' compensation medical treatment for those covered by collective bargaining agreements.

- 4. Regulate unregulated costs throughout the system.** Previous reforms placed cost controls on medical treatment. This year's reforms must further contain insurance, legal, and medical costs.

- 5. Create better standards in the system.** This proposal would

institute further medical cost savings by creating more uniform standards for medical diagnoses and treatment, protocols for prescriptions, and a fee schedule for doctors and hospitals.

These proposals will save billions of dollars in the system while continuing to protect injured workers. This approach addresses many of the legitimate concerns raised by the business community while ensuring that injured workers receive full treatment and compensation for their injuries.

To receive a copy of the full 76-page proposal and the legislative language, e-mail Shawna Manning at snorta@calaborfed.org.

Schwarzenegger proposal has worker takeaways

Governor Schwarzenegger has proposed sweeping reforms to the workers' comp system that would severely restrict injured workers' rights and benefits. His proposal has been introduced in a Special Legislative Session in two identical bills, SB 4X 3 (Poochigian) and AB 4X 1 (Maldonado).

Key provisions of Schwarzenegger's plan include:

- Granting employers veto power

over injured worker's choice of doctor;

- Covering fewer injuries;
- Injured workers would no longer be allowed to challenge medical reports;
- "Independent Medical Review" determinations would be final and binding;
- "Objective" medical findings would force workers back to work too early.

Business interests to put issue on November ballot

As lawmakers wrestled with major differences on a workers' compensation deal, supporters of a business-backed ballot initiative hit the streets on March 8 with their campaign to take the issue to voters this fall.

Signature gatherers started to fan out across the state with petitions seeking to qualify a ballot measure that contains many of the changes supported by Gov. Arnold Schwarzenegger.

Don't sign this petition. This referendum will not be in your interest, or in the interest of injured workers, and yet it will cost millions of dollars for election-time ads to oppose it.



Members warn: stick to Automotive Industries

Don't trust company health plans

If your boss tells you that the company plan will be as good as the Automotive Industries (AI) plan, don't take his claims at face value.

"At Hayward Honda, they told us that their plan would be cheaper, and our members would be able to get back some of the savings in wages," says Area Director Don Crosatto. "In just three years, the office visit co-pay has jumped from \$5 to \$25-35. Obviously that eats away at any wage gains our members might have gotten."

"When one of our members had gall stones, his doctor recommended an ultrasound. The company wouldn't pay, so now, he's out \$4,000," says Steve Older, Local 1173 shop steward at Concord Toyota. "The company says it offers the same coverage, but clearly that's not true."

Older says that Concord Toyota told the members that the company health plan offered similar benefits as the AI plan. "They promised that the \$100 monthly co-pay for family

coverage would last for the life of the contract."

What the members weren't told is that the co-insurance rate is doubling. Now, a visit to the emergency room is \$150, and every hospital stay costs \$500 out-of-pocket.

When the employees questioned a rep from Blue Cross about these rates, they learned that the Sonic-owned dealership was really carrying a self-insured policy, run by Blue Cross of South Carolina, so the actual cost and rates were set by the company and not Blue Cross.

When prescription rates that had been \$10 were changed to be a percentage of the cost of the drug, out-of-pocket costs for drugs skyrocketed.

"These company plans sound like a great fix to a thorny problem," says Crosatto, "but with today's health care costs, there are no easy fixes. At least, with the AI Trust Fund, there's an employee advocate. With the company plans, they just redefine the benefits and make the cuts and there's no recourse."

The IAM District 190

Sparkplug

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Debra Chaplan, Managing Editor



Moving? Tell your Union!

If you plan to move or have moved already, please notify your Local Union office immediately. Use the mailing label on this newspaper, or write your name, local number, and address clearly and send it to your Local.

See Calendar on page 8 for your local union's address.

ORGANIZING STORIES



Concord Hyundai provokes labor dispute

After several meetings with the union, the service department techs at Concord Hyundai decided they were ready to inform their boss that they wanted to be represented by Local 1173. On February 19, Organizer Jesse Juarez and shop foreman Jose Caceres met with the employer, Billy Rogers, to present the union petition.

This was at 1:00 p.m. Three hours later, Rogers fired Caceres.

As soon as he heard from Caceres, Juarez and Area Director Vern Dutton went back to the shop to see if they could resolve the termination. "He wouldn't give us the time of day," says Juarez.

The next day, four other employees walked off the job in protest of the employer's unlawful conduct. "We ended up picketing him for a whole week," Juarez says.

The company finally hired an attorney—Local 1173's old nemesis Rob Hulting, from the anti-union law firm of Littler Mendelson. Knowing something about the law, on March 1, Hulting ensured that Concord Hyundai reinstated all of the techs, including Casarez, and pay them as if the walk-out never happened.

First organizing win at a Stead dealership

On Friday, March 12, the seven techs at Michael Stead's Concord Chrysler unanimously voted to be represented by Local 1173. "This is the first group of techs to ever win an election against the Stead group," says Organizer Jesse Juarez. "And they stuck together 100% from beginning to end."

Before being bought up by Stead in 1999, this dealership had been a union shop. "We tried to organize the shop back then, but the guys

On March 3, the NLRB held a Board Hearing on the election. "The employer is trying to stack the unit and dilute it by including service writers and detailers," Juarez said.

Initially, there were six mechanics but the company hired two more in early March.

On March 4, the union held a spirited rally at the dealership; 150 people including musicians and a scout troop serving as color guard, turned out.

The next day, the employer retaliated by laying off six people, including three of our guys. "He said that business was slow, but only three days before, he had brought on two new people," Juarez added. "This just proves our theory that he's trying to stack the unit."

"It would have been better if the employer let the election take its course. This didn't have to happen," said Juarez. "But when you're provoked, sometimes there's no other choice but to take action.

"We can't have working people treated like this. However the NLRB decides, we will have justice at Concord Hyundai."

decided to give their new employer a chance," says Juarez.

With only one of the original techs still at the dealership after five years, Juarez reported that he was working with a whole new crew.

"The dealership ran the standard anti-union campaign against the IAM, but the techs recognized what the real issues were and they weren't fooled at all" says Juarez. "Now, we move on to negotiations."



Musicians and a scout color guard ceremony graced the picket line at Concord Hyundai on March 4.

The key to a strong union is ORGANIZING—and you can help keep District 190 strong!

Do you know people who work in your industry but don't have a union? Often non-union workers have the same wages as union employees—but that's all they have. Talk to people in non-union shops about the benefits of having a contract, a grievance procedure, a pension and good union benefits. If they're interested, ask if one of our organizers can call them. (Remind them that the call will be completely confidential.) Here's a contact form for you to complete and send to District 190.

About you:

Name: _____

Where you work: _____

Your phone number: _____

Please call the following to tell them more about IAM representation:

Name: _____

Company: _____

Home or cell phone Number: _____

Best time to be reached: _____

Please return this form to: District 190, 7717 Oakport Street, Oakland, CA 94621. (Feel free to copy this form, or just include the info on your own paper.)

APPRENTICESHIP NEWS

The Automotive Apprenticeship is looking for eager, hard-working individuals willing to face the challenge of the growing demand in the automotive field. Apprenticeship training includes on-the-job experience and classroom learning at the local community college. Interested applicants must be 18 years old, have a high school diploma or GED, and a drivers' license.

For more info, go to: www.autoapprenticeship.com or call:
Oakland: 510-569-8450 • San Jose: 408-291-2540

In Memoriam

Terry Downey pioneered the establishment of the first Automotive Industry Apprenticeship Trust Fund in California and served as its first administrator from the program's inception in 1973 until his retirement in 1985. He died on February 4, 2004 at 83 years old.

Terry, a native Californian, served in the Army as a Staff Sergeant Paratrooper during World War II, became a machinist, an IAM representative, and then worked for several agencies at the State of California including the Division of Apprenticeship Standards.

With a 50-year affiliation with the IAM and Local Lodge 1173, Terry was one of the founding members of the Bay Area Apprentice Coordinators Association.

He is survived by three children, two grandchildren and three great grandchildren.

Congrats to South Bay Apprenticeship Grads



On November 14, 2003 graduates of the Local 1101 Joint Apprenticeship Training Program from 2002 and 2003 celebrated turning out at the Hayes Mansion, in San Jose. Pictured above are: (L-R) Carlos Rivera, Samuel Gonzalez, Julie Ford Raymond, Michael Allen, Fidel Reyes, Brian Dufur, Gerardo Mijares, Eric Sundberg, Noe Pulido and Jeannette Rodriguez.

AROUND THE LOCALS

Paying for vacation

When LB&B took over the contract to run the Fallon Naval Air Station fueling operation, the company apparently didn't feel the need to fully honor the union agreement. Instead of paying employees their full vacation allotment of, in some cases, three to four weeks, the company was paying only half of that.

On behalf of the members, Local 801 filed a grievance and then took the case to arbitration. In mid-January, they won a partial victory on the arbitration decision with full-time employees sharing close to \$13,000 in back vacation pay. "We're continuing to challenge the arbitrator's decision with respect to part-time employees getting paid on a pro-rata basis," explained Area Director Mark Martin.

"We won the most expensive portion of the grievance, for the full time employees," Martin explained, "but we're still disputing the part-timers decision." In fact, the union has a charge filed with Department of Labor over the company's failure to comply with federal rules for government subcontracting by not honoring the union contract. "We'll see if DOL works for us by enforcing its own rules," Martin adds.

T-shirts are uniforms

The negotiations for a first contract with Local 2182 at Geweke Ford in Yuba City have been going on, and on, and on. Finally, in early March, the employees decided that they had had enough, reports Area Director Mark Martin. "In a show of solidarity, most of the employees wore their Fighting Machinist t-shirts instead of their uniforms on a day we were in negotiations. This really shocked the employer."

"The union won the election by only a few votes, but now we have 24 out of 28 employees wearing our shirts," Martin says. "So far, the employer has been our best organizer."

The employer has tried to implement negative changes unilaterally, but the union has been successful at stopping those changes. "If they don't step up to the plate," Martin says, "there will be a price to pay."

One tough cookie...

After taking the case of the purloined cookies to the Board of Adjustment, Local 801 was successful in getting a Fallon Naval Air Station Galley worker her job back. "The employee was terminated because instead of throwing away some cookies as directed, she was caught taking them home for some low-income kids," explains Mark Martin. "We were able to successfully demonstrate that termination was overly harsh discipline for that particular infraction." In the end, there was no financial settlement, but the employee did get her job back.

Need a day off?

Local 2182 is continuing to struggle with UPS over the issues of subcontracting and staffing levels. "Our members in Reno are averaging 50-60 hours per week says Area Director Mark Martin. "Last year, one member worked over 800 hours of overtime. He's tired of working six 12s every week. It will lead to workplace injury. You can't wear people out like this."

Martin says that when a member was called out on a weekend while he was taking care of his kids, the manager agreed to fill in. "When we told UPS about this, they asked if the employee paid the manager for his daycare services."

In addition to not hiring enough full-time staff to get the job done, Martin contends that the company subcontracts out work at an unbelievable rate. "Our guys will eat lunch with the same subcontractor for weeks in a row."

The union currently has 50 outstanding subcontracting grievances. "UPS just doesn't seem to get it," says Mar-

tin. "We'll be pushing these to arbitration...and then they'll get it."

Taking on 3 at once

J.M. Equipment is taking on three locals as it seeks to reinvent the wheel in its contract negotiations, reports Local 2182 Business Rep Skip Hatch. The contract with Locals 1528, 653 and 2182 expires on March 15, and the 80 employees at this forklift and farm equipment repair company with locations in West Sacramento, Stockton, Modesto and Fresno have taken a unanimous strike vote. The negotiating team includes Hatch, Gilbert Gonzalez from Local 1528 and Tom Rotella from Local 653.

"On the one hand, they admit to having difficulty attracting and retaining good employees," says Hatch. "But on the other hand, they're trying to put the employees into a substandard health and welfare agreement run by the company. "Hopefully, we'll have better news to follow."

IAM members raise key issues with Congressional reps



Representatives from Districts 190, 947 and 725 in Southern California met with Congresswoman Linda Sanchez on February 20. Their purpose was to lay some groundwork for passage of a bill to strengthen the National Labor Relations Act as it relates to union organizing. In addition, the group addressed the health care crisis, wage and pension issues, and the disparity between corporate America's greed and conniving while unions are forced to comply with ever-more stringent reporting standards. The group had also met with Congresswoman Hilda Solis on February 9.

Local 1101 revamps for a leaner and stronger future

In 2003, Local 1101 focused on getting its financial house in order; this year they're moving on to membership involvement.

Cutting costs for a leaner Local

In January, Area Director Glenn Gandolfo announced that the Local re-vamped its bylaws to get on a sound financial footing. This included a change in the dues formula, where everybody pays the same rate of \$62.50/month. "With all the benefit packages roughly equal, even for the lower wage folks, this keeps the Local on a sound footing," Gandolfo said. "We also established an official strike fund. Previously we had an assessment for an emergency fund, but now the \$500,000 that we've accrued is earmarked solely for a strike fund."

"Art Sanchez, last year's Local President, helped line us up with a new office that's much better than what we had for a much cheaper price," adds current President Al Anderson. "We save some additional money by holding our officers' meeting at the office. We put the dues in line with the going rate in the

area. We're trying to keep costs down as much as possible."

Gandolfo adds that the entire staff took wage freezes or reductions. "We're trying to cut the fat without cutting the meat so we can run a leaner local."

Strengthen the Shop Steward model

Anderson, who became President this year, works at Sunnyvale VW and has been a union member since 1977. He says that the Local's goal for this year is to show the Shop Stewards more appreciation for their contribution and get more stewards and members involved. "They're the eyes and ears and voice of the union in the shop. We want to make sure that the information they have is current and they're not going out like a lone ranger. They should know what the contract covers and doesn't cover, and when to call their Business Rep."

Anderson brings great enthusiasm to the task. "The infrastructure is so important. The steward we have a Chris' Dodge World kept the situation there, when the company was bought out, from being a dis-

aster to being a success story. He was able to keep the crew motivated throughout months of negotiations."

Anderson says that every shop needs a steward or rep to attend meetings so they can learn what's going on throughout the area. "If they don't show up, then they and the members in their shop are left in the dark. Our goal is to make it more enticing to get involved. We'll hold dinner meetings and educational events, and at end of year, we'll hold a banquet to recognize our stewards and reps and thank them."

At presstime, Anderson expects the membership to approve changes in the bylaws calling for a special stewards meeting every month. "Instead of having a meeting that starts at 8 p.m. and has a very small turnout, we'll plan dinner meetings that can start right after work. This should provide an enticement to come in, hang out and get informed," Anderson says. "Many of our contracts are coming due in next few years. We just want to make sure everyone is in line and ready for the fights to come around flat rate, health coverage and all the tough issues."

Give until it hurts

Local 1414 members who work for the City and County of San Francisco decided to take matters into their own hands—or arms—and hold a blood drive in response to a city-wide call for blood. Business Rep Art Gonzalez reports that city employees organized and publicized the blood drive on March 9 at the Woods Maintenance Center, and it was a great success.

No layoffs for now

With the City and County of San Francisco facing a \$270 million deficit, layoffs seemed imminent. Local 1414 Business Rep Art Gonzalez reports that one machinist was notified that he would definitely be losing his job. But on March 9, a notice came through rescinding the layoff. His job, and those of all the machinists, are safe until September.

More closures

Dailey Body Company

Dailey Body Company, an Oakland establishment since 1946, gave two days notice that they would be filing bankruptcy and closing their doors. "Between rising costs, workers comp costs, and declining business, they just determined that they couldn't go any more," says Area Director Don Crosatto. Eleven members of Local 1546 and three members of Painters Union Local 1176 are out of jobs. "I just hope they can cover the last month of Health and Welfare," Crosatto adds.

CARAL Manufacturing

On February 27, CARAL Manufacturing in Albany closed. This once-bustling 40 year old company was down to six guys. "They've been barely holding on for the last two years," says Local 1584 Business Rep Chris Rasmussen. "They were owned by GE, who finally just decided to call it quits."

Rasmussen says that one union members is still there doing clean up. "He had another month until he could get his '30 and out." At least they were open to giving him that."

Rental car round-up

Locals 1546 and 1414 wrapped up their joint negotiations with Avis in October, and Local 1101 ratified their San Jose contract in March. All told, the bargaining unit was increased by almost half, going from 15 to 27 members, when Avis' parent company, Cendant, bought Budget Rent-a-Car in 2003 and merged the two company's maintenance facilities.

Budget had not been union, so while wage rates for employees at the two companies had been comparable, Budget employees were getting company health benefits and no pension. Now, the Budget employees will join the union, get better health and welfare coverage through Automotive Indus-

tries and for the first time, a pension.

In addition, Avis has opened up its "Guild Program" to Budget employees. This training incentive program encourages employees to get their ASEs and take certain manufacturer classes. By moving up the steps from journeyman to craftsman to Grand Master, employees earn raises.

Setting a training record

All of the Avis employees were at Grand Master status, but this was a new opportunity for Budget employees. One Budget mechanic, Mike Malindog took the challenge to become a Grand Master to heart. He completed the one-year phase in a record three months. The company is so impressed, they'll be featuring him in the national company magazine. Congratulations, Mike!

Hertz is a challenge

Business Rep Mike Cook reports that the two year agreements with Hertz Rent-a-car are due to expire, even though the contracts were only recently completed. "Hertz is increasingly difficult to deal with. We went from a very bad offer to a mediocre deal. Hopefully we'll do better this time." Hertz employs 20-25 members in Burlingame, and seven each in Oakland and San Jose.

GOOD JOBS SAFE JOBS
Protect Workers Now
Workers Memorial Day • April 28

SHOP TALK: Why is it important to go to the Grand Lodge Convention? Members who have attended in past years give a few good reasons...



Pinky McNeely
Local 2182

"We have the opportunity to express our views and to vote on policy. It has opened a lot of doors for us. The vote is strictly democratic."



Pam Borges
Local 1546

"I served on the blue ribbon commission trying to provide some guidance to the IAM. It's been a great experience—an honest effort to bring the rank-and-file perspective to the convention."



Dave Parker
Local 1528

"We get representation and help if we go on strike. This is a difficult time for unions to do their job in DC, especially on the issue of keeping jobs in the U.S."



Mark Brasher
Local 2182

"The International gives us political clout. Without that we'd be in worse shape than we are. I'd like to see more action and less talk."



Jesse Figueroa
Local 1484

"The convention is an opportunity to meet people, to talk and get ideas and information. I attended 92 and 96, and each time, came away with a tremendous sense of solidarity."



Jim Duran
Local 1584

"They need to show some leadership in how to keep jobs here. We need to feel their presence in fighting for our jobs."



Mark Martin
Local 2182

"It's our opportunity for true democracy. If you have an issue, that convention is where you take it up."



Mike Mellow
Local 1584

"The international is important for lobbying to keep jobs in America and to provide health care for all people—union and non union."



Andrea Gorman
Local 1584

"They help us get educated—when you get open one door, other things happen. It provides good leadership."



Al Anderson
Local 1101

"My contact has been with the Placid Harbor Winpisinger Education Center. It's been extremely helpful to me. Political action is important."

IN OTHER NEWS

Attorney General warns "instant tax refunds" are a rip-off

As tax time approaches, do not fall prey to high-priced "refund anticipation loans" warns Attorney General Bill Lockyer. Tax preparers pitch these loans as "instant" or "rapid" refunds, but they drain billions of dollars from consumers who can least afford to pay the exorbitant costs.

"Make no mistake," said Lockyer. "These short-term loans may carry annual interest rates of more than 700 percent, and also may require consumers to pay fees for tax preparation, electronic filing and check cashing to enjoy the so-called benefits. What's worse, these products are aggressively marketed to low- and moderate-income families most vulnerable to sales pitches that promise quick access to cash. Hard-working Californians should be aware much less expensive options are available."

Storefront tax preparers that offer cash advances based on consumers' anticipated refunds have proliferated

in the state's shopping malls and department stores, and on street corners. Additionally, they have begun to form "partnerships" with other businesses, like rent-to-own operations and car dealerships.

Depending on the tax refund amount and fees charged, RALs can force consumers to pay the equivalent of annual interest rates ranging from 70 percent to 1,837 percent, according to a January 2004 report by the National Consumer Law Center (NCLC) and the Consumer Federation of America (CFA). The cost of obtaining an RAL for a \$200 refund, the study found, equals an annual interest rate of more than 700 percent. In 2002, consumers paid a total of \$1.14 billion in RAL fees and electronic filing fees, according to the report.

Taxpayers who have bank accounts can avoid paying these sky-high fees and still receive their tax refund in 10-14 days through direct deposit. Even taxpayers who

get their refunds through the mail can expect to receive their checks from the IRS in a few weeks. However, that's not what some RAL marketers tell consumers.

"I had representatives of my office call around to see what tax preparers were telling potential clients," Lockyer said. "They found that some refund-loan peddlers were telling people it would take two or even three months to get their refunds from the IRS. That's hogwash. And it's an underhanded way to get people to buy something they don't need. These outfits also insist they cannot provide estimates over the phone on the cost of obtaining an RAL. They tell taxpayers they have to come into the office, and that makes it extremely difficult to comparison shop."

Lockyer noted that if a preparer miscalculates a consumer's taxes, and no refund is due, the consumer still must pay back all the borrowed money. Additionally, late repayment

of an RAL can subject consumers to heavy interest and late fees.

Despite their high costs, the use of RALs appears to be growing. The NCLC/CFA report cited Internal Revenue Service data that show consumers took out 12.7 million such loans in 2002, compared to 10.8 million in 2000.

Lockyer urged taxpayers to open bank accounts as a cheaper, better way to get their refunds quickly. Taxpayers must have bank accounts to receive their IRS refund through direct deposit. The Federal Reserve estimates 22 percent of families who earn less than \$25,000 do not have bank accounts.

Consumers who believe they have been victimized by a tax return preparer can file a complaint with the Attorney General's Office at www.ag.ca.gov/consumers/maillform.htm or by writing to the Public Inquiry Unit of the Attorney General's Office at P.O. Box 944255, Sacramento, CA 94244-2550.

Senate bill would deny help to asbestos victims

More than 43,000 Americans have died from asbestos-related diseases since 1979 but the U.S. Senate is considering a bill (S.1125) to protect companies from lawsuits brought by those harmed by the deadly fiber.

According to a study released by the Environmental Working Group (EWG) Action Fund, 10,000 Americans die each year from asbestos exposure. The study, available at www.ewg.org, projects that up to ten times that many will die in the next decade.

The study reports that 30 million pounds of asbestos are used in the U.S., dozens of widely-used consumer products still contain asbestos, and more than one million workers are exposed every year.

Less than two percent of workers exposed to asbestos have asked for help paying medical bills. The companies who claim to have been driven bankrupt by asbestos suits tell shareholders their bottom lines have not suffered, the study contends.

The Senate is now considering a proposal to establish a fund to "take care of all asbestos victims once and for all." But because asbestos-related diseases take up to 50 years to show up, even if everyone who is sick today was helped, the fund would deny justice to hundreds of thousands who have yet to become ill.

The EWG urges that you call, write or fax your congressional reps and Senators, and strongly recommend that they oppose S.1125.

Flip this . . .

How do you gloss over a major loss of manufacturing jobs? If you're the Bush administration, you cast doubt on the definition of "manufacturing." A special section of the administration's "Economic Report of the President" opens the door to defining fast-food employees as manufacturing workers.

"When a fast-food restaurant sells a hamburger, for example, is it providing a 'service' or is it combining inputs to 'manufacture' a product?" the report asks.

The Feb. 9 report, signed by President George W. Bush, said the current system of defining manufacturing jobs "is not straightforward." According to the Bureau of Labor Statistics, some 2.2 million food-preparation and serving workers, plus another 421,000 counter attendants, were at work in 2000—just 179,000 short of the 2.8 million manufacturing jobs lost since the Bush administration took office.

Of course, the average manufacturing job lost paid at least twice as much as the average food service job. But who's counting?

For more on this and other actions by the Bush administration, visit <http://www.aflcio.org/issuespolitics/bushwatch>.

SHOP TALK: Why is it important to go to the Grand Lodge Convention?



Robert Campbell
Local 2182

"The international helps us know what's going on in labor. It's mostly about getting good information on the labor end of things—like what was really going on with the strike in Southern California."



Skip Hatch
Local 2182

"If you don't participate, if you don't vote and you've got no reason to gripe. It's your chance to speak up."



Bill Costa
Local 2182

"It makes a difference. It determines the future of our jobs. I hope they do something about all these jobs going overseas or our pension funds will go away."



Steve Older
Local 1173

"Education, political information. . . they provide a lot of stuff that I pass on to the members."



George Tomassi
Local 1528

"The convention is where I can get up and say what I want and what I need. There's total freedom of speech. No one holds you back."

GOOD CONTRACTS



Best Honda contract with Berkeley's Jim Doten Honda dealership



Jim Nielsen, Service Manager

"We each take pride in feeling that we're part of a family store, not a mega-store."



Nat Courtney, Shop Steward

"I've been here for 29 years and so has Mr. Doten. We're dealing with an employer who's used to us and we're used to him."



Jerry Livermore, Tech

"...the union offers a sense of security. You won't lose your job if there's a problem."



Irv Achziger, Tech

"Having a good contract makes you feel secure about your job."

If you're in the market to buy a Honda, consider buying from Jim Doten's Honda in Berkeley. "This is the best employer who owns a Honda dealership in Northern California," says Local 1546 Business Rep Mike Cook. "They pay the highest, have the best pension, and, in our regard, the best management."

"The main key is just working with the guys," says General Manager Kip Siegel. "Most of our union employees have been with us for such a long time. We've gotten to know each other real well. We've been able to work together to get a good contract."

Siegel should understand, Before coming to the car business he was a teacher and active in the teachers union. "The dealership has been here for 30 years and we've always been union. It's all I know."

In fact, Doten Honda has been a union shop since it was first launched in 1971, and Doten's three-year old Hyundai Dealership at the Hilltop Mall is also a union shop. In both shops, the Service and Parts departments are all members of Local 1546; only the sales force and office staff are not.

"We definitely face tough competition with the non-union shops up in Richmond," says Siegel. "And in Berkeley, while most of the shops, and most Honda shops in general are union, they don't offer the benefits that we do. So that's a challenge for us."

But Siegel says that the average tenure of a mechanic is 12 years.

"Not having to deal with turnover makes a world of difference in terms of costs and knowledge. Our customers feel good about coming to a place where they see the same people and can establish relationships with them. Stores with higher turnover don't establish those same trusting relationships," Siegel adds.

Most valuable asset

Service Manager Jim Nielsen agrees. "The lack of turnover gives us continuity, which is one of the things we're most proud of. We work on more older cars than other Honda dealers do. Our employees and our customers are here for life."

Nielsen says that Mr. Doten has always realized that the employees are his most valuable asset. "We each take pride in feeling that we're part of a family store, not a mega-store."

Nielsen is in an interesting position because he's both the Service Manager and a long-time member of the union. "I see my function as being the ringmaster of a three ring circus. I have to please the owners, the employees and the customers."

Nielsen believes that he maintains a good relationship with the union because he's been on both sides of the table. "I see how each side has valid issues. We need to keep the company profitable and we need to protect workers' rights."

"And together, we need to plan for the future. Cars are changing; they're becoming both more and less

technical." Nielsen says that Honda is moving away from routine maintenance, especially in the first year. "That will cut down on the work for skilled mechanics for routine work, but increase the need for our techs to keep up their training as the field becomes more and more technical."

Shop Steward Nat Courtney, a 29-year employee, agrees. "We realize that our work requires expertise. We feel we're among the best Honda techs out there."

Courtney is pleased with his contract but says that it doesn't go far enough. "I know that we have a good contract as far as Machinists goes, but our pay trails other skilled trades, like electricians and plumbers. And we have to pay for our own tools." Courtney says he wants to clear a path for younger people to keep the trade interesting so they'll come in to the trade and "pay for our pensions."

"I've been here for 29 years and so has our employer, Mr. Doten. We're dealing with an employer who's used to us and we're used to him."

Union protections are key

Jerry Livermore first joined the union in 1984 when he got a job at Walnut Creek Honda. He worked non-union for a while and then had his own business. "But my wife strongly suggested that I get a job in a union shop again, and in 2001, I came here." Livermore says that, above all, the union offers a sense of security. "You won't lose your job if

there's a problem."

Irv Achziger has worked at Doten for 17 years and agrees with Livermore. "Having a good contract makes you feel secure about your job. Also, they're putting in a good pension contribution, which works for me because I only have 8 more years to go."

Achziger says that an important part of the contract is the incentive program for producing more than 100%. This program differs from a standard flat rate program in that the production incentives come over and above the hourly rate. "The average is around \$300-400 a month. This is an incentive that benefits each of us and the company as well."

Achziger sits on the Productivity Committee along with parts employees and service writers. "We pound out policies and procedures that concern the service department so that we can increase our productivity. These have included having the parts pre-pulled and clearing the shop of obstructions. We'll also suggest purchase of shop equipment or other improvements to help streamline the work."

The trick with the incentive system, as with any flat rate system, is who gets which jobs. "I think we have a fair dispatch system, which is always an issue for flat rate work," Achziger says.

One tech, who looked to be busy on three different jobs, summed it up well. "It seems like we have a good contract. Hopefully the other dealerships will catch up."





ASSOCIATED THIRD PARTY ADMINISTRATORS

ATPA is the administrator for the
Automotive Industries
Pension and Welfare Trust Funds and
Machinist Health Plans (Active and Retiree).

Contact us at 510-836-2484

TO THE MEMBERSHIP OF ALL LOCAL LODGES

Official Notice for the Nomination and Election of Delegates to the 36th Grand Lodge Convention

This will serve as official notice that all Local Lodges will conduct a Special Order of Business at their Regular Monthly Local Lodge meeting in the month of **April** for the purpose of accepting **Nomination of Delegates** and alternate delegates to represent their Local Lodge at the 36th Grand Lodge Convention. Nominations shall be conducted pursuant to Article II, Section 3 of the I.A.M. Constitution.

This will also serve as official notice that all Local Lodges will conduct a Special Order of Business at their Regular Monthly Local Lodge meeting in the month of **May** for the purpose of **electing Delegates** and Alternate Delegates to represent their Local Lodge at the 36th Grand Lodge Convention. Elections shall be conducted pursuant to Article II, Section 3 of the I.A.M. Constitution.

In accordance with Article II, Section 4 of the I.A.M. Constitution, Delegates to the convention of the Grand

Lodge must be members in good standing of the local lodge from which they hold credentials for at least one (1) year prior to their nomination, except in the case of a local lodge chartered less than one year prior to the convention, or a member working at the trade transferred to a local lodge with the approval of the International President or Executive Council; or, in the case of a district lodge having multiple local lodges within a single employer, in which case membership in such district lodge shall apply. Article II also provides that every delegate to the convention of the Grand Lodge shall be free from delinquencies of any nature to the Grand Lodge or to any district or local lodge, and at the time of nomination and for six months prior

36th IAM Grand Lodge Convention



Cincinnati • September 19-25, 2004

thereto working at the trade. The qualification "working at the trade" shall not apply to salaried officers, whose time is fully occupied by the Association, the AFL-CIO, or the CLC, nor shall it apply to members who experienced a layoff during the six-month period prior to the nominations, or in any case where a member has been unable to obtain employment at the trade because of a strike, lockout, discrimination or temporary physical disability, or to members holding a Life Membership Card, who are retired on pension and paying full dues, whether or nor they hold a retirement card or an exemption card.

bers who reside in outlying districts more than 25 miles from the designated balloting place, members who are either confined because of verified illness or on leave qualifying under U.S. and Canadian family leave laws, or on vacation, or on official I.A.M. business approved by the L.L. or D.L. or G.L., or on an employer travel assignment, or reserve military leave, as the case may be, shall be furnished absentee ballots.

Any member entitled to receive an absentee ballot shall make written request therefore to the R.S. of the L.L. by delivering in person or mailing such request not later than 10 days before the election. Within 48 hours after receipt of any such request, the R.S. shall mail the ballot if the records of the L.L. indicate that the applicant is eligible to vote in the election.

Absentee Ballots

In accordance with Article II, Section 3 of the I.A.M. Constitution, Mem-

Please refer to calendar below or call your Local Lodge to check meeting dates.

UNION MEETINGS



District Lodge 190

7717 Oakport Street
Oakland, CA 94621

Executive Board Meeting

Fourth Tuesday of each month at 6:30 p.m.
April 27 • May 25 • June 29

General Delegates Meeting

Fourth Tuesday of each month at 7:30 p.m.
April 27 • May 25 • June 29

Local 801

7717 Oakport Street,
Oakland, CA 94621

Membership Meeting

Third Thursday of the month at 4:00 p.m.
April 15 • May 20 • June 17

Meetings are held at the Carpenters' Hall, in Reno.

Local 1101

3777 Stevens Creek
Blvd., Suite 320
Santa Clara, CA 95051
408-551-2280

Executive Board Meeting

First Thursday of each month at 6:00 p.m.
April 1 • May 6 • June 3

Stewards Meeting

First Thursday of each month at 8:00 p.m.
April 1 • May 6 • June 3

General Membership Meeting

Second Thursday of each month at 6:30 p.m.
April 8 • May 13 • June 10

All meetings are held at
Lion's Blind Center: 101
N. Bascom Ave., San Jose

NOTE: New office hours: Mon-Thur. 7 am-5 pm
Friday: 7 am-4 pm (Closed 12-1 for lunch hour)
For Reps: Call ahead for appointment/availability

Local 1173

1900 Bates Ave., # H
Concord, CA 94520
925-687-6421

Executive Board Meeting

Second Thursday of each month at 6:30 p.m.
April 8 • May 13 • June 10

Membership/Shop Stewards Mtg.

Third Thursday of each month at 6:30 p.m.
April 15 • May 20 • June 17

Local 1414

150 South Blvd.
San Mateo, CA 94402
650-341-2689

Shop Stewards Meeting

First Thursday of each month at 6:00 p.m.
April 1 • May 6 • June 3

Executive Board Meeting

Second Thursday of each month at 6:00 p.m.
April 8 • May 13 • June 10

General Membership Meeting

Third Thursday of each month at 6:30 p.m.
April 15 • May 20 • June 17

Retirees Club

First Wednesday of June, Sept., Dec., March
at 11:00 a.m. All are welcome!
June 2 • September 1 • December 1, 2004

Local 1484

1261 Avalon Blvd.
Wilmington, CA 90744
310-835-6688

Executive Board Meeting

Third Thursday of each month at 6:00 p.m.
April 15 • May 20 • June 17

General Membership Meeting

First Tuesday of each month at 6:00 p.m.
April 6 • May 4 • June 1

Retiree Club

Third Wednesday of each month at 1:00 p.m.
April 21 • May 19 • June 16

Local 1528

713 16th Street
Modesto, CA 95354
209-529-9210

Executive Board Meeting

First Wednesday of each month at 5:30 p.m.
April 7 • May 5 • June 2

General Membership Meeting

First Wednesday of each month at 7:00 p.m.
April 7 • May 5 • June 2

Local 1546

10260 MacArthur Blvd.,
Oakland, CA 94605
510-638-6705

General Membership Meeting

First Tuesday of each month at 7:00 p.m.
April 6 • May 4 • June 1

Shop Stewards Meeting

First Tuesday of each month at 5:30 p.m.
April 6 • May 4 • June 1

Executive Board Meeting

Thursday preceding membership meeting at 6:30 p.m.
April 1 • April 29 • May 27

Senior's Luncheon

First Wednesday of each month at 12 noon
April 7 • May 5 • June 2

Alcoholics Anonymous: Every Saturday, 9 a.m.

Local 1584

8130 Baldwin Street
Oakland, CA 94621
510-635-2064

Membership Meeting

Third Thursday of each month at 7:00 p.m.
April 15 • May 20 • June 17

Executive Board Meeting

Preceding Monday at 7:00 p.m.
April 12 • May 17 • June 14

Retirees Club

First Tuesday of each month at 12:30 p.m.
April 6 • May 4 • June 1

Local 1596

4210 Petaluma Blvd. No.
Petaluma, CA 94952
707-795-0085

Membership Meeting

Third Tuesday of each month at 7:00 p.m.
April 20 • May 18 • June 15

Executive Board Meeting

Third Tuesday of each month at 6:30 p.m.
April 20 • May 18 • June 15

Local 2182

967 Venture Court,
Sacramento, CA 95825
800-458-9200

Executive Board Meeting

Second Tuesday of each month at 6:00 p.m.
April 13 • May 11 • June 8

General Membership Meeting

Second Tuesday of each month at 7:00 p.m.
April 13 • May 11 • June 8

Retirees Club - VISTA CLUB

Third Wednesday of each month at 11:00 a.m.
April 21 • May 19 • June 16