Inside MEETING NOTICES See Page 4

NORTHWEST LABOR PRESS

Volume 109
Number 18
September 19, 2008
Portland, Oregon

GORDON SMITH

Who's best for workers: Merkley or Smith?

By DON McINTOSH
Associate Editor

Democratic Oregon House speaker Jeff Merkley is challenging two-term Republican incumbent Gordon Smith for U.S. Senate. It could end up a close race, in which votes from union households make the difference.

Smith has tried to cultivate an image as a moderate, but he has opposed a labor agenda often enough that most unions are backing Merkley. A few labor organizations are staying out of the race. Just one union has endorsed Smith.

Merkley, 51, is the son of a machinist, and a graduate of David Douglas High School in outer Southeast Portland. He earned degrees from Stanford and Princeton, went to work for the Pentagon and the Congressional Budget Office, and returned to Portland in 1991, where he headed Habitat for Humanity, then the World Affairs Council, and then worked as an affordable housing advocate. He was elected to the Oregon House in 1998, served five terms, and was elected House speaker in 2006. As speaker, he led passage of more pro-labor bills in one session than had passed in the previous decade.

Merkley got the Oregon AFL-CIO's second highest ranking among all lawmakers in 2007 —and its endorsement in the Senate race. His lifetime average for the four previous legislative sessions is 97 percent. In 10 years in office, Merkley disagreed with the labor federation on only two recorded votes — a tax break for Nike and funding for Jobs Plus.

Merkley is a member of the AFL-CIO's community affiliate, Working America, and his wife, Mary Sorteberg, is a nurse and an active member of her union, the Oregon Nurses Association.

Smith, 56, is one of the richest members of the U.S. Senate, with a net worth of $23 million. He owns Smith Frozen Foods, a food-processing business founded by his grandfather, which today processes about one-tenth of the frozen peas, corn and diced carrots in the United States. Smith grew up in Maryland and went to college at Brigham Young and Southwestern University Law School. His father was assistant U.S. secretary of agriculture under President Dwight Eisenhower. His brother was appointed by President George W. Bush to a judge seat on the Ninth Circuit U. S. Court of Appeals. Smith moved to Oregon in the 1980s to take over the family business. He was elected to

(Turn to Page 7)

JEFF MERKLEY

Job security key issue in Machinists strike at Boeing

Nearly 27,000 Machinists who assemble commercial airplanes and components at Boeing plants in Washington, Oregon and Kansas walked off the job Sept. 6 after voting by an 87 percent margin to reject the company's "last, best and final" offer and to strike.

Approximately 1,244 workers are members of Portland-based Machinists Lodge 63 employed at the Boeing plant at 19000 NE Sandy Blvd., Gresham. Another 24,500 workers are members of Machinists District Lodge 751 in the Everett, Washington area, and 1,000 belong to District Lodge 70 in Wichita, Kansas.

The strike is an unfair labor practice strike, and not an economic strike, although economics were certainly a reason workers voted to walk out.

"Boeing treated this almost like an organizing campaign," said Bob Petroff, directing business representative of District Lodge 24 in Portland. "They held captive audience meetings. They attempted to negotiate with our members. We have filed several unfair labor practice charges against them."

The charges were filed with the National Labor Relations Board, alleging that Boeing tried to circumvent the union's bargainers through "direct dealing" one-on-one negotiations with workers — which is illegal.

Machinists Lodge 63 members (from left to right) Ed Garcia, Mark Goins and Steve Gentry walk picket line at the Boeing plant in Gresham.

Because it is an unfair labor practice strike, Boeing cannot hang over workers' heads the threat of hiring permanent replacements if the dispute lingers on.

Talks broke down over a variety of issues, including contracting out work to nonunion shops and overseas, elimination of spousal survivor pension benefits, plus higher out-of-pocket health care and prescription drug costs, most of which would have offset the proposed raises and bonuses. On the table at the time of the strike, Boeing had offered an 11 percent pay hike over three years, a pension increase, plus a signing bonus of $2,500.

However, due to the way the last contract was structured, Boeing didn't cover a 40 cent cost-of-living-adjustment that was due in September to all workers. That COLA, according to union officials, calculates out to about $2,496 per employee — almost the exact amount of the "bonus" offered in their last proposal.

Local 63 members on the picket line in Gresham told the NW Labor Press that they have not received a wage increase (other than COLAs) over the last two contract periods (six years). "Now, the company is making record profits and they still want to take away from us," said Steve Gentry, a 22-year employee. "They really have no respect for what we do."

Petroff said the Machinists proposal penciled out at a cost of $94.3 million over three years. "Boeing has back orders and stands to lose $100 million a day every day we are not working. How much sense does that make?" he said.

According to the New York Times, Boeing earned a record $4.1 billion in 2007. The newspaper also reported the company has a backlog of more than 3,600 orders valued at $263 billion. The majority of those aircraft are ver-

(Turn To Page 5)