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Portland, Oregon

Unions say Wyden's health care bill is sick

Three of Oregon's largest unions launched a radio advertising campaign in Portland and Eugene last month attacking a bill that U.S. Sen. Ron Wyden is pushing to overhaul the nation's health care system.

Leaders from the Oregon Education Association, United Food and Commercial Workers Local 555, Oregon Council 75 of the American Federation of State, County and Municipal Employees, and the Oregon AFL-CIO took part in a national press conference May 19 opposing Wyden's Healthy Americans Act. Senate Bill 391 calls for taxing workers' health insurance benefits as if it were income and eliminates tax deductions for employers that provide health insurance.

"One of the goals of health care reform is to make it more affordable," said Ken Allen, executive director of Oregon AFSCME. "Taxing the value of health care benefits would raise health care costs for working families."

Gail Rasmussen, president-elect of OEA, said labor is pleased that Congress is finally debating health care reform. "We're just in opposition to this proposed idea of capping or eliminating the tax exclusion for employer-sponsored health care coverage."

Rasmussen said many public education employees have in the past traded pay raises in exchange for a good health insurance plan. "Telling them they'll now be paying more taxes would unfairly penalize them," she said, adding that such an act could discourage people from entering the profession, or drive today's teachers out of the profession.

UFCW Local 555 President Dan Clay said there are other, better ways to fund health care: "Raising taxes on those making more than \$200,000 a year, closing international loopholes, and modifying state taxes."

Clay said President Barack Obama is on the right track. "The right way is the way President Obama is leading us — a choice of the plan you have, another private plan or a public plan —

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Lady linemen at trades fair

Jenna Smith, Cecile Rieder, Kathryn Kennington, Bridget Reiser, Cristi Dyami, Maria Vallalobos, Suni Miani, and Lorra Crumley pose for a photo atop a power pole set up at the 17th annual Women in Trades Fair May 16 sponsored by Oregon Tradeswomen Inc. The women are linemen for Portland General Electric, Bonneville Power Administration, Seattle City Light, Oregon Trail Electric Consumers Cooperative, Eugene Water and Electric Board, Tacoma Public Utilities, and the National Joint Apprenticeship and Training Committee. They are members of Electrical Workers Local 125 in Portland, Local 659 in Central Point, Local 77 in Seattle, and Local 483 in Tacoma. The fair, held at the NECA-IBEW Local 48 training center in Northeast Portland, featured 72 exhibitors and, for the first time, hosted a Dads and Daughters breakfast. More than 600 people attended the fair May 16. On May 14 an estimated 415 middle school students toured the fair, followed by 540 high school students on May 15. "Every year I see again how important it is for girls to have the opportunity to meet industry women role models like Steamfitter Marci Wichman, Cement Mason Johnetta Abraham, and Electrician Jonni Ocejio; and for the girls and women exploring trades careers to have a chance to try out various trades at the hands-on workshops," said Connie Ashbrook, executive director of Oregon Tradeswomen Inc. "The fair is truly a labor of love for all the apprenticeship programs and employers who present the workshops, as they seek to reach out to the women and girls who attend. A huge thank-you to workshop presenters for all their efforts."

What happened to retirement?

By DON McINTOSH
Associate Editor

A year after stock and housing prices took a tumble, America's workers face a leaner retirement. Employer-guaranteed pension plans are cutting out frills. Individual savings accounts like IRAs and 401(k)s have lost a third or more of their value. And home equity — a form of personal savings that many workers count on using in retirement — has been hit hard by a 10 to 30 percent drop in home prices.

That leaves Social Security as the only truly stable source of retirement income. Despite all the politically motivated fear-mongering that Social Security might not be there for people when they retire, it's fully funded for the next 28 years, and even in the unlikely event that Congress does nothing before 2037 to shore up its finances, Social Security wouldn't eliminate benefits entirely, but cut them by 25 percent.

Most union members, however, have something else they can count on in retirement — the "defined benefit" pension plan.

In these plans, employers promise a retirement benefit, and make regular contributions to a fund so that the promises can be kept. The fund is in-

vested. If investments do poorly, employers have to increase the amounts they contribute. Because of the financial crisis, most defined benefit plans are under stress and have suffered serious investment losses. But for the most part they will still be able to pay core benefits that were promised.

Union bargaining after World War II made this kind of guaranteed pension a standard benefit for American workers. But since the 1980s, defined benefit plans have increasingly been replaced by the 401(k) "defined contribution" retirement savings plans. Just 25 years ago, more than 80 percent of large and medium-sized firms offered a defined-benefit plan; today, less than a third do. Unionized employers are becoming the last bastion of the traditional pension.

Among defined benefit pension plans, the most secure are the multi-employer funds jointly overseen by union and management trustees. They're sometimes called "Taft-Hartley" plans, because they comply with the Taft-Hartley Act of 1947. Before then, unions ran pensions directly. But an anti-union Congress, seeking to separate unions from a source of economic power, required that employers

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Labor deeply involved in cap and trade debate

By DON McINTOSH
Associate Editor

Congress and the Oregon Legislature this year are looking at laws to cut greenhouse gas emissions. Scientists say greenhouse gases, chiefly carbon dioxide and methane, are causing a rise in average global temperatures that could total 10 degrees Fahrenheit by 2100. The warming is having dramatically disruptive effects on the environment and the economy.

Representatives of organized labor are involved in those discussions at both levels. Their agenda is to maximize the creation of decently-paid

"green jobs" and to minimize economic harm to workers in polluting industries.

The proposal being debated by Congress is HR 2454, the American Clean Energy and Security Act of 2009, also known as the Waxman-Markey bill after its sponsors, representatives Henry Waxman (D-Calif.) and Edward J. Markey (D-Mass.) The bill creates a "cap-and-trade" system that would gradually reduce greenhouse gas emissions, but allow emitters to do so in the least expensive way possible.

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