Pension plan losses are all Wall Street's fault

To The Editor:

I received a letter from my trust office about how I am going to be facing a reduction of pension benefits. I belong to a union that has Taft-Hartley laws that apply to it. My union has always followed these laws, as well as the burdensome laws that former President Bush applied to the union that make them account for every penny they spend. I have wondered why it is that Wall Street can follow Arther Anderson accounting rules, but my union has a complete and different set of rules and laws it must follow.

There is no doubt in my mind that if Wall Street would have had the same laws applied to it as my union does and made to follow them, that it wouldn't be where it is today.

When you look at all the laws that apply to my union's pension plan and the way that my union followed all those laws, it will become clear that the reason my pension plan lost its value is not its fault, but is Wall Street's fault.

I find it appalling the bailout money that Wall Street received wasn't used to fix pension and 401(k) plans that they broke, but, instead, was used as a source for multi-million dollar bonuses and wages, as well as an expense account that enabled them to take vacations that cost more than what a lot of people make in a year. Then, when Wall Street was confronted with how they spent the money, they said, "we aren't going to tell you how we spent the money and you can't make us."

I think that the money Wall Street received should be used to fix all the damage to the pension and 401(k) plans that they caused. The bail-out money was not meant to be a billion-dollar vacation and bonus fund for those who mismanaged our pension plans. The money was meant as a way to fix the things that Wall Street broke.

When a person drives down the road and hits a car, and it is their fault, they are required by law to fix it. The same logic should apply to Wall Street. When Wall Street breaks a pension plan, it should be required to fix it. They shouldn't be allowed to take our tax dollars and go on a vacation with it and give themselves bonuses that are far above the wages of middle-class America. I think Wall Street should be held to the same standard that the rest of us are held to and that means that they should fix the things they break.

When my union meets with the contractors at the bargaining table, they should be concerned with bargaining about things that apply to a living wages and benefits, not about how they are going to repair the damage that Wall Street has caused to our pension plan.

I find it appalling that Wall Street receives elaborate bonuses and goes on elaborate vacations while I have to take a decrease in my standard of living because of the mistakes that they have made. Especially when I think of the billions of dollars they have received. In the interest of fairness and the true American way, I want Wall Street to fix the damage they have caused. I know they can because they have the bailout money to do it with.

Jeff Lyles
Plumbers and Fitters 290
Tualatin

The erosion of employer-sponsored health insurance

When Chrysler filed for Chapter 11 bankruptcy on April 30, the company granted the United Auto Workers union a 55 percent stake in the restructured firm. As a result, the Voluntary Employee Benefit Association (VEBA), the union's health care trust established by the Big Three automakers in 2007, will own most of Chrysler's assets.

But as Ken Terry of BNET Healthcare explains, the arrangement represents "another blow to the tottering system of employer-based insurance." The union "will accept this equity in lieu of $5 billion in cash, or about half the amount that Chrysler promised to invest in the VEBA," Terry writes. "If the ailing automaker gets dismembered in bankruptcy proceedings, or fails to recover in coming years, its retirees could lose all or part of their health care benefits."

Nationally, the percentage of Americans under the age of 65 with employer-sponsored insurance declined to less than 63 percent in 2007, from more than 67 percent in 1999, and employers are now reporting that they plan to shift more health costs to employees.

According to a new survey of businesses, one-fifth of the companies said they planned to add or switch to a high-deductible or 'consumer-directed' health plan with a health savings account, perhaps doubling the percentage of employers who offer such plans.

As the Wall Street Journal's health blog observes, "A big reason is that employers say the recession isn't just crimping business; it's also expected to drive up their health care costs. Those surveyed said they expect their health benefit costs to spike an average 7.4 percent this year (compared to the 6 percent increase employers originally forecast)."

Employers have shed 5.1 million jobs in the last 15 months, and approximately 2.4 million workers have lost the health coverage their jobs provided since the start of the recession. In fact, a new analysis of data from the U.S. Census Bureau and the Bureau of Labor statistics by the Center for American Progress concludes that the worst losses have been in the first three months of 2009, when more than 1 million workers lost health coverage. In March alone, more than 320,000 Americans lost their employer-provided health insurance, "which amounts to approximately 10,680 workers a day."

Manufacturing, construction, and professional and business services accounted for three-quarters of total jobs lost, while employees in the durable goods manufacturing sector bore the greatest burden of the losses in coverage with approximately 733,600 workers becoming uninsured since December 2007, the report concluded.

Still, estimates of the rise in the number of uninsured do not reflect the full extent of health coverage loss due to lost employment. As the report explains, the numbers represent a "conservative estimate of the number affected, since it leaves out spouses and children who may have also lost coverage as a result of a spouse or parent losing their jobs."

From The Progress Report
The daily newsletter of the Center for American Progress

Retirement security less likely for women than men

A report issued by the National Institute on Retirement Security last month examined the greater challenges women face in preparing for their retirement. The major contributing factors to the disparities are women's lower wages and longer life expectancies.

The report claims that because of a longer life expectancy, a woman with an annual income of $50,000 would need to save $1,000 more toward retirement every year than her male counterpart to have an equal retirement experience. However, as of 2007, women earned about 76 cents for every $1 earned by men, which makes saving money more difficult for many women. Women also have limited access to retirement plans through their employers; men are nearly twice as likely as women to have retirement accounts. The report urges women to have a combination of traditional pensions, supplemental 401(k)-type savings and Social Security to reduce their risk in retirement.

U.S. Merchant mariners veterans without benefits

To The Editor:

John Masarik is a retired 33-year member of Bakery Confectionery Tobacco Workers and Grain Millers Local 114. He is 82 years old.

From 1945 to 1955, John proudly served this nation in the U.S. Merchant Marines, participating in one of the last Atlantic convoys during the hostilities of World War II. The ships that John and his peers served on were prime targets of the enemies and many merchant mariners did not survive the war.

Although John proudly served this nation, it was not until 1988 that he and his fellow merchant mariners were finally recognized as veterans. But they are Veterans without benefits.

Senate Bill S. 663 would finally provide benefits and a "thank you" to the merchant mariners for their brave service.

On behalf of Local 114, I urge our U.S. senators and congressmen and women from Oregon and Washington to support this bill.

Terry Lansing
Financial Secretary
Bakers Local 114
Portland

Trio of unionists confirmed for Administration posts

WASHINGTON, D.C. — Three former union leaders — with the Air Line Pilots (ALPA), Flight Attendants-Communications Workers of America (AFA-CWA) and Seafarers (SIU) — won U.S. Senate confirmation for top posts in the Obama Administration. All three were approved by voice vote.

Capt. Randy Babbitt, a 25-year veteran of commercial airlines and a former two-term ALPA president, will steer the Federal Aviation Administration (FAA).

Under the Bush Administration, the FAA broke off bargaining with the National Air Traffic Controllers Association over a new contract in 2006 and imposed a set of harsh new working conditions and pay cuts. The Obama Administration has begun a mediation process to reach an agreement.

"It is time for a restoration of fairness to FAA labor relations and the opening of the door of collaboration and mutual respect," Babbitt said.

Linda Puchala, former AFA-CWA president, was confirmed for a seat on the National Mediation Board (NMB). She currently serves as a senior mediator with the NMB and was AFA-CWA president from 1979 to 1986.

The three-member NMB is the federal agency charged with overseeing collective bargaining and representation under the Railway Labor Act, which was enacted to protect workers' rights to organize unions and engage in free and fair collective bargaining in the aviation and rail industries.

Seth Harris, a former SIU field representative, was confirmed as deputy secretary at the Labor Department. He is currently the director of labor and employment law programs at New York Law School and, during the Clinton Administration, served as acting assistant secretary of labor for policy.

At his May 7 confirmation hearing, Harris pledged to renew the Labor Department's commitment to strategic planning and accountability. He also said the Labor Department "must welcome working people" into its decision making processes and he hopes to build "constructive, problem-solving relationships" with the unions that represent the department's employees.

Transit Union says CherryLift strike appears imminent

SALEM — CherryLift employees who provide elderly and disabled transportation services in the Salem Area Mass Transit District voted May 29 to strike. Employees of Oregon Housing and Associates Services who work under contract with the Transit District could walk off the job anytime, said Jon Hunt, president of Amalgamated Transit Union Local 757.

Employees have been working under an extended contract since June 30, 2008. They voted to strike when OHAS stopped bargaining and notified the union that it was imposing its last offer.

A one day CherryLift strike on July 7, 2006 shut down nearly all elderly and disabled transportation service in the Salem area.