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'Return to Sender'

Protesters line up in front of the St. Johns Post Office in North Portland July 9, part of a series of "Return to Sender" rallies held in Oregon by the Rural Organizing Project against the United States Postal Service's plan to cut hours at 124 rural post offices — the first step toward complete closure. The USPS plan not only goes after rural post offices, but also mail processing centers, and impacts nearly 50,000 jobs. Four of Oregon's mail sorting facilities are scheduled to be closed January 2014. At the rallies in Lane, Benton, Wasco, Marion, and other counties, Oregonians were asked to sign postcards and send letters to Congress calling for no closure or cuts to post offices.

Arbitrator rules against ATU

But calls TriMet's contract 'unwarranted, poor public policy, and simply unfair'

BY DON MCINTOSH
ASSOCIATE EDITOR

TriMet's 32-month-old contract dispute with Amalgamated Transit Union (ATU) Local 757 reached a conclusion of sorts July 13. Arbitrator David Gaba sided with the transit agency, a decision that trims health benefits for 2,026 union members and 1,200 retirees and eliminates the pension for future hires.

Under an Oregon law the union helped pass in 2007, transit workers can't strike; instead, when they can't agree, they submit contract offers to binding arbitration, and the arbitrator picks one side's final proposal in its entirety. The arbitrator is supposed to base the decision on the public interest, and consider other issues, such as an employer's ability to pay.

Local 757 proposed to keep everything the same as under the previous six-year agreement, except for health insurance, where members for the first time offered to pay up to 3 percent of the premium. TriMet's proposal, on the other hand, contained 11 contract changes, most significantly to pension and health insurance.

In his written decision, Gaba lamented not being able to pick and choose parts of the two offers. Gaba wrote that he was in the uncomfortable position of having to approve contract language that he found "personally offensive." An arbitrator since 1997, Gaba was at one time an attorney for a Washington nurses union. Parts of the TriMet package are "unwarranted, poor public policy, and simply unfair," he wrote.

For example, TriMet's proposal eliminated defined pension benefits for future hires; instead they'll get a 401(k)-style "defined contribution plan" to which TriMet will contribute 8 percent of wages. That transfers all the investment risk to employees, Gaba said, and takes away a longstanding

benefit without providing anything in return.

TriMet's proposal also limits retiree pension benefit increases to 90 percent of inflation, a provision that could open the agency up to legal liability, since it alters what was promised in the past.

Also, TriMet's proposal ends the practice of paying union officers to represent members in grievance meetings, which Gaba wrote, "appears to be motivated by anger or spite rather than by any legitimate need."

Still, all those objections were insignificant compared to what Gaba called not just an elephant in the room but "a two headed Siamese-twin elephant that has been ignored for well over a decade." That was the extraordinary cost of health care for members and retirees, and particularly the plan provided by Regence Blue Cross Blue Shield, which costs TriMet \$30,969 per year for individuals with full family insurance coverage, and \$33,694 for retirees and their families. TriMet's union

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AFL-CIO pushes tax break to 'bring jobs home'

The AFL-CIO is promoting a plan to give businesses a tax credit when they bring jobs back to the United States, and end the tax deductibility of business expenses related to offshoring.

The Bring Jobs Home Act is not considered to have any chance of passage, since it has no Republican co-sponsors and Republicans have a majority in the U.S. House. But Senate Democratic leaders have told top AFL-CIO officials that they will schedule a vote on it in the coming days — a vote that might embarrass Senate Republicans who vote against it.

The House version of the bill, HR 5542, is sponsored by Bill Pascrell (D-N.J.) and has 36 co-sponsors, including Earl Blumenauer (D-Ore.) and Jim McDermott (D-Wash.) The Senate version, S.2884, is sponsored by Debbie Stabenow (D-Mich.) and has six co-sponsors, including Jeff Merkley (D-Ore.) The bill would reduce a corporation's income tax bill by up to one-fifth of any expenses involved in bringing work back to the United States. And it would spell out that any money spent to

outsource work overseas cannot be treated as an ordinary business expense, which businesses deduct from gross income to determine their taxable income.

To tout the bill in Portland, Oregon AFL-CIO Secretary-Treasurer Barbara Byrd was joined by Northwest Oregon Labor Council Executive Secretary-Treasurer Bob Tackett and Blumenauer staffer Ree Armitage for a July 6 press conference outside the gates of Port of Portland Terminal 2.

Byrd said the location was chosen because Terminal 2 is both an import and export terminal, but Oregon has come largely to export raw materials and import finished goods. Returning manufacturing jobs to the United States would be the key to a real recovery, she said. Byrd said the latest jobs figures make that point: Bureau of Labor Statistics reported no decrease in unemployment for the month of June: Nationally 8.2 percent of workers are officially unemployed. Jobs grew by 84,000 in June, but that was less than the 100,000 needed per month to keep up with the growing workforce. Mean-

while, the percentage of workers who are unemployed, underemployed or have dropped out of the labor force actually rose from 14.8 percent in May to 14.9 percent in June.

The Washington State Labor Council and the Association of Western Pulp and Paper Workers held a press conference July 9 outside a shuttered Kimberly Clark pulp mill in Everett, Wash. About 750 workers lost their jobs earlier this year when the mill closed, and the closure was determined by the government to be trade-related.

National AFL-CIO President Richard Trumka has pushed the Bring Jobs Home Act as one part of a strategic jobs plan that would also include fair trade policies, curtailing currency manipulation and closing tax rules that discourage U.S. corporations from repatriating overseas profits.

The AFL-CIO has set up a text message alert system for the campaign: Texting "JOBS" to 235246 will allow the labor federation to send "info and action alerts to help bring America's jobs home."



Oregon AFL-CIO Secretary-Treasurer Barbara Byrd (center) was joined by Northwest Oregon Labor Council Executive Secretary-Treasurer Bob Tackett (right) and Ree Armitage, field representative for U.S. Rep. Earl Blumenauer (D-Ore.) for a July 6 press conference touting the Bring Jobs Home Act. Byrd said jobs being created today don't pay enough to produce an upward spiral in the economy. "We need to focus on policies that promote not just jobs, but good jobs," Byrd said.