

STEEL VOICE



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The Rot In Our Financial System Revealed

By Les Leopold

As the Goldman Sachs case unfolds, we will be tempted to focus exclusively on the fraud charges. After all, it sure looks as if Goldman Sachs failed to disclose that it was selling assets that were selected to fail by hedge fund honcho John Paulson, who then bet against the securities in order make a quick billion, while the investors lost an equal amount. The debate is likely to center on who should be charged with what.

But the real story goes far beyond this slimy, insider swindle. If we focus instead on the synthetic collateralized debt obligations sold by Goldman Sachs, we go to the heart of what crashed our economy.



We need to look beyond our search for good guys and bad guys in this financial casino—all the big boys were, and still are culpable. That's because creating and selling synthetic CDOs was arguably the most profitable activity in the history of Wall Street. Unfortunately it also was the most dangerous for our economy. But unless we protest loudly, Congress will fail to regulate these "customized" derivatives

The first thing to note about the Goldman Sachs synthetic CDO scam is that the investments packaged and sold contained nothing real at all. There were no actual sub prime mortgages bought and sold. There were no tangible assets involved in any part of the deal. Instead, Goldman Sachs sold a financial instrument that gained or lost value (and paid a rate of return) as if

⇒ See Rot Page 3.

My View

Bruce Reed, Local Union Representative



Brothers and Sisters:

At the printing of this newsletter a form of health care reform has been passed and President Obama has signed it into law.

As I have discussed in prior newsletters the public option was the guarantee to lower cost and that did not make the final bill. The opponents were concerned that government was taking over the insurance industry. It seems a little odd to me when the United States already has a public option for seniors in Medicare and a public option for those unfortunate enough to be on welfare in Medicaid. We also have a public option "forced" on us by Government called Social Security.

As I mention these three public options that have been enacted by past legislators, it seems almost un-American to say they are public options, we plan on having these services for us as working people and our parents, and feel they are

part of our basic rights as Americans. What we fail to remember is there were battles in Washington between the same two political parties when the legislation for these programs was voted on, the same arguments were made, higher taxes, bigger government, government takeover. As the old saying goes "hindsight is 20-20). These programs have been successful and are programs that all Americans understand and in some ways count on.

Most folks don't think about the reasoning behind the costs of hospitals and healthcare facilities, costs that our insurance companies and we pay when we use our benefits. If an uninsured person, or a person that refuses to pay their medical bill, uses a facility, the cost for their care is passed on to those of us that do have insurance and pay our bills.

The medical facilities are not getting smaller, they are all growing and the technology is getting better. When we all have insurance of some sort the medical cost that has been traditionally been passed on to us that have coverage will hopefully be reduced, and our insurance cost come down.

It's interesting to see the "tea parties" taking a stand on the higher taxes we are supposedly paying, I do not believe we have had a tax increase in fact we had a tax reduction in the first quarter of 2009. The tea parties are making a lot of noise, if some of what they are standing up for gets attention, we as a working class (the few that are left) and our families will suffer the consequences.

At this point in time there are about four splinter groups that comprise the tea parties, depending

what group is being interviewed you will hear a different argument for the reason they are gathering. We need to be aware of the message they are carrying, several of the issues they are protesting would affect us as working class.

Some of their issues make no sense to me but neither does blaming the economy and the war on President Obama, along with every other disaster that has fallen on America in the last two years. Let's all try to remember the housing crises was in full swing, the economy had crashed (later the government confirmed we had been in recession for 18 months) and the automotive companies were already in the bankruptcy mode.

Only time will tell us if the right moves were made to get America back on its feet but one thing is sure, doing nothing and claiming nothing is wrong for the eight years prior to President Obama being elected was the wrong thing to do. Those that are now saying America is heading the wrong direction are the same folks that were in control when the house fell down. Please pay attention to what is going on and do not get caught up in the junk coming from their mouths. What they are saying got us where we are, their message did not work for eight years and will not work now. ☐

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⇐ Rot From Page 1.

the synthetic product actually represented ownership in the tangible underlying assets.

For most of us this seems incomprehensible. How could a billion dollars change hands without involving a real asset (an actual mortgage with its claim to an actual home)?

For those of you who play fantasy sports this might make more sense. Right now about 10 million fantasy baseball aficionados (gamblers) "own" teams that reference real major league baseball players. But, of course, they don't "own" the actual 700 major league baseball players. Rather they just get to reference the statistics (home runs, stolen bases, etc) those players produce as if they owned them. Those fantasy baseball team "owners" bet against each other and real money changes hands. But nobody owns anything real at all.

Now just think for a moment what happens when fantasy finance replaces fantasy baseball in the real economy. It means that by creating and selling synthetic CDOs you can, in effect, sell the same asset again and again. This creates an upside-down pyramid of financial instruments which pirouettes precariously upon the underlying real assets.

In our economy we have about \$300 billion dollars or so of imperiled or failed

subprime mortgages. But through the miracle of modern financial engineering those pieces of junk were, in effect, sold several times over through synthetic CDOs. As a result, we ended up with several trillion dollars worth of toxic assets based on the limited number of underlying subprime mortgages and homes. When housing prices stopped their meteoric climb, the value of subprime assets crashed. When they did, the entire pyramid of fantasy finance instruments collapsed as well. The world now is littered with several trillion dollars of synthetic products. Their creation and destruction are a fundamental cause of the Great Recession. That's why Warrant Buffet called them "financial weapons of mass destruction."

Even the very "best" banks with squeaky clean reputations are accused of deceiving investors using synthetic CDOs. For example, the Royal Bank of Canada, which supposedly weathered the storm so well, is up against a very nasty law suit in Wisconsin involving the claim that the bank duped five school districts into buying \$200 million worth of hot air. (See the first chapter of *The Looting of America* on Alternet.org)

I had the opportunity to observe the Wisconsin scam up close. It was breathtaking. The local broker from the investment firm, Stifel Nicolaus, pitched the schools in behalf of the Royal Bank of

Canada. It was all recorded on video. It seemed to me that he didn't know the difference between a synthetic CDO and a bratwurst. But he was a trusted salesman and advisor to the school boards, so the districts bought \$200 million of synthetic CDOs, most of it with money borrowed from Depfa (an Irish bank that went under and now is owned by a German bank.) While the school districts thought they were buying a mutual fund of AA and AAA-rated corporate bonds to help fund educational liabilities, they ended up having their money used as a reserve fund to insure the junk debt held by the Royal Bank of Canada. And for the privilege of serving as an insurance company, the school districts, without knowing it, coughed up \$11.5 million to the bank in up-front fees..

The \$200 million was put in an offshore account and invested in short term AAA paper. The Royal Bank of Canada also put quarterly "insurance" payments into the fund. The school districts were supposed to get interest payments that would cover their loan and also provide a profit for the districts. In fact the school districts had purchased nothing real at all. They owned none of the underlying assets. They were the insurers..... just like AIG, and we all know how well that worked out.

⇒ See Sachs Page 5.

Common Health Insurance Myths Debunked

The heated and sometimes silly debate around health insurance reform will continue as this fall's midterm elections approach..

President Obama has said that he hopes Americans on all sides will judge the Patient Protection and Affordable Care Act for what it actually says and does.

Here's a look at some of the myths and realities, from both sides of the issue, according to a March 23, 2010 Associated Press Fact Check:

• **Obama has put the nation on a slippery slope toward socialism.**

Hello? Government's role in health care has been steadily growing since Medicare and Medicaid were established 45 years ago. Even if Republicans were to take control of Washington and repeal this bill, government would still be on track to pick up more than half the nation's health care tab by 2012, according to a report last month from Medicare.

"The Republican myth is that the government is for the first time going to take over the health care sector," said economist Joe Antos of the business-oriented American Enterprise Institute. "The takeover was probably largely accomplished in 1965 with the creation of Medicare and Medicaid. Since the early days, Medicare has called the shots on a lot of policy issues that private insurance fell in line with."

Still, the new law will undoubtedly expand the government's influence. Sen. Judd Gregg, R-N.H., warned Tuesday it will lead to the "quasi-nationalization of the health industry."

Underline "quasi." Democrats dropped their idea of a government insurance plan to compete with private carriers. So any "socialization" will be channeled through Wellpoint, UnitedHealthcare and other private insurance giants.

• **Health care overhaul is going to lower your health insurance premiums.**

Obama says that once new competitive insurance markets open for business, in 2014, individuals buying coverage comparable to what they have today will pay 14-20 percent less. Family cover-

caveat: The budget office didn't say premiums would be lower than currently. It said premiums for some people would be lower than they would have been without the bill. Premiums for others would be higher.

With the U.S. population getting older, and medical science pushing the technological envelope, there's very little reason to think premiums will go down. The best Obama can hope for is to slow the pace of increases.

• **You will be forced to pay for other people's abortions.**

Only if you join a health insur-



age costs about \$13,400 a year, so that could be real money.

But the president's assurance is based on a selective reading of a Congressional Budget Office report that found most individuals would probably buy better, more expensive coverage than what's available today.

And Obama skips over an important

ance plan that covers abortion. In that case, the costs of paying for abortions would be spread over all the enrollees in the plan — no differently from how other medical procedures are handled, except a policyholder would have to write a separate check for it.

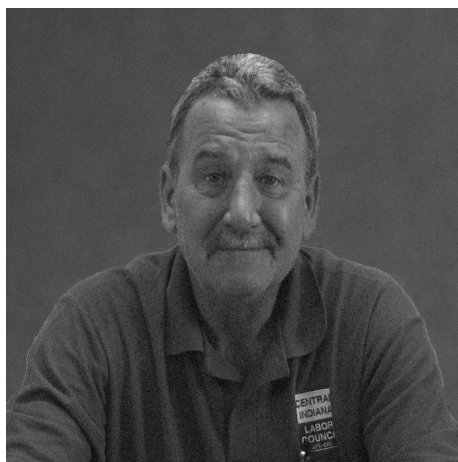
⇒ See Myths Page 7.

Thank You

Chuck Jones, President

I would like to take this opportunity to say thank you to everyone for the well wishes, and for keeping me in your thoughts and prayers. And a very special thank you to Linda Bennington for everything she has done. She really came through for me and for the local. Linda has held many positions in the local over the years but when I was diagnosed with cancer and told I needed surgery right away, Linda stepped in and did everything in order to keep the local running smoothly.

I want to share with you a little about what has been going on with me and why I have been off on sick leave. In early December I was diagnosed with colon cancer. The doctor told me I needed surgery right away. On December 18th I had surgery where they removed a tumor the size of a cantaloupe.



They had to remove a portion of my small intestine and 1/3 of my colon. I was in the hospital for one week. I was released on Christmas Day. I started chemotherapy on January 26, 2010. These treatments last for about seven hours each time. I have a treatment every three weeks and for two weeks following the treatment I have to take chemo pills. I still have four more treatments left.

Everything has been pretty rough but it isn't anything I haven't been able to handle. The chemo treatments cause real bad fatigue, and numbness and tingling in my hands and feet, and nausea is fairly continuous. But through it all, I am so thankful for having good insurance, even though I had to satisfy high deductibles and out of pocket max for 2009 and 2010. But because I had insurance I got the care that I needed, where many that do not have insurance don't get the proper care that they need.

I am expected to make a full recovery, cancer free. In closing I just want to encourage everyone to make an effort to fight against the more serious problems, and not with each other. □

↩Sachs From Page 3.

When the financial crisis came, the bank's junk debt (that was insured by the schools' borrowed money) crashed in value, and the Royal Bank of Canada simply used the off-shore account as its piggy bank: it took the insurance money to make themselves whole. As a result, the school districts' \$200 million is now worth about \$600,000 and they still owe the \$200 million on the money they had borrowed.

Here's the point: This crap was peddled by many banks

and investment houses to pension funds, municipalities and investors all over the world. Each financial institution had its own version of the scam. The upfront fees were so juicy, none of them could resist playing the game. These are the "specialty derivatives" that Congress has exempted from regulation.

Here's the take-away: Synthetic CDOs must be banned. They are dangerous and have no redeeming value to our economy – none.

Now that the rock is overturned, we can watch the

bank lobbyists scurry to defend "financial innovation" from the heavy hand of government regulation. Their case will be reinforced by hard cold cash tossed all over Congress – cash that has its origins in our financial bailout. It will be interesting to see if the Goldman Sachs uproar leads to a real crackdown on useless financial products, or whether it further diverts us from the core issues. □

Les Leopold is the author of *The Looting of America: How Wall Street's Game of Fantasy Finance destroyed our Jobs, Pensions and Prosperity, and What We Can Do About It* Chelsea Green Publishing, June 2009.

A Tea Party 10-Point Guide To Fighting Socialism In Your Own Life

By Paul Rosenberg

Gregory Lee Giusti, was arrested on Wednesday for repeatedly threatening Nancy Pelosi. Giusti, it turns out, has lived in subsidized housing for at least around a decade. After enduring close to a year now of a Medicare-based movement against public health care, don't ask me why this particular individual pushed me past my own personal tipping point, but somehow he did. I've had enough.

Look, it's time for these people to exercise a little personal responsibility. If they don't like socialism, fine. They should just stop relying on it. Don't wait for anybody else. Take some personal responsibility, dammit! Here's how. This 10-point list is not a comprehensive guide-personal responsibility means finding things out for yourself! It's just a guide on getting started, so you start to get the hang of recognizing and rejecting socialism wherever it is. But be warned, if you limit yourself to just these ten steps, the socialist will win. So start here, but don't stop! Don't stop until you've destroyed every vestige of socialism in your life. Teabaggers everywhere, take heed! This is how to throw off the shackles of socialism, once and for all! Spread the message far and wide! Defeat socialism in your own life. Don't wait for anyone else to do it for you!

(1) If you live in subsidized housing, like Gregory Lee Giusti, move. Into the street, if necessary. But not to a shelter. All shelters receive government support one way or another-either getting money directly from the government, using government-subsidized resources,

or being subsidized via the tax code.

(2) If you're on food stamps, tear them up, throw them away, and don't get any more. Just starve. Food banks are a no-no, just like shelters. All non-profits are government subsidized through the tax code.

(3) If you're on Medicaid, or your children are on SCHIP, just say no! Pay out of pocket or get sick and die. Like the man said, "Give me liberty AND give me death!"

(4) If you are on Medicare, drop out. Refuse to use your Medicare card, and pay for all your medical expenses yourself. You can try to get medical insurance, of course. Good luck with that. Aside from supplemental Medicare coverage, you'll probably have to go to Switzerland, or something.

(5) Pull your kids out of school. Obviously, public schools are socialist. But so are charter schools that receive public money. And even purely private schools employ teachers who went to public school. Yes, I know it's shocking, but it's true! So, no school! It's socialist, through and through.

(6) Stay off the streets. Almost

all streets, roads and highways in America are socialist. Private roads are incredibly rare, so unless you live on one, stay off the streets entirely. Besides, you can't buy gas without paying state and federal taxes.

(7) Stay off the sidewalks. They're just as socialist as the streets, if not more so.

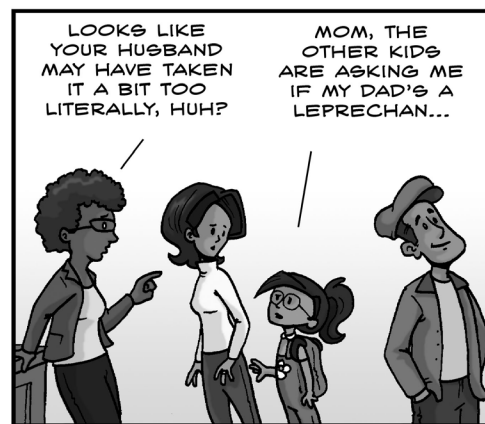
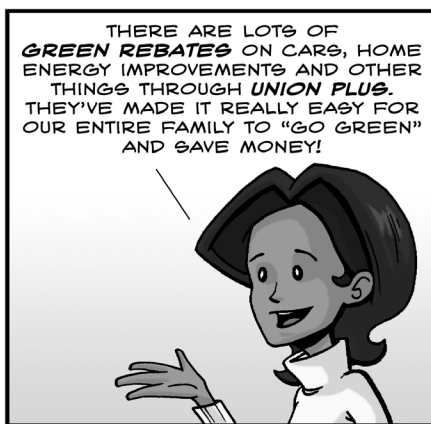
(8) Stop using municipal water. Municipal water is socialist. Use only commercial bottled water for cooking, bathing, clothes-washing, etc.

(9) Tell the fire department to screw off. Notify your local fire department that if your house catches on fire, you do not want them to come. They're socialists, after all. You'd rather have your children die a horrible death.

(10) Tell the police to screw off, too! Notify your local police department that you don't need their help if anyone steals your stuff, or tries to kill you or anything like that. In fact, you'll kill them if they try. You've warned them politely... this time!

So that's it, folks! Spread the message far & wide. No one can free you of socialism but you yourself! □





Visit UnionPlus.org/Green for more information

↩ Myths From Page 4.

Timothy Jost, a law professor at Washington and Lee University, said people who don't want to pay for abortion could simply pick a plan that doesn't offer it.

There would definitely be a demand for such plans, and not just from people with moral objections. Single men and older women would have no reason to pay an extra premium for abortion coverage.

• The Democratic bill will lead to government health care rationing.

The legislation sets up a research center to compare the effectiveness of medical treatments, and critics fear that bureaucrats will start issuing justifications for denying patients access to the latest medical technology.

Republicans as well as Democrats had previously called for a major investment in such research to help make sense of which kinds of treatments, medications and technologies are worth the cost.

The legislation specifies that the research findings cannot be used

to impose mandates, guidelines or recommendations for payment, coverage, or treatment — or used to deny coverage.

Acceptance of the research is likely to be slow in coming, and the medical community — not government and insurance companies — will probably take the lead in vetting it.

• The American people have already rejected Obamacare.

Although some polls show a majority oppose the bill, most surveys find the public about evenly divided. Blendon, the public opinion expert, believes it's premature to say that the public has rejected it. Curiously, many individual components — doing away with insurance denials for pre-existing conditions, tax credits to help pay premiums, insurance purchasing pools — are widely popular.

Obama reads those findings to mean that Democrats have a chance to turn around public opinion, and he's embarking on a campaign to sell the bill.

• The legislation will save Medicare from bankruptcy.

Democrats say the bill — even

as it cuts Medicare to pay for expanded coverage for working families — will add at least nine years of solvency to the program's giant hospital insurance trust fund, now projected to be exhausted in 2017. Technically that's true — but only on paper.

Savings from the Medicare cuts will be invested in government IOUs, like any other trust fund surplus. The special Treasury securities count as an asset on Medicare's books — making the program's precarious financial situation seem more reassuring. But the government will spend the actual money. And when time comes for Medicare to redeem the IOUs, lawmakers will have to scramble to come up with the cash.

The key point is that the Medicare savings will be received by the government only once, the Congressional Budget Office said, "so they cannot be set aside to pay for future Medicare spending and, at the same time, pay for current spending ... on other programs." □

Get the facts on healthcare reform. For more information visit www.usw.org/healthcare.

Natural Gas Company CEO Tops Exec Pay List, Earning \$100 Million

Who is Aubrey K. McClendon and why should he be notorious among corporate CEOs?

One answer is that McClendon heads Chesapeake Energy, an Oklahoma City-based \$7.7 billion natural gas-and-oil drilling and production company with 41,200 wells, most (92%) producing natural gas and many of them in the "oil patch" of Texas and Louisiana. Chesapeake is #230 in the Fortune 500 list of the largest companies.

But the second answer is that McClendon topped the pay scales of all U.S. corporate CEOs, according to the AFL-CIO's 14th annual Executive Pay Watch study. He received \$100,069,201 in total compensation, or 3,122 times the compensation of an average U.S. worker. But there's no reasons given to justify McClendon's payola.

Though McClendon's compensation was for 2008 -- his non-union firm hasn't released the 2009 figures yet -- the list, a mix of 2008 and 2009 compensation, shows a string of outlandish pay-and-compensation numbers. And it doesn't include any data about executives at three prominent companies that filed for Chapter 11 bankruptcy reorganization: GM, Chrysler and the Tribune Co.

The federation took its data from corporate reports and filings with the federal government. It shone a particular spotlight on the pay packages for the CEOs of the nation's six biggest banks, including those that got federal bailout billions -- and whose financial finaling sent the U.S. and the world

into the current Great Recession.

Topping all three groups -- in bank size, executive pay and in Troubled Assets Relief Program (TARP) aid -- was the Bank of America.

ceptional' government assistance."

Bank of America's top-paid executive, at \$30 million, was Thomas Montag, whom the firm took on when it acquired the failing Merrill. BofA CEO Ken Lewis, who



Aubrey K. McClendon Ceo of Chesapeake Energy tops the AFL-CIO's Corporate Pay Watch list of highest paid CEO's.

"Bank of America received \$45 billion in federal funds from the TARP, plus a government guarantee to limit losses on \$118 billion of troubled assets, including those acquired by Bank of America's purchase of Merrill Lynch," the fed said. "Bank of America repaid its TARP loans in Dec. 2009, escaping the compensation limits imposed on companies that received 'ex-

retired at the end of last year, "stands to collect some \$83 million in retirement," the study adds.

Like the other banks on the high-pay list, Bank of America is spending millions to vigorously lobby against comprehensive financial controls the

⇒ See CEO's Page 10.

Lettie Oliver Stands As A Reminder To Fight The Good Fight

Hospitalized after suffering an asthma-related attack, Oliver succumbed to her illness on March 1, with family members by her side. She was 58. Oliver was associate director of AF-SCME Council 62 and president of the Marion County Central Indiana Labor Council. She also was associated with the Indiana Pay Equity Coalition, which pushed legislation requiring a study to determine if women and minorities employed by the state were being paid the same as men for the same or similar jobs.

She also worked to improve the pay of janitors who work in downtown buildings, and to better the working conditions of hotel workers. For her commitment to improving the lives of others, she was honored in 2008 by the Indiana Commission on Women with its Torchbearer Award. The commission observed, in its award announcement: "She has made it her life's work to educate the women of AF-SCME Council 62 in the areas of politics and

organizing and has been a powerful force in sharing her knowledge with others for the betterment of all."

In addition, she also was deeply involved with improving her community through her service with the

Marion County Democratic Party as a precinct committeeperson and ward leader in Warren Township.

"Lettie never stopped – she was an activist 24-7," says Council 62

be very much missed and it will be impossible to fill her shoes."

"I think her legacy will be the aid she provided no matter who you were," adds Joanne Sanders, an ex-



Lettie Oliver President Central Indiana Labor Council passed away on March 1, 2010.

Exec. Dir. David Warrick, also an AFSCME International vice president. "She totally believes in the labor movement and civil rights, and she lived her life that way. There is no one I know of who has been as active as Lettie. She will

ecutive board member of the Labor Council and minority leader of the Indianapolis City-County Council.

Lettie's dedication to working families was unparalleled. She will be greatly missed □

Mine Disaster Angers Obama; Figures Show Other Violators

By Mark Gruenberg

The April 5 Upper Big Branch mine disaster, which killed 29 miners, has gotten President Barack Obama mad. And figures released by Congress show the monster coal company responsible for the tragedy is not the only such violator: There are dozens.

After meeting with Labor Secretary Hilda Solis, Mine Safety and Health Administrator Joe Main and MSHA official Kevin Stricklin in the Oval Office on April 15, Obama said the disaster showed flaws in the federal system designed to protect coal miners from such catastrophes.

But he reserved his sharpest words for mine operators, singling out Massey Energy, which owns Upper Big Branch and its owners, though not naming company

CEO Don Blankenship. Obama told Solis to work with the Justice Department on the Upper Big Branch investigation, implying there could be criminal charges.

"This tragedy was triggered by a failure at the Upper Big Branch mine -- a failure first and foremost of management, but also a failure of oversight and a failure of laws so riddled with loopholes that they allow unsafe conditions to continue," the president said.

"Owners responsible for conditions in the Upper Big Branch mine should be held accountable for decisions they made and preventive measures they failed to take. And I've asked Secretary Solis to work with the Justice Department to ensure ev-

ery tool in the federal government is available in this investigation.

"But this isn't just about a single mine. It's about all of our mines. The safety record at the Massey Upper Big Branch mine was troubling. And it's clear that while there are many responsible companies, far too many mines aren't doing enough to protect their workers' safety," the president said.

Obama's statement cheered Mine Workers President Cecil Roberts. Upper Big Branch, like other Massey mines, is non-union. Blankenship is notoriously anti-union.

"President Obama's statement re-

⇒ See Mine Page 13.

⇒ CEO's From Page 8.

Democratic Obama administration is trying to push through Congress -- with the AFL-CIO's help -- to curb the "casino gambling" on Wall Street that led to the current crash.

"Wall Street still has not gotten the message" the rest of the country is sending after the crash, AFL-CIO President Richard L. Trumka said. Referring to both the high payouts and the intensive lobbying -- which has seen the banks hire more lobbyists against financial reform than there are members of Congress -- Trumka said "it's time for" lawmakers "to erect real financial reform" and use TARP money "to help recreate the jobs" bankers "destroyed."

The AFL-CIO will lead a mass pro-

test against the bankers on April 29, hoping to attract 10,000 people to storm their citadel of Wall Street.

Eugene Isenberg of Nabors Industries finished second to Robinson -- \$41 million behind. Besides the bankers, other notable CEO pay figures last year belonged to CVS-Caremark's Thomas Ryan (15th at \$30.43 million), Wal-Mart's Lee Scott (17th - \$30.16 million) and Comcast's Brian Roberts (34th - \$23.73 million).

All the pay figures, except for Roberts, are for 2009. And all three firms are known for their bitter fights against workers who are trying to organize to better themselves.

Comcast has been battling the Communications Workers, Wal-Mart has

broken labor law hundreds of times and is a leader in anti-union hostility among corporations, and Change To Win has a long-running campaign going against CVS-Caremark.

Delta Airlines CEO Richard Anderson, who has already overseen two nasty campaigns against the Association of Flight Attendants to keep his airline "union-free," earned \$5.89 million in 2008, which didn't even place him in the top 100 CEOs. With acquiescence from the anti-worker GOP Bush administration, Anderson's red-state anti-union Delta devoured blue-state wall-to-wall union Northwest Airlines. The "new Delta" has vowed to oust AFA-CWA from representing any attendants, including those it inherited from Northwest. □

Unit 07 Carrier

Brothers and Sisters of Local 1999,

Here at the Carrier plant, production is rolling right along. In the next few months we will see some significant changes in our production line set-up and alignment. During and after these changes our manpower level should stay consistent throughout the summer and early fall of this year.

Our grievance load remains high with contract interpretation the bulk of the issues. Our arbitration load is high and growing each month. Our committee is working hard to represent our workforce and resolve the issues.

We would like to thank the Local for coordinating the IOSHA training course held April 12th at the Hall. The eleven members that attended from our facility were very pleased with what they learned. Everyone thought it was very informative and recommended the program to other members.

Don't forget to vote for our labor friendly representatives in the May primary. Thank you and have a safe spring.

In Solidarity,
George Gann
Unit 07 President

Unit 09 Quemetco

We successfully negotiated a new

contract that was ratified at the end of February. We were able to negotiate pay increases of \$.95, \$.75, and \$.75 for the three years of the contract.

As with all of our negotiations, health insurance was the dominating issue in our negotiations with the company. We changed from United Helthcare to Anthem Blue Cross, Blue Shield. Due to the rising cost of insurance premiums we are now paying more for our insurance while getting fewer benefits.

I would like to thank the Negotiating Committee for their time and commitment in getting a new contract.

Unfortunately Congress ended up passing a watered down version of healthcare reform. Our representatives had the opportunity for sweeping reform for healthcare. Due to the millions of dollars the insurance lobby spent and the lies and scare tactics used by such groups as the "tea party" activists to confuse the public most of our representatives did not have the backbone to provide us with the reform needed.

Since I have brought up the "tea party" I will give you a few thoughts on them. I believe this group to be very dangerous. They spew forth a lot of lies that uninformed people are inclined to believe. One for example is that Obama has raised taxes.

Obama passed 25 separate tax cuts, including \$300 billion in middle class tax cuts -- one of the largest in history - as part of the stimulus package. Unlike President Bush's 2001 tax cuts, which went to the wealthiest 2.2%, President Obama's tax cuts overwhelmingly benefit

working and middle class families -- in fact, 95% of all Americans.

Please remember to get out and vote in the primary. Support the candidates who have and will support labor. Early voting is the easiest way to vote. In Marion County you may vote early at the Clerk's office through noon May 3.

I would also like to say "Welcome Back Chuck". It is good to have you back.

In Solidarity,
Kelly Ray Hugunin
Unit 09 President

Unit 17 Mid America Extrusion

Business is improving as we have shipped 718,000 pounds of aluminum in January, 675,000 pounds of aluminum in February, and 834,000 pounds of aluminum in March. We are still short of our goal of 1.1 million pounds per month. We have also hired 2 additional employees.

I would like to thank everyone who participated in our food pantry drawing. We have donated \$192 to help hungry Steelworker families.

I attended the OSHA training here on April 12. It was very informative and I would recommend the program for all members.

In Solidarity,
Howard W. Davis
Unit 17 President

Disgusted With GOP Obstructionism, Obama Names Becker, Pearce To NLRB

Disgusted with Senate GOP obstructionism that left 217 key jobs unfilled, Democratic President Barack Obama used his constitutional powers to appoint attorneys Craig Becker and Mark Pearce to fill two vacant seats on the National Labor Relations Board. He also named 13 other interim appointees to other agencies.

Obama's "recess appointees" -- announced March 27 while the Senate is out of session for the Passover-Easter break -- can hold their seats without confirmation until the end of this congressional session. Both men are Democrats.

"The Senate has the responsibility to approve or disapprove of my nominees. But if, in the interest of scoring political points, Republicans in the Senate refuse to exercise that responsibility, I must act in the interest of the American people and exercise my authority to fill these positions on an interim basis,"

Obama said. "Most of the men and women whose appointments I am announcing today were approved by Senate committees months ago, yet still await a vote of the Senate."

The Senate Labor Committee approved Pearce unanimously and Becker, a Chicago attorney, law professor and associate counsel for the AFL-CIO and SEIU, by a party-line vote earlier in 2010. The GOP, denouncing his past writings as a professor, successfully filibustered against Becker. Pearce, of Buffalo, and a third nominee, a Republican, have not

come up. Obama's appointments did not include the Republican.

Appointment of Becker and Pearce is important because the full board rules on such issues as labor law-breaking, which unions represent workers in jurisdictional disputes and which workers are "employees" who can unionize, and which are not,

Union leaders hailed Obama's decision. Communications Workers President Larry Cohen, who urged his members to call the White



House and demand the recess appointments, said, "These appointments are critical for workers to get justice in the workplace." The appointments also pleased Teamsters President James Hoffa and Teachers President Randi Weingarten.

"The president appointed two men who will work to restore fairness in the workplace," Hoffa said. "Becker is a good and decent man. He earned a reputation for impartiality over a long and distinguished career. His views are well within the mainstream of labor law. It's time for the NLRB to get on with

its important work. Appointing Becker and Pearce...will allow the board to finally move forward."

Weingarten praised Obama's "bold stand to restore functioning and balance" to the board, countering "obstructionists who put business interests and partisan politics above the needs of American workers."

Naming Becker and Pearce to the NLRB "signals a long-overdue shift whereby workers, and not just bosses, will receive equal consideration in crucial matters such as labor disputes and elections," she added. "Giving voice to workers is good for the country. The anti-worker bias of President Bush's labor appointments effectively deprived workers and unions of fair hearings" at the board and elsewhere, she said.

Appointment of Becker and Pearce guarantees a quorum for the 5-member NLRB, so it can again make key rulings without legal challenge. The board has had only two members -- Democrat Wilma Liebman, the chair, and Republican Peter Schaumber -- since the last day of 2007. Their subsequent 2-0 rulings have been challenged in court, in a case the U.S. Supreme Court heard on March 23.

The appointments also solve a problem that landed the NLRB's 2-0 rulings in legal limbo: The need for three NLRB members for a quorum. Even when Schaumber's term expires Aug. 27, Liebman plus the two recess appointees will be a quorum. □



◀ Mine From Page 10.

garding mine safety is an unprecedented public stance for an American [resident to take, and one that is good news for all coal miners. His commitment to miners' health and safety is, in my experience, unmatched by any previous president. On behalf of the members of the UMWA and all coal miners and their families, I thank him," Roberts said.

The president "hit the nail on the head. The issues surrounding the explosion at the Upper Big Branch mine are very troubling, and we need to get to the bottom of what happened there. But we must go further and deal with the larger issue of serial 'safety violators like Massey' that must be addressed," Roberts declared.

And Roberts "especially applauds Obama's determination that miners must have the right to refuse to work in unsafe conditions." He pointed out that "UMWA members have that right written into our contracts, but nonunion miners do not" and can be fired for refusing to work in life-threatening

or health-threatening conditions.

Solis explained, in an earlier statement, several reasons why Upper Big Branch stayed open despite numerous safety violations and MSHA citations. One reason was an error in an MSHA computer program tracking substantial safety violations. That let the coal mine escape scrutiny when it should have been flagged as a persistent violator.

But the other reason, MSHA admits, was that mine owners can keep mines going -- without changing anything -- by appealing MSHA's citations. That's what Massey and Blankenship did at Upper Big Branch, dozens of times.

The House Education and Labor Committee, working with MSHA data, identified Upper Big Branch and 48 other mines that stay open despite many safety violations, due to company appeals. Of the coal mines, 22 are in West Virginia, four in Kentucky, and one each in Illinois (Jackson County), Utah, Kansas, Virginia and Arizona.

The 17 flunking metal mines and flunking non-metal mining facili-

ties covered by MSHA included -- among other sites -- a plant near Seattle and a cement plant in Miami. "Mine operators who game the system to avoid tough scrutiny by federal safety officials must be held accountable," said committee chairman George Miller, D-Calif.

Obama also ordered stepped-up MSHA enforcement. Solis promised Obama -- and miners -- would get it.

"Starting today, we'll go back and take another look at mines across this country with troubling safety records, and get inspectors into those mines immediately to ensure they aren't facing the same unsafe working conditions that led to this disaster," Obama said. "Safety violators like Massey have still been able to find ways to put their bottom line before the safety of their workers -- filing endless appeals instead of paying fines and fixing safety problems."

"Miners do not have to sacrifice their lives for their livelihood. And every miner, at every mine, after every shift, can and should come home to his or her family safe and whole," Solis said. □

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WEB

130 Lawmakers Ask Obama To Combat Chinese Currency Manipulation

Approximately 130 representatives, including at least two dozen House Republicans, have asked the Obama administration to combat Chinese currency manipulation.

In a March 15 letter to Treasury Secretary Timothy Geithner and Commerce Secretary Gary Locke, the legislators said China's deliberately undervalued *renminbi* not only costs U.S. workers jobs -- by giving China a multi-billion-dollar unfair trade advantage -- but that keeping it undervalued could prolong the world recession.

The lawmakers, led by Reps. Mike Michaud, D-Maine, and Tim Ryan, D-Ohio, want the Commerce Department to apply countervailing duties against Chinese exports to the U.S. to make up for China's undervalued currency, which is also known as the *yuan*. "Under countervailing duty law, the U.S. is permitted to respond to subsidized imports where elements of the subsidy are met," they wrote.

And they want the Treasury Department to openly label China a currency manipulator -- something they said Geithner implied in testimony earlier this year -- and start bargaining with China on the issue, while seeking allies in that cause. If bargaining fails to budge the Chinese or the currency, Treasury should file a formal complaint against China with the World Trade Organization, the legislators added.

The letter drew immediate praise from Steelworkers President Leo Gerard. His union has brought trade cases against China to U.S. agencies on items ranging from tires to steel pipe and tubing to the coated paper used in fax machines. Chinese currency manipulation helps those Chinese products and many others, Gerard said.

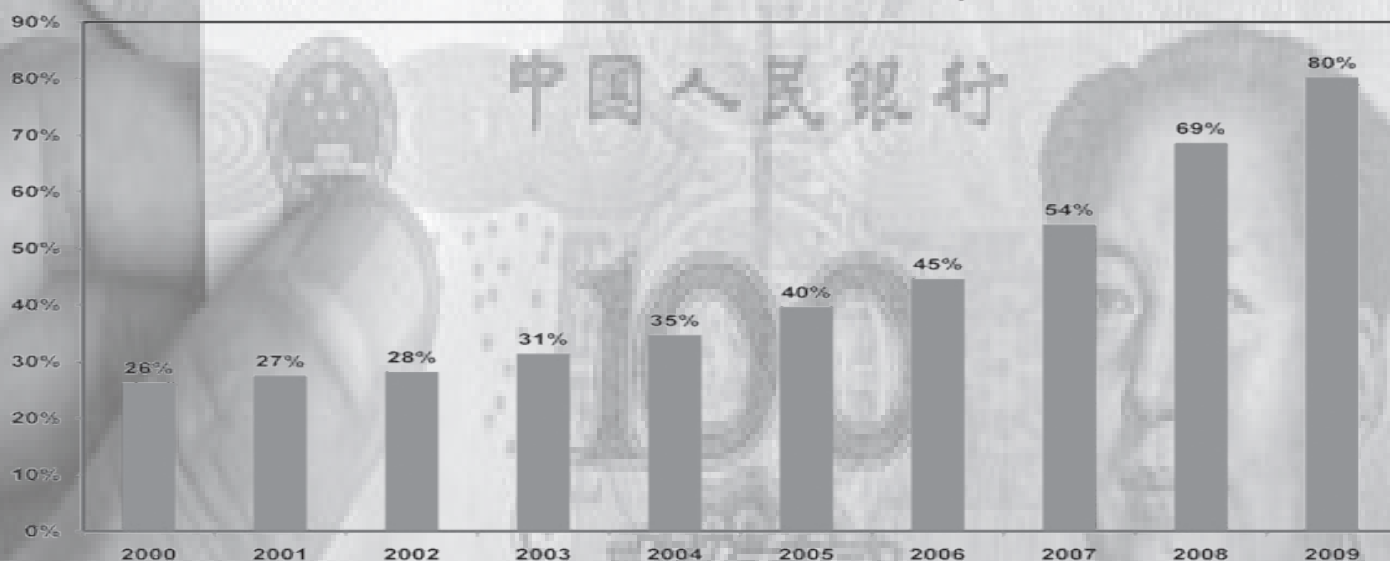
"The congressional letter is a timely rebuke to China's growing trade imbalance with the U.S. and the harm it is unfairly doing to American workers and industry. Our na-

tion's trade imbalance is unsustainable and it factually demonstrates China is operating as a protectionist country. Currency is probably the single most critical barrier to exports by the U.S., but it's hardly the only one," Gerard said.

"China's currency manipulation essentially subsidizes Chinese exports and imposes tariffs on foreign imports. This presents an insurmountable trade barrier to U.S. manufacturers," said Michaud, a Machinist. "If the administration fails to act on this issue it will hold back our economic recovery and hurt the ability of businesses and manufacturers to increase production, keep their doors open, and create jobs."

The AFL-CIO filed a well-documented complaint about China's currency under-valuation during the anti-worker GOP Bush regime. Bush's U.S. Trade Representative rejected it, approximately 15 minutes after it was filed, without even reading it. □

China's share of U.S. non-oil trade deficit tripled, 2000-2009



Source: U.S. International Trade Commission and Economic Policy Institute

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April 21, 2010

It's Time to Take Action for Jobs

Our country desperately needs to secure and create good-paying jobs. The emerging clean energy economy has provided us with tremendous opportunity to do just that. If we don't push and take advantage of this opportunity that provides particular promise for manufacturing, the opportunity will pass us by as other nations create these jobs.

This is our chance to secure and rebuild domestic industries through new clean energy jobs!

Action Instructions:

- 1 – Write three handwritten, personalized notes – one to each of your Senators and one to your Representative. Please see the sample note on the following page.
- 2 – Make sure to include your home address to show that you are a constituent.
- 3 – Local Rapid Response Coordinators should collect all completed notes and mail them to the nearest Sub-District office. We will be doing deliveries and mailing them periodically to increase the impact.

If you have questions or need an address, contact your District Rapid Response Coordinator. You can also call us toll-free at 866-851-9631 to be connected with your Coordinator.

To view last week's InfoAlert describing the many USW members who are already working in green jobs, visit:
http://images.usw.org/download/rapid/InfoAlert_Green_Jobs1.pdf

To view information on how China is investing in the creation of green jobs, visit:
http://images.usw.org/download/rapid/InfoAlert_Green_Jobs2.pdf

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