

AN INJURY TO ONE IS AN INJURY TO ALL



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SEATTLE ILWU-PENSION CLUB**

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MEETINGS:

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LATE EDITION

To try to keep abreast of negotiations.

WHERE DO WE GO FROM HERE?

Our RUSTY HOOK analysis of the state of negotiations:

Negotiations are stalled and will go into overtime, extending the present contract. The strategy of the PMA is to stall. This is for two main reasons.

1. They are afraid of our strength that comes from all out support from the Teamsters and the East Coast ILA. plus support from overseas unions who are eager to take a crack at Bush's attempt to rule the world. Stalling gives them a slim chance that unity will weaken as time goes on.

2. The second reason for stalling is their hope that a new terrorist attack will give Bush an excuse to crack down on all unions. Reason number 1 is a slim hope because labor is realizing more and more that unity is the best answer to corporate union busting. "An Injury To One Is An injury To All." Add to that the present exposure of corporation fraud and stealing is weakening corporate power and unity at the very time PMA needs corporate unity and government help.

In line with their stalling strategy, as of June 30, no settlement has been reached on any of the issues up for negotiation. Most of the time so far has been spent on health and welfare and that is not settled. Talk on pensions has reached no conclusion. That's all so far.

The two demands of PMA - technological displacement of checkers and that local arbitration machinery be

dismantled have not even been touched.

Another maneuver by PMA, organizing a Waterfront Coalition of large discount houses such as Costco to support PMA demands is likely to backfire. The Costco's worry that Christmas cargo will be delayed. If they want timely shipments they should put pressure on the PMA to settle now.

The ILWU believes negotiations should follow the guide lines of the past 50 years in negotiations that has proven beneficial. It has yielded fair wages, health and welfare, pensions, industrial peace and continuing profits for shipowners. The only reason for PMA's new, negative demands is simply to gain more profits at waterfront workers' jobs and expense. Rampant greed is their only reason and we are now seeing where that can lead in national uncovering of corporate greed in today's news. It has become a dangerous national social and economic crisis that may go on for a long time.

So what do we do? We demand negotiations in the tradition of the fifty-year pattern since 1948. We stand before unions and the public as defenders of a positive and constructive labor relations tradition. Within that pattern we can care for the ongoing needs of waterfront workers' and waterfront peaceful relations.

Instead the PMA seeks to force the waterfront back to unsettled and unfair conditions that before 1948. We are a proud union and have a just cause.

WHERE DO WE GO FROM HERE?

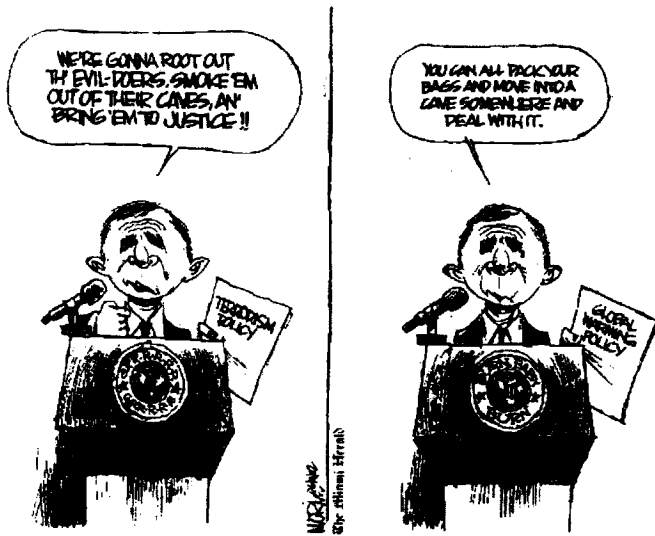
Continued from page 1

The PMA is greedily trying to throw the waterfront in a sea of troubles. It is part of the corporate pattern of profits by any and all means. The sooner they get over the sickness, the sooner we can get cargo moving.

Looking to the future, we realize the corporations scheme daily, hourly and in a thousand ways to rob the public, the US treasury by tax evasion and workers of their wages. We need to support with real energy in our ILWU organizing campaign if our future is to be secured. We have to build our union in order to survive. It is no stronger than its membership. Adding to our membership is adding to our strength.

We must also pay attention to the ballot box. The US government under the Bush Republican administration, the Congress with its Republican House and tag-along Democrats plus Supreme Court connivance both pass and enforce ant-labor laws. They can steal Presidential elections. The whole mess needs a thorough house cleaning. It is time to wake up, smell the rot and support and vote for pro-labor candidates!

A BETTER LIFE IS POSSIBLE!
A BETTER LIFE IS NECESSARY!



"Ninety eight percent of the adults in this country are decent, hardworking, honest Americans. It's the other lousy two percent that get all the publicity. But then, we elected them."

- Lily Tomlin

CORPORATE RUIN

If we want to know what is going on in our negotiations with PMA, we only need to look at what is going on in corporate America. What is going on is that a frenzy for profits is developing into corporate losses being fraudulently presented as profits - this for the purpose of bilking investors and workers out of millions and counting. These examples of corporate fraud are increasing daily as reported in the media. We all know the examples such as Enron (now old news) and others such as the latest, Worldcom, which reported a \$2.3 billion loss as profit. Many others have been reported and no doubt there are more to come.

To say that public confidence in corporate ethics has reached a new low is to state the obvious. When corporate ethics is exposed for all to see we are faced with a stark social and economic crisis.

This is the kind of country the Bush administration and tag along Democrats are pushing off on us. If it weren't for the "War against Terrorism" and a government policy founded on misinformation or no information, the citizenry would demanding a house cleaning from top to bottom. Bush is not likely to rush to investigate corporate fraud if there is another "terrorist incident." Naturally, if we need to concentrate on Bush's war, we might overlook examples of corruption and other billionaire malpractice's.

In light of all this financial hijinks where do we stand in negotiations with the PMA? Well there is little doubt PMA is also a profit seeker. We haven't heard reports of fraud in that direction, but it is doubtful the PMA is a bird of a different feather. They call, for instance for more efficiency. "Efficiency" means in corporate-speak more profit - at the expense of jobs. It also means shoving health and welfare costs onto waterfront workers. It also means, if they get away with cuts now, as surely as night follows day they will go after more cuts in the future. That is corporate culture. It cannot be changed anymore than "time nor tide." The sooner we understand that, the sooner we can defend ourselves against a determined enemy.

So what do we do? We point out to the public, other unions, the media and anyone else interested in listening, that the PMA is demanding that we go backwards - that we give up a positive labor relation's policy that has worked for the past fifty years. It brought good relations between labor and management. It allowed fair wages and benefits. It must have brought fair profits for the shipowners - at least we haven't heard of any bankruptcies in that fifty-year span. PMA hopes to whittle us down to the point of no union at all - that too is part of corporate policy.

We also need to take election campaigns seriously to safeguard unions. We need to support our ILWU organizing campaign to strengthen our union.

HMO - PATH TO CORRUPTION

The PMA proposal to put us all into HMO's with co-payments at our expense is leading us down the path of ever increasing costs to us. It would require us to subsidize a bloated bureaucracy that pays its executives for extravagant squandering comparable to the CEO rip-offs in today's news.

Take for instance the example of Allina, Minnesota's largest HMO. Minnesota's Attorney General Mike Hatch did an exhaustive investigation of corruption there and found "extravagant administrative expenditures." He found that "administrative costs ranged from 17 to 44 percent of medical costs and that five of their branches charged Medicare twice as much in administrative costs as they should have. ..." "Inappropriate charges to Medicare included expenditures on gifts for HMO employees like massages and golf games, lavish parties for employees, and tickets to sporting events."

The list goes on and on:

Trips for executives to Aspen and Vail, more than thirty trips to Hawaii, and more than 1,000 trips to California and Florida from 1998 to 2000;

Flights to Aruba, London, Paris, Venice, Grand Cayman, Amsterdam, Athens, Cancun, Los Cabos, Pago Pago, Puerto Vallarta and San Juan during those same years;

\$18,000 worth of Minnesota Timberwolves season tickets for just one executive over three years, and \$5,180 for Minnesota Twins season tickets in 1998 for another;

\$1 million a year for a "turn around" specialist from California who worked part time and hired more California consultants to host parties for executives, and at which they watched the movie Twelve Angry Men to learn about group dynamics;

\$70,000 company party, \$10,000 of which was for a laser light show;

Thousands on food and drinks for eight Allina officials attending an 'ethics' seminar in Monterey, California, including \$1,500 for one meal at the exclusive Club XIX overlooking the 18th hole of the Pebble Beach Golf Course."

There is more, but we have run out of space.

Is this what we want to pay HMO co-payments for as the PMA proposes? We better take a close look!

PRODUCTIVITY

The employers say they want more productivity. They already have it!

From the People's Weekly World 6/15/02

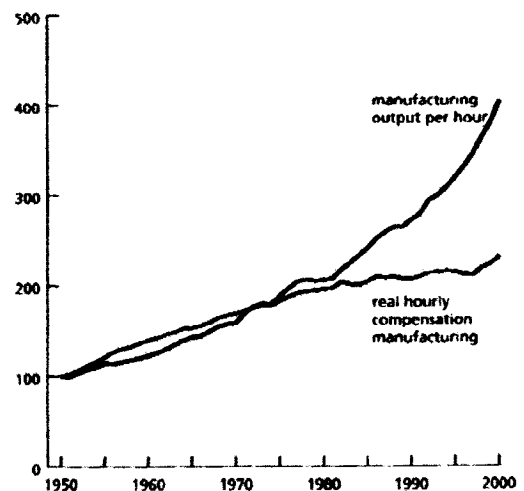
"Waterfront employers say they are seeking greater productivity gains from the introduction of electronic technology, but figures indicate surging growth in productivity. This was reflected in reports appearing in the industry publication American Shipper. American President Lines reported that it cut costs by 6 percent and increased productivity by 17 percent while profits for its owner, Neptune Orient Lines, were \$79 million in 2001.

Ap Moeller, owner of Sealand-Maersk, reported \$684 million profit for 2001- an increase of 3.4 percent over the previous year. Hapag-Lloyd Container Line increased its profit \$164 million- an increase of 17 percent over 2000. It reported container volume was up 8 percent to 1.7 million TEU's, with no increase in staff. The parent Hapag-Lloyd group, which includes cruise ships, freighters and logistics, had an operating profit that increased by 20 percent to \$265 million for 2001.

The shipping and stevedoring companies of the PMA are profiting handsomely from the growth in productivity, but like capitalists generally, they seek to maximize their profits at the expense of the work force.

The ILWU has a long and honorable tradition of militancy and fighting to advance wages, working conditions and job security of its members, and is moving to mobilize public as well as labor support for its fight for a good contract."

Changes in Hourly Output and Hourly Compensation per Worker in Manufacturing (1950 = 100)



Source: US Bureau of Labor Statistics, Major Sector Productivity and Costs Index, calculated from changes in output per hour in manufacturing (Series ID: PRS30006092) and hourly compensation changes (Series ID: PRS30006091)

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ILWU INTERNATIONAL PRESS RELEASE

Senators and Congress members urge negotiations, not government intervention
July 1, 2002

A group of Democratic Senators and Congressional representatives have written letters weighing in on the West Coast longshore contract negotiations.

Senator Edward Kennedy and all seven Democratic Senators from the states where the ILWU works the waterfront (California, Oregon, Washington, Hawaii) sent a letter to President Bush June 28 telling him that they believe his administration should stay out of the contract talks.

"We urge you not to intervene in this ongoing labor negotiation. We believe that any such intervention would be harmful to the swift resolution of this negotiation," the Senators' letter read.

Another group of 45 Democratic Congressional representatives, led by California's George Miller, sent a letter June 28 to both PMA CEO Joseph Miniace and ILWU International President James Spinosa urging them to bargain in good faith "without using bargaining strategies that may take advantage of current national security concerns or that rely on hoped-for government intervention."

The letter goes on to say "We are disturbed by reports that the PMA... is manufacturing a 'labor crisis and undermining prospects for a contract settlement. This apparently is being done to secure the U.S. government intervention to, in turn, leverage economic gains the PMA may not be able to achieve in contract negotiations with the ILWU."

For more information contact ILWU Communications Director Steve Stallone at 415-775-0533 ext. 114 (office) or 510-390-4748 (cell).

BUSINESS IS BUSINESS, IT'S JUST A MATTER OF SCALE...



TEXT OF REP. GEORGE MILLER LETTER

June 26, 2002

To: James Spinosa ILWU and Joseph Miniace PMA

We are writing to urge both management and labor to negotiate a new West Coast longshore labor agreement in the spirit of good faith and fair compromise, and without using bargaining strategies that may take advantage of current national security concerns or that rely on hoped-for government intervention.

We are disturbed by reports that the Pacific Maritime Association (PMA), which serves as the multi-employer association and bargaining agent of mostly foreign steamship, stevedore and marine terminal companies, is manufacturing a "labor crisis" and undermining prospects for a contract settlement. This apparently is being done to secure U.S. government intervention to, in turn, leverage economic gains that PMA may not be able to achieve in contract negotiations with the ILWU. In this regard, we understand that PMA is, among other things:

- 1) Making repeated, public threats that the Employers intend to lockout ILWU workers and thereby shut down the West Coast ports;
- 2) Conducting contract negotiations directly contrary to its public statements to the federal government and the media. Specifically, the PMA is aggressively seeking at the bargaining table economic takeaways from employees in the areas of medical benefits, pension and wages, while it has and continues to publicly campaign for a contract settlement that would provide employees with increased economic benefits and job security in exchange for new technologies and improved productivity in the ports;
- 3) Failing to provide the ILWU with requested information concerning the specific impact of proposed new technologies on the workforce, which information is necessary for meaningful negotiations;
- 4) Creating unwarranted alarm as to what happens in the longshore industry in the event the labor contract expires on July 1 without a settlement. While the PMA is portraying a scenario of economic doom, the past several contracts were successfully negotiated in the weeks following the July 1 expiration date without a strike or lockout. The last West Coast strike occurred over 30 years ago. Industry practice shows that contract expiration actually facilitates a negotiated settlement.

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REP. GEORGE MILLER LETTER

Continued from page 4

The International Longshore and Warehouse Union (ILWU) and the Pacific Maritime Association (PMA) have an outstanding record of providing efficient operations and productivity in our West Coast ports, especially in times of war, emergencies and national crisis. We understand that there has not been a West Coast longshore strike since 1971 because the parties have consistently been able to resolve their differences through contract negotiations. We also understand that this has been accomplished without the involvement of outside parties, mediators and, most importantly, the government.

We believe that to continue this record of success, all outside parties, including the government, must not interfere in the present longshore contract negotiations. It is particularly important that our current national security concerns not be used by either party as a tool to gain unfair contract advantages. Rather, the PMA and the ILWU should work together to develop security measures to protect the West Coast ports and our nation from terrorism. We understand that the ILWU submitted specific proposals on port security to the PMA within days of the September 11 attacks and that these remain unresolved in the contract negotiations. WE urge the parties to work in partnership to protect our ports and the American people.

As to other negotiation issues, it is reported that in addition to implementation of new technologies for port operations, the Employers seek several economic concessions from the Union in the areas of wage freezes, medical benefits and pension as well as significant changes in the traditional arbitration system and dispatch hall arrangements. We are informed that the Union seeks, among other things, improvements in pension benefits and specific port security measures to deter terrorist attacks. These are all formidable issues that should be resolved through traditional collective bargaining and without strategies that use current national security concerns and requested government intervention to leverage concessions.

We urge the parties not to build inflexible bargaining positions based on the expectation of government intervention to force a specific resolution as we would oppose such government action. Nor would we support the use of national security measures as a means to change long-established federal labor policy that preclude the government from restricting labor's legal rights or taking sides in a labor dispute.

We are confident that the PMA and the ILWU can best reach a satisfactory contract settlement by traditional collective bargaining "at the bargaining table" and not by means of threatened government action or public campaigns.

We wish you and your members the best in your negotiations.

Sincerely,
George Miller and 44 other Representatives

LETTER TO THE PRESIDENT OF THE UNITED STATES

From Senator Edward Kennedy and also signed by 7 other West Coast Senators on June 28, 2002.

Dear Mr. President,

We understand that the Administration is considering intervention in the contract negotiations between the PMA and the ILWU. The ILWU and PMA have an outstanding record of providing efficient operations at our West Coast ports, especially in times of war, emergency and national crisis. They have successfully settled every contract negotiation for the last tree decades with no disruption to the transportation of goods. We strongly believe that the parties should be left to resolve their differences through good-faith bargaining. We urge you not to intervene in this ongoing negotiation. We believe that any such intervention would be harmful to the swift resolution of this negotiation.

Respectfully,

Edward Kennedy, Diannie Feinstein, Ron Wyden, Patty Murray, Daniel Inouye, Daniel Akaka, Barbara Boxer and Maria Cantwell

Lifetime Memberships

A single payment according to the following schedule,

Age 55 – 60 \$115.00

Age 60 – 70 \$ 95.00

Age 70 – 90 \$ 85.00

Special message to all lifetime members.

Lifetime membership does not include the assessment for the PCPA Conventions.

The assessment is \$3.00 per year .

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CONTRIBUTIONS TO THE STRIKE / LOCKOUT FUND

The following Old Timers have contributed to the fund. As you have been informed, the money you have contributed is refundable in full to you if present negotiations are settled peacefully. Whether that happens depends on whether the PMA gets off its high horse and bargains in good faith:

This adds up to \$3,630.00 contributed so far. In addition our Local 19 Pension Club has a contingency fund of \$5,000.00 which is available as needed locally; adding up to a grand total of \$8,630.00. If push comes to shove and we have a lockout or strike, more will be needed. So if you have not made your contribution toward stopping the PMA from cutting our Health and Welfare and jobs, dig deep. Your contribution will help guarantee a better future for each and every one of us!

Harold Bjorndahl
 Jerry Tyler
 Wilfred Kover
 Donald Reidel
 Sam & Eva Rosenberg
 Robert Collen
 Richard Anderson
 Robert & Shirley Roberts
 Wilfred Kover
 John F. Prong
 Rita M. MacDougall
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 C.K. McBride
 Kyle Kenny
 B. Alexander
 K. Roberts
 Roman Javillonar
 Herb Lenz
 David Brennan
 Ron VonCarnop
 Jack Matthews
 Dan Sorentino

CORRESPONDENCE

From RODNEY BAKKEN, Seattle
 \$5.00 - Green message only. Thanks ROD.

From EDWIN HICKS, Seattle.
 \$20.00 - Same message. Thanks ED.

From MURRELL R. LEE, Sumner, Wa.
 \$10.00 - RUSTY HOOK. Thanks, MURRELL

From ED RODENBURD, Seattle.
 \$20.00 - donation RUSTY HOOK - Thanks ED.

From MIKE SISTI, Seattle.
 To the RUSTY HOOK, \$50.00. Many thanks, MIKE.

From CAE PITHAROULLS, Athens, Greece:

"TWO TO ONE

Jeremiah Talbot eyed his first drink and the bartender eyed Jeremiah Talbot. Never know with these boilermaker drinkers, the bartender thought, Strange this one. Must be retired longshoreman. Muscular, husky neck. Veined nose said drank regular. Ease at the bar said controlled.

But tricky show. Came in regular of late. Ordered two ryes with beer chaser right off. Seemed to debate over first, then downed it like a lost argument. Sipped the second with small calm smile.

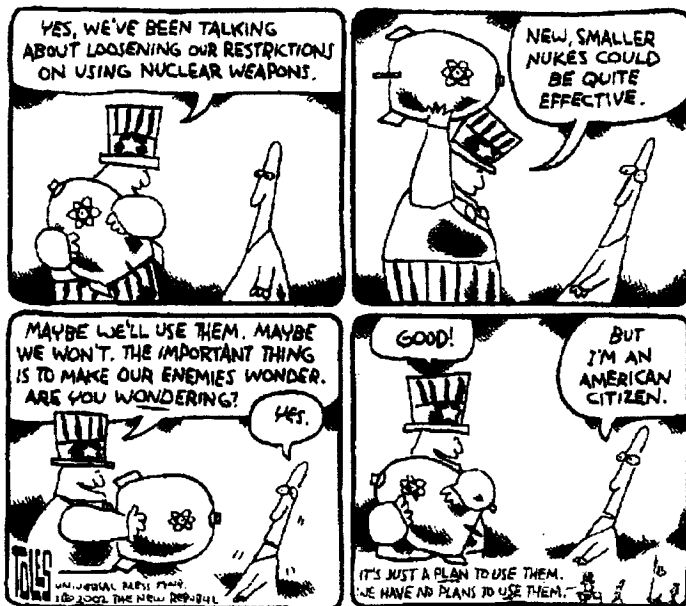
The bartender usually avoided personals but now he was intrigued. "Why the ceremony? Why not order one drink, then another, natural like?"

"My friend's in the hospital across the way. Touch and go. Old drinking buddy. So I have my drink, then his. Might bring luck."

One day Jeremiah came in and ordered just one rye and beer chaser. Quiet. Like something for real had happened. Again the bartender veered from habit. "Your friend died."

Jeremiah Talbot gave a winner's smile. "No. He's fine. It's me. Finally quit drinking."

Thanks for an intriguing story, CAE. There's more way than one to quit!



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CORRESPONDENCE

From DORIS OLDHAM, Kent, Wa.

RUSTY HOOK

Please accept this check and apply it to whatever is needed the most whether the Pension clubs group, union or RUSTY HOOK. Keep up the good work - we all appreciate it. I know my deceased husband, VERNON F. OLDHAM (55432) would have done the same.

Sincerely, DORIS OLDHAM."

Thanks ever so much, DORIS. Contributions from survivors are especially appreciated.

From ROBERT DALZELL, Seattle.
\$7.00 green dollars. Thanks, ROBERT.

From GERALD PIRTILA, Montesano, WA.
\$50.00 - No message, but green ones. Thanks a lot, GERALD.

From STORMY KING, Issaquah, WA.
\$20.00 - No message except helping the RUSTY HOOK.
Thanks STORMY.

From SIG SIGURDSON, Seattle.
\$20.00 for the cause. Thanks, SIG.

From BILL DUNCAN, Nanaimo, B.C.

Sends us an interesting copy of their bulletin, VAN ISLE PENSIONERS CLUB. It tells us they are sponsoring a cruise through the Panama Canal, sponsorship of a trip to Cuba, a golf tournament and notices of meetings, dues, etc.

Especially they tell of a scholarship to CRAIG TALBOT of Victoria. The scholarship is in honor of ROY SMITH a veteran of struggles in the past that led to a jail term, establishment of pension plan that "gave all longshore workers Equal Pension and Welfare benefits. ... Roy Smith was a man for the times."

Thanks for your bulletin, BILL. Keep us informed.

From DAN SORRENTINO, Everett, WA.
\$50.00 - No message except helping the RUSTY HOOK.
Thanks DAN.

From HELEN MCAULIFF, Seattle.

"Please accept this Check (\$25.00) in memory of ERNIE MCAULIFF.

Thank you."

HELEN MCAULIFF, wife.

Many thanks to you, HELEN, survivor contributors are great!

From FRED REDMAN, Snohomish, Wa.

\$50.00 donation to the RUSTY HOOK.

"HI Guys. So the PMA wants to get tough. Mama always told me that if right was on your side you would always win, but she never told me how hard it would be. So if the PMA wants to do battle - Lets Roll! Also \$50.00 for the cause."

FRED REDMAN, 56640, retired."

Thank you so much, FRED. We love your spirit. We will need it with the PMA going all out to disrupt good relations on the waterfront.

From DELOR E. WARD, Sun Lakes, Az.

\$10.00 donation to Rusty Hook. Green message only.
Thank you,
DELOR. Appreciate.

Notice: Please send all donations, dues, contributions to Pensioners Club or RUSTY HOOK at 3440 East Marginal Way So., 98134. Do not send to Welfare Office.

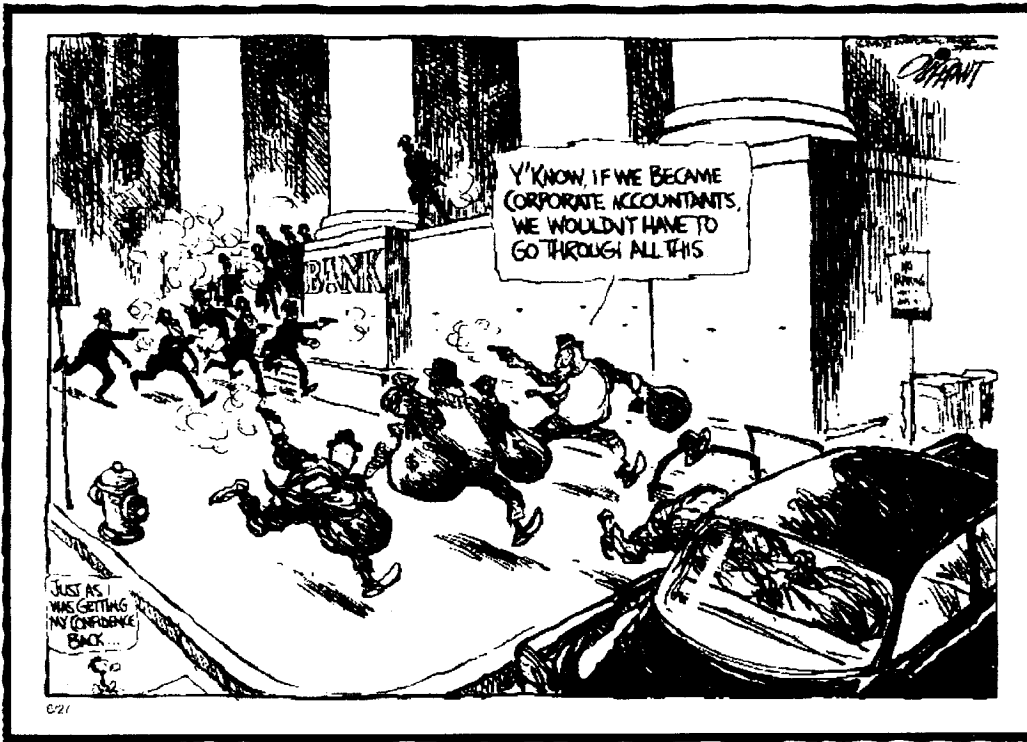
Final Dispatch

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