High hopes

A Bill Clinton presidency would free unions from a 12-year debilitating battle with a hostile Republican White House.
In describing California's 64-day budget debacle, Assembly Speaker Willie Brown put it best: "There are no victors, there are only victims in this dispute."

My greatest regret is that so many will be victimized by Governor Wilson's unbelievable behavior over the budget battle. My second greatest regret is that Wilson does not have to run for office this November. We will have to wait two years to run this deranged dictator out of office. By then, one of two things will have happened:

(1) By some miracle, this state will have pulled out of its horrible economic slump and most voters will have forgotten what Wilson did to them in 1992 and we'll probably be stuck with him another four years; or

(2) Wilson's budget ax (I'd rather call it an "Uzi" submachine gun) will have cut down our city and county governments so badly that they will literally be waiting for their "last rites." So many people will be affected, that voters will remember what Wilson did to them in 1992.

There is actually a third scenario. Wilson's hardball, "take no prisoners" approach to politics is a product of his nature. He will therefore do more idiotic things between now and 1994 and we'll be in even a worse mess than we are now.

One thing is clear. Everyone will be affected in some negative way by what has happened these past two months in Sacramento.

If you have children in school, you will be affected. The budget slashed $2.2 billion from education. College students will suffer large fee hikes - as much as 40 percent.

If you or someone in your family is disabled, you will be affected. Wilson cut $1.7 billion off of benefits for the aged, blind and disabled.

If you rely on city or county police, fire protection and sewer services, if you use public libraries, if you need child care services, if you have someone in a nursing home, you will feel the crunch.

Like Deukmejian, Wilson steadfastly refuses to raise any taxes. No one likes taxes. But is there anyone with half a brain who believes these huge cuts won't ultimately result in tax increases and fee hikes? Of course not!

We are experiencing the true "trickle down" theory of Republican economics. Wilson refuses to raise taxes. His refusal trickles down to the cities and counties in the form of cuts in funding. They in turn have to slash their budgets even more or find a way to generate more cash. Hence, we experience local tax increases and fee hikes.

My experience is that Local 3 members have long memories. I hope your memories will stay fresh and clear these next two years. I hope you will help us defeat Wilson in '94.

Otherwise, he may get the crazy notion to run for President. Then where would we be?

**Only ‘victims’ in the budget debacle.**

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**INTERNATIONAL CONVENTION ELECTION NOTICE**

Due to extreme circumstances and hardship created by the current and ongoing recession and to avoid an additional financial burden of approximately $190,000 required for the Local Union to conduct an election and to send a full slate of delegates to the 1993 International Convention, the Executive Board moved, seconded and carried a motion to limit the number of Delegates who will attend the convention to six, pursuant to Article XIII of the Local Union By-Laws. Those six will be the Business Manager, President, Vice President, Recording-Corresponding Secretary, Treasurer and Financial Secretary.

**Business Rep. Dave Coburn receives award for rescue**

Marysville District Business Agent Dave Coburn, right, receives an award from Yuba City Mayor Bob Barkhouse for rescuing a woman after her car plunged into the Feather River on June 1.

Dave was fishing near a boat launching at around 9 a.m. when the accident occurred. With the car almost completely submerged, Dave risked his own life and jumped into the water, pulled the woman out of the car to safety.
Wally Lean resigns office; Local 3 files for election
Former officer says he wants his ‘own union.’

By James Earp
Managing Editor

BUSINESS MANAGER Tom Stapleton announced this month that the Operating Engineers Local 3 has filed a petition with the National Labor Relations Board for an election to determine whether or not the union will represent operating engineers in Hawaii.

The petition was initiated by Local 3 in response to the surprise resignation of Financial Secretary Wallace Lean, who announced his intention to establish his own independent union of heavy equipment operators, dubbed “Local 711.”

“We are surprised and very disappointed that Wally Lean would take such a drastic action for his own gain without considering the consequences to the members and retirees in Hawaii who have benefited greatly from their membership in Local 3,” Stapleton said. “One of the greatest assets for Local 3 members is that they belong to a large, strong union that can protect their interests during bad times as well as good.”

Stapleton said it is now apparent that Lean has been planning this move secretly for some time. “Wally was counting on the element of surprise to get him a quick victory. However, we’re very confident that the majority of the membership in Hawaii is behind Local 3 and that he will fail in his ill-advised plan.”

Stapleton noted that Lean timed his move to coincide with the expiration of the Master Agreement in Hawaii, which expired Aug. 30. “Wally is trying to force the employers to go with him by setting up his own hiring hall and getting them to sign an interim agreement,” Stapleton said. “It is Local 3’s position that every employer whose agreement expired is legally bound to negotiate with Local 3, and we will aggressively pursue that position through every legal means at our disposal.”

Stapleton explained that his primary concern at this point is for the membership. “I’m very concerned about our members who are simply trying to make a living and are caught up in Wally’s power play. Wally has little to lose if his scheme fails. He can still walk away with a great pension that he earned from Local 3,” Stapleton said. “But what about the members? Where will they be if they lose their Local 3 membership?”

Stapleton explained that the financial consequences of breaking away from Local 3 would be “devastating to the membership.”

“We are receiving a lot of calls from members who are very worried about this move by Wally to set up his own local union,” Stapleton said. “I am very confident that once the members in Hawaii are presented the facts, they will realize that breaking away from Local 3 to form a small, independent union under Wally Lean’s control will bring them serious financial hardship.”

Local 3 files for election

Almost three years after the Cypress viaduct collapsed during the Loma Prieta earthquake, the California Transportation Commission has allocated $695 million to replace the 3-mile elevated Nimitz Freeway in Oakland.

The commission’s action permits the $695 million in mostly federal funds to be transferred from an emergency reserve account to a rehabilitation account that Caltrans will draw on to replace the destroyed 1.25-mile-long Cypress viaduct and the remaining stretch of the Nimitz Freeway. The new route will provide direct access from downtown Oakland to the Bay Bridge and will run west of the alignment of the collapsed viaduct.

Before soliciting construction bids in the fall of 1993, Caltrans must relocate existing railroad tracks and utilities at an estimated cost of $100 million. Another $130 million must be spent to purchase the right-of-way. Construction on the three-to four-year project won’t likely start until January 1994, following the right-of-way acquisition, final design work and demolition of a six-block stretch of the old highway that still remains. Construction will be divided into seven segments and is scheduled for completion in mid-1997.

The funding means that Caltrans can finalize the design for the partially elevated, six-lane replacement highway. Caltrans has designed two of the segments, and consultants have designed the other five.

Though engineers have not shied away from building an elevated freeway, there’s no plan for a double-deck structure like the one that collapsed. The two-lane connector from northbound I-880 to eastbound I-80 in Emeryville will rise 350 feet over I-880, 20 feet higher than the old double-deck Cypress structure.

While the old structure was made of reinforced concrete, the highest portions of the new freeway will be made of steel girders atop deep-filled piles capable of withstanding a “maximum credible earthquake.”

Motorists will have three unrestricted lanes in each direction, elevated on single-level decks most of the way, with enough room for Caltrans to add special lanes later.
No decade since the Roaring ‘20s has been so thoroughly scrutinized, analyzed and eventually criticized than the 1980s. As the decade began, a new president and vice-president, Ronald Reagan and George Bush, and a group of “supply-side” economists, took over the federal government and claimed that “America was back.”

But as the “supercharged” decade wound down midway through Bush’s first term, a month rarely passed without at least one major government report or think-tank study telling us the startling news about what really took place during the 1980s. Press articles began to appear almost weekly with headlines that read: “Rich got richer in 1980s,” “Middle class shrinks in 1980s,” “American Dream lost in 80s,” “Grievance - and ultimately economic ruin.”

What really happened in the 1980s - and now into the 1990s - is that the United States, under nearly 12 consecutive years of Republican presidential leadership, has experienced the greatest transfer of wealth in its history, from the lower and middle strata of society to upper-bracketed elites, while suffering its worst economic decline since the Great Depression. People with big incomes and assets, such as homes, trusts, stocks and bonds, saw their wealth zoom upward, while many working-class families saw the American Dream crumble beneath them.

As the already affluent get even more affluent, the end of the 1980s brought the shocking news that America had gone from being the world’s largest creditor nation to the world’s largest debtor. As a small segment of wealthy Republican elites amassed enormous wealth, the United States declined in almost every economic indicator and in almost every major industry.

Under President Bush alone, the United States has undergone its slowest period of economic growth since the Great Depression. U.S. economic growth from the first quarter of 1989 to the first quarter of 1991 was only 0.7 percent, while the Netherlands grew by 5.8 percent, Germany by 5.2 percent and Japan by 11.7 percent. Between January 1989 and August 1991, the U.S. economy added only 225,000 payroll jobs, an average of just 88,000 new payroll jobs per year for the entire country. At this rate, it will take Bush over 100 years to meet his 1988 campaign promise of creating 30 million new jobs in eight years.

What went wrong
How did the United States get itself into this mess in the first place? During the 1980 campaign, Reagan and Bush built much of their popularity on the premise that government had become excessive - it over-taxed citizens, over-regulated business, had an over-expanded public sector and too many people were on welfare. The cure, they said, was to get government off our backs. Some 44 million Americans agreed and cast ballots for the Reagan-Bush team, sweeping the Republicans into office by one of the largest margins in U.S. history.

Reagan and Bush got the government off our backs all right, but at a terrible cost to the country and its future. By deregulating business and weakening merger and antitrust laws, the federal government essentially open the door for the dismantling of the nation’s economic foundation so that a few Republican elites could get even richer. Reagan and Bush’s “trickle-down” and “supply-side” economic policies paved the way for massive abuses, fraud and greed - and ultimately economic ruin.

Most of Reagan and Bush’s economic strategies, which paved the way for the historic wealth transfer of the 1980s and the subsequent dismantling of the middle class, were borrowed from the Roaring ‘20s. Taxes on the rich were eliminated or reduced, discretionary federal domestic outlays for low-income and Democratic constituencies were reduced, federal regulatory agencies were restrained, federal merger laws were relaxed, and money was intermittently tight and interest rates high, reflecting a preference for creditors, bondholders and financial institutions over debtors.

Tax breaks for the rich
One of Reagan’s first moves shortly after taking office was to reduce personal income taxes on the wealthy. Within the first seven years of the Reagan-Bush era, the top personal tax bracket dropped from 70 percent to 28 percent. In 1987, a Congressional Budget Office report showed who was reaping the benefits of these reductions - the top 1 to 5 percent of the population. While families with yearly incomes of around $35,000 were paying about $1,577 more in federal income tax, those in the top 5 percent were paying around $31,473 less in income taxes, and those in the top 1 percent were paying about $130,000 less.

Taxation of “earned income” was also capped at a maximum of 50 percent, an enormous boon to the small percentage of people deriving most of their income from rents and interest.

Reagan and Bush’s next step was to under corporate taxes. Under the 1981 Economic Recovery Tax Act, sponsored by the Reagan administration and passed by a surprisingly willing Congress, corporate tax rates were reduced and depreciation benefits greatly liberalized. For individuals, the top bracket was trimmed from 70 percent to 50 percent. By 1983, the percentage of federal tax receipts represented by corporate income tax revenues dropped to an all-time low of 6.2 percent, down from 32.1 percent in 1952 and 12.5 percent in 1980.

During the 1950s, more Americans than ever attained middle-class status, the federal government collected $478 billion in combined individual and corporate income taxes in the decade. Of that amount, corporations paid 39 percent, individuals 61 percent. During the 1980s, however, individual and corporate income tax collections soared to $8 trillion. Of that amount, the corporate share dwindled to 17 percent, the individual share swelled to 83 percent.

Skyrocketing federal deficit
All of these tax breaks for corporate America and the wealthy were supposed to produce a huge surge in savings, venture capital and entrepreneurship, thus boosting the economy. But they ended up ballooning the federal budget deficit to astronomical levels. Within a year of Reagan’s inauguration, the federal deficit soared to 6 percent of the nation’s Gross National Product, the highest peacetime level since the Great Depression. And the federal deficit under Bush continues to climb at an explosive pace. This year’s record deficit reached $400 billion. Interest payments alone now consume 62 cents of every dollar you
pay in personal income taxes, or about $3,300 a year for the average family, compared with just 9 cents of every dollar in 1960.

Ever wonder why Reagan and Bush have ballooned the federal budget deficit so dramatically yet have done nothing to bring it under control? Because the taxes that middle-class job holders are paying to cover the national debt, that 62 cents on the tax dollar, goes into the pockets of wealthy bankers and investors who own the debt. Tax revenues are being collected from average Americans and given to the buyers of U.S. government bonds — buyers in Beverly Hills, Hillsborough and Marin County. And chances are thwarted by Reagan and Bush, ev-

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10,000

5,300

1940s 1950s 1960s 1970s 1980s

what went

Wrong

Congress streamlined the Bankruptcy Code in 1978, making it easier for shaky companies to keep operating. Then came the heavy corporate borrowing and leveraged buyouts of the 1980s. Result of that combination: Bankruptcy petitions filed in the 1980s soared — four times as many as in the 1960s.

SOURCE: Administrative office of U.S. Courts

The rich get richer...

Percent change in average family income before and after taxes - 1977 to 1992 (in constant dollars)

Source: Citizens for Tax Justice

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Reagan-Bush calamity
(Continued from page 6)

During the Reagan-Bush revolution, businesses borrowed money to raid other businesses and sold off their assets, which has led to the closing of factories, the elimination of middle-income jobs and the paying of astronomical sums to owners, investors and corporate executives who orchestrated these takeovers and mergers. All of this is subsidized by you, the taxpayer, through the IRS deduction for interest payments.

Consider the takeover of RJR Nabisco, Inc., for example, the company that makes such diverse products as Winston cigarettes, Oreo cookies, Shredded Wheat, Ritz crackers and Grey Poupon mustard. Kohlberg Kravis Roberts & Co., the Wall Street investment-banking and buyout firm, acquired RJR Nabisco in April 1989 after winning a tough bidding war with company management. To pull off the deal, Kohlberg Kravis saddled RJR Nabisco with more than $20 billion in long-term debt, including $5 billion in junk bonds sold by Drexel Burnham Lambert, Inc., a firm that’s now in bankruptcy court.

While RJR Nabisco headed for bankruptcy, the deal produced awe-inspiring fees of hundreds of millions of dollars for its partners, Kohlberg Kravis, assisted lawyers and other professionals. Taxpayers, on the other hand, lost billions. During the last nine months of 1989 and all of 1990, RJR Nabisco wrote off more than $3 billion in cash interest payments, which allowed the new owners to avoid payment of $1 billion or more in corporate income tax, money that should have been deposited in the federal treasury for programs like infrastructure construction, job training and education, but instead wound up in the pockets of a few wealthy investors.

Lost wages and jobs
Beyond corporations that do not pay their fair share of taxes because of the federal government’s preferential treatment is a darker side to the story, one with bleaker implications for the American middle-class. The expenditures of those billions in borrowed dollars, and the billions of dollars that were paid in interest by the company, didn’t create a single new job, rather it forced RJR Nabisco to slash its work force, and amazingly the company received a tax break for doing it. This means that middle-class individuals and families, under current government policies, will continue to subsidize the failed business practices of the 1980s and early 1990s, practices that produce massive profits for corporate managers, investors, and bankruptcy, unemployment and reduced wages for workers.

Thousands of businesses got caught up in the takeover and debt revolution of the 1980s. Many decided to take advantage of weak federal government regulations and really grow, not slowly by selling more products and building more plants, but by acquiring a competitor. With the help of investment banking firms like Drexel Burnham Lambert, a firm that is now in bankruptcy court, many investors sold millions in high-risk, high-yield junk bonds to finance these hostile takeovers. When investors couldn’t pay the enormous debt incurred by the takeover, they began to sell off parts or all of the acquired company’s assets, cutting wages, laying off workers, closing plants and skimming employees’ pension funds. Meanwhile, the takeover fight generated millions of dollars in fees for lawyers, investment bankers and accountants.

Shipping jobs to Mexico
To help debt-ridden corporations even more, U.S. government agencies under Reagan and Bush, mainly the Commerce Department and State Department, have encouraged American corporations like General Motors, Xerox, Ford, IBM and General Electric to close plants and lay off highly skilled, well-paid union workers in the United States and open up plants in Mexico, where workers are paid less than a $6-an-hour worker at a plant in Puerto Rico.

The selling of America
The same Reagan-Bush policies that moved America’s wealth internally also accelerated the shift of America’s wealth overseas. The underlying problem was the administration’s need to borrow huge sums of money at high interest rates to finance the 1981 tax cuts for the rich, the defense buildup and the ballooning of the federal budget deficit. As foreigners bought dollars to invest in U.S. debt, the dollar soared against other currencies, thus devastating U.S. world trade, raising the price of American exports and making imports much cheaper. As a result, the United States rapidly developed a huge trade deficit, particularly with Japan.

American business has never recovered. With few exceptions, the United States has declined in almost every major global market during the 1980s. In computers, America’s share of total production declined from 56 percent in 1980 to 40 percent in 1988; in consumer electronics, from 92 percent to 31 percent; in industrial and farm equipment, from 42.7 percent to 37 percent; petroleum refining, from 50.5 percent to 46.8 percent; in telecommunications equipment, from 48.5 percent to 34.1 percent. The only major markets in which the United States still owns a decided advantage are pharmaceuticals, scientific and photographic equipment and forest products.

Rather than create a level economic playing field for everyone, the federal government over the past 12 years has chosen instead to favor wealthy individuals and influential businesses. Nowhere is this imbalance more evident than in the regulations or absence of them concerning foreign trade, foreign investment in the United States, imports and the global economy.

The growing presence of foreign goods and foreign-owned properties in the United States has been accompanied by generous tax breaks that the Reagan and Bush administrations have extended to foreign corporations, foreign investors and wealthy foreign individuals. IRS data show that companies owned by the Japanese, Germans, British and other foreign interests are claiming far larger deductions on their U.S. tax returns than American companies do.

Residents of the United Arab Emirates, for example, collected $312.9 million from their American investments in 1990. They paid $443,000 in U.S. income taxes. Their tax rate: one-tenth of 1 percent. American workers struggling to achieve a middle-class lifestyle, on the other hand, were taxed at 53 times that rate. Individual and families with incomes between $13,000 and $15,000 paid taxes at a 7.4 percent rate.

Without question, the biggest winner during the Reagan-Bush revolution has been Japan. In 1980, three of the world’s 25 biggest banks were American. By 1988, the United States could claim only one — Citicorp. Seven of the 10 biggest were Japanese. By 1988, nearly 20 percent of bank assets in the United States were already foreign-owned, roughly 14 percent were in the hands of Japan alone. One third of California’s statewide banking assets were in foreign hands, while fully 24 percent were controlled by the Japanese.

Truths and consequences
The Congressional Research Service projected that U.S. net international indebtedness would reach $2 trillion by 1995. Experts agree on the dire consequences: U.S. living standards will fall as wealth is transferred to foreigners to service (Continued on page 7).
Under Reagan and Bush: crumbling roads and bridges

Clinton would invest fully in rebuilding nation's infrastructure

How was it possible that the United States could experience seven consecutive years of economic expansion during the 1980s while the nation's transportation infrastructure crumbled into disrepair? Government studies indicate that by the end of the 1980s - and now into the 1990s - a substantial portion of the country's highways and bridges are in desperate need of maintenance and repairs. U.S. Department of Transportation studies indicate that half of all highways not receiving federal aid, and one-third receiving federal aid, are classified as "poor" or "fair." Of the nation's 577,700 bridges, 41 percent are either structurally deficient or obsolete, with 5,186 bridges closed or classified as functionally unusable. Inefficient and unreliable infrastructure is causing huge economic losses for American business and is hampering the country's ability to compete in a global marketplace.

The DOT estimates that at their present state of decay, by 1995 deficient roads and bridges will cost the U.S. economy a 3.2 percent loss in Gross National Product, 8 percent increase in the consumer price index, 5.9 percent decrease in disposable income, 2.7 percent reduction in employment, 2.7 percent reduction in labor productivity in the manufacturing sector, and 3.6 percent decrease in labor productivity in non-manufacturing industries.

Why so much decline? During the Reagan-Bush era, federal highway policy experienced some dramatic changes. Overall investment in roads and bridges has declined severely. During the Bush administration alone, spending for highways and bridges fell from 2.3 percent of U.S. GNP to just 1 percent, one of the lowest rates of infrastructure investment in the industrialized world.

This decreased spending for highways by the federal government is attributed in great part to Reagan and Bush's "New Federalism," which shifted much of the federal government's financial responsibilities, including highway funding, to the states. Since many states were already financially strapped, much of the necessary repairs were never performed. If the trend continues, the situation will only worsen. Almost every state is projecting highway funding shortfalls into the next century. For example, California, Kentucky and Missouri are forecasting at least a 50 percent shortfall in spending through the year 2000, Oregon a 25 percent shortfall and Washington a 41 percent shortage. In essence, the "New Federalism" has decreased highway construction and maintenance commitments at all levels of government.

When the states began asking for new highway money in the late 1980s and early 1990s, the federal government found it difficult to provide the funding due to soaring budget deficits caused mainly by the Reagan-Bush multi-billion-dollar defense buildup, a campaign that helped accelerate the country's great transfer of wealth from the middle-class to the already affluent during the booming 1980s.

Studies indicated that by the end of the 1980s federal spending increases on defense had clearly benefited wealthy Republican elites such as military manufacturers, high-ranking career military officers, Pentagon consultants, defense company stockholders and government bondholders, while hurting domestic programs such as transportation, affordable housing, education, job training, and safety and health. For example, Bush asked Congress in 1991 for $40 billion in Strategic Defense Initiative funding while seeking a $250 million cut in housing for the elderly.

In an effort to reduce other federal expenditures, Reagan vetoed the 1987 highway bill, which reauthorized new Congressional highway spending. Although America's roads and bridges were crumbling, Reagan claimed the bill was "excessive," despite studies by the DOT indicating it would take much more funding to adequately repair America's roads and bridges in the next decade. Fortunately, Congress, with the help of organized labor, overrode the veto and saved some $600,000 summer construction jobs.

But federal highway funds for construction the following year were once again capped even though the country was experiencing sustained economic growth and the usage of U.S. highways was dramatically increasing. In 1988, the DOT recorded that 2.02 trillion vehicle miles were traveled over America's highways and bridges. This represented a 14 percent increase over 1985 and a 23 percent increase over 1983.

Despite the latest federal highway bill, the $1.55 billion Intermodal Surface Transportation Efficiency Act of 1991 passed by Congress in the fall of 1991, federal spending on highways is falling way short of demand. The $1.55 billion is a band-aid compared with the $750 billion the DOT estimates will be needed to fully repair America's roads and bridges by the year 2009. A recent study by Apogee Research of Bethesda, Md., shows that the DOT's required $40 billion per year would create 87,000 jobs within 12 months and nearly 450,000 within 24 months. In the peak year of an expanded program, 943,000 jobs would be created, with more than 250,000 jobs generated in 12 states, including 100,384 in California alone.

Unlike Bush, Democratic presidential candidate Bill Clinton has proposed an anti-recession package that includes an accelerated highway and transportation construction plan. For the long haul, he would push for a strong national economic revitalization, which includes investing in rebuilding the nation's roads, bridges and other parts of the infrastructure at a level close to the DOT's $750 billion recommendation. If the United States is to rebound from its current economic decline and become more competitive worldwide, investing in the country's transportation network is more important than pouring billions into pork-barrel defense programs that primarily benefit the rich and that will be used against an enemy that may never appear.

Reagan-Bush Calamity
(Continued from page 6)

America's huge debt. The shift will also mean a decline in the potential living standards of future American generations, a legacy that no previous generation has passed onto its children since the Civil War. For the first time in history, an advanced industrial nation has gone back to debtor status in peacetime.

Editor's note: Information for this article was obtained from numerous sources, most notably from two books: America: What Went Wrong? by Donald Barlett and James Steele, and The Politics of Rich and Poor: Wealth and The American Electorate in the Reagan Aftermath, by Kevin Phillips.

Next month: what another four years of President Bush means for unions and workers.
Governor Bill Clinton on the issues

The AFL-CIO and Local 3 endorse Gov. Bill Clinton for president of the United States. As America suffers through its longest recession since the 1930s, Clinton offers a new start toward addressing the issues of concern to all working families.

"This election will be fought on our issues," said AFL-CIO Secretary-Treasurer Thomas R. Donahue. "Clinton is addressing, in clear and convincing terms, what we have been saying since 1979. This election will be about what's happening to wealth in this country and what happens to workers when their real wages decline while rich people get richer."

The country cannot afford four more years of the status quo, caretaking leadership of President George Bush. America needs new leadership that will work with Congress to address the critical issues of the day and set the nation back on the right course. Bill Clinton will provide that leadership.

Striker replacement
Clinton would have signed the Workplace Fairness Bill, which would have banned the permanent replacement of striking workers. Clinton insists that it is simply unacceptable for employers to undercut the collective bargaining process by hiring strikebreakers.

Collective bargaining rights
Clinton is committed to the rights of working men and women to organize and bargain collectively. He will even the scales in the way the National Labor Relations Board decides cases in order to create a level playing field and restore the historic balance between labor and management. He would sign a bill to repeal Section 14b, which permits state right-to-work laws, as soon as Congress puts it on his desk.

Minimum wage, Davis-Bacon protections
Clinton supports efforts to ensure a fair wage for America's workers and advocates increasing the minimum wage to keep pace with inflation. As President, Clinton would enforce the prevailing wage protections provided workers in the Davis-Bacon Act and will oppose any effort to weaken the laws already on the books.

Family leave
We can no longer be the only industrial nation in the world that has no family leave policy. As President, Clinton would sign the Family and Medical Leave Act to create a minimum standard of family and medical leave for all workers.

Anti-recession package
For the immediate crisis, Clinton has proposed the following measures:
- A middle-class tax cut.
- An accelerated highway and transportation construction plan.
- An increase in the ceiling on FHA mortgage guarantees.
- Cuts in rates for credit-card customers with good credit records.
- An economic lifeline for housing, enabling families to keep up with their mortgage or rent payments when facing unexpected unemployment.

National health care
Clinton administration would introduce legislation in its first year in office to provide affordable, quality health care for all Americans for the same money we spend now, by slashing costs through insurance reform, holding down drug prices, stopping the spread of redundant technology and reducing health care bureaucracy.

Taxes
Clinton proposes a variety of changes in the nation's tax code to provide fairness.
- Cut middle-class tax rates by 10 percent. Close tax loopholes for high income families.
- Replace the current $2,150 dependent's exemption with a tax credit up to $800 per child.
- Instead of a capital gains tax cut, provide a "new enterprise" tax break. Those who risk their savings on new business would receive a 50 percent tax exclusion for gains held more than five years.
- Curb corporate tax breaks for excessive executive pay.
- Remove tax incentives for shutting down U.S. plants and moving them overseas.
- Make the research and develop tax credit permanent.

Foreign trade
While Clinton supported fast-track negotiations with Mexico for a free trade agreement, he has stated that he will oppose any U.S.-Mexico trade agreement that does not include worker standards and environmental protections. A Clinton administration would tell the Japanese that "if they don't open their markets and play by our rules, we'll play by theirs."

Federal budget deficit
Clinton proposes a three-part federal budget: a "past budget" for interest payments, a "present budget" for current consumption, and a "future budget" for investing in the future, such as education, child care, environmental technology, infrastructure and basic research.

The budget deficit can be brought down over time by reducing defense spending; cutting 3 percent per year out of the administrative cost of government, and by limiting "current consumption" expenditures to growth in personal income.

Education and training
Clinton believes education is economic development. The United States can only be a high-wage, high-growth country if the nation is a high-skills country.
- Preschool for every child who needs it, with full funding for Head Start.
- National examination system to push students to meet world-class standards in core subjects such as math and science.
- National apprenticeship program to enable high school students not bound for college to learn valuable job skills, with a promise of real jobs with growing incomes when they graduate.
- A domestic GI bill for middle-class as well as low-income people. Congress would be asked to establish a trust fund out of which any American can borrow money for a college education, so long as the loan is paid back either as a small percentage of income over time or with...
a couple of years of national service. The fund would be financed with a portion of the peace dividend and by redirecting the present student loan program.

Expanding U.S. technology

Clinton says, "If we want to help U.S. companies keep pace in the world economy, we need to restore America to the forefront not just in inventing products, but in bringing them to market. Too often we have won the battle of the patents, but lost the war of creating jobs, profits and wealth."

Clinton would create a civilian equivalent of the research and development arm of the Defense Department, which would provide basic research for new and critical technologies and make it easier to move these ideas into the international marketplace.

National Defense

Clinton would maintain military forces strong enough to deter and when necessary to defeat any threat to our essential interests.

- Substantial reduction in military forces can be achieved because of decreasing Soviet threat. Our allies should shoulder more of the defense burden.
- Reduce our nuclear arsenals through negotiations, but maintain a survivable nuclear force. Maintain our technological edge. Shift intelligence agencies from "military bean-counting" to more sophisticated understanding of political, economic and cultural conditions.
- A prudent slowdown in strategic modernization, such as halting production of the B-2 bomber.
- Clamp down on countries and companies that sell these technologies. Work with all countries for tough non-proliferation agreement.

Conversion to a civilian economy

"We must not forget about the real people whose lives will be turned upside down when defense is cut deeply," Clinton says. The government should look out for its defense workers and the communities they live in. We should insist on advance notification and help communities plan for a transition. Likewise, those who have served the nation in uniform cannot be dumped on the job market. We've got to enlist them to help meet our many needs at home."

Foreign affairs

Clinton supports measures to help the people of the former Soviet empire demilitarize their societies and build a free political and economic institutions. This is an investment in our future security.

- As far as Israel is concerned, Clinton sees the root cause of troubles as the refusal of the Arab nations to recognize Israel's sovereignty and her right to exist. Lasting peace can be achieved only if an agreement speaks to the legitimate security concerns of all states involved.

Energy

"We need a new energy policy to lower the trade deficit, increase productivity and improve the environment." Clinton says. His program would:

- Rely less on imported oil and more on cheap and abundant natural gas, and on research and development into renewable resources.
- Increase the current 27.5 miles-per-gallon fuel economy standards to 45.
- Tax incentives for renewable resources so that they could compete with traditional energy sources, which reap many benefits from a tax structure slanted in their favor.

Information compiled in May 1992 by the AFL-CIO Economic Research Department
Clear solution to dirty problem

Shank-Torno is building 1.5-mile outfall in SF to prevent sewage overflow from emptying into Pacific Ocean

Operating Engineers are involved in another major project of the San Francisco Clean Water Program, the city's ambitious $1.3 billion, 20-year sewerage upgrade that involves building more than 15 new facilities, including storage boxes, treatment plants, pumping stations and outfalls that will ring the 49-square-mile city.

The latest project is the $20 million Lake Merced Transport Tunnel, an 8,500-foot-long, 18-foot-diameter conduit connecting the Lake Merced Outfall with the Westside Pump Station, which is located near the Great Highway and Sloat Blvd. The tunnel project is proceeding simultaneously with another major Clean Water Program job: Olsen-Ohbayashi's $206 million Oceanside Water Pollution Control Plant adjacent to the San Francisco Zoo.

The tunnel job is being completed under a joint venture by M.L. Shank Company Inc. and Torno American Inc. In mid-March, crews began construction by first building a 50-foot-diameter, 40-foot-deep access hole and tunnel. Next, crews began boring through the 1.5 miles of the fine sand using a shield digger. At press time, about 6,100 feet of tunnel have been cut, about 200 feet maximum per day and roughly 1,000 feet maximum per week. Tunneling is expected to be completed by the second week in September.

A 25-ton Plymouth diesel locomotive is being used to transport material out of the bore to the access hole, where loader operators then transfer the sand into a large rectangular box that's lifted out of the access pit by a 4100 Manitowoc. From there, Rogers Trucking is hauling the sand to various locations for use as backfill. Once the tunnel is excavated, the inside will be lined with concrete.

Some 15 operating engineers - primarily crane operators, loader operators, locomotive operators and HDRs - have been working around the clock, days and swing shift for excavating and nights for mainte-

Above: One of the first tasks of the project was excavating this 50-foot-diameter, 40-foot-deep access hole and tunnel.

Right: Crane operator Ernie Stephens, on a 4100 Manitowoc, pulls a load of sand from the access hole.
nance and repairs. After the excavation and lining of the tunnel, Shank-Torno will build the two structures that connect the tunnel with the Lake Merced Outfall and the Westside Pump Station.

When operational, the tunnel will solve a problem that has plagued the city for years. During periods of heavy rainfall, the Lake Merced Pump Station cannot simultaneously handle the increased runoff and normal volumes of sewage. As a result, wastewater sometimes overflows and empties untreated into the Pacific Ocean.

The transport tunnel will correct the problem, acting as a transfer conduit to the Westside Pump Station and providing extra overflow storage. The tunnel will eventually operate in conjunction with the Oceanside plant and in conjunction with the network of existing pump stations, storage boxes and treatment plants on the Pacific side of the city.

One remaining question is whether the city will build a crosstown tunnel to link Oceanside with the 210-mgd Southeast Treatment Plant in the Bayview-Hunters Point District and divert sewage sludge away from the bay and into ocean outfalls. The city has not yet made a final decision, or if it does proceed, such a project would be worth as much as $200 million. An alternative is to construct a new bay outfall and pump station near the Southeast plant.

Whatever the decision, operating engineers will be playing a key role in the Clean Water Program for years to come.

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San Francisco Clean Water Project

Top left: Mechanic foreman Don Garrett in front of the shield digger as it was being assembled in late March.

Top right: HDR Favor Cock.

Drilling

Cherrington Corp. is directional drilling for the Sacramento River Delta crossings.

For the past nine months, Bee Contractors, Inc., in conjunction with its subcontractors, has been constructing the 800-mile, $1.6 billion PG&E natural gas pipeline, which will extend from Canada, traverse Idaho, Washington, and Oregon, and terminate in a rural area about 35 miles west of Fresno.

The 206-mile California segment is being constructed by subcontractors Sheehan Pipeline Construction Company of Tulsa, which has Spread 4 from the Oregon border near Red Bluff, and H.C. Price Pipeline Construction Company of Dallas, Texas, which has Spread 5 from near Red Bluff to Pasadena Station in Fresno County.

A third subcontractor, Cherrington Sacramento, a company that specializes in directional drilling, has been given the task of building one of the most challenging sections known as the Sacramento River Delta crossings. This project entails dropping the pipeline to underlie three waterways: Dutch Slough, the Sacramento River and San Joaquin River. The Sacramento Delta area serves lower Sacramento and Solano counties, northeastern Contra Costa County and parts of important regional maritime, recreational and fishery functions.

The three crossings comprise 2,800-foot bores at Dutch Slough, 3,540 feet at the Joaquin River and 4,150 feet at the Sacramento River, for a total of 10,500 feet of pipe to be pulled. When completed, the Sacramento River crossing will be the directional controlled horizontal crossing accomplished with 42-inch pipe.

The directional drilling consists of the following steps:

• The drilling and pulling platforms are prepared.
• A containment cell is constructed around the drill entry and exist points rest below adjacent water level.
• The pipe strings are laid out, welded hydrostatically tested before installation.
• The pilot hole is drilled and then reamed to the appropriate diameter.
• The pipe is installed by pulling it through the hole.
• Once in place, the pipeline is again hydrostatically tested.

By sinking the three crossings below the project will save time and minimize environmental impact and other disturbances normally associated with conventional open trenching. Construction setback from the water's edge will typically be 700 feet to minimize the possibility of impact on adjacent lands. By the time the drill hole reaches the river's edge, its depth will be 50 to 60 feet. Once below the river, the pipe profile will drop about 45 feet below the river bottom to the risk of seepage into the drilled hole.
beneath the delta

constructing three waterway crossings on the lta for the PG&E gas pipeline

Of the pipeline's major segments in California, the Sacramento River Delta crossings were the first to begin construction. Pilot hole drilling and pre-reaming have begun on the Dutch Slough crossing began last December. In mid-June, Cherrington's crew, with the pipeline resting on rollers and attached to a columnator at one end, successfully pulled the 2,800-foot section through the 54-inch bore to the other side. The drilling of the pilot hole and pre-reaming have begun on the San Joaquin River and Sacramento River crossings, with pull-throughs expected in early September and late October respectively.

The pipes used for the river crossings are coated with thin-film, fusion-bonded epoxy (FBE) and wrapped in a coal-tar urethane overcoast to protect the FBE coating from damage during installation. While careful construction methods should prevent any bore failure, Cherrington is taking no chances. The company is using a drilling mud composed of bentonite, a naturally occurring, chemically and biologically inert clay. This mud lubricates the drilling appliances during drilling, reaming and back. The mud also provides pressure to maintain the drilled hole. As the mud is forced through the hole, it also carries the drilled-out cuttings up to the surface and prevents water intrusion into the bore in the event of contact with the river.

Local 3 job classifications include drillers, mud pump operators, crane operators, rig mechanics, backhoe operators and forklift operators. Drillers have been responsible for the hands-on operation of the drilling rig, making sure established drilling patterns conform with the drilling profile and alignment. Mud pump operators have been responsible for analysis of mud and control of mud weight, the mixing and maintaining of the "on hand" mud volume and pumping pressures, and soil formation strength. Backhoe operators have been digging trenches and pits to hold drilling mud and to relocate solids.

As the pipeline's challenges are met, the knowledge gained by implementing successful construction methods and techniques is sure to benefit the pipeline construction industry. And, when the entire pipeline is completed in late 1993, PG&E's 3.2 million gas customers will have adequate supplies of natural gas well into the next century.
TEACHING TECHS

By Art McArdle, Administrator

A thanks to our instructors

What would an apprenticeship program be without instructors? The Northern California Surveyors Joint Apprenticeship Committee is very fortunate to have the most dedicated and hard-working instructors of any apprenticeship program that I’ve seen.

These people take a day a week all year to instruct their class. They educate themselves on the latest and ever-changing technology and new methods of survey problem solving. They attend several yearly seminars together to cross-pollinate information and ideas and to be sure the apprentices are getting the kind of training the union and employers need. When classes are juggled and students moved to different classrooms, the instructor must move too.

The key word here is dedication, and this dedicated group must be able to deal with all periods of apprentices, as our classes are made up of first- through eighth-period apprentices. This means the instructor has to be versed on the entire program. This is the reason one of the requirements of an instructor is to have completed the NCSJAC training program or have a Land Surveyors license. We even have some students who have graduated from the class and who are now coming back to refresh themselves on new technology. The NCSJAC is constantly re-evaluating its curriculum and adding changes suggested by employers and instructors.

Our instructors sign an agreement with the NCSJAC to perform their duties under the guidelines set forth by the JAC. Most of our instructors have passed the LSIT (Land Surveyor in Training) and several have their LS (Licensed Land Surveyor) through the State of California. All of them work in land surveying for signatory employers and are exposed each day to interesting problems that they can use in class lesson plans. Safety is a constant topic in and out of class for the NCSJAC students and instructors. A monthly safety flyer is sent to all instructors for their use in making the world we live in as safe as possible for all.

Art, Joanie and Dana of the office staff would like to take this opportunity to thank the NCSJAC instructors for their continuing efforts in making the surveyors apprenticeship a high-quality training program.

SAFETY

By Brian Bishop, Safety Director

New Hazmat training schedule

Local 3 has scheduled the following 40-hour Hazmat training classes for the winter season:

**At Rancho Murieta**
- Sept. 28 - Oct. 2, 1992
- Nov. 16 - Nov. 20, 1992
- Jan. 11 - Jan. 15, 1993
- Jan. 25 - Jan. 29, 1993
- Feb. 22 - Feb. 26, 1993
- Mar. 8 - Mar. 12, 1993

**In San Leandro**
- Nov. 30 - Dec. 4, 1992
- Feb. 8 - Feb. 12, 1993

District offices will be assigned various numbers of slots for each class based upon the following criteria:

- Hazmat work opportunities within the district.
- Number of company-sponsored students.
- Interest within each district.
- Membership within each district.

Those wanting to attend any of these sessions will be required to contact their district office in order to be placed on a waiting list. The Local 3 Safety Department will only accept training requests from company-sponsored students and members living outside district boundaries. All other students must be referred by the district offices.

The starting time for the San Leandro classes will be 7 a.m., and the starting time at Rancho Murieta has not been determined. Students attending the classes at the ranch will be assigned living quarters, at no cost, if requested.

Meals at Rancho Murieta are not furnished because Hazmat training isn’t part of apprenticeship training. Students who want to eat in the cafeteria can purchase a weekly meal ticket for $20, a substantial savings compared with eating out.

The San Leandro class will be reserved for company-sponsored students and members within the Oakland, San Jose and San Francisco districts.

We moved the training to these two sites because of several problems. We have held classes in some districts where only a handful of students attend because they had to pay for their own lodging. This latest arrangement allows us to better use our instructors and provide training for a greater number of students.

Members who have been trained in Hazmat by instructors other than Local 3 instructors will have to send copies of their training certificates to the Safety Department at the Local 3 headquarters in Alameda if they want to register on the out-of-work list for Hazmat in the districts. We need these copies in order to keep our records current and prevent our training credentials from being revoked.
FRINGE BENEFITS FORUM

By Don Jones, Fringe Benefit Director

Surviving Spouse Benefit

This is a special reminder regarding a benefit that has been in place for you since April 1, 1985. The Surviving Spouse Benefit is available to the spouse of a deceased retiree who was eligible for benefits from the Pensions Operating Engineers Health and Welfare Trust Fund.

The spouse may purchase the same hospital, medical, and surgical benefits that the spouse had when covered under the Pensions Operating Engineers Health and Welfare Trust Fund. There are no prescription drug, vision care, or hearing aid benefits under the plan. The plan will pay 80 percent of covered charges under Schedule I, and 75 percent of covered charges under Schedule II.

At the time of the retiree's death, the spouse will receive notice from the trust fund office describing the benefits available once the Retiree Medical Plan eligibility ceases. The monthly cost at the present time is:
- Schedule I - $136 (spouse under age 65), $68 (spouse age 65 or older),
- Schedule II - $100 (spouse under age 65) and $50 (spouse age 65 or older).

The board of trustees will review these rates each year and will determine whether any increases are required.

Surviving spouses who have Kaiser coverage may convert to an individual plan with Kaiser. The rates are reasonable, the coverage excellent. Please contact the Kaiser office for information about the monthly rates.

If you have any questions, please call the Fringe Benefit Service Center at (510) 748-7450.

Vacation pay transfer

In accordance with various collective bargaining agreements, vacation pay for hours worked from March through August, reported and paid to the trust fund by September 25, will be transferred to the credit union by the fund manager on November 15 and will be available for withdrawal at the credit union on November 30.

If you prefer to have your vacation pay issued to you instead of the credit union, you may do so by filing a Semi-Annual Payment Request with the trust fund. You may obtain a request card at any district office or at the Fringe Benefit Service Center at the Local 3 headquarters in Alameda.

The trust fund must receive your completed request card no later than October 30. Checks will be issued November 15. Accounts for members on monthly transfer or time payment option are not affected by this transfer.

Contract hospitals, doctors

Be sure to use contract hospitals and medical doctors. Active members covered by the California Health and Welfare Plan should consider carefully the following questions and answers:

Q: What if I live in an area that is serviced by contract facilities but I choose to go to non-contract doctors or hospitals?
A: Your out-of-pocket expenses will be considerably more than if you had chosen contract providers. In some cases, these additional costs could be substantial – possibly in the thousands of dollars. The following example is based on an actual claim:

A patient is treated for surgery at a non-contract hospital and spends 12 days at the hospital in recovery. The charges come to $53,632.57. Because there is a contract hospital in the vicinity, the plan will pay based on the schedule of allowances from the contract hospital, not the hospital where the patient is being treated.

The contract hospital's schedule rate is $781 per day. So, $781 times 12 days equals $9,372. The plan pays 90 percent of that amount, or $8,434.80. The out-of-pocket expense calculated towards the patient's annual maximum limit of $2,000 is 10 percent of $9,372.

But because the patient has used a non-contract hospital, the patient ends up experiencing actual out-of-pocket expenses of the total hospital bill ($53,632.57) minus what the plan pays ($8,434.80) for a total out-of-pocket expense of $45,197.77. This is an actual example of how much more it can cost you to use non-contract doctors and hospitals. The message is clear, use contract facilities. It will save both you and the plan money.

International Death Benefit Fund Classification Schedule

For your information, we are reprinting Article XX, Section 2 of the International Constitution, which reads as follows:

Death benefits are payable only upon the death of a member in good standing who was initiated prior to July 1, 1973. All death benefits that have been accumulated by members in good standing on or before July 1, 1973 are frozen as of that date and no further benefits accrue.

Death benefits shall be paid to beneficiaries as follows and not otherwise:
- Class I: Beneficiaries of members who on July 1, 1973 have been in good standing for a period of one (1) year to five (5) years shall receive (Continued on page 16)

YOUR CREDIT UNION

By Bill Markus, Treasurer

Consider buying a used car

The arrival of the 1992 model cars at the dealerships tends to motivate people to purchase a new vehicle. But with the economy the way it is, and the prices of new cars being what they are, many members are instead deciding to purchase a used car. Deciding whether to buy a new or used car is no easy task.

There's the old saying, "If you buy a used car, you're buying someone else's problem." But that's not necessarily true. Purchasing a used car often means significant savings. When you consider the average new car decrease in value by $1,000 to $2,000 the moment it leaves the dealership, you can see buying a car just a few months old could mean spending a lot less.

The trick is to find a used car that isn't going to spend more time in the shop than in your driveway and thus possibly cost you more in the long run.

When buying a used car, it would be best to buy from a person you trust. You are then more likely to receive an accurate history of the car. Many people keep service or repair records on their cars. Ask to see them before you buy.

New car dealers usually sell used cars, but the vehicles they keep for resale are the better models. Used car dealers have a greater range of models and prices. Take the time to make an independent check of the car's condition. Most dealers will let you take a used car to your own mechanic for a pre-purchase check-out. It's well worth the time and money it takes for the vehicle to be checked.

Car rental agencies are a good source of used cars. These companies generally take excellent care of their vehicles. The automobiles may have a bit more mileage than other used cars, but the maintenance is usually better.

No matter which used car source you opt for, it's always best to check with your credit union first before you buy. Request a pre-approved loan good for 45 days. The pre-approval gives you time to shop and also tells you what you can spend on the monthly payment. Your credit union recently lowered the used car rates and added financing up to 100 percent. Choose from the rates and terms offered on 80-percent, 90-percent and 100-percent financing. And if you have a particular vehicle in mind, let us "book it out" so you know the value. Your credit union also offers mechanical breakdown insurance. Ask about the coverage and price for the vehicle you're interested in.

Whether you decide on a new or used vehicle, your credit union is ready to help you with your purchase. Give one of our branch offices a call today.
Surviving Spouse Benefit

(Continued from page 15)

one hundred ($100) dollars and this amount shall not thereafter increase.

Class II: Beneficiaries of members who on July 1, 1973 have been in good standing for a period of five (5) years to ten (10) years shall receive two hundred ($200) dollars and this amount shall not thereafter increase.

Class III: Beneficiaries of members who on July 1, 1973 have been in good standing for a period of ten (10) to fifteen (15) years shall receive four hundred ($400) dollars and this amount shall not thereafter increase.

Class IV: Beneficiaries of members who on July 1, 1973 have been in good standing for a period of fifteen (15) years to twenty (20) years shall receive five hundred ($500) dollars and this amount shall not thereafter increase.

Class V: Beneficiaries of members who on July 1, 1973 have been in good standing for a period of twenty (20) years or more shall receive seven hundred fifty ($750) dollars and this amount shall not thereafter increase.

Effective August 1, 1968, the amount of death benefits payable to the beneficiary or beneficiaries of a member who has been granted a withdrawal card prior to that date shall be computed on the basis of the number of years such member has been in good standing as of August 1, 1968, and shall not thereafter be increased during the period such member remains on withdrawal card.

The amount of the death benefits payable to the beneficiary or beneficiaries of a member who is granted a withdrawal card on or after August 1, 1968, shall be computed on the basis of the number of years such member has been in good standing as of the date on which the withdrawal card is granted, and shall not be increased thereafter during the period such member remains on withdrawal card.

However, provided effective July 1, 1973, the amount of death benefits payable to the beneficiary or beneficiaries of a member who is granted a withdrawal card on or after July 1, 1973, shall be computed on the basis of the number of years such member has been in good standing as of July 1, 1973, and shall not be increased thereafter.

CAST YOUR BALLOT

[ ] Jobs
[ ] Health care for all
[ ] Quality education
[ ] A cleaner environment
[ ] Equality
[ ] Safety and health on the job

Your vote is your voice. Use it.
Fun in the sun at Stockton picnic

STOCKTON – The Stockton-Ceres District held its annual picnic June 6 at Orchard Park off I-5 between Stockton and Modesto. Picnickers enjoyed roasted pig, salad, beans, garlic bread, and cantaloupe with ice cream to top it off. There were also games for the kids.

The Stockton-Ceres branch of the Local 3 credit union provided some very nice raffle prizes. I was disappointed that I didn’t have the winning ticket for the hammock. I tried to convince the winner that I needed it more. No deal, though.

Adult games included a 50-50 raffle and some great prizes, including a few with women in mind. (Beats the heck out of baseball caps, fellows!) Good going picnic committee.

Among the festivities, 50-year honorary watches were presented to Leonard Young, Don Powers, M.K. Enoboe and A.C. Bashnick. Our heartfelt congratulations gentlemen.

Joyce Skeen, Dispatcher

Beloved retiree Harvey Freeland remembered

SANTA ROSA – Without retirees our active members would not enjoy all the benefits the union has to offer. That’s why it’s important to honor our retired brothers and sisters.

One of these wonderful retirees, Harvey Freeland, passed away at his home on August 10 at age 96. Harvey was the uncle of Dick Beebe, a retired 50-year member and close friend of mine. Harvey is survived by his wife Leonara, several step children, grandchildren, nieces and nephews. I only met Harvey a few times and never had the chance to talk with him about his life as a Local 3 member. I was able to get some information about Harvey from his nephew Dick, and this is what he told me.

Harvey was born on December 14, 1896. His original union affiliation was with the IWW as a logger in the early 1920s. He was blackballed by the Northern California logging companies and had to seek employment in Washington State. Upon his return to the Bay Area, he joined the Hoisting and Portable Engineers Local 59 on May 7, 1928, which eventually became amalgamated with Local 2. Harvey was a union member for 64 years. We in the Santa Rosa District office would like to extend our deepest sympathies to Harvey’s families and friends.

Ever since Rob Wise, our district representative, transferred to the main office to train for a new position and Bob Miller, my partner, was promoted to assistant district representative, I have been pretty busy person trying to cover the jobs that have gone out to bid or will be going out to bid. The only two things that keep me from going totally crazy are that Rob is still taking care of his contractors, equipment shops and the Syar plant, and that it has been very slow in the private sector. I’ve been trying to make as many job visits as I can but remember, if you have a problem on a job, all it takes is a call and I’ll be out there.

The job picture can be viewed two different ways. On one side, there are several good-sized publicly funded jobs that have gone out to bid or will be going out to bid. On the other side, the public agencies aren’t letting the jobs start until the state comes up with a budget. Parnum Paving has about five jobs on hold. Next year, I can see the problem getting worse. If the state cuts the amount of tax dollars each public agency receives, then each agency will look within its own budget to maintain its own personnel, and the place it will do its cutting will be the funding of projects.

That is why we must make our vote count in the November election. If we can elect a president and legislature that can work together, we will be able to get more federal funds coming into the state for our projects. I have also been told that if we’re able to get a president into office that favors organized labor, the National Labor Relations Board could start working for labor, and the enforcement agencies for prevailing wage rules could start coming down on the non-union contractors who refuse to live by the rules.

I’m talking mainly about Section 14b, which permits state “right-to-work” laws. Democratic presidential nominee Bill Clinton has promised to sign a bill to repeal Section 14b. These are good reasons to vote in November. Don’t forget you can vote absentee, in the comfort of your own home, before the election and you don’t have to wait in any lines.

I have just completed my grade checking course. I will start taking new sign-ups for anyone who is interested. The sign-up sheet is at the front counter at the district office and Cathy or Donna can sign you up. I plan on starting a class in January 1993.

George Steffensen, Business Rep.
NEWS FROM THE DISTRICTS

Retirees, actives unite at Utah picnic

SALT LAKE CITY – The Utah District picnic was held July 18 at Murray Park, which is located in the Murray suburb, the heart of our beautiful city. We had upwards of 350 people attend the gathering.

Don and Cathy Larsen, Kay and Marge Crittenden, and Mavin Mills did a first-rate job on the baked chicken. They came up with the chicken recipe while working together on a job in southeastern Utah a few years ago. The chicken’s baked in a Dutch oven over coals. I suppose you might call it “chicken for hard-working men” or even “chicken ambrosia for construction workers” because of how it came to be. We had the usual picnic activities, and everyone seemed to enjoy themselves. It was warm, but pleasant, under the big pavilion at the park that Saturday.

Before the picnic, the retirees held their golf tournament and we had a pretty fair turnout. We’re hoping for a larger one next year. The big winner in the golf tourney was Sterling Lee from Spanish Fork in Utah County. Sterling’s a really fine golfer. If you find yourself teeing off with him, try to remember every golf lesson you ever had because he knows what he’s doing.

The second place winner this year, and last year’s grand prize winner, was Neal Bridges from the Salt Lake area. Neal’s another golfer you’d have to work at to best. The third place win was a tie between Coleman Seal and his wife. That was good planning on your part, Coleman. If you’re going to tie with someone for one of the golf prizes, why not make it your wife? Coleman and Ruby presently reside in Orem, Utah.

Don Jones, Local 3’s fringe benefit director, Tom Callans of the credit union and Charley Warren from the pension office came up to do the pre-retirement meeting, which was held at the district union hall an hour before the picnic. At the picnic, Don Jones handed out the 50-year watches to

the following deserving members who were in attendance:

Jay Neeley, Fred Harding, Max Getz and Ralph Peay. Others who earned their watches but couldn’t attend were Ronald Fawcett, Charles W. Gardner, Carl Benson, Earl Baker, Wesley Ball and Glenn J. Cook. Congratulations! You put a lot of effort into keeping your union memberships going and you deserve the recognition for it.

As I looked around that day at our 50-year members and talked with them and other retirees attending the picnic, I realized that over the years these men, at one time or another, had been the backbone of Local 3’s accomplishment in Utah.

They supported us in organizing campaigns, they helped us start Local 3’s credit union, and they stood with us through good and bad, just as they’re doing now. I worked with a lot of these men and I appreciate their merit. They’re stand-up guys, and I want to thank our retirees and our active members for the participation they extend to Local 3. With supporters like we have, we may lose a few battles but we’ll eventually regain our ground and win the war. You just wait and see.

Kay Leishman,
District Rep.
Holmer J. Olsen begins BART rail extension

OAKLAND - Work in northern and central Alameda County remains static in the private sector, but with some improvement in the awarding of public works jobs.

At the Port of Oakland, General Construction Company (Glenview) and Holman Bros. Concrete Paving General Construction also has a $1.8 million contract to repair earthquake damage at berth 40. Hayward-Baker will do stabilization using the stone-pile-column method at this site.

Gallagher & Burk continues to make good progress on the 7th Street realignment job at the port. This $7 million project yields many buried obstacles such as piers, pilings and massive footings that must be removed before the new Mitsui Terminal can be built. Manson Engineering Company is driving pile and T&D of Livermore is doing the drainage.

At Matson Terminal, Valentine Corp. continues strengthening the dock to permit more large container cranes, and congratulations to all good union contractors who firmly believe that if you can't do it safely, you can't do it at all.

Another project for O.C. Jones in the area is grading and paving a temporary 400-car parking lot in Hayward near the downtown BART station. This will allow BART to vacate the west side of the parking lot and allow the hospital site of San Mateo to build a four-story, $8 million parking structure.

Holmer J. Olsen recently broke ground on a BART extension that will go from Bay Farm to Bay 236. The $11 million for less than a mile of track seems expensive, but when you consider that the existing track must be moved outward to make room for a T-bar supported, double-track elevated structure without interrupting normal BART schedules, you begin to understand the high cost. Seven inspection agencies are involved.

This $7 million project yields many challenges that need to be addressed. Do yourself and your union proud, register only for those jobs for which you are qualified.

To keep in mind that most of these public works jobs are coming on line because of Propositions 111 and 108 and Alameda County Measure B. Without the funds that these measures have provided, over $40 million worth of public works jobs would be years down the road. We sure need these jobs this year.

Your union officials and PAC Committee need your continued support at the polling place to keep those public works jobs happening.


Lots of bidding on small jobs

FAIRFIELD - While bidding has been active in our district, the projects have been relatively small. Vintage Grading & Paving has been fairly busy, so has Oliver de Silva. Teichert Construction is grading and paving city streets preparing for citywide paving overlays. Teichert Construction's I-80 project has been a great paycheck producer. The company has had several 10- and 12-hour shifts to keep on schedule. Teichert has also been busy in Dixon working on two subdivisions.

Northbay Construction crews have been working full-time at Green Valley Road in Cordelia. R.C. Collet crews have been resurfacing Vacaville city streets and, according to the city inspector, are doing a great job. Heide & Williams is also busy in downtown Fairfield. Harold Smith & Son Company in St. Helena is not working its employees full weeks. Needless to say, it's been slow.

Argonaut is excavating a small subdivision in St. Helena. Non-union Pipeline Excavators has a pipeline project in St. Helena, a job that's being monitored by the Foundation for Fair Contracting.

Syrac Rock in Napa has been slow but is picking up a little. Mike Burns and Bob Stoffers, supervisors at Syar Lake Herman Rock products, advised us that sales have picked up for the company in Vallejo. We have just completed negotiations with Benicia Industries, securing an average of 3.79 percent wage increases per year for three years, and we have signed two new owner-operators: William R. Walsh of Benicia, who has a new Cat backhoe-loader, and Elisha Neal Quinn, who has an 850 John Deere four-wheel-drive tractor with a 16-yard Reynolds scraper.

Congratulations to brother L.C. Kent on his recent retirement. It will sure be quiet around here now. Some of our oilers will be throwing away their ear plugs.

A special good-bye to Bill Dorresteyn, Local 3's dredging and crane special representative who will be retiring soon. So long, Will! You will definitely be missed.

Retired Safety Director Jack Short recently came by the union hall and told us about his great fishing at Lake Berryessa. But he failed to bring us any fish. I suppose we'll get over it.

Our Political Action Committee has recently endorsed Tom Hannigan for state Assembly, Skip Thomson for Solano County Supervisor and John "Mickey" Nickolajcik for Napa County Supervisor.

We are presently working on a voter registration program and are mailing out voter registration forms if you need registration forms, call us at (707) 429-5008. Agents also have registration forms in the cars. We will also assist you in getting absentee ballots.

Remember one thing, if you don't vote, don't complain. We are the only ones that can change things. Your vote means jobs!

Dave Young, District Rep.

Some good jobs loom on work horizon

RENO - The district's work picture has improved during the second half of 1992. We've been closely watching the Nevada job proposal list, which recently advertised several jobs that we've been anticipating for some time.

Robert L. Helms was the low bidder on the Mt. Rose and Pyramid Highway widening. Granite was awarded an overlay at Argenta and the Robb Drive interchange. Frehner Construction has white paving on I-80 between Caris and Elko. Paving crews for Frehner, Helms and Granite have been busy all season across the state. Overlays have made up the majority of our work the last few years.

Ams Construction, our only signatory contractor in the mines, has been working steady in Carlin, but the company continues to battle the non-union on private work. The Northern Nevada Building Trades recently signed with Bechtel on a $250 million mill expansion at Newmont Gold. It's an excellent agreement and site work is expected to start some time in September.

We have two new signatory contractors in the area. Kasler Corp., out of San Bernardino in Southern California, is doing a bridge and white paving on I-80 near Winnemucca. Sybron-Relia, based in Palsom, Calif., is currently doing some holding ponders for a series of three dams in Gardnerville.

I've been thinking positive about the future and hope you have too. There are some major changes that need to be made in Washington, D.C. We need jobs. If the American middle class can get back to work, we can start to turn things around. Please get out and vote. You can make a difference.

Chuck Billings, Dispatcher
Secure your retirement

Supporting Prop. 162 would prevent politicians from raiding your pension

The great corporate pension raids of the Reagan-Bush era are legendary. During the 1980s — and now into the 1990s — corporations have legally removed some $21 billion from their employees' pension plans. Overall, nearly 2,000 corporations have dipped into employee pension funds for at least $1 million each over the past 12 years. Fortunately, the Employee Retirement Income Security Act (ERISA) requires that if a private company wants to remove money from an employee pension fund, it must certify that enough funds remain to cover its pension obligations.

Public employees, unfortunately, don't enjoy such protection. Politicians are free to raid public pension funds to finance other government — and sometimes non-government — programs. In the past two years, more than a third of the states, including California, Illinois, Texas and New York, have cut or delayed contributions to their public employee pension funds, seized money outright from pension accounts, or have begun to debate similar measures.

Often the real motive behind these raids is to solve short-term political and financial crises, leaving it to future generations of taxpayers and politicians to worry about long-range pension financing problems. Public pension money has been used elsewhere to fund such things as high-tech business ventures in Maryland, highway maintenance in West Virginia and to prop up failing savings and loans in Kansas.

Last year, California Gov. Pete Wilson, took advantage of the lack of public pension safeguards and raided $1.9 billion from the California Public Employees Retirement System (CalPERS) to help offset the state's whopping $10 billion budget deficit. The $1.9 billion had been earmarked to finance cost-of-living raises for retired public employees. It didn't matter that the money didn't belong to the state or that it was to be used solely for retirees. It also didn't matter that the money came from employee contributions, not employer contributions and therefore, was not contributed from any taxes or public funds. In justifying his actions, Wilson said, "You (CalPERS) need to have a lot of money." To prevent future raids on the system, a coalition was established this year to place an initiative, the California Pension Protection Act of 1992, now referred to as Proposition 162, on the November general election ballot. This initiative, not to be confused with Gov. Wilson's welfare initiative, would essentially protect all public employee pension funds from political interference and manipulation. The initiative would prohibit diversions from pension funds and prevent politicians from taking control of retirement boards. Under the provisions of the act, a clause would be placed in the state Constitution declaring that a retirement board's duty to provide benefits to retirees must take precedence over anything else.

In January, Local 3 joined a coalition of retiree organizations, taxpayer groups, and other unions to begin gathering the 900,000 signatures needed to place the initiative on the ballot. In July, the initiative qualified for the November ballot with the greatest number of voter signatures, about 1,046,000, ever gathered in California.

Local 3 Business Manager Tom Stapleton explained the reason why the Operating Engineers joined the coalition. "When politicians raid pension funds, they steal the dignity and security of all who depend on their hard-earned benefits to meet basic necessities during their retirement," he said. "The result is massive tax increases in the future."

The coalition is unusual in that anti-tax groups and labor unions, normally adversaries, are working together. Ted Costa, executive director of the People's Advocate group (founded by the late anti-tax crusader Paul Gann) said that CalPERS is the best public retirement system in the country and that the initiative would save billions of taxpayers dollars by protecting the fund's ability to cover pension benefits when they eventually come due and payable. "Every time the politicians reach into the (pension) cookie jar and take out a billion or a billion-and-a-half dollars, taxpayers down the road are going to have to pay for it with interest," Costa said. "We must stop politicians from looting public pensions to finance budget shortfalls. These short-term fixes have disastrous long-term consequences for taxpayers and pensioners alike. Pension fund raids today mean huge tax increases in the future when promised benefit payments come due."

With Prop. 162 on the ballot, the next task is to get the initiative passed. Californians for Pension Protection, a coalition of public employee groups, has launched an all-out campaign to get Prop. 162 passed. The organization has retained fund-raiser Robert Kaplan Company to work with supporters. The campaign will use television and radio ads and direct mail to get the message to voters. Local 3 is urging all its members to support this initiative. Vote yes on Prop. 162 on November 3!
When a Local 3 public works/miscellaneous bargaining unit in Susanville, Calif., became frustrated with wage reopener negotiations, the employees applied the familiar maxim, “The squeaky wheel gets the grease.” The tactic evidently has worked because the council agreed to resume negotiations. At the August 19 city council meeting, Local 3 offered a 2-percent wage increase effective October 3, 1991, three months later than originally desired but three months sooner than what the city had proposed. In the end, the employees accepted by a 15 to 1 vote a one-time, 2-percent wage increase over three months. But rather than have it effective October-December 1991, the employees decided to have the increase go into effect a year later, on October 15, 1992. This way those employees receiving step increases this year will get higher overall raises. The city council still must approve the deal at its September 9 regular meeting.

Whatever the outcome, the informational picket showed once again how strength comes from solidarity.

Gov. Wilson vetoes public employee safety bill

California Gov. Pete Wilson once again has demonstrated that tax considerations outweigh the risk of life and limb, and that a healthy and safe work place is more important for private employees than for public employees. The Republican governor has vetoed a bill, AB 2277, that would have made public employers subject to Cal-OSHA’s civil penalties for occupational and health violations to the same extent as private employers.

Under current law, the California Occupational Safety and Health Act of 1973 (Cal-OSHA) provides that any employer found in violation of Cal-OSHA standards shall be cited and may be assessed monetary penalties. The Division of Occupational Safety and Health can assess civil penalties of up to $7,000 for a non-serious violation, and additional penalties of up to $70,000 for willful or repeat serious violations. Such violations may also result in criminal prosecution.

However, the law exempts public entities from civil penalties. The reasoning in 1973 was that if one governmental agency was assessed penalties by another, the result would amount to merely shifting funds from one agency to another, thus costing taxpayers more in increased paperwork and accounting costs.

Several public employee organizations, primarily the California Professional Firefighters, the construction trades and several Democratic state lawmakers disagree with this logic. They argue that the exemption doesn’t give public employers any clear incentives to comply with occupational safety and health provisions. Public agencies can shirk their health and safety responsibilities without fear of being penalized, leaving public employees at greater risk of sustaining needless injuries and illnesses than employees in the private sector.

To correct the problem, Assemblyman John Burton, D-San Francisco, introduced AB 2277 in January, a bill that would have repealed the provisions in Cal-OSHA that exempts public employers from civil penalties. The Assembly passed the bill 41-30 in May, and the Senate did the same by a 23-6 margin in early July.

But to many people’s dismay, Gov. Wilson vetoed the bill, claiming it would increase the number of appeals by governmental agencies and raise costs resulting from civil penalties assessed against the state for violations. He also suggested in his veto message that rather than rely on Cal-OSHA enforcement, public employees can seek injunctions or restraining orders when their bosses flout Cal-OSHA health and safety standards. This is fine for those who can afford a lawyer, but what about the thousands of workers without the resources to fight the state’s powerful bureaucracy?

AB 2277 was similar to three other bills that were vetoed by former Republican Gov. George Deukmejian: AB 376 in 1985, AB 701 in 1987 and AB 161 in 1990. For both Deukmejian and now Wilson, the minimum extra cost to taxpayers seems to outweigh the importance of protecting public employees from health and safety hazards.

NEWS FROM PUBLIC EMPLOYEES

Picket pressures Susanville to negotiate wage reopener

About 20 public works/miscellaneous employees picket in front of the Susanville city hall July 17 to draw attention to stalled wage reopener negotiations.

When a Local 3 public works/miscellaneous bargaining unit in Susanville, Calif., became frustrated with wage reopener negotiations, the employees applied the familiar maxim, “The squeaky wheel gets the grease.” The tactic evidently has paid off.

Last year, the city and Local 3, which represents the public works/miscellaneous unit, reached a tentative agreement on a one-year contract for fiscal year 1991-92.

Among the provisions was a 4-percent base pay increase effective December 26, 1991. But the city council rejected the agreement and offered only a 2-percent increase. Both sides eventually settled for the 2-percent increase and agreed to reopen negotiations in early 1992 on economic issues provided extra money from a prison annexation fund was available.

In April, the city determined that there were indeed enough funds available from the prison fund to begin negotiations for the wage reopener. The employees felt optimistic about the prospects of getting back some of the wages they gave up the year before. Negotiations with the city resumed in late April. The bargaining unit wanted, among other things, the 2-percent wage increase effective July 1, 1991, the beginning of the city’s fiscal year. The city countered with the same wage increase but wanted the raise to go into effect six months later, on December 30, 1991.

After five negotiating sessions in which neither side was able to come to an agreement, the city council began to change its position. Like so many other cities and counties across the country, Susanville is experiencing serious budget problems. At a June 2 negotiating session, City Administrator Roy Bysegger told the employees that the city could not commit to any wage increase until the city knew more about the impact of its proposed 1992-93 budget. Employees feared the city would adopt a budget that contained no funds for the wage increase.

To make matters worse, the city council, with new elected members following the June election, announced at its July 1 meeting that money was no longer available for the wage increase and that no further reopener negotiations would take place. The new council had been considering funding for the wage reopener based on the overall city budget rather than from the extra prison annexation money.

The city’s new strategy triggered an angry response from the employees. Feeling betrayed, the unit staged a one-day informational picket outside city hall on July 17. During their lunch break, about 70 percent of the unit, nearly 20 employees, carried signs with slogans that read, “Treat us fairly,” “We want to negotiate wage reopener,” “We were just really angry,” said Victor Hasek, a maintenance worker and job steward, echoed the sentiments of many of the employees. “It was really a mess. Everyone was just so disappointed. There was some resentment about the city not seeming to care about its employees. It was bad news for everyone.”

The informational picket evidently worked because the council agreed to resume negotiations. At the August 19 city council meeting, Local 3 offered a 2-percent wage increase effective October 3, 1991,
HONORARY MEMBERS

As approved at the Executive Board Meeting on August 16, 1992, the following retirees have 35 or more years of membership in the Local Union, as of August 1992, and have been determined to be eligible for Honorary Membership effective October 1, 1992.

Eugene Babcock  0939560
Dale Beach *  0383866
Merlin Buck  0003397
Robert Buck  0374043
Amber Cripps  0798043
Joseph Daughtery  0850522
George Dias  0603609
Marvin Eaton  0848835
Wayne File  0939877
James Gaither  0931026
Peter Gault  0940042
George Hall  0217845
Lester Griffith  0854615
V. B. Harpe  0939887
Alva Haner  0586477
Ernest Hull  0939676
Harry McLaughlin  0835662
Vern Motley  0939729
Donald O'Dowd  0879761
Theo Osborn  0935718
Edward Ostenberg  0909570
James Quinn *  0908761
Virgil Ramsey  0888901
Hugh Rogan  0798023
Walter Schmitz  0674822
William Shaw  0821863
F. J. Sheridan  0892725
Robert Shoulet  0827055
Edwin Siroston  0904458
Jack Snowball  0707275
Charles Snyder  0939646
Thomas McBroome  0616366
Marshall Thurman  0931055
W.F. Tuller  0939957
Robert Turner  0873294
James Williamson  0930824
Wilbur Wixom  0699290

* Effective July 1, 1992 - Recently determined to have been eligible in June 1992.

Departed Members

Business Manager Tom Stapleton and the officers of Local 3 extend their condolences to the families and friends of the following deceased:

FEBRUARY 1991
Alvin Lilton of Menlo Park, Ca., 2/8.

JUNE

JULY
Raymond Budrow of Ogden, Utah, 7/29; Donald Cabezas of Honolulu, Hawaii, 7/30; Arnold Cardoza of San Jose, Ca., 7/31; Leonard Carreia of Ewa Beach, Hawaii, 7/25; Jilt Cordonio of Turlock, Ca., 7/23; Frank Corey of Fremont, Ca., 7/21; Frank Derrick of Kelseyville, Ca., 7/21; Royal D. Johnson of Ojai, Ca., 7/18; Leonard Miller of Fresno, Ca., 7/15; Ciecle Niel of Ingham City, Utah, 7/17; Richard Nease of Fremont, Ca., 7/16; Michael Scalf of Soquel, Ca., 7/16; Alvin Smith of Fresno, Ca., 7/28; Chas W. Walker of Modesto, Ca., 7/25; V. Wimmer of Placerville, Ca., 7/29.

AUGUST
Henry M. Barnett of Oakland, Ca., 8/3; Roy E. Beets of Modesto, Ca., 8/6; Loie Bellah of Concord, Ca., 8/6; T. Ford of Sacramento, Ca., 8/10; Harvey Free-land of San Francisco, Ca., 8/10; Frank Gallegos of San Carlos, Ca., 8/2; Henry L. Gomes of Kauhulu, Hawaii, 8/14; Ray Hargis of Pollock Pines, Ca., 8/3; Edward Higgins of Elko, Nevada, 8/16; Oscar Johnson of Sacramento, Ca., 8/16; Thomas McBroome of Fallon, Nevada, 8/3; Lee R. McKibbon of Oakland, Ca., 8/2; Yutaka Miyashiro of Waipahu, Hawaii, 8/1; John Rand of Oakland, Ca., 8/2; Russell Steinshilber of Santa Clara, Ca., 8/13.

DECEASED DEPENDENTS
Colton Denny Kempton, son of Jason, 7/29.

Notice

Magic Kingdom Club cards are now available at most district offices.

DRIVE A BARGAIN

Magic Kingdom Club members-even ones as goofy as these two characters- receive valuable discounts on rental cars at most National Car Rental locations across the U.S. For details, see Club Membership Guide.

To obtain your Disney package clip & fill out coupon and send to: Operating Engineers Local Union No.3 1620 South Loop Road Alameda, CA 94501 Attn: Public Relations

Name ________________________________
Address ________________________________
City ____________________________ State __________ Zip ____________
Social security number __________

Executive Board change

At the regular quarterly district membership meetings held July 21-23, 1992, in Hawaii, district membership elected JOHN POPOVICH to serve as the District 17 Executive Board Member to fill the balance of a term left vacant due to the resignation of RICHARD LACAR.
Americans with Disabilities Act

Here's some important facts about the Americans with Disabilities Act, which Congress recently passed and President Bush signed into law.

**Employment**
- Employers may not discriminate against an individual with a disability in hiring or promotion if the person is otherwise qualified for the job.
- Employers can ask about one's ability to perform a job, but cannot inquire if someone has a disability or subject a person to tests that tend to screen out people with disabilities.
- Employers will need to provide “reasonable accommodation” to individuals with disabilities. This includes steps such as job restructuring and modification of equipment.
- Employers do not need to provide accommodations that impose an “undue hardship” on business operations.
- All employers with 25 or more employees must comply effective July 26, 1992, and all employers with 15-24 employees must comply effective July 26, 1994.

**Drug and alcohol issues**

**Employer authority in general:**
- May prohibit the illegal use of drugs and the use of alcohol at the workplace by all employees.
- Also includes those who illegally use prescription drugs.
- May require that employees be under the influence of alcohol or be engaging in the illegal use of drugs at the workplace.
- May require that all employees be in conformance with the requirement of the Drug Free Workplace Act.
- May hold an employee who engages in the illegal use of drugs or who is an alcoholic to the same qualification standards in employment, job performance, and behavior to which it holds its other employees.
- May require that employees in an industry regulated by the Department of Defense, the Department of Transportation or the Nuclear Regulatory Commission comply with relevant drug and alcohol regulations.
- Drug tests are excluded from prohibitions on medical testing and are to be used.

Meaning of “current use” - is not intended to be limited to the use of drugs on the day of, or within a matter of days or weeks before the employment action in question. Rather, the provision is intended to apply to the illegal use of drugs that has occurred recently enough to indicate the individual is actively engaged in such conduct.

Former users and “regarded as” users are not excluded but must independently establish ADA coverage.

Transportation - accessibility to transportation and buildings is also addressed under the new regulations.

For more information contact:

**Coordination and Review Section, Civil Rights Division, U.S. Department of Justice, P.O. Box 66118, Washington, D.C., 20035-6118. (202) 514-0301 (voice), (202) 514-0381 (TDD).**

**Alumni picnic:** This year's fund event, the ARP/Azure Acres Annual Alumni Picnic, will be held at Azure Acres on September 12. All ARP and Azure Acres alumni are invited to attend.

This year's theme is a western hoedown. Contact Sue at Azure Acres 1-800-222-7292 or the ARP office 1-800-562-3277 for details.

**ADDITION RECOVERY PROGRAM**

1-800-562-3277

**Union Briefs**

Stalled economic recovery

The much talked about recovery is at least a year away for many contractors, according to the most recent forecast update by the F.W. Dodge Division of McGraw-Hill Inc. With the economy stalling in the second quarter, Dodge has revised downward its original forecast of a 2 percent gain in the value of contract awards this year. It now expects contract awards, excluding single-family housing, to show no gain over last year's dismal figures.

Depressed commercial and industrial markets are expected to outweigh gains in public works construction as financial constraints continue to inhibit investment by private developers. The grossly overbuilt commercial market is still in decline, acting as a drag on the recovery, said George Christie, chief economist for McGraw-Hill's Construction Information Group. The prospect for a sustained revival of commercial building is bleak.

The good news is that infrastructure work is expected to get a boost from the new federal highway bill, the Intermodal Surface Transportation Efficiency Act. Transportation-related construction should increase by 10 percent in both 1992 and 1993 and then hold steady, Christie predicts.

A June survey of 200 U.S. construction firms by Dun & Bradstreet Corp. indicated that construction orders will improve slightly in the third quarter but overall optimism remains at low levels. The construction industry remains depressed, despite a slight uptick in optimism and modest improvements in current conditions, the survey found.

"The low levels of optimism suggest that recent reduction in interest rates have failed to significantly revive the construction sector," said Douglas Handler, D & B's manager of economic analysis. "Indeed the survey results indicate the construction recession is due to structural problems in the economy, rather than a business cycle problem."

*A case for infrastructure investment*

The return on investment in infrastructure projects is substantially higher than is understood by many politicians, according to a study done for the National Joint Heavy and Highway Construction Committee.

The return on investment is not just attained from developing and maintaining safe highways, but it also comes from economic benefits derived from paying what the committee said are fair and prevailing wages. According to the committee, the lower the wage paid to workers on infrastructure projects, the less revenue is generated in payroll and income taxes, and the less is spent by workers on consumer goods and services. By failing to invest in infrastructure projects, states are missing a chance to enhance revenue without raising taxes, the committee said.

The committee wanted to find out what kind of return is generated for every dollar spent on wages on infrastructure projects in selected high- and low-wage states. The high-wage states with an average wage rate of $19.99 per hour on highway projects were California, Illinois, Michigan, Missouri, New York and Pennsylvania. The low-wage states in which wages on highway projects averaged $9.35 per hour were Florida, Georgia, Texas and Virginia.

Among the studies findings were:

- The average annual earnings in the high-wage states is $33,524 compared with $14,908 in the low-wage states.
- Federal income and Social Security taxes are 29 percent higher in the high-wage states than in the low-wage states - $77,987 versus $60,657 per mile of highway.
- State revenue generated per mile of highway is 20 percent greater in high-wage states than in low-wage states - $20,378 versus $16,916.
- Labor costs per mile of highway are only 11 percent higher in high-wage states, yet state revenue is 20 percent greater.
- Each dollar spent on highway construction for labor generates, through the multiplier effect, an average of $2.40 in other economic activity.
- Using this multiplier and assuming a state's cost share is 10 percent, the high-wage states return $1.60 for each dollar spent on labor while $1.48 for each dollar spent is returned to low-wage states.

**Infrastructure or foreign aid?**

As part of an effort to create upwards of 150,000 jobs, the House approved 213-130 an amendment to the Fiscal Year 1993 transportation appropriations to allow some $400 million to be transferred from foreign aid spending to highway projects. It's not known yet whether the bill will pass, despite a slight uptick in optimism and modest improvements in current conditions, the survey found.

"The low levels of optimism suggest that recent reduction in interest rates have failed to significantly revive the construction sector," said Douglas Handler, D & B's manager of economic analysis. "Indeed the survey results indicate the construction recession is due to structural problems in the economy, rather than a business cycle problem."

*Strongly backed by the AFL-CIO, the move is the first breach in the so-called "fiscal wall" set up in the 1990 budget agreement. Those walls ban the shifting of funds from foreign aid or defense to domestic programs.

The next move will be up to the Senate when its Appropriations Subcommittee on Transportation marks up HR 5518. It's not known yet whether the bill would reach the Senate floor before or after the August recess. Appropriations must be completed by October 1, the start of a new fiscal year. Republican lawmakers are expected to block the bill, and Bush administration officials are expected to veto the legislation because it prefers to use those funds for foreign aid rather than American jobs, another example of Bush's preference for foreign policy over domestic affairs.*