AFFILIATED AS LOCAL 4873 WITH OPEIU-AFL-CIO

President John F. Conley Sec. Treas. John Brenton, III vice Presidents Elwood Hampton, T. (Ruthie) Jones, Mary Williams

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Spring 2005



Report of the

by John F. Conley

Dear Brothers and Sisters,

It is springtime once again and summer is just around the corner. Although the weather has changed, the political climate in our nation's capitol has not. The agenda of the Bush administration remains the same as was the prior four and a half years. Bipartisan politics is alive and well. Compromise is the essence of politics in a diverse democracy. With this administration, there is no compromise. It's "my way or no way". Republican spending is out of control. In January of 2001 when the Bush administration took office, they inherited a comfortable surplus. Four and a half years later, we are trillions in debt. Even more alarming, 43 per cent of America's debt is owned by foreign countries – Japan holding approximately 680 billion - followed by China holding approximately 230 billion. Then comes the United Kingdom, Taiwan, Germany, Hong Kong, and Switzerland. We should be asking ourselves - "Is America up for sale?"

The number of Americans without health insurance continues to increase - 45 million to date. Medical inflation continues to rise, reported to be 19 percent this year. Many employers that provide a health plan for their employees are now reducing benefits. Many union/employer plans are requiring employees to pay a greater share. Those of us covered by the ITPE Health and Welfare Plan have much

to be thankful for. The Trustees are to be congratulated for their ability to hold the line.

Not as fortunate are those who have had their jobs outsourced. The unemployment rate is still 5.2 percent – well above the 4.0 percent levels experienced in the late 1990's. Moreover, the 5.2 percent is a gross understatement in light of the fact that many workers who left the labor force after 2001 have yet to return and are no longer counted as unemployed. The majority of those jobs that were outsourced are unlikely to ever come back.

Another alarming fact - our education system is failing America's children. The United States tops the world in school spending but not in test scores. A recent annual review of industrial nations found the United States finished in the middle of the pack in its 15 year olds' performance on math, reading and science and its high school graduation rate was far below the international average. The "no child left behind" law demands better performance from students and teachers, particularly in low income districts, but critics say Republican leaders in Congress have spent too little on the effort. Education is the foundation of any nation. It is a fact - high school graduates earn more money than nongrads. College graduates' earnings are much higher than high school gradu-

Continued on page 2



PRESIDENT'S REPORT continued from cover

ates. I encourage each eligible ITPE member to take advantage of the scholarship programs provided by the ITPE Health and Welfare and the ITPE Annual Benefit Plans. I am hopeful the ITPE Union will soon be in a position to announce its own scholarship program providing financial support to its members' dependent children.

If this isn't enough, the war in Iraq continues to be a heavy burden on the United States economy. Every day we learn more of America's young men and women are killed – over 1,600 to date. Thousands more permanently injured. Along with the Americans, there are thousands of innocent Iraqi women and children who have also become victims. Although President Bush announced many months ago – "mission accomplished", this war is far from over. One has to wonder if that part of the world is ready for a democracy. After all this time, the leader of Al Qaida (Osama Bin Laden) – responsible for the 911 attacks in 2001 still remains at large.

In addition to the above, we have 11 million illegal immigrants that have crossed our borders. Gas prices are reaching all times highs. Recruitment in our military branches is at it lowest level. Taxes are increasing while services are being cut. Crime is at an all time high in many communities. The United States has the largest

inmate population with two million in our prisons. Our infrastructure is in decay while China has the largest infrastructure building program going on. Guess who is paying for it? Examine the labels on what you buy. Rarely do you see "Made in the USA". The list goes on and on. While all of this is threatening to our life style, where is President George W. Bush? He is traveling to foreign countries telling them about democracy and how they should govern when his own country is in disarray. When he isn't doing that, he is on U. S. Air Force One traveling around the United States attempting to sell his Social Security Privatization Plan. America's dream could soon become America's nightmare.

We need a Government that is all about putting America and all Americans first – not just corporate America. As citizens of concern, it is up to you to write your legislators, get involved in your community, your Union, school programs and other areas which will support a change for the better - not only on a local level but the national level as well.

God bless each and every one of you. Let's all work together in making America's dream a reality.

John F. Conley President

KEESLER AFB



ITPE members and the management team of Austin & Associates.

Congratulations!!

on winning the Hennessy Award

SPRING 2005 3



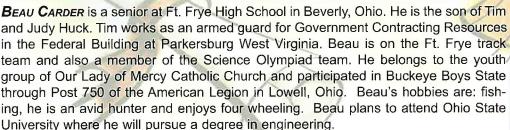
ITPE Health and Welfare Scholarship Winners

Hallie Stiller feels honored to have received the Shannon J. Wall/ Happy I. Franklin Scholarship. A senior at the West Babylon Senior High School, Hallie has taken many challenging classes, including seven advanced placement courses and Honors Russian. Her favorite extracurricular activities include drama club, where she holds the office of secretary, as well as students against drunk driving and the National Honors Society. Along with a PT-job she volunteers with FEGS Health and Human Services, the Creative Arts Space for Kids Foundation, and Splashes of Hope.

EUNICE ANGELES will be attending the University of West Florida, Pensacola, FL, this Fall. She's involved in the National Honor Society, Beta Club, Mu Alpha Theta, Latin Club, Latin National Honor Society and Science club. She was also involved in Anchor Club 10th and 11th grades. She also is a member of her church, Junior Legion of Mary, an altar server, and also help with the kindergarten religion class at church. She attends Little Flower Catholic Church.



My name is **Amanda Reynolds**, and I attend St. Martin High School in Ocean Springs, Mississippi. I have applied and been accepted to the Unversity of South Alabama, where I plan to major in nursing. I am activity involved in school, church, and community services and I hope to pursue these activites in the future. Some activites and honors I have achieved: Mississippi Scholar, Vice-President of Spanish Honor Society, Who's Who Among American High School students, National Honor Roll. I will graduate with and Advanced Diploma with Special honors.







Cristalina Mays is a senior at Jack Britt High School in Fayetteville, N.C. She is the daughter of Reggie and Catalina Mays. Catalina works for Bmar and Associates at Womack Army Hospital in Ft. Bragg, N.C. Cristalina belongs to the Health Occupations Students of America (HOSA) where she is Secretary and Chairman of Community Service, the Key Club, Bilingual Club, Spanish Club (Vice President 2003-2004), Total Image (Chairman of Hospitality) and was inducted into the National Honor Society.

Cristalina enjoys participating in sports and lettered Varsity since her freshman year in Track and Cross Country. She also served as Captain of the Cheerleading team at Jack Britt High (2002-2003).

Volunteering is an important part of Cristalina's life, the causes she holds most dear and to which she volunteers her time are: The American Red Cross, the Public Library, the Alms House and the Sandhills Land Trust.

Cristalina plans on attending UNCG and major under pre-med. She would like to thank the committee and let them know she is most appreciative of this scholarship.

TEXAS ITPE AREAS

Union Members working on the front line in the fight against terrorism and illegal undocumented people entering the U.S.A.



Officer Ruben Godines, Capt. Kenneth Johnson and Officer Raymond Serrano all work at the U.S. Ports of Entry in El Paso, Texas. All the officers in this contract play a vital roll in the fight against terrorism and the security of our country's boarders. They are under the direction of GSA and Homeland Security. They work for the contractor R.B.H. Joint Venture, Inc. Patrolling the ports of entry and helping their country to be safer for our citizens are among their duties that they take very seriously. They are proud to be members of the ITPEU.

Union Plus Offers New Credit Card for Union Members Using the purchasing power of 13 million union members, Union Privilege, the AFL-CIO's member benefits organization, has launched a newly revamped Union Plus Credit Card program that gives cardholders benefits designed exclusively for union members and their families. The new card offers

- Low introductory and balance transfer rates
- · Help for members on strike or facing hardship
- All service calls answered by U.S. based customer representatives,
- 24 hours a day, 365 days a year
- 100% protection against fraud
- No annual fees
- Huge discounts on eye care, prescription drugs and movie tickets
- Unlimited high-speed dial-up Internet access for \$9.95 a month

For complete information on the new Union Plus Credit card or to apply call 1-800-522-4000 or log onto www. UnionPlus.org.

Betty Johnson-Carter; Cashier/Clerk, Allen Tharp & Associates, Lackland AFB, TX.



Betty, Congratulations on receiving the Commandant's award!

TEXAS

IN LOVING MEMORY Ms. June A. Meyers



Above: June Meyers, was born on the 20th day of July 1951. She passed away on January 14, 2005 at Beauregard Hospital in DeRidder, Louisiana at the age of 53. June was a resident of Leesvile, LA and the shop steward for the food service contract at Fort Polk, LA. She was an active member of her church and sang in the choir. She had a beautiful singing voice which was heard by all at our last convention. Besides being a great shop steward, she was a trusted friend. She was one of those people who seem to slip into your heart when you're not looking. We'll all miss you, but we know that your vocie has been added to another

choir that will continue to be heard in our hearts.

June is survived by her daughter Tarja Garners, her father Matthew Williams, Sr., her brother Joesph M. Williams, Matthew Williams, Jr. and Dennis L. Williams, her sisters, Ellen Marie Williams, Annie Williams, Iris Williams, her grandchildren Tishonna and Tannisha Garnes and her fiance, Gerald Douglas. She is pictured here from left to right with: ITPE Representative Maureen Alsheimer, ITPEU President John F. Conley, and to June's right ITPEU Vice President Mary Williams. June will be missed!



Greetings from the WEST COAST

By John Brenton, III, Secretary-Treasurer

Two thousand five has started out as a good year for the ITPE as we continue to grow.

Growth is important to any organization. More so for an organization such as the ITPE, because the more we grow the cost of running this organization can be spread, keeping the individual cost to a minimum.

Growth is also the message president John Conley has been trying to convey at the shop steward seminars he has been presenting throughout the country.

I had the opportunity to attend two (2) such seminars since our last publication, the first was held at our Las Vegas office, where the really good news was the return of vice president Ruthie Jones.

Ruthie had been out sick, however she had fully recovered and was able to attend the seminar, along with shop stewards Craig Harris from Yellow Cab, Stanislaw Rozenberg from Star Cab, Carl "Smokey" Tucker and Karla Hiropoulos from Checker Cab, and Virginia Deveau, Ed Waldron, and Mike Warzlow all from Henderson Taxi.

A couple of weeks later Mr. Conley and the crew had another seminar at Schofield Barracks in Hawaii. In attendance were: the chief shop steward for the island Gwen Rodrigues, Lien Rusinko, Keiko Tucker, and Marilou Rodriguez all from Schofield Barracks, Kevin Witsell from Kaneohe US Marine Corp Base Hawaii, Juanique Bell from Hickam AFB, Ron Maganis from Kunia Tunnel, and Remedios Lamasao from the sub base at Pearl Harbor.

After both of these seminars, there was great appreciation shown by the attendees for the information and the education they received. Likewise, the union appreciated the time these shop stewards dedicated to attend.

I personally want to thank President Conley and representative Lynette Guillebeaux for their hard work in putting these seminars together and also the shop stewards for attending.

We have been given the tools and the information to make this organization grow and grow we must if we want to continue to be the "number one" union in the service contract field.

Speaking of growth, I am happy to announce that Rosario Beltran's family has grown by one. Rosario has been the shop steward at Petaluma Coast Guard Training Center for many years. Congratulations on your new baby boy and hopefully future ITPEU member!

Until that time, Fraternally Iohn Brenton III



ITPE Shop Stewards Jaunique
Bell - Hickman AFB, Kevin Witsell - Kaneoke, Ranilo Maganis - Kunia Tunnel, Remedies
Lamasoa - Pearl Harbor, Gwen
Rodrigues, Marilou Rodriques,
Lien Rusinko and Keiko Tucker
of Schofield Barracks pose at a
recent Shop Steward Educational
Seminar with ITPE President
John F. Conley, Secretary. - Treasurer John Brenton III, Vice-President
Mary A. Williams and Representative Maureen Alsheimer.

ALOHA From Hawaii

FULL-PAGE AD SLAMS WAL-MART

An organization opposed to Wal-Mart Stores, Inc., (NYSE: WMT) took out a full-page newspaper ad on Wednesday that accuses the world's biggest retailer of costing U.S. taxpayers some \$1.6 billion a year. The advertisement, in the New York Times, says Wal-Mart's low pay and benefits forced tens of thousands of employees to seek government aid in the form of Medicaid, food stamps and housing assistance.

The group, which calls itself the Center for Community and Corporate Ethics and lists union leaders, environmentalists and academics among its directors, asked people to sign up at www. walmartwatch.com to fight Wal-Mart.

Nationally

Bush Signs Bankruptcy Law that Protects Creditors, Hurts Consumers

New Rules Go Into Effect Oct. 20

-Statement from John Sweeney, President AFL-CIO

The bankruptcy reform bill sends a dangerous signal to working families that Congress will systematically gut protections for workers who have lost jobs or face crushing medical bills. The bill is a one-sided attempt to favor creditor interest and increased the burden for the families who are trying to recover from severe financial setbacks. Studies suggest that 90 percent of those filing for bankruptcy do so because of circumstances largely out of their control. In recent years, business failures and mass layoffs resulting from corporate fraud have led to innumerable individual bankruptcies. Rather than correcting deficiencies in current law that fail to protect workers in these circumstances, the bill puts more pressure on working families when they are most vulnerable. The bill is unnecessarily harsh and is further proof that big business is streamrolling legislation through Congress that will negatively impact the economic interests of hardworking Americans.

Union Membership Key to Health Care Coverage

Union members are more likely to have employer-provided health care than workers who are not union members, according to a new study by the Employee Benefit Research Institute. Eighty-six percent of union members had health care through their employers in September 2003, while only 60 percent of non-union workers did. Even in the public sector, union members were 26 percent more likely to have employer-provided health care than non-union workers. The largest disparity was in small private-sector firms. In firms with fewer than 25 workers, 82 percent of union members had employer-provided health care, compared with only 36 percent of non-union workers.

While the ranks of the uninsured continue to grow, only 2.5 percent of union members were uninsured in September 2003. The study concludes, "All else being equal, if unionization in the United States continues to decline, the percentage of workers with health benefits will continue to decrease and the percentage of workers who are uninsured will continue to increase."



From the WASHINGTON OFFICE

By Elwood Hampton, ITPE Vice President/Legislative Director

The following activities were handled by the Washington Office:

A number of Unions that represents employees under the Service Contract Act received a notice on January 5, 2005 that GAO is starting a study of the Service Contract Act as follows:

All Unions that received the notice wanted to be involved. Representing ITPE was Vice President Elwood Hampton, Sidney Kalban Counsel for the ITPE. and Kevin Kistler OPEIU Director Organization Field Service. Following some inter-union discussions, the AFL-CIO Legislative Committee became involved and a meeting was held with approximately twelve(12) Unions with representatives from GAO to discuss their requests. The Unions that were involved, agreed that the central body of the AFL-CIO should also be involved in any response.

We have distributed to all ITPE Officials the Congressional Directory which should enable you to contact your congressional delegates when needed. I attended meetings with AFL-CIO in Las Vegas and meetings with our Shop Stewards. I have communicated with Department of Labor Wage & Hour regarding an updated rate for Health & Welfare contributions. The posted rate should be available in the middle of May. I attended joint meetings of the Pension Fund and Health & Welfare Funds in New York.

I attended various community meetings and have been in communication with various senators and congressmen regarding military base closures in their area A list of available closings will be available in the near future, at which time I shall circulate this list. Attended 50th Annual Employee Benefits Conference, whereby, I received valuable information as a trustee enhancing my ability to service our union members regarding possible changes in the Funding arena. As Administrator, I have been involved in overseeing contract negotiations for this area.

I attended the signing of the Collected Bargaining Agreement between Amalgamated Life Insurance and ITPE in the Pennsylvania Service Center, King of Prussia. This unit was organized by Charles Hampton consisting of 100 due paying members. The contract also contains an Article III Check-Off Political Action Committee Contribution.

President John Conley & Vice President Elwood Hampton attended meetings held in Washington, D.C. with Vanessa Martin, Union Services Representative regarding ITPE Union Privilege organizing and the use of tool kits. The Union Plus benefits from Union Privilege. The AFL-CIO founded Union Privilege in 1986. They use the collective purchasing power of the more than 13 million members of AFL-CIO unions to develop a wide range of high quality and money-saving benefits.

By utilizing the national benefits, union membership saves workers money, rather than costing them additional money. When they use the benefits, the member saves more money than their dues cost them per year. If you need additional information or assistance with your organizing efforts or with promoting the Union Plus benefits, please call the Union Privilege Leader Line at 1-800-472-2005 or www.unionplus.org.

I attended Mayor's Conference in Atlantic City whereby, major stress was placed on Base Closures, example Fort Dix, Lakehurst Naval Air Station, and McGuire Air Force Base. It was further stressed that community involvement should be a key component in maintaining these bases or have them transferred into a business related establishment.

I attended Shop Steward Seminar for the Fort Dix area with President John Conley, Representative Charles Hampton, Representative Lynette Guillebeaux, and Funds Representative Roy Boyd.

I attended Homeland Security Meeting with National Chamber of Commerce.

I attended various meetings with the AFL-CIO Legislative Committee.

I attended various meetings of Supportive Congressional Delegates.

The Website has been completed, and thanks to all of those on the committee who participated. This website contains a great deal of useful information for our members and I urge



NORTHEAST REGION

I attended various meetings of Supportive Congressional Delegates. The Website has been completed, and thanks to all of those on the committee who participated. This website contains a great deal of useful information for our members and I urge them to access it www.itpeu.org.



LITTLE CREEK, NAVAL STATION NORFOLK, VA



Aaron Morgan, center in chef's hat, with his members at Little Creek Naval Station, Norfolk, VA. Aaron joined the Union in 1975, became a shop steward in 1993 on this contract. He worked very hard to maintain a good working relationship with the Navy and the members.

Hats off to Aaron and his crew: **(L-R:)** Gertraud Jacobs, Aberharle Wolderbzghi, Everlyn Nelson, Elizabeth Pangilinan, Julia Adams-Dillard, Aaron Morgan (Shop Steward), Rhonda Walton, and Rita Jones (Shift Leader).

About to Retire?

A will is your personal plan tailored to your own particular needs. An executor can be a relative, a friend, your lawyer or a bank or trust company that specializes in the handling of estates. In the event of your death, without a will, the property in your name in most instances will be distributed among family and perhaps not exactly the way you want it.

If survived by a spouse and descendants, your spouse takes the first \$50,000 and one-half the balance of the property, and the descendants share the rest. Spouse but no descendants, spouse takes all. Descendants, no spouse, descendants takes all.

Solicitation Rule

Wearing a t-shirt at work "Union Teamsters"

Employee solicits other co-workers to sign authorization cards

This a case involving an effort to unionize a Wal-Mart store located in Tahlequah, Oklahoma. All Wal-Mart stores enforced a consistent policy that prohibits solicitation during working hours, regardless of the cause of solicitation on the part of the organization.

The subject policy provides that Wal-Mart prohibits its associates from engaging in solicitation on behalf of any cause or organization in public areas of the store at any time during which the store is open to the public.

One employee of the Tahlequan store, Brian Shieldnight, contacted the United Food and Commercial Workers Union, Local 1000 ("Union") about organizing for union representation. Shieldnight obtained union authorization cards from the Union.

Shieldnight was observed entering a Wal-Mart store on January 29, 2001 while he was off-duty. As he entered he was wearing a t-shirt that read "Union Teamsters" on the front and "Sign a card ... ask me how!" on the back.

The Assistant Store Manager, John Lamont and the Assistant Night Manager, Tammy Flute, noticed Shieldnight talking to an associate while wearing the t-shirt. Shieldnight was directed to leave the store, and the associate was told to return to work.

Lamont and Flute contacted the company "union hotline" and they were advised that Shieldnight's t-shirt constituted solicitation and that he should leave the store, Shieldnight was found in the jewelry department talking to friends who were not associates. He was then escorted out of the store.

On the following day, while Shieldnight was on duty, he invited Department Manager Starr and associates Scott and Parsons to a union meeting to hear "the other side of the story."

Co-Manager Hawkins and Lamont held a written "coaching session," a step in the store's progressive discipline program. Shieldnight was advised that he violated the solicitation policy for wearing the t-shirt and for verbally soliciting employees while on-duty and on the sales floor.

Lamont also told Shieldnight he should not have been sent from the store and that he could solicit in the parking lot while not on duty. Shieldnight then discussed employment policies with Lamont and Hawkins, and it was suggested that he should raise these matters at "grassroots" meetings. Such a meeting never took place.

The Union filed unfair labor practices claims, including a violation of Section 8(a)(1) by denying Shieldnight access to its facility and Section 8(a) (3) by disciplining him for his solicitation efforts.

The administrative law judge decided that Shieldnight violated the solicitation policy when he verbally solicited three employees, but he did not engage in solicitation when he simply wore the t-shirt. The ALJ also determined that Wal-Mart violated Section 8(a)(1) by removing Shieldnight from the store just because of the t-shirt he was wearing. Wal-Mart also violated the Sections 8(a)(1) and (3) for disciplining Shieldnight for wearing the t-shirt.

Wal-Mart appealed, and the Board cross appealed to enforce its order.

Decision: The Board's order is enforced as modified.

The t-shirt incident and invitation incidents did not constitute solicitation. Employees are allowed to wear union insignia while on the employer's premises. NLRB v. Chem Fab Corp., 691 F.2d 1252 (1982).

The court oted that there was no evidence that Shieldnight did anything at the store to further the message on the t-shirt, and the employer failed in its effort to demonstrate that the wearing of the t-shirt had any negative effect on the normal operation of the store.

Shieldnight was not engaging in solicitation when he invited coworkers to a union meeting, but he did engage in solicitation by suggesting that other employees sign union authorization cards, notwithstanding that he did not physically pass cards to co-workers. The co-worker understood the verbal exchange as a request to sign the authorization card.

Citation: Wal-Mart Stores, Inc., v. National Labor Relations Board, Nos. 03-3627, 03-3863, U.S. Court of Apl)eals for the Eighth Circuit (2005).

See also: Dickinson v. Zurko_ 527 U.S. 150 (1999).

NORTHEAST REGION

Do you enjoy your home, your community your lifestyle and your employment. Do you want to maintain your standard of living or your comfort zone? Then learning and participating in local political activities is a "must". Going to the local community or city board meetings are where you learn about planned activities taking place in your living environment. Getting to know what policies your local politicians are pursing and keeps you up to date on activities that could affect your family and friends. Civic engagement is not just a phrase but a necessary requirement to make a difference in which streets get repaired, which military bases are closed, which schools are adequately funded and where new development is being planned.

Don't sit back and let others decide your fate, your community or your lifestyle. Participate, engage, and decide for yourself.

For example did you know that in 2005 the Defense Department is planning to once again close at least 25% more military bases. How do you think that will affect the families and businesses surrounding military bases?

This was emphasized by Governor Edward G. Rendell at the recent Mayors conference held in Atlantic City, on April 13, 2005.

This Mayors Conference was attended by some 400 Mayors from across the state of New Jersey, former Mayors, community, business, union, environmental or industry leaders demonstrating a commitment to resolving issues in a bipartisanship. Please inform your Washington Office of your community activities.



Right: (L-R) Congressman Robert Menendez, ITPE Vice President Elwood Hampton, Congressman Saxton.

!!! NEWS !!! ITPE UNION WEBSITE

We have added, deleted, modified, updated, changed, corrected, inserted, commented, cut & pasted new and used for your informational needs and reading pleasure

YOUR UNION website.

Visit often...
http://www.itpeu.org





SPRING 2005 II

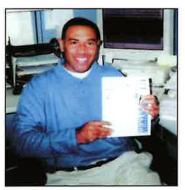
NORTHEAST REGION

MOVING FORWARD IN THE PRIVATE SECTOR

Employees of the Amalgamated Life Insurance Company at the Pennsylvania Service Center, King of Prussia elected to be representated by the ITPEU.



Matasa La, Benefit Analyst (Heath Claims)



Troy Johnson, Benefit Analyst (Health Claims)



Above Left: Sue Tarmin, Benefits Analyst (Health Claims)



Pamela Taylor, Repricing Analyst



Joseph Winson Mailroom Clerk newly appointed Shop Steward, Barry Cohen Benefit Analyst, and E. Charles Hampton ITPEU Representative



Jackie Grimes, Data Entry



Linda Russell, Data Entry

ALMAGAMATED LIFE INSURANCE KING OF PRUSSIA, PENNSYLVANIA

The good looking negotiating committeee at the Amalgameted Life Insurance L-R, Donna Larkin-Case Manager, Barry Cohen - Claims Reprentative, Wanda Martin, Elwood Hampton ITPEU Vice President, Linda Russell Data Entry, Charles Hampton ITPEU Representative and Jeanne Jarvis Meara Senior Vice President of Human Resources. Mr. Elwood Hampton attended the signing of the Collective Bargaining Agreement between Amalgamated Life Insurance and ITPE in the Pennsylvania Service Center, King of Prussia. This unit was organized by Charles Hampton consisting of 100 dues paying members. The contract also contains an Article III check-off (PAC, Political Action Committee Contribution)



MEMORIAL DAY - MAY 31, 2005

IF YOU LOVE FREEDOM, THANK A VETERAN AND PRAY.

GOD BLESS AMERICA.

PLEASE JOIN IN THE TRIBUTE TO THESE BRAVE AND THOUGHTFUL PEOPLE ON VETERAN'S DAY AND EVERY DAY. THEY DO THE TOUGH JOBS DAY IN AND DAY OUT. THEY MAY OFTEN WONDER IF THE REST OF THE WORLD NOTICES OR UNDERSTANDS THE DEPTH OF THEIR TRUE SACRIFICE.



"IT IS THE SOLDIER, NOT THE REPORTER, WHO HAS GIVEN US FREEDOM OF THE PRESS.

IT IS THE SOLDIER, NOT THE POET, WHO HAS GIVEN US FREEDOM OF SPEECH.

IT IS THE SOLDIER, NOT THE CAMPUS ORGANIZER, WHO HAS GIVEN US FREEDOM TO DEMONSTRATE.

IT IT THE SOLDIER, NOT THE LAWYER, WHO HAS GIVEN US THE RIGHT TO A FAIR TRIAL.

IT IS THE SOLDIER WHO SALUTES THE FLAG, SERVES UNDER THE FLAG, AND WHOSE COFFIN IS DRAPED BY THE FLAG, WHO GIVES THE PROTESTER THE RIGHT TO BURN THE FLAG."

BE INFORMED
ATTEND <u>YOUR UNION MEETINGS WHEN</u>
HELD IN YOUR AREAS.

THE BEATITUDES OF THE AGED

Blessed be those who understand my slow steps and my shaking hands.

Blessed be those who notice my ears have to strain to hear what you are saying.

Blessed be those who perceive that my eyes are clouded and my reactions are slow.

Blessed be those who please me with a smile, giving me time to talk about things of no importance.

Blessed be those who never say: "You've told me that a thousand times!"

Blessed be those who know how to talk about what happened in the past.

Blessed be those who make me feel loved and not abandoned.

OPEIU

Lobbyist Corner

Now Our Work Begins

Submitted by OPEIU Lobbyist Robert McGlotten of McGlotten & Jarvis

eorge W. Bush, this country's 43rd president, has proposed to change the basic structure of Social Security by allowing workers to invest in something called "private savings accounts." The administration claims that these accounts will yield larger payouts for workers who invest and will "save" the trust fund from going "bankrupt".

The administrations' budget for the next fiscal year, which begins October 2005, would freeze, slash, or eliminate dozens of programs and shift more of the costs of programs such as medical and housing to the state and local governments. Working families are not to blame for the president's soaring budget deficit and workers should not carry the burden of Social Security financing.

OPEIU's agenda will seek to correct these inequities in the 109th Congress:

- · Protect Social Security from "private savings accounts;"
- Fight against President Bush's fiscal 2006 budget plans that advocate the elimination of, or drastic cuts to, 154 programs that affect needed assistance to working families and their communities;
- Provide an increase in the minimum wage (now only \$5.15 an hour);
- Support legislation that will enhance the quality of education for children;
- · Adopt a patients "Bill of Rights;"
- Employee "Free Choice Act," which allows freedom of choice to form unions;
- Promote legislation for a new prescription drug program that will control the cost to our seniors;
- Protect private and government workers' pension plans;
- · Fight to maintain workplace standards; and
- Oppose changes being proposed by the administration that would affect the current civil service and merit systems.
- Specific legislation important to individual Local Unions and Guilds.

Take Action — Your Involvement is More Important Than Ever!

Many people ask — what difference can I make? Can one voice alone make the president stop his assault on working families, or make Congress protect our rights? It's true that one voice alone is easy to dismiss. But the sound of our voices strongly united cannot be silenced. We must take action together to defeat these measures. Your involvement is more important than ever! Here's how you can take action today!

Contact your local representatives. Every letter counts. Every phone call can make a difference. If you prefer to make written contact, OPEIU advises you to either mail or e-mail all correspondences.

If you don't know who your House representative is, the Clerk of the House maintains addresses and phone numbers of all Members and Committees: Clerk of the House, US Capitol, Room H154, Washington, DC 20515; phone (202) 225-7000; hours 9 a.m. to 6 p.m., Monday through Friday.

Please direct your questions about communication with your Senators to the specific office(s) in question, using the following format: Office of Senator (Name), United States Senate, Washington, DC 20510.

You may also phone the U.S. Capitol's switchboard at (202) 224-3121. An operator will connect you directly with the House or Senate office you request.

If you are not sure who your representative is, the following websites contain links to congressional directories: http://www.house.gov/writerep and http://www.senate.gov. You can also access this information at your local library, or call the International Union at 212-675-3210 for a booklet listing congressional representatives.

Your action is needed. Do your part to help yourself and your family!

ITPE NEWS

The Working Person's Nine-Point Guide to Social Security Privatization

Prepared by Will Parry, OPEIU member FIVE: It's not just for retirees and president of the Puget Sound Alliance for Retired Americans and Maureen Bo, OPEIU international vice president emerita and board member of the Puget Sound Alliance for Retired Americans.

ONE: The crisis is phony

The Social Security actuaries say the system can pay all benefits for 38 years. The bipartisan General Accounting Office says 48 years. Both sets of experts used extremely conservative assumptions. Even after those dates, Social Security will always be able to pay a higher benefit (adjusted for inflation) than what retirees will receive today.

TWO: Privatization would be a financial

It would drain trillions of dollars from the Social Security Trust Fund, force steep benefit cuts for both current and future retirees and increase the nation's deficit catastrophically.

THREE: Private accounts are risky and have hidden costs

Most workers would find it impossible to assess market risks prudently, so they will have to rely on brokerage houses. But by doing that, an estimated 20 percent to 30 percent of their accounts would be drained off in brokerage-related fees. Those who retire when the market is down would be devastated, as was the case for anyone who was invested in companies like Enron a few years ago. Another cautionary tale can be found in the experience of our friends from England. Their move to privatize their pension system in the 1980s has backfired and only exacerbated a looming fiscal crisis.

FOUR: To get more dough, take off the cap.

If there really is a shortfall, remove the indefensible cap on taxable earnings (currently \$90,000) so that high wage earners pay their rightful share. That would extend the solvency of Social Security for decades.

Social Security provides every worker who pays FICA taxes with the disablity insurance equivalent to a \$350,000 policy and a survivor life insurance benefit equivalent to \$400,000.

SIX: It's been "old reliable" for 65 years.

Month after month, year after year, Social Security checks go to the right person, on the right day, in the right amount, to the right address or bank account. This unequalled level of reliability has been sustained since the first checks went out in 1940 - and at an administrative cost of about 1 percent. Moreover, benefits are adjusted annually to keep up with inflation. And no retired worker ever outlives his Social Security benefit. None of these guarantees apply to private accounts.

SEVEN: Privatization is a windfall for Wall Street

Bush's scheme is designed to transfer billions of dollars from the working people who create the nation's wealth to the lucky Wall Street brokerage houses that Bush picks who will have additional money to finance their yachts, fancy cars, and bloated lifelong pensions. No worker anywhere.

EIGHT: The current method of calculating benefits based on wages works.

Bush has floated a plan to change calculation to a price basis, which will cut benefits significantly. As it is, Social Security provides modest income; cuts by any method will injure current and future retirees. To put the potential change in perspective, the 3.5 million current retirees who live in poverty would balloon to 10.5 million under Bush's proposal. The Social Security Administration chief actuary says that the new formula would lead to a benefit cut of 9.9 percent in 2022, 25 percent in 2042, and 46 percent by 2075.

NINE: The privatization scheme is not flexible

Bush talks about how private accounts give people control over their money. That is simply not true. The guidelines for what can be invested in will be stringent. The money cannot be touched until you reach your retirement age. When it is time to finally draw from the account it has to be immediately put into an annuity.



The need for Social Security grew out of the stock market crash on 1929! So now we should put our money back there?

SPRING 2005 15

News from CAROLINA & WEST VIRGINIA

By Representative Cindy Diehm Cheryl Lowe, Assistant Representative

HONOREES AT FT. BRAGG!!! 20 PLUS YEARS OF SERVICE



Ft. Bragg - Food Service Contract Honorees

ITPEU Ft. Bragg branch office and K.C.A. Corporation honored 33 employees for their years of service on the Food Service contract. They were presented with certificates and bouquets of flowers for the women and wallets for the men from the Union and K.C.A. provided a nice buffet held at K.C.A.main office. The following members/ employees were honored:

Betty Banks	27 Yrs.
Poor Banks	27 Yrs.
Lula Barney	32 Yrs.
Cynthia Chiles	25 Yrs.
Kye Coleman	21 Yrs.
Brothel Darden	21 Yrs.
Linda Darden	24 Yrs.
Irmtraut Douthit	25 Yrs.
Florence Edwards	20 Yrs.
Daisy Grant	29 Yrs.

Chun Gray	21 Yrs.
Carol Griffith	25 Yrs.
Dorothy Hollingsworth	33 Yrs.
Makiko Holt	27 Yrs.
Ursula Humphrey	32 Yrs.
Maritza Hunt	24 Yrs.
Dorothy King	32 Yrs.
Peggy Lowe	25 Yrs.
Ja McGill	20 Yrs.
Dorothy McLaughlin	31 Yrs.
Gloria McMillian	32 Yrs.
Micha Montanez	24 Yrs.
Delores Murphy	30 Yrs.
Dorothy Pettiford	30 Yrs.
Tae Pendleton	24 Yrs.
Pearl Shaw	31 Yrs.
Woo Shergi	22 Yrs.
Chris Strickland	20 Yrs.
Kwon Veal	24 Yrs.
Dorothy Webster	32 Yrs.
Geneva White	31 Yrs.
Hazel White	22 Yrs.
Robert White	23 Yrs.

MANAGEMENT HONOREES!!!

Lula Jones and James Hoffler



Lula is the Area Manager and James is the Quality Control Manager for K.C.A. Corporation. Lula has 32 Yrs and James has 27 Yrs of service on this contract. Both started on this contract as Food Sanitation Specialists and have worked there way up to management positions. They were presented a certificate from K.C.A.

HONORED BY DINING FACILITY!!!



Dorothy Webster

Dorothy was presented a certificate and letters from the Officers and staff at Bldg. C8750 Dining Facility. Dorothy has worked on the Food Service Contract for 32 Yrs. and spent 20 of those years in this Dining Facility.

WOMACK ARMY HOSPITAL HONOREES!!!



Constance Peterson &
Jemina Johnson

Constance has worked at Womack for 23 yrs. and Jemina (Jamie) has worked there for 24 yrs. Bernice McCoy (not pictured) has worked at Womack for 26 yrs. The Union presented these members with certificates and bouquets of flowers. Bmar & Associates honored these three employees with \$25 gift certificates from Wal-Mart.

SCHOLARSHIP WINNERS!!!

The Ft. Bragg office is pleased to announce that we have two scholarship winners in our area. Cristalina Mays, whose mother Catalina Mays, works for Bmar & Associates at Womack Army Hospital, Ft. Bragg. Cristalina plans a career in medicine. Beau Carder, whose father Tim Huck works for Government Contracting Services at the Federal Bldg. in Parkersburg, West Virginia. Beau plans a

career in engineering. Congratulations to these young people!!



COLLECTIVE BARGAINING AGREEMENTS

A Collective Bargaing
Agreement was negotiated
and signed in November for
the Alutiiq-Wackenhut Security
Services at Ft. Bragg. The
following employees were
appointed shop stewards on
this site.

Trina Campbell Day Shift
Mike Tiefenbruner Swing Shift
Bobby Bright Swing Shift
Victor Mosby Midnight Shift

These shop stewards are doing a wonderful job representing the membership and have already taken care of several problems for several employees.

GOOD JOB SHOP STEWARDS!!!

A&A Janitorial at N.I.E.H.S., R.T.P. signed the Colletive Bargaining Agreement for the housekeeping contract in March. Robert Lockett was appointed shop steward.



"My girl dumped me for some guy from England. Now even my love life has been outsourced."

AMERICAN JOB SEARCH

Joe Smith started the day early having set his alarm clock (MADE IN JAPAN) for 6 a.m. While his coffeepot (MADE IN CHINA) was perking, he shaved with his electric razor (MADE IN HONG KONG). He put on a dress shirt (MADE IN SRI LANKA), designer jeans (MADE IN SINGAPORE) and tennis shoes (MADE IN KOREA). After cooking his breakfast in his new electric skillet (MADE IN INDIA) he sat down with his calculator (MADE IN MEXI-CO) to see how much he could spend today. After setting his watch (MADE IN TAIWAN) to the radio (MADE IN INDIA) he got in his car (MADE IN GER-MANY) and continued his search for a good paying AMERICAN JOB. At the end of yet another discouraging and fruitless day, Joe decided to relax for a while. He put on his sandals (MADE IN BRAZIL) poured himself a glass of wine (MADE IN FRANCE) and turned on his TV (MADE IN INDO-NESIA), and then wondered why he can't find a good paying job in AMER-ICA....

Greetings from Theatla "Ruthie" Jones

Las Vegas, Nevada

SHOP STEWARDS' MEETINGS WITH THE PRESIDENT

In early March the shop stewards met with ITPE President John Conley while he was in Las Vegas attending the AFL-CIO Convention. Accompany him was Elwood Hampton, an ITPE Vice President. Among other things, Mr. Conley listened to the stewards' concerns regarding the deteriorating working conditions for taxi drivers in Las Vegas and he reminded them that the only protection taxi drivers have is in the growing strength of the union where your voice can be heard, and that strength comes through numbers-members! Mr. Conley left the Stewards encouraged and renewed in their commitment to see the ITPE Union grow even stronger.



LAS VEGAS SHOP STEWARD SEMINAR

By looking at this smiling group one would think they were all big winners at the Las Vegas Casinos. No that is not the case. They are all smiles after participating at a Shop Steward Education Seminar.

Back Row Left to Right Craig Harris - Yellow, ITPE Secretary - Treasurer John Brenton III, Karla Hiropoulos - Checker, Mike Warzlow - Henderson, ITPE Vice-President Ruthie Jones, Stan Rosenberg - Star and ITPE Rep. Lynette Guillebeaux. Seated Left to Right Ed Waldron - Henderson, Virginia Deveau - Henderson and Carl "Smokey" Tucker - Checker.

Don't forget when in Las Vegas

use Yellow, Checker, Star and Henderson taxis - All ITPE Contract Companies for your transportation needs

KEEP IT UP LADIES - GREAT JOB!!!

WELCOME TO THE NEWEST SHOP STEWARDS

Virginia Deveau, Henderson Steward. Virginia has worked for Henderson since June 20, 1997 and became a shop steward in November 2004.

Karla Hiropoulos, YCS Steward. Karla has worked for Checker since March 27, 1996 and became a steward in December 2004.

I must say these ladies have fit in very well, they are an asset, they are go getters, strong supporter of the drivers and their causes. Also, great speakers before the T.A. Board.

PUBLIC COMMENT MOVED TO START OF T.A. BOARD MEETINGS PER UNION REQUEST

It was fantastic!!! To see the outpouring of drivers at the January 25th T.A. Meeting!! And it was much appreciated by this Union! Karla Hiropoulos the newest steward at YCS, along with others, worked very hard in rallying the drivers to attend the T.A. Meeting. The T.A. Board could not say "Where are the drivers?" ITPE Union had requested the Taxicab Authority Board to move the Public Comment portion of the meeting to the beginning of the meeting to better allow the drivers to participate and have their voices heard. Mr. Land, the Board Chairman, agreed and the request was approved. As a result, many drivers' voices were heard.

For the February 22nd meeting, again, a large number of drivers attended thanks to the hard work from both the ITPE and Steelworkers unions. I made the same request, that public comment be moved to the beginning of the meeting. However, this time my request was denied. Public comment was held at its customary place at the end of the meeting, taking place after all agenda items had already been discussed and all decisions made. This made public comment impossible for the drivers getting off a 12-hour shift, going on shift, or taking their breaks at the hearing due to the indeterminate length of the T.A. Meetings. At the end, only three or four drivers were left to speak.

But now, Good News!! I had a meeting on March 4th at the Taxicab Authority. In attendance at this meeting were Administrator Yvette Moore, Board Chairman Richard Land and Sr. Deputy Attorney General Christine Guerci. This meeting was very fruitful. As a result, Public Comment will now take place at two separate times during the board meeting: a half hour at the beginning of the meeting (three minutes per speaker) allowing participation by the drivers without the time to spare an opportunity to speak, however, any driver may speak. The remainder of public comment will remain at the end of the meeting. A timer was also requested by the Union so that drivers will get the same amount of time to speak as anyone else requesting to speak.

NEVADA STATE AFL-CIO, LEGISLATIVE CONFERENCE

Karla Hiropoulos and I, along with John Goins from the United Steelworkers, attended the AFL-CIO's Legislative Conference in Carson City. The dates of the Conference were March 22nd and 23rd. It was very informative. We got to meet various lobbyists, senators, assembly persons, Union Official, etc. The Chair of the Conference was Danny Thompson, Executive Secretary/ Treasurer. Many Bills and issues were addressed. We also visited the AFL-CIO state headquarters, as well as the Nevada State Legislature.

An informed member makes a better member



L-R Brent Bell, President of Henderson Taxi, Charlie Rizzo, Henderson driver.

CONGRATULATIONS TO CHARLIE RIZZO, LOYAL UNION MEMBER FOR 19 YEARS, who has just completed twenty years of driving with Henderson Taxi without any accidents! Henderson-Whittlesea Taxi's President, Brent Bell, presented Charlie with a gold watch and a check for \$1,000! Way to go, Charlie!

COLORADO SPRINGS, COLORADO:

We completed negotiations on our national agreement with National Maintenance. We have grievances pending with Day Breaker Services and Rocky Mountain Service Systems, Inc.

SAN ANTONIO, TEXAS

Keep up the good work, ladies (Maureen Alsheimer & Patty (Foley-)Monasterio). We know you are working hard and we just wanted to say, "Keep up the good work! It's greatly appreciated."

ITPE AND STEELWORKERS WORKING TOGETHER

ITPE Union and Local 711 of the United Steelworkers of America have formed an alliance to strengthen the power of the drivers in the taxi industry in the Las Vegas area. Together we can achieve our mutual goals of making life better for the drivers.

UNITED STEELWORKERS OF AMERICA'S 32ND CONSTITUTIONAL CONVENTION

Congratulations to the Steelworkers for a FANTASTIC convention the week of April 10th. My thanks to the Steelworkers for extending an invitation to me to visit their convention as a "distinguished guest." I felt honored to be invited. I spent some wonderful time with them all and wish I could have spent the whole week there. Their Wednesday night B-B-Q Bash, to which all of the ITPE stewards were invited. A GREAT TIME WAS HAD BY ALL!!



20 ITPE NEWS

Best Wishes to you on your Retirement Pat Hasard!



President John F. Conley, Representative Pat Hasard and Secretary/Treasurer John Brenton

President John F. Conley presenting a plaque to ITPE Representative Pat Hasard on her retirement effective May 31, 2005. Pat has been an official of ITPE for 18 years. Prior to that she was a Shop Steward for many years. We feel sure she will be missed by the members she served in Oregon, Washington, Montana and Alaska. Best Wishes for a longevity of retirement years.

WAL-MART EMPLOYEE'S CHILDREN TOP ALABAMA'S MEDICAID ROLLS

Retail giant Wal-Mart tops the list of companies in Alabama that have employees with children on the state health care program for uninsured children funded by Medicaid, the Associated Press recently reported. Alabama joins a growing list of states reporting Wal-Mart as the #1 or a top corporate beneficiary of its public health program. "Despite tile fact that Wal-Mart makes enormous corporate profits, the company is stingy when it comes to its employees health care benefits," said AFL-CIO President John J. Sweeney. "When its employees must join public health rolls instead of getting affordable health care on the Job, Wal-Mart is shifting the cost to taxpayers. That's simply wrong."

Although the nations largest retailer does offer health care coverage to its employees, waiting periods for employees to receive coverage are long, many employees hours are deliberately kept below 34 hours so they won't qualify and the cost is too high to afford. According to a fall 2001 AFL-CIO study, the insurance premium for Wal-Mart family coverage was as high as \$250 per month in 2004, a prohibitive expense for many of the retail giant's low paid workers.

According to a recent AP story, Wal-Mart workers' children account for 3,864 children on the (Alabama] Medicaid rolls at a cost between \$5.8 million and \$8.2 million. The next highest employer of children on public rolls was McDonalds, with 1,615 on Medicaid.

Georgia, Tennessee, Washington, Massachusetts, Wisconsin, West Virginia and Connecticut have also reported that children of Wal-Mart employees are a disproportionately large share of their state health rolls.

Currently, 26 states have introduced legislation to require states to disclose which employers are shifting health care costs to taxpayers. Championed by members of the National Labor Caucus of State Legislators, the legislation is designed to help measure the costs to state health care programs when large and profitable employers such as Wal-Mart skimp on coverage.

A 2002 Georgia state survey showed that 10,261 of the 166,000 children covered by PeachCare for Kids (a Georgia state health program) had a parent working at Wal-Mart. That's 14 times the number for the next highest employer Publix grocery store, with 734.

And in 2004, a University of California at Berkeley Labor Center study found that in California alone, the reliance of Wal-Mart work-

Tomb of the Unknown Soldier

- How many steps does the guard take during his walk across the tomb of the Unknowns and why?
 21 steps. It alludes to the twenty-one gun salute, which is the highest honor given any military or foreign dignitary.
- 2. How long does he hesitate after his about face to begin his return walk and why? 21 seconds for the same reason as answer number 1.
- 3. Why are his gloves wet?

His gloves are moistened to prevent his losing his grip on the rifle.

4. Does he carry his rifle on the same shoulder all the time, and if not, why not?

He carries the rifle on the shoulder away from the tomb. After his march across the path, he executes an about face, and moves the rifle to the outside shoulder.

5. How often are the guards changed?

Guards are changed every thirty minutes, twenty-four hours a day, 365 days a year.

Other requirements of the Guard:

They must commit 2 years of life to guard the tomb, live in a barracks under the tomb, and cannot drink any alcohol on or off duty for the rest of their lives. They cannot swear in public for the rest of their lives and cannot disgrace the uniform (fighting) or the tomb in any way. After two years, the guard is given a wreath pin that is worn on their lapel signifying they served as guard of the tomb. There are only 400 presently worn.

The guard must obey these rules for the rest of their lives or give up the wreath pin.

The shoes are specially made with very thick soles to keep the heat and cold from their feet. There are metal heel plates that extend to the top of the shoe in order to make the loud click as they come to a halt. There are no wrinkles, folds or lint on the uniform.

Guards dress for duty in front of a full-length mirror.

The first six months of duty a guard cannot talk to anyone, nor watch TV.

All off duty time is spent studying the 175 notable people laid to rest in Arlington National Cemetery. A guard must memorize who they are and where they are interred. Among the notables are: President Taft, Joe E. Lewis (the boxer) and Medal of Honor winner Audie Murphy, (the most decorated soldier of WWII) of Hollywood fame.

Every guard spends five hours a day getting his uniforms ready for guard duty.

ETERNAL REST GRANT THEM O LORD, AND! LET PERPETUAL LIGHT SHINE UPON THEM.

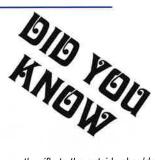
I don't know if you saw this in the news but it really impressed me. Funny, our US Senate/House took 2 days off as they couldn't work because of the expected storm.

On the ABC evening news, it was reported tonight that, because of the dangers from Hurricane Isabelle approaching Washington DC, the military members assigned the duty of guarding the Tomb of the Unknown Soldier were given permission to suspend the assignment.

They respectfully declined the offer, "No way, Sir!" Soaked to the skin, marching in the pelting rain of a tropical storm, they said that guarding the Tomb was not just an assignment, it was the highest honor that can be afforded to a service person.

The tomb has been patrolled continuously, 24/7, since 1930.

We can be very proud of our young men and women in the service no matter where they serve.





Food Service members at McChord AFB listening to Roy Boyd.

HAVE A GREAT SUMMER

ENJOY YOUR UNION-WON VACATION





Roy Boyd at Ft. Lewis Food Service Meeting.



Anger management poster created by graphics group at Malmstrom AFB. Gilal in white T-shirt, Jan Olsen is alternative Shop Steward.

Find Out More About Your 401(k) Costs

- Check the prospectuses of mutual funds in your 401(k) to learn how much your plan charges iminvestment fees. In addition to those feestypically the largest cost-there may be other expenses, such as sales commissions and service fees.
- Go to www.mchenryconsulting.com for a copy of the report "Revenue

Sharing in the 401(k) Marketplace, Whose Money Is It?" by the McHenry Consulting Group of Berkeley, Calif.
• For details on 401(k) costs, go to the U.S. Department of Labor's website at www.dol.gov/ebsa/Publica tions, and click on "A Look at 401(k) Plan Fees for Employees."- Or call, (866) 444-3272 to order a copy.



Brook Gerad Malmstrom AFB Communications



WASHINGTON WINDOW

'Fuzzy Math' to 'Phony Arithmetic'

running against George W. Bush, the phrase "fuzzy math" entered political language. We think it referred to Bush's plan to cut taxes for the rich, which he, Bush, claimed would set off an economic boom.

Now, we can add the phrase "phony arithmetic" to the political lexicon – and it describes perfectly another Bush scheme: Partial privatization of Social Security.

In an interview with reporters, Noble Prize-winning economist Joseph Stiglitz, known for his outspoken pro-worker views—among other things—as top economist at the World Bank from 1997-2000, coined the phrase when discussing Bush's plan.

The "phony arithmetic" occurs several ways, he adds:

• Bush understates the costs of his plan. Depending on which version you hear, he wants to divert one-sixth to one-third of Social Security payroll tax revenues into private accounts, starting in 2009. Because privatization wouldn't start until then, and because Bush's budget forecasts cover only the next decade, the cost figure he uses is artificially low.

Social Security now uses the money from payroll taxes to pay current recipients, and still runs a surplus. Replacing diverted money would cost \$754 billion from 2009-15, Bush says. Stiglitz said the real cost is \$1.4 trillion over the first decade—2009-18—of the diversion and \$4.2 trillion in the second decade, 2019-28.

 The government would be forced to go into financial markets to borrow that money, on top of what it already borrows—including what it borrows from the Social Security trust fund.

That would drive up interest rates, as the government would compete with private firms and individuals for the same pool of money, Stiglitz notes. That's another cost not in Bush's plan.

• Bush contends Social Security is heading for bankruptcy. He bases that claim on projections by the system's trustees, using extremely conservative estimates of growth and employment, over the next 30-40 years.

The trustees construct a "worst-case" scenario, a compromise middle ground and a "best case" scenario. Bush used the worst case: Annual economic growth of 1.8 percent yearly and joblessness staying stuck at its present high of 5.5 percent.

"But even during the economic slow-down of 2000-2001, we had productivity growth of 2-1/2 percent to 3-1/2 percent," Stiglitz pointed out. Add growth in the labor force—admittedly small as the population ages—and you come up with an annual growth rate of 3 percent to 4 percent.

Higher growth often produces higher wages, which in turn increase Social Security payroll tax receipts, he noted.

Jobless numbers show the same pattern, Stiglitz pointed out. Economists now say joblessness can drop to 4.5 percent—it used to be 6 percent—without triggering inflation. He noted it fell as low as 3.8 percent under President Clinton, without inflation.

Stiglitz' conclusions? "The 1.8 per-

cent number is used to engender panic. But we're not in a panic. They're talking as if these numbers are real," he said of Bush, the GOP and business, all pushing privatization. "Those are made-up numbers. The crisis is artificial." Use normal numbers: No crisis.

• What isn't artificial, and what Bush doesn't discuss, is the risk of investing Social Security money in the stock market.

"Some of the phony arithmetic is based on much higher returns from stocks than from Treasury bills," the bonds that Social Security now buys with its excess payroll taxes. "But the only reason you're getting a higher return from stocks is because of the higher risks."

If the market drops, on the other hand, he notes, the basic Social Security private account would—after brokers' commissions and the like—decline by 50 percent from its initial value. That would leave "private" investors—us—stuck with a Bush scheme that would pay them far less than basic Social Security does now.

"If people got only \$5,000-\$10,000 from Social Security every year" because the market crashes, "there will be another big bailout and that's an impact liability" of the government that Bush doesn't discuss, Staglitz added.

You can see why Stiglitz said Bush's Social Security scheme is full of "fuzzy arithmetic." But with all due respect to Stiglitz, we recall a political phrase that could be an even better description of Bush's privatization plan.

It came from Bush's father: "Voodoo economics!"

TAKTAKE A Look OK

ITPE HAS ITS OWN WEB-SITE

We invite you to take a look by logging onto www.itpe.org

In addition to the ITPE Union's web-site, you will also be able to link to the ITPE Benefit Plans - Health & Welfare, Pension and the Annual Benefit Fund - by logging onto www.itpebenefits.com

By logging onto these web-sites, you will become a better member by knowing what your Union is all about, as well as knowing the benefits to which you are entitled as a member/participant of the ITPE Benefit Plans.

An informed member makes for a better member

www.itpe.org

Your Union offices are spread throughout the United States. Get to know the closest one to you. Get to know your Shop Steward and your Union Representatives by name. Get to know the phone number of the Union office closest to you. Above all make sure you go to your Union meetings when they are held in your area. In true Union spirit, an informed member is the best member.

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An informed member makes for a better member

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