

CrossTalk



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GREED CUTS JOBS

In the 1980s and 1990s, everyone has become used to seeing the headlines describing a company slashing the number of jobs: AT&T (40,000 jobs cut); IBM (60,000); Boeing (30,000); Sears Roebuck (50,000); General Motors (75,000); and dozens of other companies eliminating thousands of jobs. While many families were torn apart by the layoffs and communities suffered, Wall Street rejoiced, sending the stock of job-cutting companies to new heights. Why?

One of the myths many people have adopted is that these job losses are necessary for companies to either remain profitable or compete in the global economy or both. Amazingly, we even sometimes believe those reasons when our jobs disappear. When you hear those myths consider the following:

The profitability myth. Corporate profits in the 1990s were generally soaring, including for those companies announcing layoffs. One estimate by Wall Street insiders holds that a single layoff is worth \$60,000 to bottom-line earnings in the future. Got it?

Σ The we-have-to-be-competitive myth. The huge layoffs in the 1990s were happening at a time when: the growth in what the average production worker was being paid typically a key statistic used to compare whether one country has higher costs relative to another in Japan, Germany, Canada and the Netherlands were all higher than in the U.S.; the value of the dollar was dropping (making U.S. goods cheaper and more competitive abroad); and productivity in the U.S. equaled or exceeded the levels found in other countries (that means we were working harder to turn out the same goods and services but our cost what we were being paid for our labor was not going up). So, the we-need-to-downsize-to-compete-in-the-global-economy argument simply does not jibe with what has been happening.

The great corporate money raid. The top executives of corporations got millions of dollars in stock options as part of their outrageously high paychecks stocks that often increased in value after layoffs.

We sometimes are so taken in by the words used to explain bigger trends (and the global economy has been the most repeated slogan) that we forget a far more obvious powerful factor: greed. Once again, a few people are enriching themselves at the expense of the many. It is actually so simple to see.

Mobil Oil, on a pace to record profits in 1995, announced a layoff of 4,700 workers (about 9.2 percent of its total workforce). The next day, its stock rose 4.1 percent. Mobilis CEO Lucio Notois net wealth went up more than \$800,000 in just 24 hours because of his stock holdings in the company.

The merger between Chemical Bank and Chase Manhattan two profitable banks included laying off 12,000 people. Stocks of the two banks went up double-digits after the combination merger-layoffs was unveiled. Chase CEO Thomas Labrecque made a cool \$3.6 million in one day; his counterpart at Chemical, Walter Shipley, wasn't quite as fortunate his wealth went up by only \$3.1 million. Overall, the CEOs of the 22 companies announcing the most job cuts in 1995 saw their stock options rise by a combined total of \$37 million.

The other buzzword we hear all the time is outsourcing. It is another piece of the downsizing puzzle. When companies outsource, work once performed by a company's workers is moved to another company; eventually, this causes job losses at the original company because there is less work. So, for example, if General Motors decides it is too expensive to have its own workers make brakes, it moves the work to another company where wages are much lower. In straight language, this means that it is time to take more out of the paychecks of most workers because the company wants to continue to pay high CEO salaries and satisfy Wall Street.

Outsourcing is also a back-door way to weaken or break unions. Usually, when work is moved from a place where wages are higher to a factory paying lower wages, the jobs are being shifted from a unionized workplace to one where there isn't a union.

Without a stable, healthy in-house workforce, productivity declines because people feel less loyal to the company. So, in fact, corporations can be profitable and maintain workers' jobs as long as executives are willing to choose jobs over greed.

Ripping away huge numbers of workers from their livelihood is just another reason we should be worried about the globalization of corporations. As companies are less connected to local communities, the executives in charge don't feel any pressure or criticism when they cut jobs because they might live across the country or even in another part of the world.

A N N O U N C E M E N T S

Huge thanks to Eleanor Linnemann, Dave Merrill, and Elvis (Mark Noll) for their cheerful and generous assistance at the Community Service Committees July 4th picnic at the Golden Age Nursing Home.

David Spencer won the split the pot (\$51.00) at the Don Morgan Easy Open golf outing, congratulations Dave!

The CWA4400 softball team was defeated in the Cincinnati Industrial Metro Championship softball tournament that took place on July 14th and 15th. The team lost in first game 15-14 to Builders 1st Source, but then went on a tear defeating Viox 27-5, Hamilton County Sheriffs 17-7, and A1 Lumping 14-4. Then in the finals, facing their first round foe, (Builders 1st Source) they were taken down 11-5. Great effort guys, you'll get 'em next year!!

Team members are: Jimmy Lyon, Dan Hotchkiss, Mike Sullivan, Mark Athon, Rich Deaton, Mike Garibay, Phil Burmeister, Mike Blankenship, Brian Blankenship, Dave McGeorge, Robbie Harris, Tim Holland, Joe Frey, Brent Warren, Dan Rosa, & Andy Renneker.

The CWA Joe Beirne Foundation is pleased to announce that Charles Harmon has been selected to receive a \$3,000 college scholarship award to help meet his expenses for the 2007-08 school year.

Charles is one of 30 individuals to receive scholarship assistance, chosen on a nationwide basis from a substantial number of highly qualified and deserving applicants.

The annual Cincinnati AFL-CIO Labor Day picnic is Monday, September 3rd at Coney Island. Activities are from 12-5 PM, no union card is necessary, everyone is welcome. Bring or buy your food. Reduced prices on rides, mini golf, paddle boats, beer, and soda. Sunlight Pool is \$6 per person. Adults \$2 each, children \$1 per carload. Parking fee \$4, enter at west gate.

W H Y C O P E R E A L L Y M A T T E R S

Last year the labor movement helped to elect our friends to office and it's already paying dividends.

IAM members went through a very tough year locked out by ARMCO Steel. Former Governor Taft never got involved in the dispute. We in labor worked hard to elect two of our friends to run the state. Governor Ted Strickland and Lt. Governor Lee Fisher got involved and helped get ARMCO Steel management and the IAM back to the bargaining table. They now have a tentative agreement to vote on.

This shows what can happen when we work together in the labor movement to elect pro-worker and pro-union friends to office. Political and legislative matters need to be addressed full time, not just when elections roll around or at contract time. We need to reward our friends and punish our enemies and that takes action and money for all of us.

If your local has a COPE (Committee on Political Education) get involved, if not consider starting one. COPE fights back for America's workers. The gains American workers make at the bargaining table can be lost at the ballot box. That is what has been happening in George Bush's America. That is why we need COPE; we have no time to rest on our laurels. We achieved great victories, but there is much yet to be done, like the Employee Free Choice Legislation.

COPE fights to protect worker rights by mobilizing our union families to support political candidates who will stand up for you. Thanks to COPE, our friends have the support and the money they need to take on well-financed opponents and win.

When you contribute to COPE you're doing more than sending a message: you're making sure America's workers have the political strength we need to change America. If each UNION member contributes as little as \$1 a week, we will have the resources we need to elect pro-worker candidates who will look out for our interests. Individually, none of us will ever have the kind of money corporate interests spend on politics. But your contribution, combined with those of other union families, will give us the muscle it takes to elect our friends and stop the war on America's workers.

S U M M E R T I M E

Y Y P H O T D O G S
A D L A B O R D A Y
D N O M K P P L A S
E A O B N I S L L K
C C H U R C W A L R
N N C R U N V B A O
E O S G B I J E B W
D T O E N C P S T E
N T N R U S T A F R
E O A S S W E B O I
P C O O K O U T S F
E G N I M M I W S T
D H C A E B K L U W
N O I T A C A V N T
I C E C R E A M T L
N K G F B R Z P A O
W F S G E T A N N U

BASEBALL	INDEPENDENCE DAY
BEACH	LABOR DAY
CARNIVALS	NO SCHOOL
COOKOUTS	PICNICS
COTTON CANDY	SOFTBALL
FIREWORKS	SUNBURN
HAMBURGERS	SUNTAN
HOTDOGS	SWIMMING
ICECREAM	VACATION

CONTEST RULES: Words can be horizontal, vertical, diagonal, frontward or backward. Letters may be used in more than one word. Hidden words must be circled. Send completed entry to the local office, 2300 Montana Av. Suite 101 Cinti, OH 45211, or house mail to location 350. Randomly drawn, correct entry wins a \$50.00 U.S. Savings Bond. You must be a CWA Local 4400 active member or retiree.

Name _____

Address _____

City _____

State _____

Zip _____

**The winner of the May
word search puzzle is
Mark Boothby
of Cincinnati, OH**

ASK NOT, WHAT MY UNION HAS DONE FOR ME....

In the past few months I've been hearing members say, "What has the union done for me lately." Well first of all, the union is *not* the member's union which we all belong to. It is not just mine, Tim's, Greg's, Paul's, Sandy's, or Steve's; it is everyone who is a member of CWA 4400. Now let's see what the member's union has done for them lately.

Every member as I recall received a 3% pay raise this past 13th of May. If the company had their way at bargaining 2005, every member's wage would have been frozen until the next contract which is up on May 11, 2008. In health care, if you are in a HMO and in a family plan you would be paying \$147 a month instead of \$66 a month. If you are in employee only plan you would be paying \$47 a month instead of \$22.

Now *not* as a union member have the right under the contract to file a grievance when you think you may have been harmed in any way. Here are some examples of grievances that your union did for their members through the grievance process. Now remember the union does not win every grievance brought to the company by a grievant. But without the grievance process no member would have their day in court.

- 1) Grievant denied funeral leave for an immediate family member. The grievance was sustained and the grievant will be paid four days back pay.
- 2) Grievant denied FMLA pay. Grievance was settled satisfactorily with the grievant receiving a total of 133 hours of back pay.
- 3) Grievant received a one day suspension and letter in file. The grievance was sustained with the grievant receiving one day back pay and having the letter removed from their file.
- 4) Grievant received a letter in file for alleged poor workmanship. The grievance was settled satisfactorily with the letter in file being changed to a discussion.
- 5) Grievant denied paid FMLA/Disability benefits. The grievance was sustained with the grievant receiving \$2,900.40 in back pay.
- 6) Grievant denied one day FMLA/Disability pay. The grievance was settled satisfactorily the grievant receiving one day back pay.
- 7) Grievant received an unwarranted three day suspension. The grievance was settled satisfactorily with the grievant receiving two days back pay.
- 8) Grievant denied two hours call out pay. The grievance was sustained with the grievant receiving two hours call out pay.

These are just a few examples of what your union has done for its members. So when you hear someone say, "the union has done nothing for me lately," point out the contract they have and the benefits they have under that contract.

By EVP
Gary Vater



The Retirees Club will be meeting on Thursday, August 23rd at Harvest Home Park. Harvest Home Park is centered in Cheviot at 3961 North Bend Road, bordered by Homelawn and Davis Avenues. The meeting will start at 12:00 PM.

YOU CAN MAKE A DIFFERENCE

If you read my article about next year's contract this part is about the *starting now* preparation.

In November of '06 Ohio elected a governor who was not only against right to work but he took an active vote in bringing the lockout at AK Steel to an end.

This year we have a chance to do the same thing in Kentucky. We now have a governor who supports right to work (for less). He has gone throughout the state portraying himself as the champion of the Union Busters Cause.

Big business is going to spend millions of dollars trying to convince you to overlook the indictments against him, the shape of the pension fund for state employees, the price of higher education in the state. They also want you to forget that many in the Republican Party, including Senator Bunning, wouldn't support their incumbent governor in the primary race. They want to erase from your memory that his own Lt. Governor quit on him during the term and others in his own party stood up against him when he tried to introduce legislation that would hurt working people throughout the state. If we can help take this governor out of office in November it will increase our chances for success in May of '08.

Finally, we looked on the internet to see where the company was spending their PAC contributions they raise. I don't think I'm going to shock anybody with this, but they are putting money and efforts into races to protect those who want to break this union and to political entities that will bring right to work (for less) to Kentucky. That alone should be enough reason for you to get involved.

By - Tim Donoghue



*Can't we just buy out the union
and downsize it like we do everything else?*

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CrossTalk

PRESIDENT'S CORNER

Dear Members,

We are less than 10 months away from the expiration of the current contract. A lot has happened since we signed this one and I believe it's just getting started. I want to target three groups with this article. They are new members experiencing their first contract expiration. Next are the members that are looking at 2008 as their final contract before leaving and then the whole local as one group.

I am first asking everyone to start discussing the process of bargaining and mobilization with the new employees. They also need to understand that putting some extra money away now will take a lot of pressure off next May. It also helps to pay down a credit card or eliminate a car payment. These charges cause the most pain because of their higher interest rates. Eliminating some of this stress is also good for you even after the negotiations. The best defense we have as a local is for the membership to be prepared mentally and financially. They also need to understand the importance of completing the survey, around the first of the year, because that establishes the priorities of our demands. This is their chance to have input in the process. They need to realize that calling the hotline and making sure they get a picket assignment is vital, they can't receive assistance without performing an assignment.

Next, those members looking at this as the last contract you will participate in as an active member. This contract could determine your life style in retirement or the value of your cash balance you take with you. There are other parts of this contract, that are of such vital interest that the level of participation from this group should be unprecedented. I want you to double or triple your efforts this round and view not only as protecting what you leave with but also as a gift by ensuring those remaining here can enjoy the same benefits as you.

Finally we must all understand as that the 08 deadline approaches one thing must happen. We must be ready to stand together, whether you have 40 years or 40 days, top of the wage scale or bottom, repair or construction, CO or NOC tech, day tour or night, home garaged or not, surplused or not.

I know there will be those who will criticize us for starting too early and will complain that anything before March is a waste of time. Just remember this: When should I start getting ready for next contract? The day after your last contract was ratified, why? - because they are.



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Tim Donoghue

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