



# NEWSLETTER

Brotherhood of Maintenance of Way Employees  
Serving the Men and Women who Construct and Maintain  
Railroad Tracks, Bridges and Buildings

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## SPECIAL EDITION NEWSLETTER

TO ALL BURLINGTON NORTHERN SANTA FE EMPLOYEES - AUGUST, 2001

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### BMW MERGER WITH BOILERMAKERS

#### IS IT NEED OR IS IT GREED?

Grand Lodge is pushing hard to get you to vote "yes" for a merger with the International Brotherhood of Boilermakers (IBB). President Fleming and his "committeemen" are flying all over the country, using your dues dollars to "sell" you the deal. They have oppressed those opposed to the merger. They can not travel at Grand Lodge expense. They do not have access to the BMW Journal, mail list or its web site. They are not offered a "counterpoint" forum at the informational meetings. They only want "one side of the story" told. This newsletter tells the "other side" and highlights reasons why you should VOTE 'NO' to the IBB merger.

The proponents are working hard to sell you this deal because the officers of the union are going to get a lot out of it. They are guaranteed the highest salary, IBB or BMW. They are guaranteed longer terms of office, five instead of four. They are guaranteed more job security in the IBB political structure. They are guaranteed not to be recalled or have their actions appealed to the Convention. They are guaranteed extra big multiple pensions of 100% to 150% of their wages each month. There are substantial guarantees for officers of the Union. There are no written guarantees in the merger agreement for the members of BMW. Is it need or is it greed?

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### NO CLOUT

The primary question that must be answered about this merger is, how will this deal increase the power of the BMW membership. On a good day, the IBB Union has about 90,000 members and BMW has about 40,000 members. Together our combined membership will be only about 130,000 members. These combined members will not provide any additional

bargaining leverage with railroad management. They will not make one more politician pay attention to our issues in the halls of Congress. Any way Grand Lodge attempts to do the math, we still remain a small union.

### SMALL UNION + SMALL UNION = SMALL UNION

IBB only has about 900 members on the railroads. To make it worse, these 900 members will not join our union, they will remain a separate division within IBB. The addition of 900 IBB members can not possibly increase our clout to deal with railroad management. Grand Lodge can repeatedly state how powerful we will be once we become a division of the IBB Union, but saying it over and over again

does not make it true. Our power and ability to "deliver the bacon" will not change because we become a large division in what continues to be a small union.

VOTE 'NO' TO IBB!

## BMW FINANCES 'OK'

BMW Grand Lodge says we must merge because we are in financial crisis. That is not true! The auditor from the Certified Public Accountant firm hired by Grand Lodge to make a report on the finances of an IBB/BMW merger made this conclusion in a report dated June 15, 2001, addressed to Grand Lodge Secretary/Treasurer Bill LaRue:

"The BMW financial structure is sound and would be able to outlast the economic and membership downturn that is currently unfolding for the 2001-2002 year, without a merger."

The auditor quoted above was hired by Grand Lodge to write a report to support

the merger. But, even he could not find that the merger is required.

It is true, our membership is shrinking, we all know that. But, BMW is still a strong, viable union. We have \$20 million in the bank and a \$20 million strike fund. Each year for at least the past eight years, Grand Lodge has presented a "balanced" budget for every operating fiscal year. It was not until the IBB merger that it now says the financial "sky is falling".

If we merge, all of our assets, including the \$20 million, are turned over to the IBB. If we merge, we better get the very most for the members. The IBB merger just does not deliver this.

## VOTE 'NO' TO IBB!

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## UNION 'VALUES' NOT SHARED

The IBB and BMW do not share a history of fighting together. In 1997, BMW led a fight to save Railroad Retirement Occupational Disability Benefits. During that fight, BMW and most rail unions threatened a nation-wide rail strike to save our benefits. IBB did not support us in that threatened strike.

In 1995, BMW, together with the majority of the American labor movement, came together and voted for a "new voice for American workers". We elected new leadership at the AFL-CIO. IBB opposed and voted against Sweeney, Trumpka and Chavez-Thompson to lead the AFL-CIO. BMW does not share trade union values with IBB.

## DRUG TESTING

Since the 1980's, BMW has opposed random drug testing at the work place. We have opposed it in the halls of Congress and in the courts. In October, 2000, at a Joint Labor/Owners Conference, IBB President Jones supports random drug testing. "We're hoping every owner will

require all crafts on a job to be drug tested and subject to random testing", Jones said. Ask yourself, when is the last time you read about the IBB involved in a struggle for its members? We do not share trade union values.

## VOTE 'NO' TO IBB!

## YOU DON'T GET TWO STRIKE BENEFITS

Grand Lodge has exaggerated the benefits you get from this merger to make it sound better than it is. You don't get IBB strike benefits. IBB Constitution Article 16.2 says you don't get strike benefits for the first 14 days. Article 16.4 says you're not eligible for

benefits if you receive unemployment. We get RRB unemployment. You don't get IBB strike benefits.

VOTE 'NO' TO IBB!

## MERGER DOES NOT MEAN LESS DUES

To sell you the "deal", Grand Lodge says the merger will "stabilize" your dues. That may not be true. We agree it is reasonable to assume there will be "economies" by merging administrative functions. And, though IBB has not said benefits are the same, it appears there will be a savings in the cost of medical insurance for union officers. But, Article 12 B of the merger agreement provides that dues paid by BMW members will be increased in accordance with Articles 12.2 and 31.2.2 of the IBB Constitution.

one-half again back to the International.

In addition, the IBB requires payment of \$14.50 for withdrawal card, \$1.00 for out of work fee and a minimum fee of \$2.00 per month for a local lodge out of work receipt. Two IBB divisions now pay 3.5% of gross earnings plus "per capita" for union dues. IBB railroad division members pay \$20.50 "division dues" plus "per capita". Doesn't sound like stabilized dues to me!

The above provides that first there shall be an increase in "per capita" based on the average hourly manufacturing pay even if BMW wages do not go up. Then, dues shall be increased by two times that amount, one-half of it to the systems and

The \$20 million in BMW's treasury will be turned over to IBB, not placed in the BMW Division fund. IBB will skim off more than \$3 million interest from our strike fund. When the "honeymoon is over", members will be asked to pay more money.

VOTE 'NO' TO IBB!

## IBB DOES NOT GUARANTEE RATIFICATION OF NATIONAL AGREEMENTS

Grand Lodge says the IBB merger guarantees membership ratification of national agreements. That's not true! They say Side Letter No. 21 guarantees your ratification. Side Letter No. 21, written by IBB President Jones states:

are not able to receive such written consent, they shall have the right to submit such agreement directly to the affected rank and file for ratification or rejection..." (Highlight added)

"...No officer of the merged organization shall have power to enter into any agreement other than national agreements without the written consent of the affected general chairman (chairmen) if said officer(s)

As you can plainly see, Side Letter No. 21, quoted in part above does not require ratification of national agreements, only "other than national agreements".

VOTE 'NO' TO IBB!

## FLEMING WANTS IT COVERED UP BY A MERGER

In May of 2000, President Fleming granted himself, Grand Lodge Secretary/Treasurer LaRue and each BMWV Vice President a \$10,000 per year salary increase. If the membership approves an IBB merger, President Fleming will not be held accountable to the BMWV convention for his actions.

President Fleming told us he was entitled to the wage increase because of Article III "Equity Wage Adjustment" of the 1996 National Agreement that provided where individuals performed the same work as another craft on a carrier and the other craft is compensated at a higher rate, these inequities should be corrected. He said union officers of other unions should get this increase. While the agreement required action to be taken within 60 days, President Fleming determined the increase was justified four years later.

President Fleming determined the increase was justified even though a request for a

Vice Presidents' salary increase was presented to the 1998 Grand Lodge Convention and rejected! President Fleming presented a similar request to the BMWV Executive Board and again it was rejected.

Not to be defeated, President Fleming used his powers to interpret the Constitution to bestow upon himself and his officers a \$10,000 a year raise. Now President Fleming says the only way to cure our financial problem is to vote 'yes' on the IBB merger agreement. This will preserve his salary and give him two additional pensions which will increase payroll for union officers an additional 11%. If we have a financial problem, then it is one created by President Fleming and we should not reward him by giving away our union to the IBB. President Fleming should stand accountable. There is no appeal of this in the IBB.

**VOTE 'NO' TO IBB!**

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**ONLY YOU CAN STOP THIS MERGER. GET YOUR BALLOT IN  
THE MAIL. MARK IT 'NO' AND RETURN IT**