

Issue Number 4

MEMBERS FIRST COMMITTEE

of the

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

**IBB TAKEOVER BID TO BE SENT TO MEMBERSHIP
FOR A VOTE**

PRESIDENT FLEMING SHUTS DOWN CANADIAN *JOURNAL*

PRESIDENT REFUSES TO PUBLISH BOTH SIDES

CANADIAN *JOURNAL* ARTICLE REPRODUCED HERE

**SEE WHAT PRESIDENT FLEMING
DOES NOT WANT YOU TO READ**

When you receive this newsletter you will have either already received, or will shortly receive, a ballot to accept or reject the takeover of our Union by the Boilermakers Union. We urge you to vote in this historic moment to determine our Union's future.

In a move that many feel will be typical of what we can expect if the Boilermakers win, President Fleming has shut down the *Canadian Journal* and ordered it to cease publication because the *Journal* was going to run articles citing the pros and cons of the takeover. In a letter to BMW Vice President Housch, President Fleming wrote,

"I AM ULTIMATELY ACCOUNTABLE FOR THE CONTENT OF THE CANADIAN *JOURNAL*, AND I HAVE THE OBLIGATION TO DIRECT THE ACTIVITIES OF GRAND LODGE VICE PRESIDENTS. I AM, THEREFORE, DIRECTING YOU TO CEASE PRINTING OF THE CANADIAN *JOURNAL* CONTAINING THE MATERIALS THAT YOU SENT TO ME TODAY VIA FACSIMILE, AND IN PARTICULAR THE MATERIAL ENTITLED "TAKEOVER OR AUTONOMY? IT'S TIME TO DECIDE!", AND IF ALREADY PRINTED, STOP THE DISTRIBUTION OF THIS ISSUE OF THE CANADIAN *JOURNAL* BY POST OR OTHERWISE."

President Fleming has shut down the *Canadian Journal* because they wanted to print both sides of this takeover bid. The forbidden information is printed in the attached pages for you to read. Read what the President doesn't want you to see and if we become Boilermakers what we will never see again.

TAKEOVER OR AUTONOMY? ITS TIME TO DECIDE!

THE DEMOCRATIC NATURE OF THE DEBATE

Supporters of the YES side say that "Grand Lodge has an obligation to conduct the educational meetings to educate members and officers about the proposed merger" and that "Grand Lodge is not selective in recruiting members and officers to attend".

However, Grand Lodge is being very selective about who it will permit to make representations and to answer questions at the merger information meetings. Grand Lodge is, in fact, only providing funding to merger supporters to travel across the country to attend these meetings and to answer questions and to make presentations. If the proposed merger is something that should be adopted by the membership, there should be no concern about giving NO supporters the same opportunity to answer questions and to make presentations.

NO supporters believe that the BMWWE must stay true to its democratic roots. In view of this, NO supporters have strongly advocated the implementation of the following guidelines for the merger debate:

1. Inviting those in opposition to the takeover to the information seminars and permitting them the same opportunity to make presentations, to answer questions, and to receive funding that is provided to the proponents of the takeover.
2. Involving those in opposition to the takeover in the preparation of the package that will be sent to the membership. If the parties cannot agree on the information to be included, then to allow the same number of words for both sides to put their position forward and to send that document to the membership.
3. Allow equal mailing access to officers and to members by those in opposition to the takeover and allow this to be funded in the same manner as the proponent mailings and communications.
4. Allow equal access to the Web Site and the Journal for both sides on a regular basis with the same amount of space, no more, no less, and allow the opponents to the takeover the same number of Articles (and number of words) as that which has already been posted by the proponents.
5. Ensure that both sides agree to the voting process and that each side is given the opportunity to appoint scrutineers during and after the vote.

DUES

Supporters of the YES side have gone to great lengths to make you believe that BMWWE members will not pay any more in dues as a result of the takeover.

However, this is simply a play on words. Supporters of the YES side fail to mention that BMWWE members will pay \$3.05 per month more in International Dues than any other Boilermaker member (though \$1.00 of this will be rebated to the System Divisions).

However, the fact remains that the individual BMWWE member will pay \$3.05 per month more International dues (per capita tax) than any other Boilermaker member *forever*. Also, the Legislative

assessment (\$1.00) and negotiation assessments (\$1.00) amounting to an additional \$2.00 will continue until at least the next BMW Division meeting in 2002.

We need to put this all into perspective. Based on our current membership of about 50,000 members, this means that the BMW Division of the Boilermakers will pay **over \$3,000,000 per year more in dues** than other members of the Boilermakers.

If we choose to eliminate the \$1.00 assessments for Legislative and Negotiations which will minimize those services and also discount the \$1.00 kickback to the System Federations, we will be still **paying almost \$1,250,000 more per year** in dues than other members of the Boilermakers.

No matter how you view it, this is not a good deal for the BMW. For their extra dues dollars, BMW members will not receive any more from the Boilermakers International than any other Boilermaker member. In fact, these extra BMW dues dollars will go to the Boilermakers and will constitute a windfall for them.

AUTONOMY

Supporters of the YES side speak a great deal about the autonomy that BMW members will have after the takeover. This, in our opinion, is verbiage without foundation. Autonomy means the ability to run our own show and elect our own people. Unfortunately, this is not where we will be after a Boilermaker takeover:

1. Maintenance of way workers will make up 1/3 of the Boilermakers after the takeover. If all BMW Division members voted against a candidate in the office of Executive Vice President or International Vice President representing the BMW Division the candidate could still be elected from the remaining 2/3 of the Boilermaker delegates that vote at the Boilermaker Convention. In other words we **do not** maintain the ability to elect our own representatives. This, combined with the fact that the Boilermakers run slates at their Conventions, should concern all of us.
2. Unlike the BMW Constitution, the Boilermaker Constitution does not provide for the recall of union officers by the membership. Therefore, once officers are elected, they will hold their jobs until the next Convention, and there is nothing that any BMW member can do about it.
3. The Boilermaker President may appoint either the Executive VP or International VP of the BMW Division if there is a vacancy in office. This too could be an appointment **for up to five years** before any democratic election.
4. The BMW Constitution is quoted in the merger agreement in various matters. However, the Boilermaker Constitution takes precedence wherever there is a conflict. We submit that no one even knows where all of those conflicts will exist.
5. Appeals do not go to Convention (as they currently do with the BMW), other than an appeal by an International Officer, for the membership to decide. Rather an appeal goes to the Executive Council for a final and binding decision in which the BMW Division will have only 2 of 12 votes.
6. The Arbitration process in the merger agreement may only be implemented by the Executive Vice President and the President of the Boilermakers. As the Executive VP does not depend on election by the BMW Division but rather on being on the right slate to get a majority of all of the Boilermaker votes at the Convention, this could have a direct impact on the willingness to arbitrate disputes.

7. All BMW Division spending will be controlled by the International Union and not by the BMW Division.

POSSIBLE DISBANDING OF LOCALS

The Boilermakers' Constitution permits the disbanding of Locals of less than 35 members. To deal with the concerns of BMW members in this regard, the merger agreement provides the following:

"Notwithstanding the provisions of the International Brotherhood Constitution pertaining to mergers and consolidations, as long as the System Divisions, Federations and Local Lodges are able to provide the necessary services within their financial resources, there will be no involuntary mergers or consolidations of said system Divisions, Federations, or Local Lodges...."

Note that this does not refer to the provisions in the Boilermaker Constitution that deal with disbanding local lodges. In fact the issue of disbanding locals was one of over 100 items raised by Grand Lodge Officers with the Boilermakers. The Boilermakers confirmed that the above article does not override the provisions of the Boilermaker Constitution regarding disbanding Locals. It may well be that the Boilermakers will not take such action, but one never knows what the future holds. It is reasonable to be concerned about this matter as the Boilermakers will be required to fund delegates to the Convention for each Local.

This is important because, in the Boilermakers, only subordinate bodies or delegates to the convention can propose amendments to their Constitution. The practice with the BMW has always been that any member can propose an amendment to the Constitution.

It needs to be stated firmly that the above issue is crucial. The Union belongs to each and every member, and everyone should be given the right to propose changes to the functioning and structure of their Union. While it may be cumbersome at times it is important for every member to have this opportunity.

FINANCIAL ISSUES

As you probably noticed throughout this document, we believe that the so-called "merger" between the BMW and the Boilermakers is really better characterized as a "takeover". This is in part because, under the current proposal, ***the Boilermakers will become the owners of all of the BMW's money and assets.*** We believe that, after you review the facts, you will immediately see that a takeover is exactly what is going on:

The Boilermakers get the BMW assets of **\$20,147,045.44** and with 10% cost of capital this amounts to **\$2,014,704.00** annually.

In addition to the over **\$20,000,000** in assets to be handed over, the Boilermakers will also realize the following savings:

BMW assets at 10%	\$ 2,014,704.00
Elimination of the US and Canadian Journal	\$ 314,424.00
Savings in Health Care	\$ 600,000.00
Savings on Detroit lease	\$ 300,000.00
Savings from our dedicated GL Staff that quit rather than Relocate to Kansas City	

(50% estimated) \$ 1,250,000.00
Total Annual Savings **\$ 4,479,128.00**

If we choose to eliminate the \$1.00 assessments for Legislative and Organizing which will minimize those services and also discount the \$1.00 kickback to the System Federations, we will be still be paying almost **\$1,250,000 more per year** in dues than other members of the merged organization.

It is not unreasonable to expect that our membership should share in the wealth of this over **\$5,700,000 per year** windfall. If we elect to continue funding our legislative and bargaining efforts this will amount to almost **\$6,900,000 per year!** And to exacerbate the situation even more, the Boilermakers insist we use **\$3,500,000** from our strike fund interest and the \$1.00 rebate to the Canadian System Federations to pay our obligation for death benefits. Our contribution to the Merged Organization is a drastic one.

SUMMARY

We then have to look at what we will receive in return for this investment of \$20,000,000 and annual savings of almost \$4,500,000:

- Increased Pension opportunities for Grand Lodge and System Officers;
- A less powerful Legislative Department;
- A minority vote to elect the Executive Vice President and International Vice President to represent the BMW Division in the Boilermakers;
- No appeal to Convention;
- No recall of Union officers;
- Loss of autonomy;
- More (\$3.05) monthly per capita (international dues) than any other Boilermaker member;
- No guarantee of continued funding of our activities;
- A \$1.00 dues increase January 1, 2002;
- Concern that lodges of less than 35 members will be disbanded;
- Interest back to the strike fund after we give \$3.5 million to cover the Death Benefit Liability;
- Five years between Conventions (something opposed at our own Convention);
- Some provisions of our bylaws to apply *as long as they do not conflict* with the Boilermaker Constitution;
- No elections to fill vacancies in office of Executive Vice President, International Vice President, or Regional Coordinators (Current BMW VP's) but appointments for up to five years.

There are many obvious, and not so obvious, flaws in this proposed takeover. More importantly, the process by which the deal is being conducted, and the information being disseminated, has so far been skewed very much in favour of the pro-side. It is hoped that the information presented here will at least begin to address this balance and convince you that this proposed takeover does not serve the interests of BMW members.

WELCOME TO THE BOILERMAKERS

BY THE WAY, WE BURN BOOKS

THE CANADIAN *JOURNAL* IS JUST THE FIRST

CENSORSHIP IS OUR MIDDLE NAME

SAVE THE UNION!

VOTE NO IBB!

Members First Committee/BMWE
P.O. Box 60123
Philadelphia, PA 19102