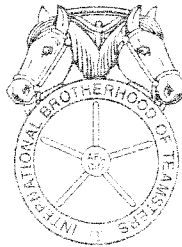


# Local 808

AFFILIATED WITH  
INTERNATIONAL BROTHERHOOD OF TEAMSTERS, AFL-CIO



**BUILDING MAINTENANCE, SERVICE,  
AND RAILROAD WORKERS UNION**

22-43 Jackson Avenue, Long Island City, New York 11101-4310 • (718) 389-1900 • Fax (718) 389-2171

**CHRIS SILVERA**  
Secretary-Treasurer

February 6<sup>th</sup>, 2004

**GLENN CONKLIN**  
President

**THOMAS CASHMAN**  
Vice-President

Dear Brothers and Sisters:

**LIZ BONELLO**  
Recording Secretary

**TWO ZEROES AND GIVING UP THE VANGUARD IS TOO MUCH TO PAY**

**Trustees:**

OSVALDO LOVERME  
ALVIN LEE  
MARIO UQUILLAS

The railroad does not negotiate with the company union, it tells them what to do.

Many of you have received a letter purported to be from the Association of Commuter Rail Employees (ACRE).

In the interest of truth and by inclusion we are obligated to respond to the series of lies written by the signatories affixed to the letter.

ACRE brought double zeroes and medical co-payment for new hires. In the next round all employees will co-pay in order for us to "purchase" a cap on medical co-payment.

Let us review the facts so far:

ACRE has led the way on dividing workers along seniority lines. The company contributes into the Vanguard Plan 4% for employees with less than 19 years and 7% for employees with more than 19 years. Did most African-American ACRE members hire out after 1988? Your representatives have spent the last year trying to stop the misleaders of ACRE from selling the Metro North workers down the tube. This contract is the result of having a company union within our midst.

ACRE is the first "union" to bring medical co-payments to the commuter railroads. While management gets a lifetime full medical coverage upon retirement for their co-payment, we will get nothing.

Without a cap a new employee in thirty years will see 40% of their wages going toward medical co-payment. Using the 18% family rate and medical premiums at \$850 per family per month and conservatively trending medical increases at 11% starting with a base salary of \$51,974 and assuming annual wage increases of 3%, a 2003 "employees who don't exist" in thirty years will see forty percent less of his or her disposable income. The "employees who don't exist" are already here. The new agreement dates back to January 1, 2003. In the year 2003 a new employee will pay

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\$1976.00 . By the year 2034 his or her co-payment will be \$50,211.05. Hopefully someone will remember to negotiate a cap on these payments in the future.

This is a concessionary agreement. ACRE gave up the personal day for employees with thirty years of service and the equality of the Life Insurance plan. Six percent over four years gives each worker a 1.5% wage increase in each year of the agreement. This agreement is substandard when compared with those signed by TWU Local 100 at the Transit Authority and by the UTU at the Long Island Railroad. It is important to note that the LIRR workers kept the Life Insurance and gained the death benefits provided for in the new pension plan in this round of bargaining.

Response to the first Fact:

Absent the Pension Plan this is the worse collective bargaining agreement to come before any union member on this property. This agreement is worse than the agreement that put the entry wage rate on the railroad. Even that agreement recognized that it was bad to create a permanent second class union brother or sister. Such an outcome is inherently bad for the union movement.

The United Transportation Union on the Long Island Railroad late last year successfully negotiated a conversion to managements pension plan and a sunset to the employee contribution to the new defined benefit plan. ACRE's agreement calls for ACRE members to contribute 3% yearly into the pension plan for your entire career. That makes your agreement provide a 0% with a \$1,000 bonus. The second year an ACRE member will receive a compounding 0% as that 3% wage increase is diverted from your pocket forever. While this is beneficial to the very senior members, it is at the expense of the less than 15-year member.

By giving up the life insurance ACRE continued to create inequity among its workers. The death benefit provision in the pension plan favors engineers over signal maintainers. The yearly wages of an engineer is significantly greater than a maintainer. Based on average wages that creates a disparity of roughly \$30,000 among beneficiaries. Should we be reminded of the decision to have company contribution to the Vanguard Plan on behalf of its members be determined by length of service? ACRE members and, subsequently, all members were saddled with this inequity. We could have had an agreement to get 6% for all members of the union. Why the constant discrimination against the junior employees?

Response to second Fact:

In Fact number one you stated that ACRE negotiated an agreement, yet in the second fact you state that " The new agreement contains the same increases already agreed to by your counterparts on the LIRR. If you stand by that statement then ACRE did not negotiate anything for its members. The United Transportation Union and the Transport Workers Union already did that. Did you forget the sunset provision obtained by the UTU? Post 1988 members of ACRE must pay for a benefit they can never receive. In fact, the permanent contribution to the pension plan results in diminishing returns for post 1988 retirees. It is even a lesser plan than New York State Tier IV. As stated before the company does not negotiate with the house union it tells them what to do.

Response to third Fact:

Because ACRE is the only "union" with an agreement, they are holding misinformation meetings. Their own statements about who negotiated the best agreement conflicts. First, it was ACRE, then it was TWU or UTU. Make up your mind boys. When lying, remain consistent!

Response to fourth Fact:

While it is true that some unions involved in National Railroad Negotiations have agreed to a co-payment for medical benefits all have a cap on maximum contributions to the medical insurance premium by their members. By the way what do these freight railroads have to do with us? We work for an agency that does not bat an eye on \$500,000,000 overruns to remodel an existing building, why should we have to co-pay for our medical coverage? Tony Bottalico sits on the Board of the MTA, what did you do to protect us from medical co-payments?

Response to the fifth Fact:

The Hotel Employees and Restaurant Employees Local 100 are on strike to protect the health benefits for " employees who don't even exist". In an article written by Steven Greenhouse in the New York Times of January 26, 2004 is the following paragraph " Management also insisted that new hires begin paying health insurance premiums of about \$1,500 a year, while current employees would continue paying nothing."

H.E.R.E.'s predominantly immigrant workers understand the need to protect the gains of the unions for future generations of workers. Negotiations are about increasing the gains of the workers, not "purchasing" pension plans. We bargain for and empowered by our members' power to withhold their labor achieve a greater share of the pie.

The New York Times article went on to point out "This is a place that has great-tasting oysters and a very wealthy, older clientele, and if they can't afford to pay a living wage, then no one in New York can," said Josh Freeman, a history professor at the City University Graduate Center and the author of "Working-Class New York." "This shows that management is pushing to get the most it can, even if they are able to afford to pay decent salaries."

All union workers have an obligation to resist management's plan to reduce our standard of living. Health benefits are a great portion of one's standard of living. If we intend to be sheep then we do not need to pay union dues to any organization and simply place our lives and that of our families into the ever concerned hands of the railroad.

As trade unionists we should be holding collections to give support to these valiant workers. Teamsters Local 808 has provided valuable assistance to H.E.R.E. Local 100 and has been recognized by Local 100.

.Response to sixth Fact:

Being members of an International Union like the Teamsters allows union representatives to remain independent of the powerful railroads. We are not paid by the companies for whom our members work. ACRE's top officials are paid over \$100,000 to do "union work." This agreement is revocable by the carrier upon seven days notice. That is a power tool to use when negotiating with the house "union."

Response to seventh Fact:

In 1994, then-Governor Mario Cuomo was in a tight race for reelection. He needed the endorsement of the over 250,000 New York State Teamsters. Threatening to disrupt his fundraiser at the Sheraton, Teamsters Local 808 received an agreement to obtain a release for a Presidential Emergency Board. Those negotiations led by Teamsters Local 808's Secretary-Treasurer Chris Silvera and President Glenn

Conklin also produced the current medical benefit structure defeating the company's demand for co-payment toward insurance premiums. You see the company's demand dates back to 1994. The union representatives you so freely malign have defeated this demand for ten years until the carrier set up their own company "union."

ACRE DID NOT EXIST NOR WERE YOU A PARTY TO THESE NEGOTIATIONS.

Teamsters Local 808's brilliant tactics and successful strikes without any of its members losing pay brought the company to its knees. It was Tony Bottalico that called Teamsters Local 808 to complain about his members losing two days pay. In 1983, Teamsters lost seven weeks pay honoring the UTU picket line.

Teamsters put first day sick day use and twelve sick days on this property for those who did not enjoy that benefit. Engineers and Conductors had a sick bank. You had to lose four days to get one sick day. Teamsters Local 808 made it possible for your members to enjoy first day use. The workers on the LIRR just gained first day sick usage in this round of collective bargaining.

Teamster militancy also brought a much improved vacation schedule.

Gary J. Dellaverson with whom ACRE negotiated this agreement is quoted in the New York Times on December 2, 1995 condemning Teamsters Local 808 "for tactics little short of labor terrorism" and creating "intolerable uncertainty." Why negotiate with the mighty Teamsters when we can shaft the workers by using the railroad's house "union."

Teamster actions resulted in our members enjoying premium shift differential far superior to the current LIRR shift differential. All Metro North workers currently enjoy enhanced vacation and personal leave time complements of Teamster action. We even enjoyed full retroactive pay. No zeroes.

All of these improvements were achieved through Teamster strike action. By the way, there was no employee medical co-payment. The Teamsters defeated that proposal. And ACRE DID NOT EXIST.

Response to eighth Fact:

The LIRR has enjoyed a premium pension plan that went broke and the pre-1988 employees were required to pay into it to keep it solvent. That benefit gave full

retirement to any worker with 20 years of service and age 50 years. We never had that and because of our wage disparity we believe that we have already paid for any pension improvements and continue to pay for as long as the disparity continues to exist.

This agreement does not address the wage disparity issue afflicting most of our workers. The fact that the LIRR took a wage freeze in the first year affords Metro North employees an opportunity to close the wage gap with their LIRR counterparts by negotiating a wage increase in the first year. This agreement negotiated by ACRE will leave all employees with less disposable income going forward. These "employees who don't even exist" will be hired this year as the railroad hires every year. Some will even be our relatives. Many of us are second and third generation railroad workers.

We are willing to fight to defeat the carriers attempts to lower our standard of living. That is what unions do. Remember the sacrifices of Eugene V. Debs, John L. Lewis and Dr. Martin Luther King, Jr. What will our legacy be for future generations of workers?

The workers on the Long Island Railroad currently enjoys Martin Luther King Jr. as a holiday. Why was ACRE unable to negotiate MLK day for its members.

This agreement must be rejected so that real union leaders can negotiate improvements for the valuable and most productive workers within the MTA system. Real unions negotiate improvements for their members not "purchase" overpriced pension plans.

Teamsters Local 808 has its own Health and Welfare Fund. Our Teamsters members have the option of coming into the Teamster medical plan and never being subject to any co-payment. Standing shoulder to shoulder we are fighting to stop this from affecting our other union brothers and sisters who do not have this option available to them. We will not walk away from any struggle to protect the gains of the working men and women on Metro-North.

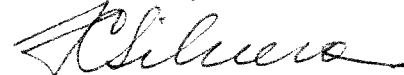
Members working on Metro North wanted to achieve lifetime medical coverage upon retirement during this round of bargaining. That was the most important issue on the property. The house union failed to gain the most important issue to our members. Teamsters Local 808 and the other International Unions are still fighting to achieve the goals set out by our members.

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In closing, it should be noted, for the record, that the Brotherhood of Locomotive Engineers just, through rank-and-File voting affiliated with the 1.4 MILLION members of the International Brotherhood of Teamsters.

We call for the rejection of this concessionary agreement. We must protect the gains of labor. Do not let greed and selfish individualism cause us to further erode the gains of the workers who allowed us to enjoy the benefits we have had for over thirty years.

Fraternally,



F. Christophe Silvera  
Secretary-Treasurer

P.S. You must note the lack of a union bug on the acre stationary.