THE PROCESS NEWS

By the International Union of Operating Engineers,

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CASE AGAINST NEW UNION ELECTION RULES THROWN OUT

As of April 14th, new rules were put in place for the process of how workers can choose to join a union. Specifically, the NLRB issued new rules to modernize and streamline the election process and to increase transparency.

Seeing as big business likes to drag out union elections as long as possible...so that they can "convince" workers to vote no...they immediately sought to block the new rules.

First, big business went to their paid for...oops, we mean "democratically elected" politicians. Republicans in congress hastily approved a bill to stop the new election rules from being implemented. President Obama vetoed their bill.

So, then big business went to their own union...the Chamber of Commerce.

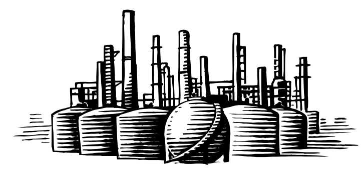
The US Chamber sued the NLRB seeking to get the new rules thrown out. The case fell to DC Circuit Court Judge Amy Jackson.

The judge has ruled with the NLRB and against the Chamber of Commerce. She said the challengers based their case on "*mischaracterizations of what the final rule actually provides and the disregard of provisions that contradict plaintiff's narrative".*

She further said that the Chamber of Commerce's complaint lacked specificity and that they "*resisted being pinned down, insisting that the analysis should be conducted at the 30,000 foot level".*

The judge stated, "*Nothing in the Final Rule constrains an employer from expressing its own position about the election, and nothing about the poster, which outlines the Board's election procedures and accurately sets forth employees' statutory rights to be free from coercion from either side, undermines or dilutes an employer's ability to convey its own pre-election message to counteract what it sees as disagreeable government speech*."

Now, businesses have less time to impose their shady anti-union practices, in their effort to convince employees that sticking together to make improvements in their pay and working conditions is a bad thing. With these new rules, the National Labor Relations Act has a greater likelihood in carrying out is mission to protect workers, and to facilitate collective bargaining.



INSIDE THIS ISSUE:

TROUBLES FOR BRAZILIAN COMPANIES?

Odebrecht is a Brazilian company that is involved in construction, engineering, chemicals and petrochemicals. They have grown considerably in the last decade, now operating in 21 countries and employing 181,000 workers. This includes some substantial US construction projects and chemical plant operations (Braskem).

It has been reported in the last month that Odebrecht's CEO Marcelo Odebrecht was arrested and is being held in jail on charges of corruption, money laundering, and bribery of senior government officials.

Mr. Odebrecht denies all charges.

It is not just Odebrecht that is being accused of wrongdoing. Acutally, a BBC article reported that the presidents of *all six* of Brazil's biggest construction companies are currently either in jail or awaiting trials. They all stand accused of bribing officials in exchange for Petrobras (Brazil's state owned oil company) contracts.

Note: we have no opinion on this, just reporting the news.

Are we Moving in the Right Direction?

It is not the employer who pays the wages. Employers only handle the money. It is the customer who pays the wages.—Henry Ford

US Paychecks Grow at Slowest Pace on Record

During the last few months, wages and benefits for US workers grew by the slowest rate in over 33 years.

While employers added 3 million jobs in the past year, which lowered the unemployment rate from 6.1 to 5.3 percent, and most economist expected this to translate into higher wages, that does not seem to have occurred.

The slowdown in the increase of wages and benefits suggest that employers were able to find enough workers to fill open jobs without raising wages.

"*Despite a tighter labor market, and all of the stories about pay increases at various large firms, wage growth is not picking up meaningfully*," Jennifer Lee, an economist at BMO Capital Markets.

So, corporate profits are at an all time high, energy costs are low, the US economy has never been bigger...and yet the ones doing the work aren't reaping the rewards?

Wages Stagnant in the US and Rising in China

A recent New York Times article highlighted the shift of textile manufacturing back from China to portions of the United States.

In the early 1990's Ni Meijuan worked in a textile factory in Hangzhou making $19 per month. Now she is in South Carolina training workers at a new Keer Group cotton mill.

How is this happening? In the last decade or so, workers in China have been fighting to raise their wages and benefits.

...while in the US, especially in states like South Carolina, workers have dropped the ball. Thus there are rising costs of production in China and falling manufacturing costs in the United States. According to the Boston Consulting Group, manufacturing wages in China, adjusted for inflation, have risen from $4.35 an hour to $12.47 an hour since 2004.

Okay, so it is not simply about wages.

In addition to the stagnant wages and low energy costs in the US, politicians all over the country are ready to one-up each other when it comes to offering incentives in the form of grants and tax breaks to companies to build in their area.

According to Keer's chairman, Zhu Shanqing, they built the $218 million factory in South Carolina due to "*Incentives, land, the environment, and the workers.*"

"*In China, the whole yarn manufacturing industry is losing money*, " said Zhu Shanging.

And it is not just textiles. Chinese companies have invested about $46 billion on new projects and acquisitions in the US in the last 15 or so years.

However, China is also looking for cheaper costs in Vietnam, Bangladesh and India.

One has to wonder...is this the way we want the US economy to head? More and more incentives and tax breaks to huge companies and lower and lower wages and benefits? If we are competitive with China right now...what will we have to do to compete with Bangladesh and India?

Pitting workers against workers...whether that be union vs. non-union or U.S. workers vs. Chinese workers benefits only one group of people...and it isn't the workers.

If you hire good people, give them good jobs, and pay them good wages, generally something good is going to happen.—James Sinegal, Costco Founder

Is the US South the New China / Mexico?

We know that Texas created more jobs than any other state in the last few years.

We also all know that most new manufacturing, whether it be Mercedes, VWs, or Boeing airplanes is happening in the southern states.

Is it some magical formula that the south has used to generate these new jobs and factories? No, of course not. They are simply creating the same environment that businesses have enjoyed in China and Mexico. Lower wages, less benefits, more barriers to unionization and weaker safety and environmental standards. Per capita income in the south is well below average. Union density is low, and as OSHA pointed out recently speaking about Texas, worker safety is basically a joke.

Is this the right direction for America? Undoubtedly no...but it sure is profitable!

What Exactly is a Super PAC?

In early August the first round of campaign contributions for the 2016 presidential elections were published. Not surprisingly, there was some serious money contributed to support the over 20 declared republican and democrat candidates. A huge portion of that has gone to so called "Super PACs".

So...what exactly is a Super PAC? Well, PAC stands for "political action committee". It is important to distinguish between a regular old political action committee and a Super PAC.

Political Action Committees are nothing new, having been around since 1944. They are usually organized by candidates, businesses, unions or those with particular ideological ideas. Regular PACs have donation and spending rules. Neither corporations nor unions may directly contribute money to a PAC, though they may organize PACs and collect contributions from employees or members.

People are limited to contributing $5,000 per year to a political action committee. As for spending, PACs can give $5,000 to a candidate committee per election cycle, $15,000 annually to a national party committee and $5,000 to any other PAC annually.

Two 2010 court cases led to the creation of Super PACs. You've likely heard of Citizen's United v. FEC. In this, the Supreme Court ruled that corporations and unions could spend money from their general treasury to finance "independent expenditures" related to campaigns. That is, they can't provide money directly to federal campaigns, but could fund efforts to influence the election so long as they did not coordinate with the campaign itself.

The second case was Speechnow v. FEC. This was a DC Court of Appeals circuit court that ruled that so long as a Super PAC did not make direct contributions to a candidate, a political party, or another PAC, it could accept unlimited contributions from individuals, corporations, and unions for the purpose of independent expenditures.

While, technically, corporations and unions, are included in these new rules, have no doubt, rich individuals are the ones taking advantage of it. Essentially, these two rulings legalized the buying of democracy by wealthy individuals.

In the 2012 presidential election, it was reported that 80% of the money given to Super PACs came from just 100 donors. The disclosure requirements for Super PACs are a bit more relaxed as well...whereas it is easy to find out who contributed directly to a candidate, contributions to these organizations are not so clear.

And it has only gotten worse since 2012. As mentioned at the beginning of this article, the first reporting for Super PAC contributions is now available.

Right to Rise, a Super PAC that supports Jeb Bush has raised $103 million since it started earlier this year.

Ted Cruz is supported by three, Keep the Promise I, II, and III, which have $11 million, $10 million and $15 million respectively. Those three appear to be basically individually funded. In other words, one donor gave $15 million to support Ted Cruz, one gave $11 million and one gave $10 million. Indeed, 95% of the $38 million raised in support of Ted Cruz has come from three families.

Unintimidated Super PAC, supporting the anti-worker Scott Walker, has $20 million, including a couple of $5 million individual donations.

While the republicans certainly seem better at courting huge donations for their Super PACs, Priorities USA Action, supporting Hillary Clinton has about $15.7 million so far. Including one $2 million contribution and several $1 million donors.

The thing is, regardless of if you support Hillary Clinton, Jeb Bush, Donald Trump or Bernie Sanders (the two current poll leaders from each party), everyone has to agree that this sort of individual influence in elections is dangerous.

And remember, don't let the pundits fool you, corporations and unions are not the benefactor of the 2010 Super PAC rulings. The extremely wealthy who want to buy elections are the ones taking advantage of this. At the local and state level, they have already been wildly successful at doing just that.

THREE families are mostly bankrolling Ted Cruz to be president of the United States...how is that democracy?

I give to many people. I give to everybody, when they call I give, and you know what? When I need something from them, two years, three years later, I call, they are there for me."- Donald Trump

Oligarchy - A form of government in which all power is vested in a few persons or in a dominant class or clique; government by the few.

Some OSHA Statistics

OSHA was created by Congress in 1970 to assure safe and healthful working conditions for working men and women by setting and enforcing standards and by providing training, outreach, education and assistance.

The Occupational Safety and Health Administration is a great organization that performs a vital task when it comes to worker safety.
OSHA has about 2,200 inspectors that are tasked with covering 130 million workers at 8 million worksites around the United States. This translates into one OSHA inspector for about ever 59,000 workers.
In 2014, OSHA (and their State Plan equivalents) conducted about 83,000 inspections.
In 2013, there were 4,585 workers killed on the job in the US. This is about 12 per day. The leading causes of deaths tracked by OSHA were falls (36.5%), struck by object (10.1%), electrocution (8.6%) and caught-in/between 2.5%. While those numbers are still scary, they have improved greatly since OSHA's inception.
Since 1970, US employment doubled, yet workplace fatality rates have been reduced by about 2/3rds. There were about 38 workplace deaths per day in 1970 (12/day now). Likewise, worker injuries and illnesses have been reduced from 10.9 per 100 workers in 1972 to about 3.3 per 100 workers in 2013.
While, like we said, OSHA is a great organization, it never hurts to have as much protection as possible when it comes to safety. That is one of the reason why belonging to a union is such a benefit.
Imagine a situation where you are told to do something at work that is potentially unsafe. You express your concerns and are told to do it anyway. You can refuse and call OSHA, who might initiate an investigation. And theoretically, your employer can not fire you for refusing to perform an unsafe task.
However...if you don't belong to a union, you are almost certainly an "at-will" employee. So, while they can't fire you for being a whistleblower, they can fire you for pretty much anything else.
If you belonged to a union...you likely would not even call OSHA first. You'd call your union steward or representative and explain the situation to them. And under a union contract, you would likely no longer be "at will". Your employer would have to have "just cause" to fire you...and refusing unsafe work is certainly not just cause

CEO Pay Reporting Requirement

The Securities and Exchange Commission approved a rule last week requiring that large public corporations disclose the ratios of their CEO pay compared to median worker pay. This is a good thing.
It is no secret that CEOs of large companies make a lot of money...and average US worker pay has stagnated for a few decades. However, some do not realize just how much the divide between CEOs and workers has grown. In 1965...you know, when we had a huge middle class...the average CEO of a large US company made about 20 times what the average worker did. Today, it is about 300 to 1.
In the same timeframe, the share of corporate income that goes to the top five highest paid executives has gone from 5% to more than 15%. This is money that could be used elsewhere...new investments, R&D, higher wages for the rest of workers, or even given to shareholders.
So, those who approve of tens of million dollar packages for CEOs usually say that the extraordinary wages are necessary to retain these titans of industry...that these super bosses have tremendous skills that necessitate their salaries. They will point to the record profits corporations are enjoying and say that CEO's are worth their weight in gold (literally it seems).
As economist Robert Reich says, that is baloney.
"Even if a company's CEO simply played online solitaire for thirty years, the company's stock would have ridden the wave (increased with the stock market)."
Additionally, Reich points out that when you add in taxpayer funded bailouts and subsidies, business-friendly bankruptcy laws, free-trade agreements that make it easier to outsource jobs, and all of the state and local laws designed to weaken labor unions...it is no wonder that corporations are insanely profitable.
The SEC disclosure requirement will not fix everything, but at least it is a start.
California has actually tried to go further, introducing a bill last year that would give tax breaks to companies with lower CEO to worker pay ratios and higher taxes for companies where it is over 200 to 1. The bill didn't make it, as big business labeled it a "job killer". Amazing how anything that might reduce the incomes of the incredibly rich is always portrayed as being bad for working people.

TEXAS SAFETY FINES

Houston area Hassell Construction Co has been fined $424,000 for egregious safety violations related to a trench collapse.

"*For more than 2,500 years, man has known how to prevent deadly trench collapses. It is absolutely unacceptable that employers continue to endanger the lives of workers in trenches. An employer is responsible for providing a workplace safe from hazards. Hassell Construction failed to do that in this case,"* said Assistant Secretary of Labor for OSHA Dr. David Michaels.

"*Trench cave-ins are preventable. There are long-established, basic precautions. They're not new, and they're not secret. Hassell Construction knew its trenches weren't safe, but still put its workers in harms way,"* added John Hermanson, regional director of OSHA in Dallas.

Fortunately, in this case, even though the workers was buried under 8 foot of dirt, he was not killed. Though the worker's injuries did lead to hospitalization.

Hassell Construction employs about 150 employees and has 15 days from the receipt of the citations to comply, request an informal conference or contest the citations and penalties.

Cotton Commercial USA, INC, a Katy TX based company, was recently fined $362,500 for seven safety violations. Cotton Commercial was using temporary laborers provided by Gardia Construction on a project when one of the temps fell 12 feet through a roof, resulting in hospitalization. The worker had actually requested a safety harness, but apparently that request was not fulfilled. The violations for Cotton included failing to provide fall protection for four workers, failure to promptly report the accident (they waited 3 days to report the injury), and not training workers in the use of fall protection and ladders.

Gardia Construction was fined $4,900 for failing to conduct frequent and regular inspections of the jobsite where their laborers worked.

"*Falls kill workers, but they are preventable. Cotton Commercial denied its workers the safety equipment they are required to provide, and the company intentionally waited several days to report the incident and misled OSHA's inspectors*."

Cotton Commercial employs 227 workers and operates throughout the US.

The employers have the same options as Hassell in responding to the complaints.

FOR MORE THAN 2,500 YEARS, MAN HAS KNOWN HOW TO PREVENT DEADLY TRENCH COLLAPSES.

COMMON LABOR TERMS

International Union- the national organization of a labor union. The union as a whole may be referred to as "the International"

Job Security – the elements in a contract that assure workers a steady job at a fair wage with fringe benefits,

Journeyman – mostly in the craft or trade unions, a worker who has demonstrated sufficient competence to work independently, and is paid at the top wage scale.

Knights of Labor – Founded in 1869 by nine Philadelphia area tailors, it was one of the first major unions, growing to one million members.

Labor Day – Made a federal holiday in 1894 by President Cleveland to celebrate the contributions of working people.

The Labor Movement – the overall movement of workers for better treatment from employers.

Lattimer Massacre – September 10th, 1897, 500 unarmed protestors marched against a mining company to protest wage cuts, unfair pay discrimination, the company store, and for the right to choose their own doctor. Police opened fire killing 19 and wounding 39 others.

Local Union – the local or regional charter of the International Union. Locals have their own officers, business agents, and staff.

Lockout – When management closes a business and locks out the workers due to a labor dispute.

Management Consultants – groups, often law firms, that advise businesses on a variety of labor issues. They may provide preemptive union avoidance strategies to companies or may be called in after the workers try to unionize.

List compiled with assistance from the "Lexicon of Labor", R. Emmett Murray.

CAPITAL ORGANIZES AND THEREFORE LABOR MUST ORGANIZE— TEDDY ROOSEVELT

SOURCE AMERICA / ABILITY ONE UNDER INVESTIGATION

Source America and its Ability One program manage about $3 billion in federal contracts that are supposed to primarily employ the disabled. They are currently the target of a federal investigation involving the Department of Justice, Veterans Affairs, Defense, and General Services Administration. The allegations said that over half of the companies contracted through Source America and Ability One do not meet the requirement that 75% of the workers be severely disabled.

Ability One is a run by a commission of presidential appointees, which theoretically must approve all contracts. However, CNN reported that sources say there is essentially a "rubber stamp" approval for referrals sent to them by Source America.

Rich Beutel, a former congressional investigator who now works for a company that is suing Source America, said, "*The contracts are now funneled to a very small group of 10 large companies that are getting way more than their fair share.*"

CNN quoted other sources that noted how the cheating takes jobs away from those the program is supposed to employ.

"*The majority of the individuals that were being hired were not severely disabled. I would say in my experience in the Ability One contracts that I worked on, maybe 10 to 20 percent were truly severely disabled; they truly did not have the ability to find gainful employment elsewhere. Everybody else—they were capable of finding employment elsewhere."* said an unnamed CNN source.

CNN learned that in recent years, Ability One did send out at least 80 letters to contractors informing them that their contracts were in violation of the law and out of compliance. Only about 1/2 of the companies even responded and none were disciplined in any way.

Ability One has compliance officers, however, CNN reported that some contracts have not been checked on in decades.

Source America has responded that the allegations being made are completely without merit.

SICK LEAVE FOR FEDERAL CONTRACTORS

The New York Times reported in early August that President Obama has drafted an executive order that would require companies working on federal contracts to provide paid sick leave for employees.

The rule would allow workers a minimum of 56 hours of paid sick time for themselves or to take care of a sick relative or domestic partner. It would not allow contractors to make paid sick leave contingent on a worker finding a replacement and would have no effect on the wage requirements for federal contracts. Unused sick leave would accrue from year to year and could also be used in absences from work related to domestic violence, sexual assault or stalking, so long as medical attention or counseling was being obtained.

The president had hinted at action on the issue in January during his State of the Union address when he told congress to send him a bill on paid sick leave. Congress has done nothing and it looks like Obama will again have to resort to the executive order. Earlier this year Obama used the executive order to raise the minimum wage for federal contract workers.

Secretary of Labor Thomas Perez said, "*Seventy-eight percent of private sector workers earning under $9.00 an hour cannot earn paid sick days, making illness not merely inconvenient but economically catastrophic. This is bad news for a rebounding economy and a growing job market.*"

Randel Johnson, senior vice president for the US Chamber of Commerce said he did not think the president could use his executive orders in this manner and that "*at some point, the contracting community is going to cry uncle, and we're going to court*."

Senator Patty Murray of Washington said, "*No worker should have to sacrifice a day's pay, or their job altogether, just to take care of themselves or their sick child*."

The Outdoor Corner

Big Game Trophy Hunting - For or Against?

There is a website...we are not making this up, called "Does the Dog Die?" It contains a searchable database of over 2,200 movies revealing...anyone want to hazard a guess? Yep, does the dog in the movie die. Actually, there is a whole system. A smiling yellow dog face means no pets die, a brown frown face means a pet is injured but lives, and a grey crying dog face means a least one pet bites the dust.

In fact, killing a dog in a film might lower ratings...whereas killing hundreds or thousands of humans might make it a summer blockbuster.

What's the point? The point is, apparently it is frowned upon to kill an animal with a name. Obviously, no one is hunting Fido, we are talking about Cecil the lion.

An estimated 600 lions are killed by trophy hunters each year...and that's probably just on licensed hunts. Who knows how many are killed by locals, by unlicensed hunters or by regular old poachers. But the lion killed by Walter Palmer had a name.

Walter, you should not kill lions with names.

Obviously, that's not all there is to the story. Yes, the lion not only had a name, but was rather famous in Zimbabwe. Yes, the lion was being tracked and studied by a university. No, they should not have lured the lion out of a protected national park. Yes, shooting the king of the jungle with an arrow might cause an inhumane amount of suffering prior to death.

Should the guides or Dr. Palmer known all of this? Probably so. And undoubtedly, they did know after the fact, since they apparently attempted to destroy the GPS tracking collar.

In the aftermath, unless you are under a rock, you've seen the outrage on the internet. Social media has erupted with people calling for the dentist himself to be hunted down. And it isn't just keyboard warriors calling for retribution. Politicians and celebrities have weighed in on the issue (don't they always). Several major airlines have announced they will stop transporting trophy hunt body parts back home. The country of Zimbabwe has arrested the two guides and may seek extradition for Dr. Palmer.

So, is the outrage justified? The argument against trophy hunting of large (mostly non-edible) animals is easy to make. It is partially based on emotion. Basically, the argument against it boils down to one word. Why? Why would anyone want to hunt a lion? You aren't going to eat the lion. Presumably, the lion is not trying to hurt you or anyone else. When it comes to lions, there is an already limited number of them, so why lower that number by one? And let's face it...on a guided trophy hunt in Africa, especially one that costs $50,000, it is pretty unlikely that you are out in the wilderness, quietly sneaking through the jungle tracking your prey. So...why do that? Don't shoot the messenger, but that's the argument against.

So, is there an argument in support of this type of hunting? Some say that by regulating the killing of large animals as a business, you make it manageable. In other words, if you charge $50,000 to kill a lion, there is a vested interest in prohibiting the "unlawful" killing of lions. A $50,000 per lion interest. Elephant ivory has a thriving black market. Asian medicine uses tiger and lion parts. So, if you regulate it, limit it to licensed hunters, and charge for it, you might actually reduce the number of animals taken.

Also, there is human expansion. If the number of humans increase in an area where there are lions, tiger, or elephants...eventually those two things will come into conflict. Lions and tigers might kill edible livestock...elephants can ruin a farmers crops. Humans, even those in less developed societies, do not lose a battle against beasts. While fewer elephants on the Serengeti might make a PETA activist cry, it would probably make a subsistence farmer with a family celebrate.

So...instead of an elephant being killed by a local for no reason other than so it doesn't destroy his crop, isn't it better that a hunter kills it for no reason...but pays fifty grand to do it, which could support conservation efforts?

Is it good? Is it bad? Is it a little of both? Its complicated. In any case, it would be nice if people would get this irritated about things that negatively affect people and workers, like Orrin Hatch's current deceptively named "Employees Rights Act".

By the way, it's www.doesthedogdie.com

> *"There is Class Warfare alright, but it is my class, the rich class, that's making war, and we are winning" - Warren Buffett*

> *" Where free unions and collective bargaining are forbidden, freedom is lost." - Ronald Reagan*

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Crude Oil Falls again

West Texas Crude had risen from about $50 a barrel in March to a fairly steady $60 through mid June. However, as of mid August, West Texas Crude has tumbled to about $43 per barrel. Brent Crude, the international benchmark, also has fallen to about $50 per barrel.

Part of the decline seems to be related to increased supplies. According to OPEC, production surged in July to a three year high.

According to commodities experts at Goldman Sachs, the barriers to entering the oil E&P market has become much lower, with smaller shale producers able to start drilling and producing lots of oil cheaply and quickly.

This was expanded on by Myles Udland for Business Insider. As he put it, "*the oil market is looking at a future that is unprecedented*". "*In the past, large integrated oil companies, like BP and Exxon Mobil and state-owned oil companies have owned the more efficient, low cost production while smaller oil companies faced higher barriers to entry...but with low-cost fracking technology, this has changed.*"

These shale producers, Udland says, are able to both produce oil cheaply and then shut down the wells quickly when they become unprofitable.

Conoco Phillips and Total have both recently reported that the cost of production for US shale oil will likely fall by an additional 30%, which will make it financially viable to pump at $60 per barrel.

The oil futures market predicts that West Texas Crude will eventually rebound to about $70 per barrel.

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