



GCC/IBT Local 546M

# STEWARDS LETTER

March 2011

## CALENDAR

MARCH 2011

**Next Executive Board Meeting:** Thursday, March 3, 2011 at 4:30 PM at the Local Office.

**Next Stewards Meeting:** Sunday, March 13, 2011, 9:00 AM prior to the Membership Meeting at the Pipefitters' Hall, 6305 Halle Drive, Valley View.

**Next Membership Meeting:** Sunday, March 13, 2011, 10:00 AM at the Pipefitters' Hall, 6305 Halle Drive, Valley View. **Nominations for Local Rec-Secy.**

**AFL-CIO Rally for Good Jobs:** Tuesday, March 15, 5 PM, corner of Rt 82 & Pearl Rd, Strongsville.

**Food Bank Distribution:** Monday, March 21, 11:00 AM to 1:00 PM at the Union Hall. (For laid off members).

## SCHOLARSHIP DEADLINES

★ **March 31, 2011** - James R. Hoffa Memorial Scholarship.

## NEXT MEMBERSHIP MEETING

**Sunday, March 13, 2011  
10:00 AM  
Pipefitters' Hall  
6305 Halle Drive,  
Valley View**



## Thousands Rally for Workers Rights

Ohio Governor John Kasich and the newly elected Republican majority in the Ohio Senate lost no time going after the collective bargaining rights of Ohio workers. On March 2, by a vote of 17-16, the Senate passed SB 5 which would limit the rights of public workers to negotiate over benefits, prohibit the right to strike and eliminate binding arbitration for police and fire.

While the bill is slightly less bad than initially presented - the Governor wanted to abolish collective bargaining for all state workers - due to the strong opposition of union members, some 20,000 of whom massed in front of the capitol on March 1, this is only the first salvo in an attack on workers' rights across the board.

This attack should make us all realize how important our collective bargaining rights are and how easily

they can be lost. Unlike in other countries, where collective bargaining rights and the right to form unions are constitutionally protected, there is no such protection in the U.S. We see in this case how a determined few can strip the rights away from millions. On Tuesday, the Republican majority could not find enough votes to vote the bill out of the Commerce and Labor Committee. One example of the single-minded ruthlessness of the Republican leadership was that it had to remove one of the Republican senators from the committee, because he opposed the bill, in order to get a majority vote in favor of the bill.

But this action by the Ohio Senate is a wake-up call to all of us. One sign of this was that at the rally in Columbus there were some of the angriest and loudest protestors were

Republican union members who felt betrayed by the governor and the Republican senators (6 Republican senators voted against the bill, 4 of them from Northeast Ohio).

The bill now goes to the Ohio House, where Republicans hold a comfortable majority of 59 to 40 (as opposed to 46 to 53 before the last election.) Thirteen of these Republican representatives are from our geographical area. Members are urged to contact them and urge them to oppose the legislation.

If the legislation is passed by both houses, there are likely to be a number of challenges. One response is likely to be an initiative petition to have the bill overturned. Depending on when, and if, the bill is passed it would go on the November 2011 or 2012 ballot. Another possible response would be an initiative petition for an amendment to the Ohio constitution to make collective bargaining a constitutional right. In either case, the important would be for union members and supporters of collective bargaining to vote. Recent polls show that three-quarters of Americans support collective bargaining rights

Court actions are also likely to take place challenging the constitutionality of the law. Any of these actions are likely to delay the implementation of the law in the short-term.

We should all consider this attempt to limit collective bargaining rights as a serious threat. Thousands of union members have begun to mobilize, but everyone will have to get involved and involve their families and friends to stop this attack on collective bargaining rights.



## Ohio's Deficit - Causes & Cure

Gov. Kasich's alleged rationale for the the attack on collective bargaining rights is that the State has an \$8 Billion deficit. How did we get this deficit? There are 2 major causes:

### 1. Defunding State Government:

The biennial budget in 2011-12 is \$6 Billion **LESS** than it was 6 years ago! That is because in 2005, the Republican controlled Ohio Assembly passed Tax Reduction Act which reduced corporate taxes by about 50% or \$1-\$1.5 Billion a year. In addition, the bill included a 21% reduction in the state income tax which largely benefitted the wealthiest Ohioans. At that time, critics warned that the reductions would cause major shortfalls in future state revenue. They were right!

### 2. Deep Recession Cause by the Financial Collapse:

In addition to the effect of the 2005 tax cuts, Ohio, like other states, has been hard hit by lower revenues caused by over 550,000 Ohio workers without jobs. These cuts in revenues result from lower income tax and sales tax revenues. In 2010, sales tax receipts in Ohio fell by \$680 Million.

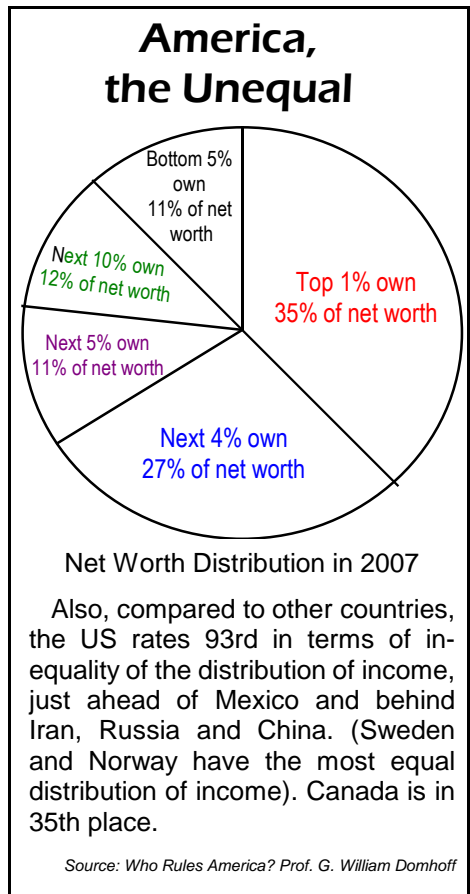
The current budget deficit which Gov. Kasich wants to repair, is largely caused by Republican policies. The simplest, and fairest solution, would be to return taxes to the 2005 level.

### Other Sources of Revenue

Another source of revenue for the state is reviewing the 122 corporate tax loopholes which cost the state \$7 Billion in lost revenue. These include tax breaks for corporate jets; tax breaks for pollution control equipment required under EPA; tax breaks for lobbyists; etc. These are revenue sources that should be addressed before cutting the benefits and rights of public workers or reducing necessary spending on education, public libraries and other important programmes.

## Do Tax Cuts Create Jobs?

One of Gov Kasich's central arguments is that tax cuts create jobs because it helps attract employers. Well, the proof is in the pudding - Ohio is a low tax state (it ranks 38th in the U.S. in taxes) so we should be attracting all kinds of jobs. But Gov. Kasich also says that Ohio has lost 600,000 jobs. Well, if low taxes attract employers and create jobs, why has Ohio lost so many jobs?



**North Shore AFL-CIO**  
**RALLY FOR GOOD JOBS**  
**Tues., March 15**  
**5:00 PM**  
**at Rt 82 and Pearl**  
**Strongsville**