

MEMBERS FIRST COMMITTEE

of the

BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYEES

**GRAND LODGE CLAIMS THAT THE BOILERMAKER TAKEOVER
WILL INCREASE OUR COLLECTIVE BARGAINING
AND POLITICAL CLOUT....but**

WHAT IS THE REAL DEAL?

The primary question that must be answered by the proponents of this takeover is how will this deal increase the power of the membership. On a good day the Boilermakers Union has about 90,000 members and the BMWWE has about 40,000 members. Together our combined weight will be only about 130,000 members. These combined numbers will not provide any additional bargaining leverage with railroad management, or make one more politician pay attention to our issues. This takeover does not in any way increase the power of the membership and anyway Grand Lodge attempts to do the math we will still remain a small union.

The Boilermakers only have about 900 members on the railroads. To make matters worse these 900 members will still remain in a separate division within the Boilermakers Union and will not even become part of the BMWWE Division. The addition of 900 members cannot possibly increase our ability to deal with railroad management.

Grand Lodge can repeatedly state how powerful we will be once we become a division of the Boilermakers Union, but saying it over and over again doesn't 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.

TAKEOVER AGREEMENT IS SELF EXPLANATORY

NO NEED TO BELIEVE YES SUPPORTERS OR NO SUPPORTERS

READ AGREEMENT AND JUDGE FOR YOURSELF

Paragraph 2 of the Takeover Agreement states as follows:

"The terms contained in this Merger Agreement shall be the exclusive terms governing the merger. Oral agreements, representations or written terms not included in this Merger Agreement shall have no legal effect or consequence and shall be construed only as statements of opinion on which neither party has relied."

Paragraph 3 of the Takeover Agreement states as follows:

"The Constitution of the International Brotherhood of Boilermakers shall be the supreme law of the merged organization, subject to the terms of this merger agreement..."

This contract language is very straight forward and plain. Grand Lodge has made the following claims regarding this deal, yet they cannot be found in the language of the agreement; therefore, proving to be false and unenforceable by the very terms of the agreement.

BMWV MEMBERS RIGHT TO ATTEND STATE OF THE ART IBB TRAINING FACILITIES
BMWV MEMBERS RIGHT TO TEMPORARY EMPLOYMENT IN THE BOILERMAKER CONSTRUCTION
DIVISION DURING PERIODS OF RAILROAD FURLOUGH
\$50,000 PER YEAR IN SCHOLARSHIP MONEY TO BOILERMAKERS CHILDREN

These claims by Grand Lodge are examples of so called benefits, but they are not in the agreement. There are other examples. In fact, once the agreement is read in total it is difficult to find anything in the deal that provides the members of the BMWV with direct benefits or guarantees. There are substantial guarantees for the Boilermakers Union. There are substantial guarantees for officers of the Union. There are no written guarantees in the takeover agreement for the members of the Union.

VOTE NO TO IBB!

BMW PRESIDENT FLEMING DOESN'T WANT YOU TO KNOW

In May of 2000, President Fleming granted himself, Grand Lodge Secretary Treasurer W. E. LaRue and each BMW Vice President a \$10,000 per year salary increase. He told us that they were entitled to this increase because of Article III, "Equity Wage Adjustment," of the 1996 National Agreement, that provided where individuals perform the same work as members of 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 received more pay so full time Grand Lodge officers should get this increase. While the agreement required action be taken within 60 days, President Fleming determined the increase was justified four years later.

President Fleming determined the \$10,000 per year, per officer increase was justified even though a request for a salary increase for Vice Presidents had been presented to the Grand Lodge Convention in 1996 and rejected! President Fleming presented a similar salary request increase to the BMW Executive Board and again 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 problems is to vote yes on the takeover agreement and preserve his salary and also give him two additional pensions which will increase general 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 and his officers by giving away our Union to the Boilermakers.

AUDITOR REPORT SAYS BMW FINANCES OK

An auditor hired report on Boilermaker and BMW finances came to this conclusion in a report dated June 15, 2001 addressed to Grand Lodge Secretary Treasurer 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."

A complete copy of the report can be obtained by writing to the Members First Committee. The auditor was hired to write a report to support the merger and the report reads like a commercial for the merger, but even he could not find that the takeover is required because of any immediate financial crisis.

GRAND LODGE CLAIMS THAT THE DEAL WILL STABILIZE AND EVEN LEAD TO LOWER DUES PAYMENTS FOR BMW MEMBERS, but ... WHAT IS THE REAL DEAL?

Under this deal the BMW member will have to pay \$5.05 more per capita to the Boilermakers for the first two years and then \$4.05 more per capita indefinitely. The following table represents the yearly increase in Grand Lodge dues since 1994. The eight dollar one time legislative assessment has been converted to a 67 cents monthly assessment for the purposes of the comparison.

	2001	2000	1999	1998	1997	1996	1995	1994
Grand Lodge Dues	20.00	19.75	19.25	19.00	17.25	17.25	17.00	16.50
Legislative Assessment	1.00	1.00	1.00	.67	.67	.67	.67	.67
Negotiations Assessment	1.00	1.00	1.00	0.0	0.0	0.0	0.0	0.0
Total	22.00	21.75	21.25	19.67	17.92	17.92	17.67	17.17

Grand Lodge dues go up following the year that BMW wages go up. Boilermaker International dues go up when manufacturing wages go up and it is possible that dues will increase without an increase in BMW wages. The rate of increase is about the same with one important difference: every time the Boilermaker International dues go up it is doubled because under the terms of the merger agreement the same amount is also raised for the systems.

Currently the BMW has **three** mechanisms to raise dues. There is a formulae to raise Grand Lodge dues. There are the mechanism to raise System or Federation dues and there is the method to raise Local Lodge dues.

Under the Boilermaker deal there will be **four** mechanisms to raise dues. The agreement preserves the current method to raise System/ Federation and Local Lodge dues. In addition, it adds a new method to raise Boilermaker dues to replace the current method to raise Grand Lodge dues and while this formulae is about the same as the Grand Lodge formulae it is doubled every time to kick a similar amount back to the systems. Nice work if you can get it.

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