



VOICE OF THE ILWU

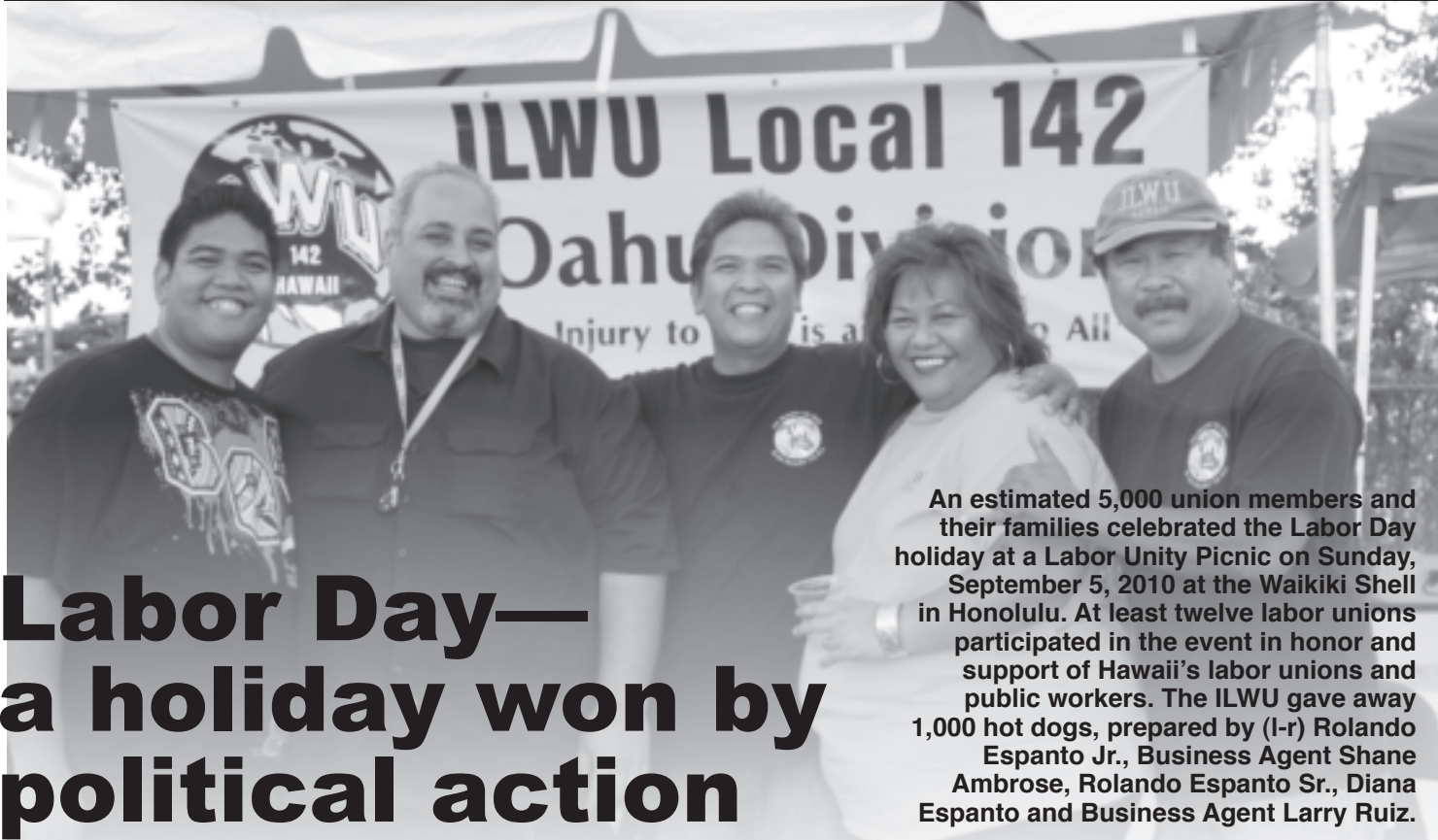
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ADDRESS LABEL



Labor Day— a holiday won by political action

An estimated 5,000 union members and their families celebrated the Labor Day holiday at a Labor Unity Picnic on Sunday, September 5, 2010 at the Waikiki Shell in Honolulu. At least twelve labor unions participated in the event in honor and support of Hawaii's labor unions and public workers. The ILWU gave away 1,000 hot dogs, prepared by (l-r) Rolando Espanto Jr., Business Agent Shane Ambrose, Rolando Espanto Sr., Diana Espanto and Business Agent Larry Ruiz.

2010 Labor Day Maui Remarks by President Isaac Fiesta, Jr.

Good morning everyone. It's great to see so many of you here, celebrating Labor Day in the way it was meant to be celebrated—by gathering here with other union members and their families, sharing food, and enjoying the music and fellowship.

Labor Day was intended to be a public display of the strength, unity, and spirit of the union movement. The very first Labor Day was organized by the Central Labor Union of New York City on Tuesday, September 5, 1882. This was not a holiday, but 10,000 workers from 50 different unions just didn't show up for work. They took the day off and marched in a street parade from City Hall, up Broadway, to Union Square Park, where they held a festival and picnic

for the workers and their families.

It was a great success and the New York labor unions held another parade and picnic on Wednesday, September 5, 1883. It would become an annual event, except they changed the day to Monday. They declared the first Monday in September would be a "workingmen's holiday." The idea of a holiday dedicated to working people spread quickly. Union members have the power to vote, and labor unions organized and focused that power to pass laws making Labor Day an official holiday in many cities and states. By 1894, 23 states recognized Labor Day as a holiday, and later that year, the US Congress passed a bill making the first Monday in September a National Holiday in honor of workers, to their achievements, and contributions to society.

Labor Day is very different from any other holiday. It is the only holiday dedicated to working people. It is the only holiday created by the political power of labor unions.

Labor Day reminds us that many of the good things we enjoy today, are the result of the hard work and sacrifice of union members who came before us. To all you retirees here, we say "Thank You!" We owe a debt of gratitude to the many retirees here. When they were active members, they worked hard to keep our union strong, to improve our wages and benefits, to get involved in union political action and elect politicians who will stand together with working people. Many of these retirees are still helping with political action, holding signs, making phone calls, and stuffing envelopes. Our retirees

are doing more than their share of work and we need more of you active members to help with political action.

Labor Day reminds us that political action is still vitally important to working people. We have a very important primary election this September 18 and on November 3rd, the General Election will elect our next governor. We need your help to elect our union endorsed candidates. Just give us a couple hours of your time. Come out to hold signs and help where you can. Your participation will make a difference.

Let's show Maui and Hawaii that the labor movement and the ILWU is strong, united, and believes that together we can create a better world.

Global tourism shows strong recovery in 2010 Asian business travel grows faster than Europe

According to the International Air Transport Association (IATA), the travel industry continues to recover faster than expected, but with sharp regional differences. Europe is recovering at half the speed of Asia with passenger growth of 7.8% compared to the 15.5% growth in Asia-Pacific.

The IATA announced international scheduled traffic statistics for June which showed continued strong demand growth as the industry recovers from the impact of the global financial crisis. Compared to

June 2009, international passenger demand was up 11.9% while international scheduled freight traffic showed a 26.5% improvement.

Capacity increased only slightly above demand improvements during the month, keeping load factors in line with historical highs at 79.8% for passenger traffic and 53.8% for freight.

"The industry continues to recover faster than expected, but with sharp regional differences. Europe is recovering at half the speed of Asia

with passenger growth of 7.8% compared to the 15.5% growth in Asia-Pacific," said Giovanni Bisignani, IATA's Director General and CEO.

Outside of Europe, all regions reported double-digit growth in passenger traffic. "The question is how long can the industry maintain the double-digit momentum. Business confidence remains high and there is no indication that the recovery will stall any time soon. But, with government stimulus packages tailing off and restocking

largely completed, we do expect some slowing over the months ahead," said Bisignani.

International passenger demand up

After a dip in April due to the volcanic ash crisis centered in Europe, international passenger demand has returned to its upward growth trend. Passenger volumes are now 1-2% above the pre-recession peak in the first quarter of 2008.

Middle Eastern carriers continue

—continued on page 4

The next ILWU Local 142 Executive Board (LEB) meeting is scheduled for December 17, 2010, in Honolulu at the ILWU building at 451 Atkinson Drive. The meeting starts at 9:00 A.M. ILWU members are welcome to attend as observers.

This November General Election will shape our future for years to come. Support candidates who support working people.

Polling place: The General Election is Tuesday, November 2, 2010. You should have been mailed a notice of where you should vote. Polling places are open from 7:00 a.m. until 6:00 p.m. If you work on this day, your employer is required to adjust your schedule to give you at least 2 hours time to vote. Call your union office if you have any questions about this. Walkin: Between October 19 and October 30, you can vote by going

to the county office on your island from 8:00 a.m. to 4:00 p.m. Check with your County office for the exact times and locations. Absentee ballots: if you applied to vote by mail (also called absentee voting) you should receive a ballot in the mail by the second week of October. You must mail your completed ballot in time for the City Clerk to receive it Tuesday, October 26, 2010.

ILWU Hawaii Division • General Election Endorsements Tuesday, November 2, 2010

U.S. Senate Daniel K. Inouye
U.S. House District 2 Mazie Hirono
Governor..... Neil Abercrombie
Lt. Governor..... Brian Schatz
State Senate
2 Waiakea Uka-Volcano Russell Kokubun
State House
1 N. Hilo-N. Kohala..... Mark M. Nakashima
2 Hilo Jerry L. Chang
3 Hilo-Keaau, Mt. View Clifton Tsuji
4 Puna Faye P. Hanohano
5 S. Kona- Ka'u Robert N. Herkes
6 Kailua-Keauhou..... Denny Coffman
7 N. Kona-S. Kohala..... Cindy Evans
Hawaii County Council
5..... Emily I. Naeole-Beason
6..... Guy Enriques
OHA (Maui Res.) Boyd Poki Mossman
OHA (Oahu Res.) Walter Meheula Heen
OHA (No Res. requirement) . Kama Hopkins
BOE (2nd Dept. Maui) Leona Rocha-Wilson

ILWU Maui Division • General Election Endorsements Tuesday, November 2, 2010

U.S. Senate Daniel K. Inouye
U.S. House District 2 Mazie Hirono
Governor..... Neil Abercrombie
Lt. Governor..... Brian Schatz
State Senate
4 Wailuku-PaiaShan S. Tsutsui
State House
8 Wailuku-Waihee-Kahului Joe Souki
9 Kahului-Paia.... Gil S. Coloma Keith-Agaran
10 West Maui..... Angus L. K. McKelvey
11 South Maui..... Joseph Bertram III
12 Upcountry Kyle Yamashita
13 East Maui-Lanai-Molokai..... Mele Carroll
Mayor..... Charmaine Tavares
BOE (2nd Dept. Maui) .Leona Rocha-Wilson
Maui County Council
East Maui..... Bill (Kauakea) Medeiros
West Maui..... Alan Fukuyama
Wailuku-Waikapu.... Michael (Mike) Victorino
Kahului..... Joe Pontanilla
South Maui Don Couch
Makawao-Haiku-Paia Mike White
Upcountry Gladys Coelho Baisa
Lanai..... Riki Hokama
Molokai Danny A. Mateo
Constitutional Amendments:
Appointed School Boards VOTE NO
Amend tax rebate requirement..... VOTE YES
County Charter Amendments:
VOTE "YES" on all Maui County Charter Amendments.

ILWU Oahu Division • General Election Endorsements • Tuesday, November 2, 2010

U.S. Senate Daniel K. Inouye
U.S. House District 1 Colleen Hanabusa
U.S. House District 2 Mazie Hirono
Governor..... Neil Abercrombie
Lt. Governor..... Brian Schatz
State Senate
8 Hawaii Kai-Kahala NO Endorsement
9 Palolo-Kaimuki-Kapahulu .. Les S. Ihara Jr.
10 Manoa-Makiki-Moiliili ... Brian T. Taniguchi
13 Kalihi-Pauoa Suzanne N. J. Chun Oakland
14 Moanalua-Halawa... Donna Mercado Kim
15 Kalihi-Salt Lake-Aiea Glenn Wakai
19 Waikele-Makakilo-Kapolei Mike Gabbard
20 Ewa Beach-West Loch Will Espero
22 Wahiawa-N. Shore .. Donovan Dela Cruz
24 Kaneohe-Kailua Jill N. Tokuda
25 Lanikai-Hawaii Kai Pohai Ryan
State House
18 Kahala-Aina Haina.. OPEN Endorsement
20 St. Louis Hts.-Palolo Calvin K. Y. Say
21 Kapahulu Scott Y. Nishimoto
22 McCully-Pawaa..... Scott K. Saiki
23 Waikiki-Kakaako Tom Brower
24 Manoa-University..... Isaac W. Choy
25 Tantalus-Makiki..... Della Au Belatti
26 Punchbowl-Nuuanu Sylvia Luke
27 Liliha-Puunui..... NO Endorsement
28 Iwilei-Downtown..... Karl Rhoads
29 Kalihi-Sand Island..... Joey Manahan
30 Alewa-Moanalua..... John Mizuno
31 Salt Lake-Tripler Linda E. Ichiyama
32 Waimalu-Airport..... Lei Sharsh
33 Aiea-Halawa Blake K. Oshiro
34 Newtown-Pearl City K. Mark Takai
35 Waipahu Henry J. C. Aquino
36 Pearl City-Palisades Roy M. Takumi
37 Mililani-Waipio Ryan I. Yamane
38 Mililani-Mililani Mauka..... Marilyn B. Lee
39 Wahiawa..... Marcus R. Oshiro
40 Makakilo-Kapolei NO Endorsement
41 Waipahu-Waikele..... Ty Cullen
42 Waipahu-Ewa Rida Cabanilla Arakawa
43 Ewa Beach-West Loch. Jason W. Bradshaw
45 Waianae Maile S. L. Shimabukuro
46 Kahuku-N Shore Larry Sagaysay
47 Haiku-Kahuluu Jessica E. Wooley
48 Kaneohe Ken Ito
49 Maunawili..... Pono Chong
51 Waimanalo..... Chris Lee
County Council
District II..... Ernie Yorihiro Martin
District IV Stanley Chang
District VI Sesnita Der-Ling Moepono
OHA (Maui Resident)..... Boyd Poki Mossman
OHA (Oahu Resident)... Walter Meheula Heen
OHA (No Residency requirement) ... Kama Hopkins
Constitutional Amendments:
Appointed School Boards VOTE NO
Amend tax rebate requirement..... VOTE YES
City Charter Amendments:
VOTE "YES" on all City Charter Amendments.

ILWU Oahu Division • General Election Endorsements • Tuesday, November 2, 2010

ILWU Hawaii Longshore Division endorsements are the same as Oahu Divisions, with the exception of City Council District IV, where they have endorsed Rich Turbin.

Every vote makes a difference—talk to your family, friends and fellow workers

There are three ways you can help:

- 1) **Volunteer your time** to hold signs, canvas neighborhoods, and help when asked. There are only a few weeks before the General Election.
- 2) **Educate ILWU members at your workplace** about the importance of voting for candidates who are pro-workers.
- 3) **Inform your family, friends, and neighbors** about the ILWU endorsements and vote on election day or mail your absentee ballot before the deadline.

ILWU Kauai Division • General Election Endorsements Tuesday, November 2, 2010

U.S. Senate Daniel K. Inouye
U.S. House District 2 Mazie Hirono
Governor..... Neil Abercrombie
Lt. Governor..... Brian Schatz
State Senate
7 Kauai-Niihau Ronald D. Kouchi
State House
14 Hanalei-Waipouli Hermina (Mina) Morita
15 Lihue-Koloa NO Endorsement
16 Niihau-Lehua-Waimea .. Daynette (Dee) Morikawa
Kauai Mayor Bernard P. Carvalho Jr.
OHA (Maui Res.) Boyd Poki Mossman
OHA (Oahu Res.) Walter Meheula Heen
OHA (No Res. requirement) . Kama Hopkins
BOE (2nd Dept. Maui) Leona Rocha-Wilson
Kauai County Council
Tim Bynum
Jay Furfaro
Derek S. K. Kawakami
KipuKai Les P. Kualii
Mel Rapozo
JoAnn A. Yukimura
One Seat is an OPEN Endorsement*
Constitutional Amendments:
Appointed School Boards VOTE NO
Amend tax rebate requirement..... VOTE YES
County Charter Amendments:
Vote "YES" on the following charter amendments:
• Relating to Disclosures
• Relating to time extension for ethics advisory opinions
Vote "NO" on all other charter amendments.
OPEN ENDORSEMENTS: An "OPEN" endorsement means that the union has no recommendation for any candidate and members may vote as they choose.

Tourism Caucus lays groundwork for future

WAILUKU—The 2010 ILWU Tourism Caucus was the first time in 20 years where unit leaders from ILWU hotels and golf courses met together to talk about common concerns and develop a unified plan for their contract negotiations.

The caucus was held at the Maui Beach Hotel on September 27 and 28 and was attended by over 120 leaders from 39 ILWU hotels and golf courses. Another 24 ILWU business agents, Local 142 and division officers, and staff attended the caucus.

Local 142 President Isaac Fiesta, Jr. opened the meeting by explaining the caucus would cover the status of the hotel industry pension fund (which includes many golf courses), the impact of the new national health care program on our medical plans, and how the union and union members must mobilize and prepare for contract negotiations.

The caucus was held well in advance of most contract expiration dates to give units plenty of time to mobilize their membership. Only two hotels are negotiating in 2010 and three hotels and five golf courses are negotiating in 2011. The most important years for ILWU tourism negotiations are 2012 when over 10 units and 2,200 members will be negotiating new contracts and 2013 when over 8 units and 3,400 members will be in negotiations.

Pension Fund

One reason for the early timing of the caucus was to give tourism unit leaders a detailed explanation of the health of the Hotel Industry-ILWU Pension Fund. Earlier this year, over

6,800 members received a notice that their pension plan was classified as “critical” in 2010 because its funding position fell below levels specified by new governmental requirements.

These requirements are the result of the Pension Protection Act of 2006 (PPA). The PPA was passed to require defined benefit pension plans to be well funded. This was intended to protect the Pension Benefit Guaranty Corporation (PBGC) which is set up by the federal government to guarantee pension benefits. If a pension fund fails, the PBGC takes over and pays the benefits to retirees and future retirees. The new funding requirements were developed to almost guarantee the PBGC would never have to take over a pension plan and would never lose money in the future. However, no one imagined the financial crisis and stock market crash in mid-2008 to early 2009.

In 2008, the ILWU pension plan assets were over 90 percent of its liabilities, but the 30+ percent loss in the stock market in 2009 caused a large drop in value of the plan’s assets. Because of the stock market losses, Congress adopted legislation that delayed the Pension Protection Act requirements until January 1, 2010, which triggered the “critical” status, the notice to ILWU members, and the rehabilitation plan which must be adopted by the pension trustees.



Unit leaders from the Hapuna Prince Hotel on the Big Island plan for their joint negotiations with the Mauna Kea Beach Hotel in 2012. From left to right: Laine Ishikuro, unit chair James Moeller, Syvell DeRego, and Paulsa Keeling. Moeller uses a network of members as his “eyes and ears” to learn what is happening in every department of the hotel.



Pineapple was once the dominant industry on Lanai. Today the Island depends on tourism. Unit leaders of the Four Season’s Resort on Lanai share ideas on mobilizing members for their negotiations in 2012. Standing: Patricia Morita and Royce Atacador. Seated from left to right: Linda Fernandez, Priscilla Felipe, Joe Felipe, and Fernando Hermano.



Kauai Division Director Michael Machado explains how ILWU units need to have a negotiating committee which meets with management and a separate mobilizing committee to keep members informed and to build solidarity. The recently organized St. Regis Princeville Resort and the Point at Poipu on Kauai are new to unionism and have a lot to learn about how the ILWU operates. (L-R) Machado, Scott Bacon, Philip Miyashiro, and Chad Pacheco.



(Above left) Spa worker Lei Kaiahua and culinary worker Valerie Salmon of the Grand Wailea Resort on Maui. Lei led the effort to organize the Grand Wailea’s spa department, and sees the need to educate younger members about the union. (Above right) Rhonda Morris and Trudy Azeka from the Grand Hyatt Kauai said meeting other members in the tourism caucus rejuvenated their spirit and “got everyone going again.” Their unit uses grievances to get members more active and involved with the union.



The ILWU’s pension consultant Charles Furuike explained that the Pension Plan trustees (three from management and three from the union) had acted responsibly and quickly to protect the pension fund and to minimize the loss of benefits to members.

The basic message was: 1) this is not a crisis—our pension fund has enough funds to pay benefits and is not going bankrupt anytime soon; 2) all current retirees will not lose any benefit; 3) it will not affect anyone retiring this year; 4) some changes will start on January 1, 2011, and mainly reduces the amount of benefit for those retiring early—but not below what the early retirement benefit they would receive based on the benefit that they have earned as of December 31, 2010 and the current early retirement factors. It was stressed that the benefits for persons who retire at age 65 or older will not be affected.

The rehabilitation plan will require employers to pay a penalty of 5-10 percent of their current contributions starting this year and is currently estimated to require them to double their contribution when the collective bargaining agreements with the ILWU expire. Some employers may try to pass this cost on to union members or take it out of the negotiated wage package.

In the past, the ILWU agreed

to reduce or suspend employer contribution when the plan was overfunded. Now that the plan is underfunded, the ILWU’s position is simple—the employer should pay the full cost of the rehabilitation plan.

Hotel industry changes

Between 1976 and 1990, hotel owners negotiated as a group called the Council of Hawaii Hotels with the ILWU. The employers and the union negotiated a master contract which covered all ILWU hotels and many golf courses. Wages, benefits, and contract language were nearly identical on all Islands.

In the 1990’s, many new hotels

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Editor: Mel Chang

Hotel profits rebound in 2010

Strong demand allows hotels to fill more room and raise rates

The U.S. hotel industry posted increases in all three key performance measurements during July 2010, according to data from STR Global. STR provides data and analysis relating to the hospitality industry.

In year-over-year measurements, the industry's occupancy was up 7.0 percent to 67.9 percent. Average daily rate ended the month with a 1.3-percent increase to \$99.14. Revenue per available room for the month rose 8.5 percent to finish at \$67.35.

According to STR president Mark Lomanno, the July 2010 data shows the U.S. hotel industry is performing well above 2009 levels with strong demand. Rooms rates, particularly in the higher end of the market, are beginning to recover.

Only one of the Top 25 Markets reported a decline in occupancy. All other markets reported growth and eight top markets reported growth rates above 10 percent.

Detroit, Michigan, led the occupan-

MILLIONS OF DOLLARS	2007	2008	2009	2010*
Starwood Sales	\$6,153	\$5,897	\$4,712	\$2,254
Starwood Net Income	\$542	\$329	\$73	\$142
Marriott Intl Sales	\$12,990	\$12,879	\$10,908	\$5,401
Marriott Net Income	\$696	\$362	-\$346	\$119
Hyatt Sales	\$3,738	\$3,837	\$3,332	\$1,730
Hyatt Net Income	\$271	\$170	-\$46	\$30

* 2010 is half a year from January to June 2010. All figures are in millions of dollars.

cy increases, gaining 20.9 percent to 61.5 percent. Honolulu was the second best with a gain of 15.9 percent to hit 89.6 percent occupancy. New Orleans, Louisiana increased by 13.1 percent to 72.6 percent.

Phoenix, Arizona, the only loser with a decline of 1.4 percent to 43.6 percent.

Average daily rate

New York City achieved the highest average daily room rate increase of 11.6 percent to \$204.68.

Maui is not counted in the Top 25 but Maui's average room rate of \$223.84 is much higher than New York City.

Dallas, Texas, reported the largest ADR decrease, falling 4.1 percent to \$77.72, followed by Nashville, Tennessee which lost 3.3 percent with an ADR of \$82.94, and Houston, Texas (-3.2 percent to \$83.12).

Five top markets experienced RevPAR increases of more than 15 percent: Oahu Island (+20.8 percent to \$139.58); New Orleans (+17.9 percent to \$77.82); Detroit (+17.7

The chart to the left shows the total revenues and net income after taxes of three of the largest U.S. hotel chains. All of the hotels saw a strong increase in profits for the first half of 2010. Starwood's profits dropped in 2009 but they made money throughout the financial crisis. Marriott and Hyatt lost money in 2009 but returned to profitability in 2010. Hilton was purchased by the Blackstone Group in 2008, but the company noted that Hilton Hotels was a strong performer in its real estate division.

percent to \$45.57); New York (+16.3 percent to \$170.67); and Denver, Colorado (+15.6 percent to \$74.03). Phoenix posted the largest RevPAR decrease, falling 4.2 percent to \$31.91, followed by Houston with a 1.7-percent decrease to \$46.03.

Maui's revenues per available room was the highest in the state, averaging \$154.10 for the first six months of 2010. Kauai posted a RevPAR of \$109.36 and the County of Hawaii had an average RevPAR of \$101.92 for the first half of 2010.

HERE Local 5 calls one-day strike at Hyatt Waikiki

Union solidarity benefits members of all unions. ILWU President Isaac Fiesta, Jr. and Foodland Unit Chair Dillon Hullinger join other ILWU officers at the picket line in front of the Waikiki Hyatt Hotel to support members of Unite HERE Local 5 in their one-day strike of the hotel. Local 5 is negotiating new contracts with the major hotel chains in Waikiki this year. The strike does not involve other Hyatt hotels which are represented by the ILWU. The Hyatt Regency Maui and Grand Hyatt Kauai have ILWU contracts which run until 2012 and 2013.



Global tourism recovery—continued from page 1

to post the fastest growth—up 18.0% compared to June 2009. This is based on a strong regional economy and the ability to attract long-haul traffic through the region's hubs.

Asia-Pacific carriers recorded the most significant demand improvement at 15.5%. China continues to be the region's growth engine.

US air carriers grow 11%

North American carriers posted growth of 10.8%, comparable to the 10.9% recorded for May 2010. Strong growth and the industry-leading load factor of 86.6% are contributing to strong second quarter financial results being announced by the region's carriers.

European carriers reported 7.8% growth, down slightly from the 8.3% recorded in May. While annualized

growth of 6.2% is in line with the industry average, it is clear that the recovery in Europe is lagging behind the rest of the world.

Latin American carriers showed a 14.7% increase in passenger traffic compared to June 2009. This reflects a more normal growth rate than the 23.6% recorded in May when results were heavily skewed by the Influenza A(H1N1) crisis which centered on the region in May last year.

African carriers posted a 21.3% increase in traffic in June, positively impacted by activities surrounding the FIFA World Cup.

Air seats to Hawaii in 2010 are expected to reach 9.2 million, an increase of 6% over the 8.7 million seats in 2009. Alaska Airlines entered the Hawaii market in late 2007 and will fly over 613,000 to

ILWU Tourism caucus

—continued from page 3

were built and existing hotels were bought by new operators such as Fairmont, Ritz-Carlton, Marriott, Prince, and KSL. The Council of Hawaii Hotels disbanded in 1995 and the ILWU had no choice but to negotiate individual contracts with each hotel and golf course.

Today, nearly all ILWU hotels and golf courses meet and negotiate separately with management. This process allows the union contract to meet the unique needs of the members of each hotel or golf course, but it can also lead to different levels in wages and benefits, depending on the strength and solidarity of unit members. A strong and active unit may win higher wages and benefits, while a weaker unit may agree to lower wages and benefits.

ILWU full-time officers serve as the union spokesperson in negotiations, and they try to maintain the core provisions of the contracts in their Division. However, ILWU democracy gives members the final vote on their contract and different standards have begun to emerge among ILWU tourism units.

Hawaii in 2010. The air carrier expects to be flying 800,000 seats to Hawaii.

The increase in seats is strong evidence of growing demand for travel to Hawaii, as airlines only add seats when more people are flying and flights begin to sell out.

Hawaii lost nearly a million seats in 2008 when Aloha and ATA went bankrupt and the financial crisis cut business and leisure travel. ATA carried 770,000 passengers. Aloha

Solidarity and unity

The ILWU's top officers have long recognized the need to build more unity among ILWU members in hotels and golf courses and to maintain the highest standards in ILWU contracts. Nearly all the tourism units are in the Hotel Industry-ILWU Pension Plan and a growing number of hotels provide medical benefits through the ILWU Health and Welfare Trust Fund.

The officers held the first state-wide meeting of all ILWU hotel units on March 29-30, 2006, at the Maui Prince Hotel (see the March 2006 Voice of the ILWU). A second tourism conference was held meeting in June 2007 (see the May 2007 Voice). The goals set by these conferences were: negotiate stronger job security language; reduce or eliminate the members' share of medical premium by getting more hotels into the Health and Welfare Fund; increase contributions into the Pension Fund; eliminate or limit favored nation language in some contracts; maintain highest standards of ILWU wages and benefits.

blamed the shutdown on the airfare war with Mesa Go! and Hawaiian Air, the high price of oil, increases in airport fees charged by the state.

The State of Hawaii also lost \$15 million in airport fees paid by ATA and Aloha Airlines. In addition, 1,900 Aloha Airline workers lost their jobs, leading to a loss of as much as \$100 million in wages, taxes, and other economic activity for the state.

Medical plan changes under the Affordable Care Act

WAILUKU—Paul Tom, the ILWU’s consultant on medical plans, told the Tourism Caucus that the medical benefits provided by the ILWU-Hotel Industry Health and Welfare Fund are as good as or better than any other plan in the private market. There were some issues with servicing but those problems are being corrected when they are brought to our attention. Paul urged members to call the plan administrators, HMA, or the union office about any problems.

A member from Lanai complained about not getting reimbursed for off island travel because he had lost the receipts. Members must keep their receipts and get prior authorization before traveling off island for medical care. Paul gave an example of a Big Island member who went to Honolulu to give birth. She had all the proper documentation and authorization. After one week, the member returned home and the reimbursement check was waiting for her.

Paul Tom also reviewed some of the benefits which will come from the

Patient Protection and Affordable Care Act. There will no longer be lifetime limits on the dollar amount of medical benefits. Annual limits will increase to \$750,000 for a plan year beginning on or after September 23, 2010; to \$1.25 million for plans beginning on or after Sept. 23, 2011; and to \$2 million for plans beginning on or after Sept. 23, 2012.

Other changes include extending coverage of dependents to age 26 and prohibiting health plans from excluding people because of pre-existing conditions.



Paul Tom, the ILWU’s expert consultant on medical plans, explains how the newly enacted Patient Protection and Affordable Care Act will provide added benefits and protection to ILWU members covered by the Health and Welfare Trust Fund and other collectively bargained medical plans.

Hawaii visitor arrivals up on all Islands

Maui and Lanai had the highest increase in visitor arrivals for January to July this year, compared with the same period for last year. Maui and Kauai led the state for the highest increase in international visitors. Visitors are also spending 10 percent more this year. The numbers are up in all categories, including visitors who came to Hawaii for meetings, conventions and incentives from both the U.S. and Japan.

Mainland and International visitor arrivals from January thru July 2010					
Jan-July 2010	Oahu	Maui	Big Island	Kauai	Lanai
Domestic	1,484,012	1,046,994	583,734	518,567	33,514
Intl Arrivals	983,538	175,709	172,512	49,281	6,079
Total Arrivals	2,467,550	1,222,703	756,246	567,848	39,593

January through July 2010 percent change from the same period in 2009					
Jan-July 2010	Oahu	Maui	Big Island	Kauai	Lanai
Domestic	1.2%	5.8%	0.8%	0.6%	6.4%
Intl Arrivals	13.5%	21.9%	11.4%	20.0%	12.0%
Total Arrivals	5.8%	7.8%	3.0%	2.0%	7.2%

Airlines increase flights to Hawaii

Hawaii lost nearly a million seats in 2008 and 2009 when Aloha and ATA went bankrupt and the financial crisis cut business and leisure travel. ATA carried 770,000 passengers from various Mainland cities to Hawaii. Aloha’s fleet of 26 aircraft served six Mainland destinations and five Hawaii airports.

Aloha blamed the shutdown on the airfare war with Mesa Go! and Hawaiian Air, the high price of oil, and increases in airport fees charged by the state.

The State of Hawaii also lost \$15 million in airport fees paid by ATA and Aloha Airlines. In addition, 1,900 Aloha Airline workers lost their jobs, leading to a loss of as much as \$100 million in wages and other economic activity for the state.

New air carriers entered the Hawaii market and made up for

some of the loss of passenger carrying capacity and airport fees paid to the state.

Alaska Airlines entered the Hawaii market in late 2007 and will fly over 613,000 to Hawaii in 2010. The air carrier expects to be flying 800,000 seats to Hawaii.

Existing carriers are adding flights as demand increases.

Oahu and Maui suffered the greatest loss of seats between 2007 and 2010. Oahu is down by 593,000 seats from the Mainland and 300,000 international seats. Maui is down by 245,000 Mainland seats but international seats increased by 22,000.

The Big Island is up by 103,000 Mainland seats and down by 10,300 international seats. Kauai is up by over 18 percent in both Mainland and international seats.

Year	All Seats	International Seats	U.S. Seats
2007	10,123,217	2,760,806	7,362,411
2008	9,575,624	2,509,675	7,065,949
2009	8,707,788	2,431,166	6,275,792
2010	9,123,366	2,478,662	6,644,704

Tourism caucus political action!

(Right and below) Over 150 ILWU members attending a tourism caucus waved signs during the busy rush hour along Kaahumanu Avenue in Kahului, Maui on September 27, 2010. The signs supported over 20 candidates recommended by the ILWU, from Neil Abercrombie for Governor to Maui council members.



Photo by Stephen West

((Right) Maui Mayor Charmaine Tavares thanked the ILWU for supporting her and explained that Maui has a lot of potential to create its own energy from biofuels, wind and solar power.



Labor needs political power to match the employers



Photo by Michael Machado

ILWU endorsed candidate Brian Schatz with Lanai ILWU members at Maui's Labor Day celebration on September 6, 2010. Labor Day is meant to be a holiday for workers and a public display of the unity, strength, and spirit of the labor movement.

Republican attacks on government are attacks on you

Republican Party candidates say taxes are too high and government is too big. They want to cut taxes, cut government, and cut regulation on business.

These attacks on "government" are a tricky form of propaganda intended to deceive and mislead the public. "Government" is a word with many meanings but they try to link everything negative about our political system to "government."

Think about this carefully. We have city governments, state governments, and the federal government. All of these provide essential public services—such as police, fire, 911 emergency assistance, education, disease control, flu vaccines, and food safety inspections. Do you want to eliminate all of these essential services?

Nearly all government regulations were made only after it was found that private businesses were cheating, lying, and injuring the public with false advertising, unsafe products or contaminated foods. Many government regulations make it possible for business to operate and protects honest and reputable companies. Do we want to do away with regulations that prohibit dangerous and dishonest business practices?

This August, hundreds of people have been sickened by salmonella poisoning and 500 million eggs were recalled. Inspectors found numerous health code violations at these egg farms. Earlier this year, hamburger and lettuce were recalled due to E. Coli contamination.

These recalls are taking place even with government food inspections and health code rules in place. Do we really want to do away with health and food safety regulations? Maybe we need to

make stronger regulations and hire more food inspectors.

Oil disaster and pollution

The BP oil disaster and the death of 25 miners in the explosion at Massey's West Virginia mine occurred even with federal rules and inspections. Both companies were cutting corners on engineering standards and violating safety rules. Government regulations requiring seat belts and air bags in automobiles saves an estimated 20,000 lives every year. Do we want to do away with government regulations that saves lives and protects our environment?

The financial crisis was caused because of the lack of financial regulation. It also appears that Republican President George W. Bush had cut the staffing of the government agencies that regulate and oversee these financial and banking companies.

Food safety, mine and oil rig safety, and financial regulations are already in place. The system of government regulations was not broken—it was deliberately crippled.

The Republican Bush Administration acted on their desire to reduce government and eliminate the regulation of business. They did this in three ways: 1) Bush put people in charge of these agencies who were friends of the industry; 2) The newly appointed bosses relaxed or reduced enforcement of the regulations; 3) The new bosses cut the number of inspectors, stopped unannounced inspections or gave advance notice of inspections.

There are fewer food inspectors today while the output of meat and poultry producers have doubled to 104 billion pounds.

Think about this carefully. We have city governments, state governments, and the federal government. All of these provide essential public services—such as police, fire, 911 emergency assistance, education, disease control, flu vaccines, and food safety inspections. Do you want to eliminate all of these essential services?

Pullman strike teaches workers they need political action

In 1893, a slowdown in the economy led to a drop in sales of the sleeping railroad cars built by the Pullman Palace Car Company in Illinois. George Pullman ordered the layoff of over 2,000 workers and a 25% wage cut of hourly employees. Managers were not included in the wage cuts.

Pullman workers lived in the company owned town of Pullman, Illinois. They rented their homes from Pullman and shopped in stores owned by Pullman. The workers' wages were cut but the rent on their homes remained the same. The rent was taken out of their pay first, and many workers received only a dollar or less on pay day.

The remaining 3,300 Pullman workers who were members of the American Railway Union sent their negotiating committee to meet with the company on May 9, 1894. George Pullman told the committee the rent would not change, the wage cuts would stand, but he would look into complaints about the behavior of some managers.

The next day, the company fired three members of the union committee. The workers called a mass meeting, voted to strike to protest the wage cuts, and walked off the job. George Pullman refused to talk to the workers and left town to his summer home on the New Jersey seashore.

In June, at the American Railway Union's national convention, the union authorized a nation-wide boycott if efforts to settle the strike with Pullman management failed. Pullman refused to talk to the union and on June 26, 1884, all union members would keep the U.S. mail moving but leave the Pullman cars on the sidetracks. If any worker was fired or disciplined for supporting the boycott, all railroad workers would walk off the job.

Boycott spreads

Within days, 50,000 railroad workers joined the boycott on 24 railroads serving the Chicago area. The managers of the 24 railroads met and agreed to support the Pullman Company by deliberately hooking Pullman cars to mail trains. This delayed U.S. mail delivery and the railway owners used their political influence to use the power of the federal government against the workers.

On July 2, 1894, the Attorney General Richard Olney, a former railroad attorney, got a court injunction against the strike for interfering with the delivery of U.S. mail.

On July 4, 1894, President Grover Cleveland declared the strike a federal crime and sent 12,000 U.S. marshals and federal troops to the town of Pullman, Illinois to break the strike and force the workers to return to their jobs. Some 13 workers were killed and 57 wounded before the strike was ended. Union leaders were arrested, the American Railway Union was dissolved, and Pullman workers had to sign pledges they would never again join a union.

American Railway Union president Eugene V. Debs and other union leaders

were found guilty and sent to prison. The railway owners used their political influence with government against the workers and their union. While in prison, Eugene Debs concluded that labor needed to win political power to match that of the employers.

The Pullman strike taught the labor movement a powerful lesson. Unions began to mobilize their members to vote for union friendly politicians and to vote anti-labor politicians out of office. Unions used their growing political power to make Labor Day a holiday in cities, then in states.

Over the years, union political action succeeded in passing laws for workplace safety, minimum wages, unemployment insurance, non-discrimination laws, and much more.

Public outrage

Unions weren't the only ones angered by the use of the federal government to serve the interest of the rich and powerful railway owners.

Illinois Governor John P. Altgeld was incensed at Cleveland for using federal troops to serve the interests of employers and for rejecting Altgeld's plan to use state militia to keep order. At the Democratic Party Convention in 1896, Altgeld used his influence to block the nomination of Grover Cleveland for a second term as president. Instead, the Democratic Party nominated the more liberal William Jennings Bryan as their presidential candidate.

Republican William McKinley defeated Bryan to win the 1896 election. McKinley raised and spent \$3.5 million in his campaign compared to \$700,000 by Bryan. The \$3.5 million spent by McKinley was an enormous sum of money and is equal to \$3 billion today. McKinley was re-elected in 1900 and assassinated in 1901.

Link to Hawaii's annexation

Grover Cleveland believed the overthrow of the Hawaiian monarchy was illegal. He withdrew a treaty of annexation signed by out-going President Benjamin Harrison and appointed James Blount to investigate the events in Hawaii. Blount found the U.S. minister to Hawaii had acted improperly and ordered that Queen Lili'uokalani be restored to power. Sanford Dole and the Provisional Government of Hawaii refused and proclaimed Hawaii a republic in 1894.

In 1896, due to his use of federal troops against Pullman workers, Cleveland failed to win the Democratic Party nomination for another term as president. The Party nominated William Jennings Bryan who lost the election to Republican William McKinley.

McKinley was inaugurated as President in March 1897 and reversed Cleveland's policy on Hawaii. McKinley favored bringing Hawaii under the control of the United States. In 1898, McKinley signed the "Newlands Resolution" which made Hawaii a Territory of the United States.

Essential Services Come From Government

Federal insurance protects your pension

Pension benefits of more than 44 million American workers and retirees are protected and guaranteed by the Pension Benefit Guaranty Corporation (PBGC). This is a federal corporation created by the Employee Retirement Income Security Act of 1974 and covers more than 29,000 private single-employer and multi-employer defined benefit pension plans.

PBGC receives no funds from tax payers. Its operations are funded entirely by insurance premiums set by Congress and paid by the pension plans, from investment income, from pension plan assets under PBGC control, and from monies recovered from the companies formerly responsible for plans taken over by the PBGC.

The Employee Retirement Income Security Act of 1974 (ERISA) is a federal law that sets minimum standards for pension plans in private industry and how pension funds are taxed by the Internal Revenue Service. ERISA was enacted to protect the interests of retirees and their beneficiaries by requiring the disclosure of financial information concerning the plan; by establishing standards of conduct for plan trustees; and by providing remedies and access to the federal courts in case of misconduct or to settle disputes.

Responsibility for the interpretation and enforcement of ERISA is divided among the Department of Labor, the Department of the Treasury (particularly the Internal Revenue Service), and the Pension Benefit Guaranty Corporation.

Bankruptcy of Studebaker

The need for government regulation of pension plans began in 1961 when President John F. Kennedy created the President's Committee on Corporate Pension Plans. The movement for pension reform gained momentum when the Studebaker Corporation, an automobile manufacturer, closed its plant in 1963. The company's pension plan was so poorly funded that Studebaker could not pay the pensions earned by all its employees. Instead, the company paid full pension benefits to only 3,600 workers who reached the retirement age of 60. Another group

of 4,000 workers, aged 40–59, who had ten years with the company received a lump sum payment roughly equated to 15 percent of the value of their pension benefits. A third group of 2,900 workers with no vested pension rights got nothing.

In 1970, NBC broadcast a television documentary called "Pensions: The Broken Promise." The TV

program reviewed how millions of Americans received little or none of the pension benefits promised by their employers because of mismanagement and inadequate funding of the plans. The public outcry led Congress to create ERISA and the Pension Benefit Guaranty Corporation in 1974. The Act was signed into law by President Gerald Ford.

Daily life relies on government standards

In 1904, a fire destroyed an 80-block area of the City of Baltimore. Fire companies from New York, Philadelphia and Washington D.C. rushed to Baltimore to help, but they could only watch the fire burn itself out because their fire hoses did not fit the Baltimore fire hydrants.

There were no standards for fire equipment and as many as 600 different hoses and couplings were in use by cities across the United States.

In 1901, the federal government established the National Bureau of Standards to create standards for such things as fire hoses, nuts and bolts, and thousands of other items used in manufacturing and daily life.

In 1904, the same year as the Bal-

timore fire, the Bureau opened a new laboratory in Washington D.C. Some dry leaves next to the building caught fire and the night watchman gathered all the water hoses he could find but the threads on the hoses did not match and he couldn't get water to the fire. The watchman finally used his feet to stamp out the fire.

Today, the Bureau has standards on 25,000 items so every water hose has the same thread and will fit any water faucet in the United States, a pound of bread weighs one pound, and a gallon of milk contains a gallon of milk.

A modern, technology based society could not function without standards. Making and enforcing standards is just some of the many essential services provided by government.

90 essential public services provided by government

Let's imagine the Republicans have their way and government is reduced to a few core functions. There are no more government regulations and business can do anything they want. Government services are eliminated, thousands of government workers are fired, and taxes are lowered.

What would life be like?

You wake up in the morning and everyone would have different times on their clocks. Every city, every state, or any business can use any time zone they want because there are no government requirement for an area to use the same time.

You brush your teeth with toothpaste that contains unknown, possibly unsafe and toxic ingredients because there are no government rules on what companies can put in their products.

You buy your water from a private business which claims its water is pure, but you'll have to just trust them, because there is no government rules on water quality. The price of water increases every year, but there is only one water company and you have no choice but to pay more. There are no government regulations that prevent one company from controlling the market.

You eat your breakfast of eggs and spam from food manufacturers who don't have to follow any government health and safety rules, like keep-

ing food at a certain temperature or sanitizing food handling equipment.

Crime protection? Safety?

You unlock the steel bars that surround your house, because you can't afford to pay for the private security service and, because of budget cuts, the small city police force can only handle serious crimes.

You get in your car which has no seat belts nor air bags, because there is no government requirement to have any safety devices on cars. You turn on your radio and you can only catch one station. Radio stations can use any frequency they want, and you would need an expensive multi-band radio to tune in to other stations. You hear a radio commercial about a revolutionary, new vaccine that is guaranteed to protect against all types of influenza—only \$49.99 a shot. You doubt there is such a vaccine, but there is no government restrictions on advertising claims, and the government has no money to do research on new diseases nor produce vaccines. All of this is left to private business.

The radio weather report says there is a chance of rain, which would be good as the air is brown with smog. There is no government restrictions on air pollution. There's a report about an earthquake, but there is no tsunami warning system, no civil defense, and no help from the government if there is a disaster.

You drive on a dirt road because the city has no money to maintain the roads in your neighborhood. You have to get all your neighbors to share the cost of paving the roads, and a couple of neighbors refused to pay. Those same neighbors also have piles of trash and junk in their yards, because they can't afford to pay the private company which collects trash.

What is the cost to you?

You finally get to a paved road and have to pay a \$1.00 fee to drive on the road. All the major roads are owned by private companies that charge fees to use their roads. You see the notice that the road fees will increase to \$2.00 next year, but you have no choice as there are no government regulations that prevent companies from agreeing to raise their fees at the same time.

You give each of your children \$5.00 for lunch and drop them off at private schools where tuition is \$1,200 a month. There are no public schools, no public libraries, and no public transportation. After stopping four more times and paying four more dollars to drive on different roads, you reach your workplace.

It's pay day and you get your pay check in Yen because your company is owned by a Japanese corporation. There is no standard currency and businesses can use Dollars, Yen, or Euros. You cash your check, keep

most of your money in cash, and deposit a small amount in two different banks.

None of the banks are regulated, and you think it's safer to put your money in different banks in case a bank goes out of business or steals your money. There is no government requirement for banks to review any information about their ownership, financial condition, or even register as a business.

Life would be a nightmare

In this short story of what life might be like after cutting government, there are at least 26 public services which are now provided by government at the city, state, and federal level. Can you find the 26 services?

The taxes you pay provides government with the funds it needs to operate and provides these services. If you cut taxes, you would cut these services. You would then likely pay more to private, for-profit businesses for these same services.

Government is an essential part of modern life. Enlightened countries understand a three way partnership with government, labor, and business is the best way to function as a democratic society.

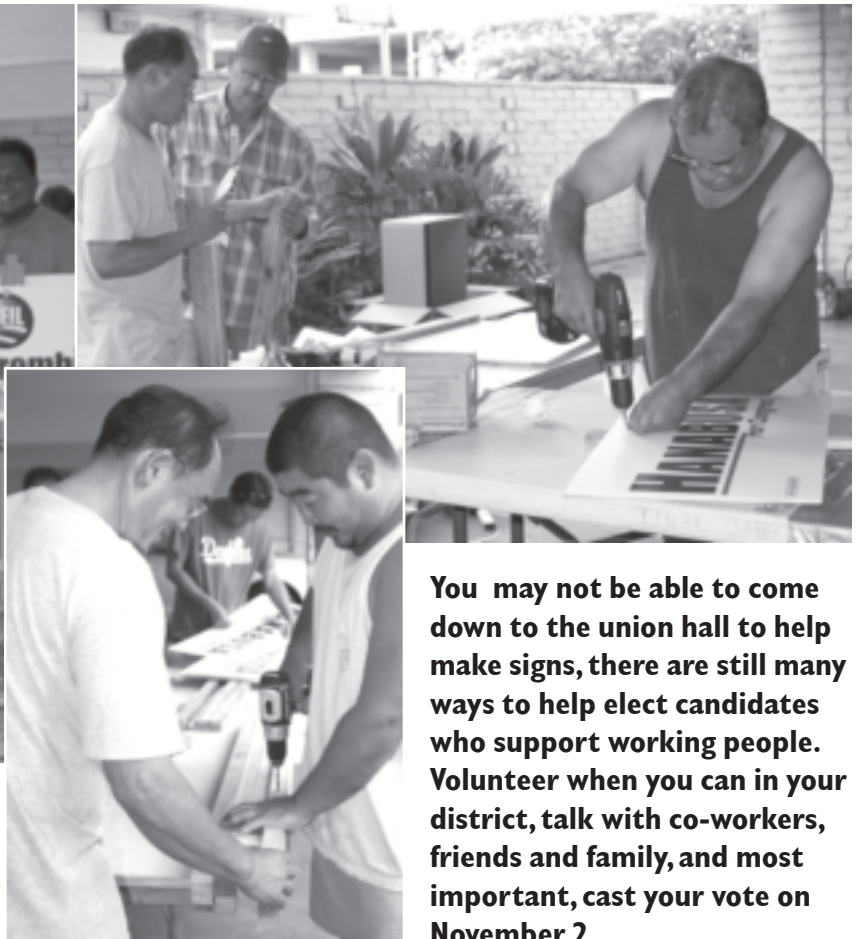
How many essential services do you think government provides? Test yourself, then turn to page 8.

Around the Union

Longshore division maintenance workers sign up for political action



Every political season, ILWU members from the longshore division maintenance units can be counted on to volunteer to put together hundreds of signs for ILWU endorsed candidates. On October 5, 2010, they made enough signs to fill two truck beds.



You may not be able to come down to the union hall to help make signs, there are still many ways to help elect candidates who support working people. Volunteer when you can in your district, talk with co-workers, friends and family, and most important, cast your vote on November 2.

Point at Poipu, Ritz Carlton Club and Residents workers—welcome to the ILWU family



(Above, left) Shannon Jacinto and Evelyn Javillonar are from The Point at Poipu, a 219-unit vacation rental managed by Diamond Resorts International. The workers joined the ILWU in August 2009 and negotiated their first union contract this year. The Point at Poipu employs about 90 members. (Above, right) Malia Waring is from the Ritz-Carlton Club and Residences at Kapalua Bay on Maui, another new addition to the ILWU. The Residences was built on the site of the former Kapalua Bay Hotel and sells three and four-bedroom units to private owners and “fractional” ownership of 21 or more days.

St. Regis housekeepers get their carts

PRINCEVILLE—Management of the St. Regis Resort on Kauai thought large housekeeping carts in the hallways didn't fit in with the high class look of an ultra-luxury hotel. They wanted to ban the use of carts and require housekeepers to carry their cleaning tools, linen, and other supplies to each room.

In reality, this meant housekeepers had to go back to their supply room after cleaning each guest room to drop off dirty linen and pick up clean linen, towels, soap, and shampoo for the next room.

To make matters worse, the hotel is built on the sea cliffs above Hanalei Bay and some floors descend several levels before reaching the ocean. A housekeeper may have to use as many as three elevators to go from their supply room to the guest rooms.

The union moved quickly to prevent a new policy which would lead to a major loss of productivity and

cause more headaches for management and housekeeping workers. The unit officers and Kauai Division Director Michael Machado met with management to explain how the no-cart policy would put an incredible burden on the housekeepers.

Management listened and agreed that smaller carts might solve the problem. Smaller carts would fit in with the luxury look of the hotel and housekeepers wouldn't have to make as many trips to replenish their supplies.

The hotel purchased a number of different carts for housekeepers to test out. Management wanted the smallest cart, while the housekeepers wanted larger carts. In the end, both sides agreed on a mid-size cart, which the hotel has on order.

This is a good example of how union and management can work together to solve problems and come up with solutions where everyone is satisfied.

This is a list of 90 essential services provided by government—can you think of more?

- | | | | | |
|-------------------------|----------------------------|--------------------------|----------------------------|------------------------|
| 911 emergency | Courts and justice system | Health plan regulation | Monetary policies | Sexual equality |
| Airports and air safety | Defective product recalls | Highways | Money supply | Social Security |
| Air traffic control | Disease control | Hospitals | Narcotics control | Standards, bldg codes |
| Antitrust regulations | Driver licensing | Immigration control | National Guard | Student loans |
| Fair business practices | Drug safety | Import control & tariffs | National parks | TB screening |
| Auto safety checks | Elections | Insurance regulation | Parks and Recreation | Telephone regulations |
| Banking rules | Electricity | Job safety | Patent rights | Television content |
| Business registration | Emergency services | Land grant colleges | Pension protection | Tourism promotion |
| Child protection | Endangered species | Lawyers license | Police services | Toxic waste cleanup |
| Civil Defense | Environment Protection | Libraries | Prisons and rehabilitation | Transportation safety |
| Clean air | False advertising controls | Low income housing | Product labeling & safety | Tsunami warning |
| Clean water | Financial regulation | Mail service | Protection of civil rights | Unemployment insurance |
| Coast Guard | Fire protection | Meat inspection | Protect property rights | Vaccinations |
| Conservation lands | Fish and game | Medicaid | Public education | Veteran hospitals |
| Consumer safety | Flood control | Medical licensing | Public transportation | Weather reports |
| Contractors licensing | Food safety | Medicare | Rubbish collection | Welfare |
| Convention Centers | Foreign relations | Mental health | Senior citizen programs | Zoning and land use |
| Corp of Engineers | Harbor management | Military | Sewage treatment | Workers compensation |