

# Long Island Chapter

Labor and Employment Relations Association

*Newsletter*

## SHAPING THE WORKPLACE OF THE *FUTURE*



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August 2006

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### PRESIDENT'S PERSPECTIVE:

The summer draws to a close!

The days are shorter and teacher settlements beckon as August 31 draws nigh. Of course, those of us without teacher contracts to worry about (like me this year) are seeking those last few days away from the office. Those with teacher contracts are bedeviled by thoughts of contributory health insurance, 403B plans (with their recent attendant IRS interest), class size, and psychoanalyzing Boards of Education.



*Peter Bee*

As for me, don't believe everything you see. My photo above is now a falsehood. The beard is gone, and I'm once again clean shaven. All I can say is that my time with the Witness Protection Program is over.

On to business: Can it be true? Have we not sent out a newsletter since our tremendously successful Spring Conference? Those of you who missed it, missed much. More details inside, but highlights included Bob Catell (CEO of Keyspan Energy) who spoke and electrified us all. You also missed the lively debate initiated by panelists on "A House Divided," discussing the current split in the labor movement between AFL-CIO and CHANGE to WIN. Elizabeth Gill moderated the panel on "What's Happening to your Pension & Health Benefits." Jerry advises me, by the way, that he will be among the missing for a bit, and gives as his excuse that he will be attending "invitational" NAA "arbitrator development" seminars being run by Jay Nadelbach on Wednesdays in September. Those interested in more information, contact Jay at 718-591-4137.

At our June, 2006, meeting, Marguerite Smith spoke informatively about employment (and other) issues for Native Americans—and those who deal with them—both on and off the reservation, particularly as it affects life on East-end Long Island. Thank you, Marguerite! (So far, *Continued on Page 4*)

## Upcoming Chapter Meetings

Please Add These To Your Calendar

Sept 20, 2006 Pomodorino Hauppauge

Dec 6, 2006 Nassau Bar Assn Mineola

Mar 14, 2007 Pomodorino Hauppauge

June 14, 2007 Nassau Bar Assn Mineola

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### SPRING FEVER CONFERENCE

The Chapter's Spring Conference took place on May 19, 2006 at the deSeversky Center of New York Institute of Technology. After welcoming remarks by Peter Bee, chapter president, and Richard Roth and Thomas Wassel, Conference Co-Chairs, the keynote address was delivered by Robert Catell, CEO of Keyspan Energy. His remarks centered on the proposed merger between National Grid, a British company, which is based in London, and Keyspan, our local utility that supplies about 55% of Long Island's electric energy needs. This potential change follows the previous transformation eight years ago where LILCO and Brooklyn Union Gas became Keyspan.

According to Mr. Catell, who will head all U.S. operations after the transition, National Grid is a progressive, high tech company that will invest in

infrastructure. The merger will benefit gas and electric customers in terms of both price and reliability. There's never been a rate increase after any of the six previous mergers.

Mr. Catell expressed his high opinion of Richard Kessel, the head of LIPA. He also discussed the labor relations impact on the employees. He stated that National Grid is a good company for the union to work with. They have a history of open, honest, communication with their unionized work force. If there is a need for any workforce reductions, they will take place without layoffs. Possibly, there could be early retirements.

He noted that the company spends a lot on training. However, they have not made any major investment in wind or solar power. In concluding, he said that he hopes to see future growth in Keyspan which will result in more jobs for Long Island.



The pleasant coffee break.

After a pleasant coffee break, Elizabeth Gill convened the first panel. Their topic was posed in the form of a question, "What's Happening to Your Pension and Health Benefits?" The panel participants were David Smukler, Senior Vice President for Human Resources and Labor Relations for the New York Racing Association and Peter Basile, Vice President of Local 1400, T.W.U.

Mr. Smukler began by presenting some of the changes that have taken place in health care coverage. They are all ways to reduce the costs that have been consistently increasing, both for employers and employees. As a result, more costs are being shifted to users in the form of higher deductibles, higher copays, and higher premiums. In discussing pensions, Mr. Smukler explained how defined benefit pension



Basile, Smukler and Gill

plans are becoming extinct like the dinosaurs. Investment funds have underperformed, with an average return of 4.8% rather than the expected rate of 9%. Because of this, many plans are underfunded. In addition, employers have to put in more because workers are living longer and thus, there are more retirees who are collecting pensions. Some companies have gone bankrupt and defaulted on pensions. The PBGC, the federal agency that guarantees workers' pensions, would collapse if there are just a few more defaults. Mr. Smukler concluded his presentation by predicting that the future, for pensions, will be 401K plans or defined contribution plans.

Mr. Basile represents over 700 workers at the Port Authority of New York, doing many different jobs. Their benefits are administered through the employer and carry into retirement using a private carrier, United Health Care. There is no payment by the employee. They also have a defined benefit pension plan administered thru NYS Pension System. Changes are made thru legislation so they use COPE to try to lobby on their behalf.

***You can write, I can edit and publish.  
Let's get together.  
Have you had a case or incident in your  
practice that would provide insight to  
other practitioners? Have you read a  
book or article in a professional journal  
that you believe others might learn from  
and enjoy reading?  
Let's get together. Send me your  
manuscript via email to:  
jerryarb@optonline.net***

A question from the audience brought up the subject of replacing our private insurance system with a Medicare for all approach, where health care professionals would continue to operate with private practices. Neither Mr. Smukler nor Mr. Basile seemed to favor such a change.

After another coffee and bio break, Thomas Lilly, Jr., our chapter president elect, introduced the topic of the next panel, “A House Divided, Can It Stand? The Split in the Labor Movement.” At a time when we commemorate the fiftieth anniversary of the AFL-CIO merger, we find a split in the ranks of organized labor that in some ways resembles the split that created the CIO and in other ways, does not. The Laborers Union, the UFCW, the Farm Workers, Unite Here, the SEIU, the Carpenters and the Teamsters left the AFL-CIO to form a new labor federation, Change to Win. Among the questions that Mr. Lilly raised for the panelists are: What are the ideas that caused the split? What will be the impact on national politics? What relevance is Article 20 of the AFL-CIO constitution? and will they be fighting to organize the same workers?

Christopher Chafe, the Chief of Staff of Unite Here! spoke first. To understand Change To Win, he said, you must understand that out of 37 million living in poverty in the U.S., 27 million work, most at minimum wage jobs. Three million industrial workers have recently lost their jobs, many in New York. Companies are going under or leaving the U.S., he said, and labor unions are becoming more and more irrelevant in the economy. We have gone from an industrialized economy to a hospitality and service economy, where there are 20 million new jobs. He compared this to the 1950s when the CIO turned manufacturing jobs into middle class jobs and shaped the future U.S. economy. The AFL-CIO did a great job but, he said, they are attempting to confront the new challenge of conglomerates and globalization with an outmoded structure and administration.

Change to Win believes that politics is not the main answer for workers. The main focus should be organizing and their goal is to put 75% of their resources into this. Among their organizing targets are port workers, retail, laundry, food and building and construction trades workers. He made it clear that employers who seek to increase profits at the expense of workers are the enemy, not other labor unions.

Andy Levin, representing the AFL-CIO

maintained that the split was wrong. The first principle of unionism is solidarity. He went on to explain that most of the money in the AFL-CIO is in the locals, not in the nationals or the federation. Thus, the question is, how do you get the locals to do more organizing? Also, he inferred that those unions that left the federation are leaving the sick industries like autos and steel behind. On a positive note, the UAW has been organizing in the South, and the CWA organized the wireless phone company, Cingular. Mr. Levin went on to criticize the NLRB for making it more difficult to organize and applauded groups like American Rights at Work and Working America for their efforts.



Whalen, Levin and Chafe

Richard Whalen presented the perspective from the UFCW, which left the AFL-CIO to join Change to Win. As a Chemical Workers union rep, he saw 35-40 manufacturing plants close. He said his union needs new members and they are dedicated to spending resources on organizing. They have brought in many new members.

During the Q & A, after the presentations, Chris Chafe of Unite Here, spoke about the difficulty of changing the culture of national unions. In his view, they were going to continue doing the same thing and protecting their own turf. Change would require getting away from a focus on staff and organization and putting more of a focus on workers and organizing. To accomplish this, in his view, might require only one union in each major industrial sector.

The conference concluded with the usual excellent lunch served by the students of the Culinary Arts program at New York Institute of Technology.

*Continued From Page 1*

my expressions of admiration have failed to have their desired effect of having me made an honorary tribal member entitled to share in casino revenues.

They say "Spring Ahead, Fall Back." It's true. Apparently, it's time to fall back. Health benefits and pension contributions are all heading the same way as clocks this Fall. Our State Legislators are bemoaning Medicaid costs; 1199 has not, to my knowledge, come up with magical new solutions this year (but you never know); employers are paying more (and asking employees to pay more) for health insurance (or is it now just health "care," since "insurance" concepts seem to be leaving the field); Newsday articles have suggested a sixty BILLION dollar potential shortfall in the NYS Pension System; Congress is re-writing ERISA, in part, to tighten up rules surrounding withdrawal liability; and our modern two income families are taking fewer and fewer days off relative to the international standards.

Who can sort this all out? Come to the next LERA meeting (September 20 at Pomodorino in Happaug) and find out.



## ANNOUNCEMENTS, NOTICES

**UNION LEADERSHIP CONFERENCE**  
**Gurney's Inn & Resort, Spa and Conf. Center,**  
**Montauk, New York. October 20 – 22, 2006.**  
**Scheduled speakers and topics include:**  
**"Retirement Insecurity: What Happens When**  
**the Good Pensions Go Away?" and**  
**Keynote Address: "The U.S. Economy in**  
**Transition" Dr. Thomas J. Makell, Jr.**  
**"Organizing and Mobilizing Women Workers"**

**"Freedom of Speech and Privacy Issues in the Workplace: What's Happening? and What's Left?"**

**To register or for more information, call Tom Germano, at The Labor-Management Center, (631) 589-4780**



### **THE LABOR MANAGEMENT CENTER** **LABOR STUDIES SCHEDULE OF CLASSES** **FOR NON-CREDIT CERTIFICATE PROGRAM**

#### **FALL 2006**

**Labor & Employment Law and The Role of Collective Bargaining in the Workplace.**  
**September 27 through December 7, 2006**  
**(No classes on November 22 & 23, 2006)**  
**6:00p.m. to 9:00p.m.**

**Wednesday classes are held at the Labor-Management Center, 30 Orville Drive, Bohemia, New York.**  
**Thursday classes are held at The Jericho Atrium, 500 North Broadway, Jericho, New York.**

If you have an announcement or notice of a job opening, the addition of a new associate or an event that you would like us to publish, please send an email with the info to: [jerryarb@optonline.net](mailto:jerryarb@optonline.net).

**The Long Island LERA Newsletter** is a quarterly publication of the Long Island Chapter of the Labor and Employment Relations Association.

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**LONG ISLAND CHAPTER  
LABOR AND EMPLOYMENT RELATIONS ASSOCIATION**

**GENERAL MEMBERSHIP MEETING  
WEDNESDAY, SEPTEMBER 20, 2006**

**PLACE: Pomodorino Ristorante  
648 Motor Parkway  
Hauppauge, New York  
Tel:( 631) 951-0026**

**DATE: Wednesday, September 20, 2006**

**TIME: 4:30 p.m., Executive Board Meeting  
5:30 p.m., Social Hour (cash bar)  
6:30 p.m., Dinner**

please cut coupon and return with your payment

**TO: EUGENE S. GINSBERG, 300 GARDEN CITY PLAZA, 5<sup>TH</sup> FLOOR,  
GARDEN CITY, NEW YORK 11530  
(516) 746-9307**

**RESERVATION FORM**

Please register the following person(s) for the September 20th meeting. I understand that the fee for dinner for members is \$35 if prepaid, and \$40 at the door. For non-members the fee is \$45. Dinner checks should be made payable to L.I. L.E.R.A.

Name: \_\_\_\_\_ Organization: \_\_\_\_\_

(please write additional names on back)

Address: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

Number of Persons: \_\_\_\_\_ Check Amount: \_\_\_\_\_ Telephone: \_\_\_\_\_