

Worker Safety Program Expanded by Bush Administration Not Effective, GAO Reports

WASHINGTON, D.C. – An Occupational Safety and Health Administration program expanded by the Bush administration lacked proper oversight, did not improve worker safety, and diverted scarce resources from other enforcement duties, the Government Accountability Office concluded in a report released today by two Congressional committees.

Businesses that participate in OSHA's Voluntary Protection Program are able to avoid routine inspections, as long as they demonstrate that they have exemplary safety and health program, have no ongoing health and safety enforcement actions, and have an injury and illness rate below the average rates for the industry. The program's goal is to promote cooperation between workers and management on developing innovative workplace health and safety programs. Prodded by the Bush administration, the VPP more than doubled to 2,174 worksites over the last five years and now covers more than 885,000 out of the 112 million workers covered by Occupational Safety and Health Act.

"GAO's report makes clear that OSHA has strayed too far from its core mission of protecting the safety and health of workers on the job. The agency has spent too much time seeking voluntary compliance from employers and too little time enforcing the law," said U.S. Sen. Edward M. Kennedy (D-MA), chairman of the Health, Education, Labor and Pensions Committee. "I look forward to working with the Obama administration to see that OSHA effectively carries out its important responsibilities to the nation's workforce."

"The GAO findings only confirm what many had already known—the Bush administration's misdirected reliance on voluntary programs siphoned scarce resources that were needed for enforcement of our nation's health and safety laws," said U.S. Rep. George Miller (D-CA), chairman of the House Education and Labor Committee. "Fortunately, the Congress and Obama administration are committed help set OSHA on a new course to provide the additional resources and staff in order to ensure that agency all workers are able to return home safely after their shifts."

"Taking a hands-off approach to a voluntary enforcement program is a recipe for disaster," said U.S. Sen. Patty Murray (D-WA), chairman of the Senate HELP Employment and Workplace Safety Subcommittee. "Unfortunately, under the Bush administration, enforcing the law often took a backseat to taking employers at their word. I look forward to working with the Obama Administration to build an agency that takes the initiative to keep businesses honest about the dangers their workers face."

"This report illustrates what many of us have been arguing all along - that when it comes to protecting America's workers, voluntary safety programs by themselves don't work," said Rep. Lynn Woolsey (D-CA), chair of the House Subcommittee on Workforce Protections. "It's time for OSHA to join the 21st Century and update their rules and regulations to confront the risks faced by today's workers. That's why I have introduced the Protecting America's Workers Act, and will continue to work with my colleagues and Secretary Solis to ensure that OSHA does everything in its power to keep our workers safe."

The GAO found that OSHA did not properly ensure that only worksites which had exemplary safety programs were eligible for relief from routine inspections. The GAO found that 12 percent of the worksites participating in the program had an injury or illness rate higher than rates for their industry. In fact, one worksite participating in the VPP had an injury and illness rate 4 times higher than their industry average. OSHA performance goal is for VPP work sites to have an injury and illness rate of 50 percent less than their industry average.

In addition, OSHA continued to allow businesses to participate in the voluntary program even though companies were cited for serious safety violations. For example, one worksite was allowed to continue to participate in the VPP even though it had three separate fatalities over a five year period. Another workplace was cited for 10 violations related to a fatality, including seven serious violations, and one related to discrepancies in the site's injury and illness logs, but

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was able to continue to avoid regular inspections as a result of their participation in the VPP.

Although VPP is intended to increase worker participation in safety decisions, GAO found that some employees at VPP sites said “that injury and illness rates requirements of the

VPP are used as a tool by management to pressure workers not to report injuries and illnesses.”

OSHA also stated today that they have accepted GAO’s recommendations so that only eligible worksites participate in the VPP program and the agency will develop new performance goals and measures to ensure the program is effective.

Can a Book on Derivatives Be Delightful?

Les Leopold, *The Looting of America: How Wall Street’s Game of Fantasy Finance Destroyed Our Jobs, Pensions, and Prosperity*. Chelsea Green Publishing, 2009. 220 pp.

Great teachers love metaphors. To help learners grasp the unfamiliar, great teachers — like Les Leopold, the founder of the respected Labor Institute in New York — latch on to realities students already understand. Leopold has been using metaphors, for decades, to help working men and women understand how our economy really works.

Looting of America But two years ago, amid the gathering Wall Street storms, Leopold suddenly realized that, as a teacher, he really didn’t understand the high-finance “innovations” just then beginning to crash into the headlines, the CDOs and the swaps, the tranches and the quants.

So Leopold set about to educate himself on Wall Street’s innards, and now he’s sharing what he has learned — in an energizing and remarkably entertaining new book, *The Looting of America*.

The book’s core, perhaps not surprisingly, revolves around a delightfully insightful metaphor. If you really want to comprehend how Wall Street has melted down our economy, Leopold suggests, give a look to fantasy baseball.

In fantasy baseball, groups of baseball fans create their own “teams” and stock them with players they pick from lists of real-life baseball players. If the players you pick for your fantasy team do well on the real-life baseball diamond — if they hit lots of homers, for instance — your fantasy team will do well.

Your fantasy team, in effect, “derives” value from real baseball. You have no actual relationship to this real baseball. But you can still make money, playing fantasy baseball, if the real-life players you pick for your fantasy team put up better numbers than the players your fantasy league competitors pick.

“In effect,” explains Leopold, “you are speculating on the stats derived from real major league players, but those players don’t know they’re playing on your team.”

This same sort of speculation, over recent years, has been driving Wall Street. We have “fantasy finance.” Bankers and traders have created a sticky global web of “derivatives” — collateralized debt obligations, credit default swaps, and more — that bear the same relationship to the “real” economy as fantasy baseball bears to real balls and strikes.

In the “old” days, bankers and traders bought and sold claims to real things. Owning a stock entitled you to a stake in a real enterprise. Holding a mortgage gave you a claim to an

actual home. In fantasy finance, bankers and traders don’t have to hold a claim on anything real. They buy and sell financial products that only “derive” their value from real economic activity.

Bankers, for instance, can sell you a “derivative” that will rise in value if the price of oil goes up. They don’t have to own any oil to sell you this derivative. They can create derivatives based on anything.

But the fantasy baseball metaphor, Leopold notes, only takes us so far. Fantasy baseball players don’t claim they’re “improving” baseball. And they can’t cause any great damage either. If baseball players go out on strike, fantasy baseball leagues simply grind to a halt. No big deal.

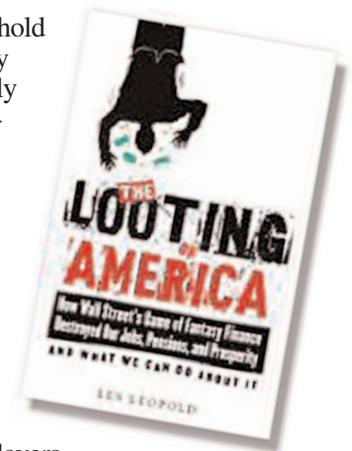
Fantasy finance, by contrast, involves trillions of dollars. And the players of fantasy finance have spent decades insisting that these trillions help our economy by “spreading economic risk.” In fact, their derivatives ended up concentrating risk — and wrecking the economy.

At the root of all this fantasy: the concentration of America’s income and wealth that began in the 1970s. With so much money in so few pockets, our real economy couldn’t offer enough lucrative opportunities for the investor class. Wealthy investors would find those opportunities in fantasy finance.

The Looting of America traces how all this unfolded with clarity, wit, and patience. And hope. The bank bailouts and partial federal takeovers we’ve so far seen, Leopold points out, do help clarify the “fateful choices” we now face.

“We can hold onto and supervise the semi-socialized financial sector,” he notes, “or we can return the entire banking system to private investors. We can enact policies that allow workers’ real wages to rise. Or we can keep the wealth flowing upward to the super rich. We can put limits on financial engineering, or we can wait and see what the next orgy of fantasy finance does to our economy.”

Crucial choices. Thanks to Les Leopold, many more of us will understand them.



What a week for Libby

Cold Truth.com (formerly Andrew Schneider Investigates), By Andrew Schneider, 6/18/09

Charles Dickens was writing a tale of two cities. But his words – that “it was the best of times, it was the worst of times” – perfectly describe the tale of one this week.

After nearly a decade of fighting for and failing to get emergency help for the people poisoned by asbestos-contaminated vermiculite in Libby, Mont., the federal government finally came through Wednesday.

EPA Administrator Lisa Jackson announced that Libby would get the first Public Health Emergency declaration in the history of Superfund.

“This is a tragic public health situation that has not received the recognition it deserves by the federal government for far too long,” said the EPA boss. She added that her agency will move aggressively on the cleanup efforts and to protect the health of the people.

Meanwhile, in a federal courthouse in Missoula, Mont., criminal charges were dropped against the only remaining defendant in the government’s prosecution of the W.R. Grace Co. for its role in the asbestos poisoning of Libby.

Federal prosecutors dismissed charges on Monday against O. Mario Favorito, Grace’s in-house lawyer. The move was expected after last month’s acquittal of the worldwide chemical company and three of its top executives. Grace owned the vermiculite mine that spewed asbestos-laced dust across the small a Seattle PI photo of the W.R. Grace mine and Libby.

On May 8, 2009, after 38 days of testimony spread over three months, a jury in Missoula found and company and its executives not guilty on all charges relating to a criminal conspiracy involving Clean Air Act violations and obstruction of justice. Because of potential conflicts of interest, the corporate lawyer was scheduled to stand trial alone in September.

Let’s talk a bit about the best of times, or what passes for it in Libby.

Three EPA specialists – an emergency coordinator, a toxicologist and a physician – first asked for the emergency declaration for Libby more than seven years ago to help ensure medical care for the town’s citizens and a proper cleanup of the area.

The Bush White House, some in EPA headquarters and the asbestos lobby successfully battled against the trio to keep the emergency declaration from being declared.

But yesterday, Jackson and Kathleen Sebelius, Secretary of the Department of Health and Human Services, said Libby’s wait was over.

“For way too long, many here in Washington have turned a blind eye to the needs of the residents in Libby,” Sebelius said. “Those days are over.”

The declaration permits the cleanup coordinators to spend what money is required to do the extensive cleanup of the particularly toxic form of asbestos heavily contaminating



the town.

HHS is giving \$6 million to provide medical care for Libby’s asbestos victims. An agency health official familiar with the health needs of the community told me that HHS will “cover the full medical charges – oxygen, medication, hospitalization, what ever is needed” for those without insurance and will shell out federal dollars to pay charges that people with insurance may incur.

Health authorities say that among the 4,000 or so people in Libby and nearby Troy, there are between 500 and 1,800 people diagnosed with asbestos-related illnesses such as lung cancer, asbestosis and other signs of diseased lungs.

At least 400 people in the town have died because of exposure to the asbestos from the now-closed mine. An unknown number have been killed or sickened at or around the scores of vermiculite processing plants Grace operated or supplied throughout North America.

At the announcement of the declaration, Montana Sen. Max Baucus, who has fought for government help for Libby, told of his friend Les Skramstad, a sweet-singing cowboy who worked at the mine and came home each night with his work clothes covered with asbestos-contaminated dust.

For years, Les told me he didn’t much mind that he might die because he worked in the mine, but he would never forgive himself for “bringing home the poison” that sickened his wife, Norita, and his children. He passed away in 2007.

“In 1999, Libby was labeled as a ‘town left to die,’” she said. “Today, we can throw that label into the wind.”

“What the declaration has done, hopefully, will insure that the same disease that has taken generations of families already with little or no medical care, compassion or understanding, will change drastically for the future generations.”

I only wish Les had lived to see this day.

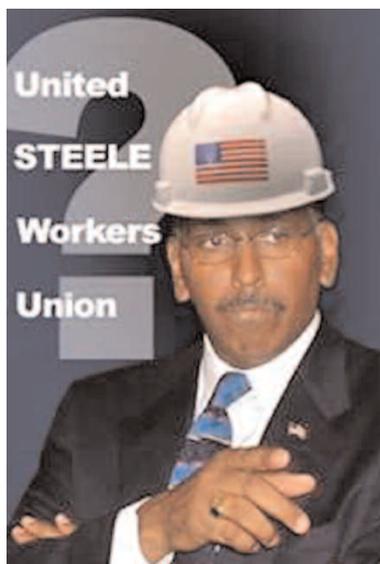
Protecting American Workers Act (PAWA) Allows Criminal Prosecution for Willful Violators, Covers More Workers, Protects Whistleblowers and Includes Family Members of Victims in OSHA Proceedings

Rep. Lynn Woolsey (D-CA) introduced legislation April 23 that would amend the OSH Act to expand coverage to more workers, increase penalties for violators, and increase protections for whistleblowers.

Woolsey is Chair of the House Education and Labor Subcommittee on Workforce Protections and the legislation was co-sponsored by other Democratic members of the committee.

The Protecting American Workers Act (H. R.2067) would make willful violations of the OSH Act resulting in the death of a worker a felony punishable by up to 10 years imprisonment, and willful violations resulting in

RNC's Michael Steele Becomes Union Man



By Leo W. Gerard, USW International President
Republican Party Chairman Michael Steele appears to be suffering philosophical identity confusion, you know, like some people experience sexual identity confusion.

He's got an organization named United STEELE Workers Union, white hardhat emblem and all, collecting members for him on Facebook. It had 255 worldwide as of June 19.

This is disconcerting on so many levels, least of which is that I head the original, authentic United Steelworkers Union (USW). It has, by the way, 1.2 million retired and active members in North America.

Far more importantly, Steele historically has expressed hostility toward unions. When President Obama agreed to help General Motors restructure in bankruptcy, for example, Steele said it was "another handout to the union cronies who helped bankroll his presidential campaign." Now that there's a union created in his own image, if Steele slams labor organizations, is he criticizing himself? Has he become a "union crony?"

"serious bodily injury" a felony punishable by up to five years imprisonment.

The legislation would raise civil penalties for serious violations, non-serious violations, failure to correct a violation, and failure to post a notice of employee protections from \$7,000 to \$12,000.

The legislation would extend coverage of the OSH Act to public employees at the federal, state, and local levels. Airline and railroad employees, as well as Department of Energy contractors, would be covered by the Occupational Safety and Health Administration under the bill.

The bill would also allow employees to refuse any work that that could kill or seriously injure them.

Victims' rights provisions are included in the legislation and would allow family members of injured employees to meet with the Labor Department before the issuance of citations and to participate in settlement negotiations.

"It has been more than 30 years since the passage of the OSH Act, and it is badly in need of reform. While thousands of workers have been saved as a result of OSHA, 16 workers are killed and 11,200 workers are injured or made ill each and every day," Woolsey said in a statement. "This legislation will strengthen OSHA by expanding coverage to millions of workers who are currently unprotected or inadequately protected, increasing civil and criminal penalties for those who violate the law, and by protecting those who blow the whistle on unsafe employer practices."

Contact your Congressional delegation and ask them to support H. R. 2067 The Protecting American Workers Act.

H.R. 2067 is available at:
<http://www.govtrack.us/congress/bill.xpd?bill=h111-2067>.

ERT UPDATE

June 24 2009 USW member Hubert Deresi 58 of local 228 was fatality injured. Brother Deresi fell off a rail car while working at Huntsman in Neches Texas. The details of the accident are not known at this time. Emergency Resonse Team district coordinator Rick Erpelding will assist the family and Health and Safety rep Kim Nibarger will investigate the accident.

Tammy Miser Translated Grief into Family Support and Health and Safety Reform

When Tammy Miser's brother, Shawn Boone, was killed in an aluminum dust explosion six years ago, she found that there were no resources to help her and her family members with information or assistance on what to do and where to go to do something about Shawn's death. The employer, Hayes-Lemmerz cast aluminum automotive wheel manufacturing plant in Indiana, did not even contact the family after Shawn died. It was only from a friend of Miser's husband that the family was contacted after he was on his way to the burn unit of the Ft. Wayne hospital.

Miser testified before the House Education and Labor Committee in 2008 on H. R. 5522, "The Combustible Dust Explosion and Fire Prevention Act of 2008". In her testi-



mony, she explained to the committee that "I took my grief and my anger and created an organization called United Support and Memorial for Workplace Fatalities. It's a place for families to mourn the

Tammy Miser accepts the Tony Mazzocchi Award for Worker Activism from the American Public Health Association in 2007.

US Swine Flu Cases May Have Hit 1 Million

In a Thursday, April 30, 2009 file photo, a sample of suspected swine flu is displayed by a technician at the Washington State Public Health Laboratories in Shoreline, Wash. Health officials at Centers for Disease Control and Prevention in Atlanta said Thursday, June 25 2009, that they estimate that as many as 1 million Americans now have the new swine flu. (AP Photo/Elaine Thompson, File)

needless loss of their loved ones and a place to fight to make sure it doesn't happen to any other families like the families in Savannah," she continued. (Ed. notes (1) The Savannah families refers to the families of the 14 workers killed in the February, 2008 fire and explosion at the Imperial Sugar Company in Savannah (2) more information on Miser's organization can be found at www.usmwf.org).

"That's how I get through. That's how I continue to remind myself it was the right decision. That is why I also plan to keep in this fight until there is some safe haven for others working around combustible dust," Miser said.

USMWF historically promoted a Family Bill of Rights but when the Protecting American Workers Act (PAWA) H. R. 2067 incorporated the Family Bill of Rights provisions, they began supporting H. R. 2067.

Presenting testimony to Congress is part of the USMWF's program to educate and advocate for legislative change. Meetings with community groups and citizen's action groups are another. Miser recently spoke to a group of family members in Buffalo at a meeting organized by WNYCOSH, Western New York Committee on Occupational Safety and Health.

Miser also publishes a website called the "Weekly Toll – a list of recent workplace fatalities so that she can give victims a face. www.weeklytoll.blog.org

The website www.usmwf.org offers both family support and support of legislative reform. There is a section for "family resources" that contains a FOIA Request Form, a Resource Manual taking the family through all the issues they need information on when one of their members has been seriously injured or killed on the job, even legal advice about making public statements.

What USMWF, a semi-volunteer organization operating on an annual budget of \$160,000 in grant money offers, is what USW offers our members with ERT services absent the accident investigation component. They offer the support end and then add on the worker advocacy component in their support of strong health and safety legislation. All readers should visit the site to see what people are doing for those who may not have the benefit of union membership. One visit will make you feel a little more optimistic about what you do as an activist and that you have allies you may never have imagined before.

To submit a story idea, a letter to the editor, other materials or to be added to the USWTMC Frontlines listserv, please e-mail safety@usw.org

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