

Machinists Weigh United-Continental Merger

IAM Transportation Vice President Robert Roach, Jr., voiced the concerns of many Americans when he asked the House Committee on Transportation and Infrastructure: "Does anyone really believe that having only a few major airlines in operation, each with immense market control and offering consumers fewer choices, will benefit the country? If one of these mega-carriers should fail, how would that impact the country?"

The Committee's hearing was in response to the announce-

ment that United Airlines and Continental Airlines hoped to merge by year's end, a move that would create the world's largest carrier and give majority control of the industry to a handful of airline executives.

More Consolidation

"We cannot look at the United-Continental transaction in isolation," said Roach, in testimony before the House Transportation Committee. "As the Delta-Northwest merger moves toward its completion, the United-Continental merger

takes center stage. Waiting in the wings is a possible third merger, perhaps between US Airways and American Airlines, each a product of consolidation with America West and TWA, respectively."

The result of such a highly-consolidated industry is uncertain at best. Experience suggests that carriers use mergers as an opportunity to reduce manpower, cut routes and eliminate union representation, all without reducing the overcapacity that is used as a justification for mergers in the first place.

"The IAM has serious concerns, not only about the viability of a combined United-Continental carrier, but also for the long-term sustainability of each carrier independently," said Roach. "Our concern is for the entire industry, and we do not believe mergers alone provide the answers.

"Congress has spent a considerable amount of time debating the issue of entities that are too big to be allowed to fail. Our concern is we may be creating airlines that are too big to succeed," declared Roach.

The merger of Delta and Northwest has sparked a new round of airline consolidation. United and Continental announced plans to merge and other airlines are considering similar moves.



Photo by Matthew Staver/Bloomberg via Getty Images



Bill Burke, Page One Photography

General Vice President Robert Roach, Jr., testified in support of fairer elections for transportation workers at a National Mediation Board hearing. More than 22,000 IAM members also submitted cards expressing their support for the new rules.

sentation. The NMB will no longer assign a “no” vote to any worker who does not cast a ballot.

“Thousands of Machinists Union members and hundreds of members of Congress told the NMB that it was time to end its 75-year practice of imposing a viewpoint on people who, either by choice or by chance, do not participate in representation elections,” said General Vice President Robert Roach, Jr. “We welcome the rule change and look forward to its implementation.”

As the *IAM Journal* went to press, the new rule was set to take effect on June 30, 2010. That date may have changed, however, pending the outcome of a lawsuit filed by the Air Transport Association to block the new rule.

NMB Vote Rule Poised to Take Effect

After years of being hobbled by the Bush administration, the National Mediation Board (NMB) is moving with refreshing speed to give more than 500,000 workers in the air and rail industry the same voting

rights enjoyed by workers in every other industry.

Under the new rule, which could have a major impact in upcoming representation elections, air and rail workers can vote for or against union repre-

Rail Machinists Build Virtual Locomotive Simulator

Today’s video games may be masterpieces of cutting-edge technology, but they don’t hold a digital candle to the sights and sounds of the locomotive simulator built by IAM Local 123 members at VMV Paducah in KY.

With enough bells and whistles to make a die-hard gamer green with envy, the simulator contains four 55-inch monitors capable of displaying simulated exterior panoramas, a bank of

high-definition cameras that can record operator eye movements and interior controls identical to the cab of an EMD SD-70 locomotive.

“This 100 percent union-built simulator is just one example of the kinds of products made by our rail members,” said District 19 President Joe Duncan. “The training potential of these simulators is truly remarkable.”



Company representatives and Local 123 members in Paducah, KY, who build high-tech locomotive simulators. From left, front row, Richard Sawyers, Ed Paxton, VMV Project Manager Earl Wurth and Mike Johnson. From left, back row, Darrell Skinner, Jimmie Lindsey, Brad McGowan, Glen Noland, Kelvin Jeffords and Alion Corporation’s Melvin Jones.