

Remarks By Retiring Secretary-Treasurer Jeff Rechenbach At The 73rd CWA Convention

Jul 12, 2011



Thank you. Thank you all very much. Thank you Larry, for that overly generous introduction. I hope we recorded that so I can play it back for my granddaughter in years to come. In fact, let me point her out to the group here, that's little Millie with my daughter Kirsten, son in law Ryan and my wife Karen. And there you see 4 of the Top Ten Reasons I have decided to retire, 3 more are back in Cleveland right now.

Let me start by congratulating my successor, Annie Hill. Annie has been a member of our Budget Committee for 3 of the most difficult years in our Union's history. She has provided input and ideas to help guide us through some of the most challenging times in the financial history of our union during that time. I am able to go home to Ohio secure in the knowledge that Annie's imagination and creativity will serve us well in the job of managing the finances of our great union.

And because I think it will be easier now than at the end of my talk this morning let me recognize the work of some of my colleagues as I take this podium for one last time.

First, thanks to the Executive Board, your leadership and your friendship have been invaluable to me. And a special thanks to my good friends, John Thompson, the retired VP of District 7 and Carmine Turchi, retired Assistant to the Secretary Treasurer for making the trip out here to be with me today.

And let me acknowledge our Senior Headquarters staff, George Kohl, Yvette Herrera, Ed Sabol, Bill Bates and Mary O'Melveny, all of them work relentlessly and provide critical thinking on the complex problems our movement faces. I have learned so much from each of them.

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My clerical support team of Robin Childress and Pam Oxley, as well as all of the supervisors and employees of the Secretary Treasurer's office are an incredible asset, and I am sure will continue to provide amazing support to the work of our union. Many of them were assembled by one of my friends and mentors, Barbara Easterling who is also here this morning. Thank you Barbara.

Teri Pluta has been my assistant for nearly all of the past three years, and I can tell you without hesitation, no one works harder or puts in more hours than she does. It has been a pleasure having her as my right arm.

Finally our President, Larry is not just the heart and soul of CWA; he is the moral compass of our entire movement. His incredible vision and passion for our cause are second to none. You have made the right choice in trusting the leadership of our Union to this visionary, he is a man that I am proud to be able to call my friend.

This is one screwed up country we live in today. I mean where else in the world would the current lineup of Republican candidates be considered as Presidential timber?

I saw part of the first Republican debate a couple of weeks ago, 7 Republicans standing up in front of the 37 people who had tuned in and were watching. They saw these 7 candidates tell just how much they hate government; imagine taking that tack on any other job interview.

One of the common campaign themes they all seemed to put forward was we need to throw out Obama for not solving all of the problems created by George Bush. Although to be fair they did give George Bush the credit for hunting down Osama Bin Laden, kind of like opening a jar of pickles and having the other guy say, "well I loosened it for you."

The other theme was going back to a strict interpretation of the original Constitution put forward by our founding fathers, so I hope all you women and non-whites out there don't like voting.

It almost felt like I was watching a TV Land rerun. Bachman and Palin could be Ginger and Mary Ann, Romney the millionaire, Gingrich the professor, all that were missing were the skipper and his little buddy and we would have been back on Gilligan's Island.

Let's review some of the candidates that are looking for the Republican nomination.

The leading contender seems to be Mitt Romney. Romney has personal wealth of over a quarter of a billion dollars, but in New Hampshire the other day his idea of a joke was telling an out of work woman there, "I'm unemployed too." Gotta love that CEO sense of humor.

We have Jon Huntsman, an interesting guy, sort of Mitt Romney light. He is fluent in Chinese, which you have to admit is an upgrade from our previous Republican President who wasn't fluent in English.

Then there is Tim Pawlenty, the former governor of Minnesota. Maybe some of our District 7 folks can help us on this, I think we need to check into the kind of health care that is provided to

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Minnesota state employees. How they have been able to keep Pawlenty alive without a spine is truly remarkable.

Ron Paul is back in the race. He does apparently have a spine, in an interview the other day he came out in favor of legalizing heroin and prostitution. And in one fell swoop locked up Charlie Sheen's endorsement.

I'd say the chances of Ron Paul becoming President are roughly equal to the chances of Dick Cheney returning all the Christmas gifts to Whoville.

And speaking of Dick Cheney, things are so bad in the field of Republican candidates that there has even been talk of a DRAFT Dick Cheney movement. I don't give it much chance of success, after all this is a guy who 5 times avoided the DRAFT during the Vietnam War.

And one of my favorites, Newt Gingrich. He is so pro marriage; he just can't stop doing it. He is going to have a hell of a time explaining some of his past positions, especially since so many of them have been on top of women who weren't his wife.

Now this is true, Gingrich actually said he cheated on his first two wives because he was "consumed with love for his country." "I am thinking he just misunderstood the phrase "please rise for the National Anthem."

What about Sarah Palin? I heard just last week there was a documentary released about her life entitled, "The Undefeated," isn't that a little like the Cleveland Browns releasing a documentary entitled Our Super Bowl Highlights?

I did see where Sarah took her daughter, Bristol with her to a book store the other day to promote her latest book. I think it coincided with the National "Bring Your Daughter to a Place You Never Go Day."

And of course Sarah reminded us how Paul Revere made his famous ride to warn the British about gun control. And I suppose George Washington was crossing the Delaware to break up a gay wedding ceremony.

Michelle Bachmann has been coming up in the polls. She must have also called in sick during the Revolutionary War section of high school history class. Bachmann said the other day that the founding fathers, many of whom were slave owners, worked tirelessly to end slavery. This quote apparently had Sarah Palin particularly upset as she saw this as an attempt by Bachmann to capture that coveted "dumbass vote."

I really think it is time we stop telling kids anyone can grow up to be President.

But as we have seen in our recent past the American people do have a tendency to pick their President on the basis of who they would rather have a beer with, so we will have our work cut out for us over the next 15 months.

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Today we live in a country where far too many other Americans look at the wages and benefits union workers receive and say, I don't have that why should they. But somehow many of these same union haters, even many earning low wages with no benefits get caught up in defending tax cuts for the wealthiest of Americans, and defend them at a time when the distribution of wealth in this nation is more out of whack than at any time in our history. In fact it is worse than the distribution of wealth in Egypt, which brought tens of thousands of Egyptians to Tahir Square.

In today's America, the top 1% own more than the bottom 90% combined, the wealthiest 400 own as much as half the population of the US.

Let me try and put this in perspective, anyone want to guess how long it would take for the average CWA member to earn what the top hedge fund manager earns in only one year? 35, 217 years. Now I know we have pretty good health care in most of our contracts, but I don't think it will get us there. Oh and by the way, you currently pay a tax rate that is more than double what that hedge fund manager pays.

But I guess half the tax rate they paid is better than the no taxes paid by GE who made \$14 billion worldwide, \$5 billion of it here in the US and paid no federal income tax, or Exxon-Mobil who made \$30 billion and paid no taxes, or Bank of America, or Chevron or Boeing or a myriad of other profitable companies, who made plenty and paid nothing!

Well, I guess not exactly nothing; during the 2010 election campaign those 5 companies did pay out \$43 million in campaign contributions. Hmmm I wonder how that turned out for them?!?

So let's be clear, the rich aren't getting richer in this country because they are smarter. The 300,000 people with incomes over a million dollars aren't the teachers who shape our children's minds and characters, they aren't the factory workers on an assembly line or the construction workers building a new home, they aren't the scientists searching for a cure to cancer, they certainly aren't the telephone workers, newspaper reporters, flight attendants, call center workers, printers, TV technicians or public workers that belong to our union.

So who are they?

They are the Wall Street Bankers who played with our economic security like they were in a casino. And when the dice came up craps, they demanded that taxpayers bail them out. Then to add insult to injury they have been rewarding themselves with record bonuses ever since.

They are the CEOs who cut themselves in for multi-million dollar bonuses and salaries while shipping our jobs overseas and then telling us we need to tighten our belts.

And again they can do this why? Not because they are smarter, but because they are the ones writing the rules. It isn't so much WHAT they own that makes them successful; it is WHO they own that does. Their most valuable asset is their cell phone with speed dial set up for members of Congress. Congress will never hear us as long as their ears are pressed to the phones of their wealthy overlords.

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The time is upon us, we need to step up and return our government to one that is of, by and for the people and not a government that is of, bought and paid for by corporations and billionaires.

The only hope to turn around this nightmare cycle of wealth distribution to the top is a strong and vibrant labor movement. And that is clearly why they will do anything and everything they can to crush us, but as the song goes, like a tree standing by the water, we shall not be moved.

Moving labor forward with the kind of decline President Cohen described yesterday won't be pleasant, and it certainly isn't where we would like to be, but it is the hand we have been dealt so let's play it.

And playing it will mean playing it smart. We need more than ever to make the best uses of our diminishing resources. Force the companies we deal with to pay for prosecuting the mistakes they made

As we see labor lose ground in membership and power, we see a growing disdain for the movement rising. People have stopped imagining what a union might do for them, and begun despising what it has been doing for others.

Lately much of this anger has been directed at public employees with politicians seemingly from both parties bemoaning the cost to the taxpayer. Ignoring completely some key facts not the least of which is the value public employees bring to our society. Imagine for a moment a society without laws, no police protection, or firefighters, schools only an option for the children of parents who can afford it, highways and sewers built with public funds a thing of the past. Social safety nets shredded and millions of Americans cast into the streets to fend for themselves. Well that's the America too many of the tax cutters envision for us.

We can be better than that as a society, we can recognize, as the prayer I used to recite before every local union meeting goes, "an injury to one is the concern of all, and the concern of all is the welfare of everyone."

Before I close this morning let me give you an update on the financial state of CWA. As I told the Minority Caucus on Friday, whenever I talk about finances I am reminded what Lyndon Johnson said about giving a speech of economics, "it's like peeing down your pant leg, it may feel hot to you, but not to anyone else."

It of course comes as no surprise to you that we have been losing members at an alarming pace.

The economy which has devastated all Americans has had a particularly brutal impact on our Union.

Everyone in this room has experienced membership loss over the past two years. In fact, throughout CWA we have over 75,000 fewer members now than we did a little over 2 years ago. No local has been immune, whether through office closing, plant shutdowns, early retirements, or stolen elections as in Northwest Airlines; we have all seen too many members leave our ranks.

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Of course, this has forced all of us to do more with less. Here in CWA along with the Finance Committee we put together a budget that projects \$95 million in revenue for this fiscal year ahead, that is down from a revenue projection of over \$120 million as recently as 2007/2008.

Dealing with this has meant deep and dramatic cuts as well as changes in the way we manage our income. As I told the delegates to our 2006 Convention, one of the charges of Ready for the Future, was to have all of our Districts and Sectors spend no more than they bring in and to help contribute to the overall bottom line of CWA, that continues to be our goal and a target that we have made significant and dramatic progress on.

At that same convention we made a commitment to change the makeup of the Executive Board, to eliminate some of the elected full time officers, and we did that through your actions last year to merge Districts 2-13 and Telecom and C&T offices and again yesterday with your support to eliminate the Executive Vice President's position, we are fulfilling that commitment.

Those changes certainly, helped but were not nearly enough to fill the gaping hole between the expense of building our union and our income. So more recently we have taken on more significant actions.

Today at our Headquarters office in Washington DC we have 76 fewer employees then we did just a few years ago. Similar reductions have been taking place, principally by attrition throughout the Union with a total of 121 fewer employees nationwide at every level of the union.

We have also been more aggressive about using our existing resources. CWA employees now occupy less than half of the square footage of our Headquarters building. Tenants today occupy parts of the 1st, 6th and 8th floor and all of the 2nd, 3rd, 4th 5th and 9th floors, including our former Executive Board Conference room and the Glenn Watts room.

Earlier this year, we sat down with the 9 different unions that represent CWA employees and made changes to the health care and pension benefits, as well as future wage increases. And I would echo Larry's appreciation and respect for them as they, mid contract, said we want to do what we can to help make sure our Union is strong and can survive.

You saw in the Finance Committee's report the current salaries of CWA officers, what you didn't see is that those salaries are in the bottom 10% of national labor union officer salaries, a fact that I know President Cohen is very proud of, as am I.

But despite these deep and significant cuts this year spending just to maintain our current ability to service, negotiate and organize will leave us nearly \$5 million short of revenue.

Later this morning you will have an opportunity to debate and vote on a proposal to help us address that issue, in the form of the Strategic Industry Fund Distribution. I have spent a good deal of time over the past two months talking with literally hundreds of local union leaders about the ramifications of this plan.

And as with any proposed change there is concern, but the history of our union is one of adaptability, of being able to adjust with the times. The facts are that we have been in a constant state of change over the 40 years that I have been lucky enough to be a member. We have merged districts, set a two hours dues rate, added a quarter hour assessment for a Member's Relief Fund with a hundred million dollar cap, then we removed the cap, we changed the payout from \$200 to \$300, we set a floor for the MRF and created our Strategic Industry Fund and now, in the face of dramatic and unprecedented membership losses, we are proposing to distribute assistance to both the National Union and Local Unions in the form of a \$20 per contributing member distribution from the quarter hour SIF funds.

The fact is for us to grow we need a strong National Union and strong Local Unions.

This distribution would generate \$6 million for locals and \$6 million for the national and still leave nearly \$10 million for use in ongoing and new SIF projects with, as in the past, the bulk of that money also being distributed for local union incurred expenses. So of the \$22 million nearly \$16 million will continue to go directly to locals or indirectly through future SIF project reimbursements to local unions.

This proposal is for two years only, but it will buy us valuable time to review with local input our overall finances with an eye towards the future.

The reality is we cannot just sit back and hope that the status quo will suffice in a world where our movement is under full scale assault. Saving for a rainy day is fine, but even here in the middle of the desert it is pouring outside. So let's get this done, for the sake of our members, for the sake of our union.

In January I celebrated 30 years of working fulltime for CWA, and last month I celebrated 40 years of carrying a CWA membership card in my wallet. And I have enjoyed every minute of it, well most minutes of it anyway.

Time is one of those things you can never get enough of and it just keeps ticking away. I have lived in Washington for almost 6 years now spending weekends going back and forth to Cleveland. I am ready to go back to Ohio where my wife and most of my family still live and make regular junkets out to California to see my little Millie.

President Cohen has asked me several times about a party or a retirement gift, and I have consistently told him I want neither. But on reflection, I have decided I do want a gift.

But after months of saying no, it was too late to change my mind and say yes. So I came up with a strategy. You know how at the holidays, someone gives you a gift and you didn't buy anything for them, well you scramble and find something you already had in the closet and wrap it up quick to present. Well, think of the combs on your tables as my unexpected gift to you, I bought these with my own money just days before as my wife reminded me I will be going on a fixed income, and I hope that you will think of that bald guy who used to drone on about money when you look at it.

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But now you are on the hook to get me something. And here is what I want. I want all of you to respect and celebrate each other. I want you to remember what brings us together. It is what we all in this room, hold in common; the desire to make things better for our co-workers and our nation, to gain respect on the job and dignity in the workplace, to bring economic security to the homes of our members. Our willingness to stand up together as we build this union to make sure that get a fair return on the sweat of their brows.

As a gift I want you to remember that leadership in this union, as evidence by all those here in attendance today, is not measured by the color of your skin or the God you pray to. It isn't measured by your gender or the gender you want to spend time with. It is only measured by the size of your heart. And we need not just diversity of race, sex and religion, but diversity of views as well. And so when from time to time you are angry at one of your union colleagues, remember that it is a common desire to improve the lot of our co-workers that brings us to this hall, and that animosity within our ranks is the prescription for success to our enemies.

Give me those gifts and I can promise you in retirement I will continue the fight beginning in my home state of Ohio as we fight to take back collective bargaining rights.

Finally as my fellow Clevelander Bob Hope was so famous for saying, thanks for the memories.