

# LABOUR DAY 2014



**Local 7135**  
NEWS BULLETIN JULY 2014

Last year's Labour Day celebration was a great success for our Local. Over 200 members and their families enjoyed food, fun, and solidarity with many of our areas neighboring unions. In addition to the march around the Hamilton core, we always return to Dundurn Park to bask in the fellowship that is our membership and to engage in a meet and greet with hundreds of other locals members and their families.

Members meet at Midas Muffler on York near Dundurn at 9:00 am on Labour day as we do every year to receive their USW Local 7135 t-shirts and to engage in conversation as we wait for the parade to begin.

Again for this year's parade we were lucky enough to procure a float for our injured workers, retirees, and children so they could be a part of the parade without the worry of walking too far or getting too tired before the picnic. Once the parade wraps up we make our way to Dundurn Park for the BBQ.

This year's theme is the Circus! We have two wacky flailing inflatable arm men and the amazing Mr. Fantastic who does magic for our children and our members with his unique brand of entertainment. We also have a cotton candy machine and temporary tattoos for all. Back by popular demand we have Chuggy Choo Choo bouncy castle making an appearance. The music will be provided by D.J Dan Delville.

To eat we have hamburgers, hotdogs, sausages, chevapi, chili, and corn on the cob, and to drink there is a selection of pop and water.

## Presidents Message

Welcome back from the shutdown.

It is good to see a lot of our laid off members back in the plant, and are looking forward to all of our members returning to work in the very near future.

We have received many calls from our members about our pension plan after they have received a pension report from the company. We can say that all of the negotiated payments into the pension have been made, and are up to date. In this news bulletin, we are including a full pension report for our members to see the total amounts of quarterly payments that have been received and accounted for since the ratification of our CBA in June 2012.

The Pension fund is slowly improving, and with the current market, we are seeing its values increasing at a steady pace.

On top of the good orders for P-1 and P-5, the lines of P-2, P-3 and P-7 have orders booked well into the fall of 2015. A number of new orders have been posted in the plant and our regular report will be out in our next newsletter.

USW Local 1005 has successfully sold the building that we rent space in for our Union Hall. Although we have had brief discussions with the new owner we have not yet come to an agreement on our cost for rent. We are looking at a number of options and will keep you informed of any developments.

We would like to remind everyone that next months Regular Membership meeting has been moved to the first Tuesday of the month which is on August 5<sup>th</sup> at 4:30 PM. We encourage all members to attend for the most recent information from our executive.

- Bob Pelletier



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## Hourly Employee Pension Report

There was a letter sent out to our members from the company, regarding our pension and its financial status as of December 2010 and 2011.

This created confusion for our membership and we have received many calls about concerns with this letter and what it stated as per the pensions financial state and values.

The reason for this information that was sent out from the company with the dates of December 2010 and 2011 is because FSCO has not yet approved the repayment plan that was negotiated, and ratified by our membership in June 2012. Without that agreement from FSCO, they could not make an accurate statement.

As of the date of ratification of our CBA, the company has made all payments as per our agreement, and we receive receipts of these payments quarterly. We put these reports in our newsletter as they are received, but want to show our members all of the payments that have been received and accounted for since June 2012 and they are as follows:

### Quarterly Pension Plan Contributions Report For June 2012 to August 2012

Current Service	Special Payments	Total Contributions
\$1,552,420.00	\$2,500,000.00	\$4,296,314.00

### Quarterly Pension Plan Contributions Report For September 2012 to November 2012

Current Service	Special Payments	Total Contributions
\$1,976,449.00	\$1,000,000.00	\$2,976,449.00

### Quarterly Pension Plan Contributions Report For December 2012 to February 2013

Current Service	Special Payments	Total Contributions
\$1,608,036.00	\$1,500,000.00	\$3,108,036.00

### Quarterly Pension Plan Contributions Report For March 2013 to May 2013

Current Service	Special Payments	Total Contributions
\$1,526,300.00	\$1,500,000.00	\$3,026,300.00

### Quarterly Pension Plan Contributions Report For June 2013 to August 2013

Current Service	Special Payments	Total Contributions
\$1,486,355.00	\$1,500,000.00	\$2,986,355.00

### Quarterly Pension Plan Contributions Report For September 2013 to November 2013

Current Service	Special Payments	Total Contributions
\$1,408,615.00	\$1,500,000.00	\$2,908,615.00

### Quarterly Pension Plan Contributions Report For March 2014 to May 2014

Current Service	Special Payments	Total Contributions
\$1,403,635.00	\$1,500,000.00	\$2,790,833.00

### Total payments from date of ratification of CBA to present

Current Service	Special Payments	Total Contributions
\$10,961,813.00	\$11,000,000.00	\$21,961,813.00

The Plan asset values for December 2011, 2012, and 2013 are noted below, as well as the Feb 28, 2014 balance.  
**Dec 2011 - \$96,821,000 Dec 2012 - \$103,875,000 Dec 2013 - \$112,895,000 Feb 2014 - \$118,154,000**

The Pension Plan asset values shows an increase as per market value, and as shown here as of Feb 2014, the market is currently doing well and helping our funding values grow at a decent rate.

This Executive remains committed to insuring that all negotiated payments into our pension fund are being made and are being accounted for. We will continue to post the quarterly reports in our newsletter as they are forwarded to us.



## Rail News: progressive rail news for July 2014 **Both tank-car and non-tank-car backlogs grew in Q2.**

Second-quarter rail-car market data released on Friday by the Railway Supply Institute (RSI) supports the thesis of a rising, non-tank-car backlog and a rebound in the tank-car backlog after four straight flat-to-declining quarters, Stern Agee analyst Sal Vitale said in a report.

Q2 data from RSI's American Railway Car Institute Committee shows the total car backlog increased 17,855 units by the second quarter's end, from 81,927 as of April 1/2014 to 99,782 as of July 1/2014. Car orders totaled 33,912 units (versus 24,050 in Q1) and deliveries totaled 16,056 units (versus 13,954 in Q1).

The tank-car backlog rose from 50,500 units to 52,600 units on orders totaling 10,600 and deliveries totaling 8,800, Vitale says in the report. The total backlog increased 22 percent in the second quarter, driven by a 50 percent quarter-over-quarter increase in the non-tank-car backlog, specifically attributable to stronger small-cube covered hopper orders, he said. It was the fifth-straight quarter-over-quarter rise in the non-tank-car backlog after six quarters of declines.

From third-quarter 2011 to first-quarter 2013, the non-tank backlog fell 72 percent, said Vitale. Since then, the backlog more than quadrupled largely because of a tenfold increase in covered hoppers.

"Similar to the first quarter, renewed demand for small-cube covered hoppers (frac sand and cement) drove much of the increase in overall orders, but the backlog also rose for mid-sized covered hoppers (grain, soda ash, potash), and large cube hoppers (plastics)," Vitale wrote. "This increase is consistent with our thesis of a shift in rail-car backlog growth from tank cars — the main driver in 2011/12 — to non-tank cars. Tank cars now comprise 53 percent of industry backlog, down from the peak level of 86 percent in first-quarter 2013."

In addition, a continued recovery in intermodal orders occurred in the second quarter. Intermodal orders totaling 3,300 units increased from 2,200 units in the first quarter and zero orders in both the third and fourth quarters of 2013, said Vitale. The intermodal backlog increased sixfold.

Meanwhile, coal car orders were lower than expected in Q2, totaling less than 150 units.

"We were expecting another 1,000-plus quarter given the recent improvement in railroad coal volumes," said Vitale. "Given that coal car orders have historically been very lumpy, we believe the recent improvement in coal volume growth will translate into increased new car orders in the second half."