



Labor-Management Letter

SPRING 2005

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- Tom Balya, Westmoreland County Commissioner
- Christopher Masciantonio, United States Steel Corp.

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- Kathy Jellison, Service Employees Int'l. Union #668
- LuAnn Judice, Hempfield Area Education Association
- Dr. Daniel Krezenski, Westmoreland County Community College
- Herman Porter, Elliott Company
- Paul Smiy (Honorary), Smiy Family Foundation
- Robert Sommers, Greater PA Regional Council of Carpenters

Pennsylvania Economic Outlook Brightening

Reprinted from "UC Issues Update," PA Dept. of Labor & Industry, Spring 2005

Based on recent economic data Pennsylvania's economy is improving. December labor force statistics, as measured by the Current Population Survey, show that the state's seasonally-adjusted labor force reached an all-time high. The data mark the transition of the state's economy from one of recovery to one of expansion. The nation's labor force and employment counts were also just under last month's all-time

highs, confirming the trend.

The 2004 annual average unemployment rate for Pennsylvania was 5.4 percent. The annual average unemployment rate for 2003 was 5.6 percent and in 2002, it was 5.7 percent. Thus, the rate is trending downward and more people are working or looking for work compared to recent years. December seasonally-adjusted jobs data from the Current Employment Statistics survey show a similar trend. Total non-farm jobs in Pennsylvania are up 70,500 from a year ago with long-term forecasts projecting an annual

gain of 36,000 nonfarm jobs over the next eight years. However, manufacturing jobs are down 14,500 from a year ago and long-term forecasts mirror that trend.

Nationally economic indicators point to an economy that is recovering from the new millennium's first economic downturn. While true that manufacturing jobs continue to decline, service-providing jobs continue to increase, suggesting that Pennsylvania's and the nation's economy continue to adapt to the changing global economic environment.

"Changes in Overtime Regulations"

Luncheon Meeting

Sponsored by the Southwestern PA Chapter of the Industrial Relations Research Association

Friday, July 29, 2005

12:00 PM

Engineers Club
337 Fourth Avenue
Pittsburgh
\$20 Per Person

RSVP by July 25th to Cynthia Spielman at 1-877-314-0581

Westmoreland Cooperating for Economic Development

2005-06 Meeting Dates

Membership Meetings:

October 25, 2005

April 25, 2006

June 27, 2006

Board of Directors Meetings:

September 27, 2005

November 29, 2005

March 28, 2006

May 23, 2006

New Member Welcome...

International Union of Operating Engineers #66
300 Seco Road
Monroeville, PA 15146

Represented by James Kunz, Jr., Business Manager
 Local #66 President: Thomas M. Durkin
 Serving 7,000 members with 32 employees

LABOR-MANAGEMENT LETTER

The official letter of the Westmoreland County
 Area Labor-Management Committee

Heidi Petrosky,
 Executive Director

4205 Business & Industry Center
 Westmoreland County Community College
 400 Armbrust Road
 Youngwood, PA 15697

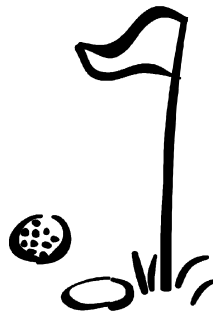
(724) 925-4247
 Fax (724) 925-5935

Send your comments/stories to:
wcalmc@wccc-pa.edu

MISSION:

*To enhance economic development
 through positive and productive*

8th Annual WCALMC Golf Outing



Friday, July 22, 2005
8:00AM Tee Off
12:30 Luncheon
Cherry Creek Golf Club
Youngwood, PA

\$75 Per Person
Sponsorships Available

Measuring the Quality of Pennsylvania's Commercial HMO's

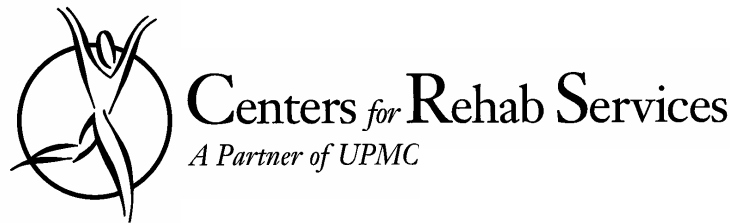


The Pennsylvania Health Care Cost Containment Council (PHC4) is pleased to announce the release of its latest report, *Measuring the Quality of Pennsylvania's Commercial HMOs*.

The new report provides comparisons about the quality of care that Pennsylvania HMOs offer. It combines clinical results, preventive measures and member satisfaction measures to give Pennsylvanians a more complete picture of how well HMOs serve their members and to assist health care purchasers, policy makers and consumers with their health care decision-making.

To view the report, visit their website at: <http://www.phc4.org/reports/mcpr/03/>

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Cocciolone Named 2005 Scholarship Winner

Marissa Cocciolone, a senior at Belle Vernon Area High School, has been named the 2005 Labor-Management Studies Scholarship winner. Marissa plans to attend Washington & Jefferson College this fall, majoring in Business and Pre-Law.

Marissa is an honor's student at Belle Vernon and is a member of the National Honor Society, Who's Who Among American High School Students, and is a participant in the school's gifted program. She received the Rachel Carson English Award in eleventh grade for outstanding performance in her AP English class, as well as the Daughters of the American Revolution Citizenship Award.

Marissa is active in numerous school activities. She has been a member of the Yearbook Staff for the past four years and served as Editor-in-Chief this year. She also served as President of the Rotary Interact Club, Captain of the Dance Team, lead in the school musical *42nd Street*, and Secretary of the National Honor Society.

Her strong leadership abilities also served her well as a camp counselor last summer for the Gateway Teen Institute Leadership Camp.

As part of Marissa's senior project, she spent time shadowing Judges Debra Pezze and Gary Caruso in the Westmoreland County court system. Her positive experiences with both judges, and her belief that both judges are upstanding individuals who make a positive impact in people's lives, has only served to increase her interest in the field of law. Marissa also participated as an attorney for the Mock Trial Team, giving her a "taste" of what life is truly like in the courtroom. She is enthusiastic about her choice of majors and hopes to be able to incorporate her talents in writing and speaking into a career where she will be able to help people in need.

Marissa is also active in various community projects, including Toys for Tots, highway cleanup, bell ringer for the Salvation Army, the Red Cross Blood Drive,

and St. Sebastian's Church Choir. While maintaining a very active lifestyle, Marissa has consistently earned highest honors in her coursework and is ranked among the top of her class.

Asked about the importance of labor-management relations, Marissa stressed the need for 1.) family-sustaining jobs and 2.) a positive work environment that enables workers to perform to their highest level, contributing to the economic success of area companies. Marissa was impressed with the Committee's mission statement and stated that she was honored to receive a scholarship from an organization with a mission to help families thrive and succeed in Westmoreland County.

The Committee would like to extend our congratulations to Marissa Cocciolone, winner of the 2005 Scholarship for Labor-Management Studies, and wishes her success as she pursues her education and career goals!

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Please send your success stories that promote positive labor-management relations to the office at: 4205 BIC, WCCC, 400 Armbrust Road, Youngwood, PA, 15697 or to wcalmc@wccc-pa.edu.

Public Policy Update: PA State Budget – What it Means for Labor and Management

Submitted by Chris Masciantonio

Pennsylvania's new budget for the upcoming fiscal year centers on the reinstatement and creation of key programs intended to benefit the commonwealth and its citizens. Pennsylvania's workforce and employers will find new incentives in the \$24 billion budget. However, there is also a view that the budget was a missed opportunity to improve Pennsylvania's competitiveness.

The Pennsylvania business community was frustrated with the lack of tax relief provided to them in the 2005-2006 budget. Most noteworthy on the business agenda was reducing the tax burden on companies. Businesses had pressed for the elimination of the \$2 million cap on net operating loss carry-forward, a restriction that only two other states have, but were unsuccessful in doing so. Removing the cap would have allowed businesses to claim their full amount of losses to offset future gains for tax purposes, a benefit for cyclical manufacturers and new companies. Many saw the failed attempt to remove the cap as a missed opportunity to improve the state's competitiveness in gaining and sustaining businesses. Westmoreland County Area Labor Management Committee member companies Elliot Co., Timken Steel, and U. S. Steel were in support of the measure.

The budget does, however, consist of some pro business policies.

The newly created "Job Ready Pennsylvania Initiative" will receive \$91 million with the goal of improving the educational system to reflect key changes in the global economy and building a more skilled workforce. The funding will help address occupational shortages and assist in developing new industry partnerships for fast-growth sectors in the economy. Through new job training programs, Job Ready Pennsylvania will ensure that workers have the skills they need to compete in the competitive marketplace and therefore enhance the state's workforce. Stated Gov. Rendell, "As Pennsylvania's economy surges, and new jobs are being created, I am especially excited that the legislature endorsed my Job Ready Pennsylvania initiative. When coupled with an improved and better-funded education system, Job Ready Pennsylvania will play a major role in preparing our state's workforce for the jobs of today and tomorrow."

Other noteworthy budget commitments concerning businesses include \$15 million to support programs to train workers in all industries with the skills employers require to compete in the marketplace; \$3 million to develop advanced technology skills for workers at colleges and universities; and \$5 million to foster and support industry partnerships that have already proven success-

ful in such industries as powdered metals and food processing.

Passage of the governor's Growing Greener II Initiative will allocate \$625 million in funding to address environmental problems in the Commonwealth. In regards to businesses, the Initiative will finance the inspection of abandoned mines and contaminated industrial sites and develop and institute advanced energy methods.

Education also played a key role in the new budget with Pennsylvania's 14 community colleges getting a \$22.8 million upgrade in operating and capital funding, the largest increase in 15 years. Funding for pre-kindergarten through 12th grade will increase by 3.5%, as will funding for basic education programs by 3.9%.

As states across the nation struggle with the burden of Medicaid program costs, Pennsylvania was able to avert major Medicaid cutbacks and approve an increase of \$686 million, or 8.7%, to the Department of Welfare.

While the Pennsylvania business sector regrets the scarcity of tax relief and assistance in the new budget, the Rendell administration is proud to maintain key services and programs and continue the three-year trend of historic investments in the commonwealth with no increase in taxes.

Editorial: Engaging China/ Westmoreland Businesses Weigh the Possibilities

Reprinted from the Pittsburgh Post-Gazette

Wednesday, July 06, 2005

Dan Simpson

The United States can take one of two basic approaches to the runaway train of Chinese economic development that is bearing down on it.

One is the classic deer-in-the-headlights stance: contemplate the horror of what is taking place and wait for the crash. The other is to jump on the train and head for the cab of the locomotive.

A group of Westmoreland County businessmen and education leaders are taking the latter approach. Some 38 of them met last week at Westmoreland County Community College under the aegis of the Labor-Management Committee of the county's Industrial Development Corporation. The subject was "The Economic Impact of Trade with China." The participants' objective was to learn more about the economic and commercial situation between the United States and China, and, particularly, how to use it to improve America's and their companies' circumstances in the face of the Chinese challenge.

The moderator was Westmoreland County Commissioner Tom Balya, and panelists included a Saint Vincent College dean and economist who had worked in China, the head of Duquesne University's Industrial Growth Works and a retired American ambassador who provided political context.

Some nine companies were represented, as well as six colleges and universities, an education center and the area school district. Interesting information was put on the table. Discussion and questions were lively, and, even more relevant, pointed toward actually doing business with and in China.

The session in Youngwood made it very clear that, although America's very unfavorable balance of trade with China, and the fact the United States is borrowing upwards of \$2 billion a day from it are cause for serious concern, it is also the case that the economy of that huge country, with a market based on a population of 1.3 billion, constitutes an important opportunity for American exporters and investors.

All that U.S. business needs to do is become smart enough to take advantage of the possibilities it presents. Seminars like the one organized by Westmoreland County's Labor-Management Committee can make that possible.

Congratulations!

Recognition for Performance

Congratulations to the Westmoreland-Fayette Workforce Investment Area (WIA) and the CareerLink staff for being recognized for high performance. Recently, the Pennsylvania Department of Labor & Industry's Center for Workforce Information and Analysis distributed WIA Title I performance statistics for the 2003 program year. Of the 22 Local WIAs in the state, this report identified the top five in each of the 15 performance measures tracked.

Westmoreland-Fayette WIA ranked third in the state in meeting or exceeding all performance standards and first in providing services to Dislocated Workers. Because of their high level of performance, specifically with Dislocated and Adult participants, they were targeted as a resource to other Local WIAs in the state of Pennsylvania looking for information and insight into meeting or exceeding negotiated performance levels.