

# NATIONAL REVIEW

## Coal Miners Should Protest to Their Union, Not to Congress

The United Mine Workers of America made promises they can't keep.

By Rachel Greszler — September 8, 2016

**T**housands of active and retired coal miners are expected to march on the Mall in Washington today. They are marching because they now see that they stand to lose something that their union has always told them they can count on: secure pension benefits and cradle-to-grave health care.

The miners, members of the United Mine Workers of America (UMWA), want Congress to make good on their union's promises. But their march is misdirected. They should be advancing on their union's headquarters, pounding on the doors there and asking questions. After all, it was the UMWA, not Congress or taxpayers, that made overblown promises to nearly 10,000 active and retired coal miners, promises that can no longer be kept.

The UMWA has failed its workers. It started paying out benefits to them only a year after its health and retirement fund was established. And over the decades since, it has consistently over-promised and underfunded those benefits. Rather than owning up to its failures, the UMWA is trying to foist responsibility on the federal government, demanding that taxpayers finance the UMWA's shortfalls.

The UMWA's website wrongly claims that "miners were promised lifetime retirement benefits by U.S. President Harry Truman in 1946." The UMWA is referring to the 1946 Krug-Lewis agreement. Interior secretary Julian A. Krug and UMWA president John L. Lewis settled on the temporary terms of employment during the government's brief control of the mines. Although Lewis attempted to terminate that contract, illegally, in 1946, the agreement officially ended in 1947 when the mines were returned to their original owners.

The 1946 agreement facilitated the establishment of a pension fund for the UMWA, but it unequivocally excluded the government from any role or liability in the plan. It states clearly that the plan's "trustees shall have full authority with respect to questions of coverage and eligibility, priorities among classes of benefits, amounts of benefits, methods of providing or arranging for provisions of benefits and all related matters."

Moreover, the original 1946 welfare and retirement plan was extremely short-lived. It was replaced by a new plan in 1947 and then reorganized into a separate pension-only plan in 1950. An additional pension plan was created in 1974, and in 2007 it was merged with the 1950 plan.

Despite the ahistorical background information on the UMWA's website, it's abundantly clear that the 1946 agreement did not provide any commitment, let alone an open-ended one, by the government to back up whatever promises the UMWA would make to its members but fail to uphold.

Given the weakness of their legal argument, and putting aside entirely the morality of demanding that taxpayers pick up the financial burden created by the union's irresponsible funding and investment decisions, the UMWA has turned to a backup tactic — stir up sympathy — to generate support for a taxpayer bailout. “Union miners have continuously worked to energize and protect their Country,” the UMWA website trumpets. Well, yes, they have, but so have all sorts of other workers.

Truck driving can be wearisome work yet it's important to keep the economy going. The pension plan for the Central State Teamsters trucking union has \$35 billion in unfunded liabilities. And certainly no one will dispute the importance of teachers. The Chicago Teachers Pension Fund has \$9.5 billion in unfunded liabilities. Should taxpayers have to pick up the tabs of any private or public pension so long as it represents workers in useful or laudable occupations?

This would open the door to a multi-trillion-dollar taxpayer bailout of private and public pensions. The only people excluded from a pension bailout would be those working hard to save on their own through personal retirement accounts.

Lawmakers or taxpayers who oppose a UMWA bailout have nothing against coal miners. Most probably have a great deal of compassion for them. Coal mining is physically taxing, imposes serious health risks, and provides one of the least desirable work environments. Coal miners who endure these conditions have a legitimate claim on the pension benefits that are part of their compensation and that their union promised.

The UMWA should not have made promises it can't afford to keep, but two wrongs do not make a right. The American people did not create this problem, and it is not Congress's responsibility to fix it.

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