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Bakery, Confectionery and Tobacco Workers International Union

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FRANK HURT
INTERNATIONAL PRESIDENT

May 3, 1994

The Honorable Rick Boucher
U.S. House of Representatives
Washington, DC 20515

Dear Congressman Boucher:

On behalf of the 125,000-member Bakery, Confectionery and Tobacco Workers International Union, I am writing to express our deep concern over the article in the May 2 edition of the *Washington Post* indicating that you are rethinking your position regarding a massive new tobacco excise tax to pay for health care reform.

The BC&T International Union represents more than 15,000 men and women employed in the cigarette manufacturing industry, including 5,450 in the state of Virginia. In the past, you have consistently supported the interests of those Virginians whose livelihoods depend of the tobacco industry. We call on you not to abandon them now.

Tripling the excise tax, as the President has proposed in his health care reform plan, will destroy thousands of jobs in every facet of the tobacco industry in Virginia besides growing -- processing, manufacturing, retail and wholesale trade and suppliers. As you know, this would have a devastating economic and social impact on your district and the entire state.

We understand your interest in seeking alternatives for your district's farmers. But your career has always been marked by concern for the working people of Virginia too. That is why our union has supported you.

No one is talking about the impact of this tax on Virginia's tobacco workers. Where is the discussion of "conversion" for the thousands of Virginians who process, transport and manufacture tobacco products? As Representative Synar said in the same *Washington Post* article "tobacco farmers are the only people anyone wants to help."

The reality is, there is no "conversion" for tobacco workers. Ask Representative Sisisky what the former tobacco plant and workers in Petersburg are doing. Nothing comparable in pay, benefits or revenues to cigarette manufacturing. In Durham, N.C., the factories have been converted to chic shopping centers, and \$18 per hour jobs replaced with \$5 per hour jobs.

Virginia's tobacco manufacturing economy is still viable. Philip Morris has no plans to shut Richmond down. But what will happen if the tax increase passes? Look to North Carolina. R.J. Reynolds, whose market share has declined, is closing its factory at Whitaker Park, which is comparable in age and technology to Richmond. Its only remaining factory will be the Tobacconville plant which is equivalent to Philip Morris' Concord, North Carolina, facility. RJR production is being shifted to Mexico and Eastern Europe.

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We are concerned that the impact of the tobacco tax will jeopardize the Richmond operation (as well as our Louisville Philip Morris plant). Literally thousands of factory jobs are at stake in Virginia. Mike Synar and tobacco opponents do not care about those workers and their families. We must, therefore, depend on Democrats like you.

Your help is especially important because the threat to Virginia tobacco jobs is not coming primarily from traditional market forces or technological change but from government policy — a policy designed explicitly to destroy an industry that is a linchpin in your state's economy.

We recognize the enormous pressure on all members of Congress, particularly those who have traditionally supported the interests of the thousands of men and women employed in the tobacco industry, including tobacco farmers. The BC&T International Union shares your desire to see meaningful health care reform legislation pass the Congress. But it makes no sense at all to put forth a plan that will have as its result the destruction of an entire industry.

For your information, I have enclosed a copy of a letter which I recently wrote to the *Wall Street Journal* which details my union's position on the importance of tobacco industry jobs to the Southern economy.

We hope you will continue to stand strong on this issue. Thank you for your consideration of our concerns and we look forward to hearing from you.

Sincerely,



Frank Hurt
International President

FH/CJJ:kfw
Enclosure

cc: Virginia State AFL-CIO President Dan LeBlanc
BC&T Local 203-T President Jerry Sprouse

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