

*For Farmers, Confectioners and Tobacco  
Workers International Union*

10401 CONNECTICUT AVENUE, KENSINGTON, MARYLAND 20895-3961  
TELEPHONE (301) 933-8600 FAX (301) 946-8452

FRANK HURT  
INTERNATIONAL PRESIDENT

April 14, 1994

The Honorable John Dingell  
U.S. House of Representatives  
Washington, DC 20515

Dear Representative Dingell:

Recently, some members of Congress who advocate massive new cigarette excise taxes to fund health care reform have called for earmarking a portion of the increase to provide financial assistance to tobacco workers and their communities who will be hurt by this policy. As the International President of the union whose members stand to be hit the hardest by a cigarette tax increase, I feel compelled to address this issue.

The proposal may be well-intentioned. However, I am deeply concerned that it may make the tax increase more palatable for many in Congress who are concerned about job loss but unfamiliar with the realities of the tobacco industry.

Cigarette manufacturing is one of the nation's most productive, competitive, highly-unionized, and highly-paid industries. It is, in fact, world-class in every sense of the term.

These factors become even more pronounced when one recognizes that the industry is located primarily in the Southeast, a region with one of the smallest industrial bases in the country. The wage and benefit levels realized by tobacco workers make them and their jobs the economic linchpin of an entire region of the country.

Recapturing the lost income, purchasing power and quality of life currently enjoyed by those workers employed in the tobacco industry would take unrealistic and unattainable levels of federal funding. What would likely be provided to these workers and their communities would not begin to ameliorate the economic and social dislocation that will result from the crippling of the tobacco industry.

The nation is witnessing firsthand right now the inability of retraining and assistance programs to address adequately the massive dislocation taking place in defense-related industries. Over the past two decades, we have also seen the limited impact of retraining and adjustment assistance used to address the dislocation associated with unfair and inadequate international trade policies in the auto, steel, glass and machine tool industries.

Even in those regions with the most developed industrial bases, high-wage, high-skill jobs just aren't there in any significant numbers to employ workers who have lost their manufacturing jobs. In many ways, despite the best intentions, the promise of job retraining and adjustment assistance has become a false promise.

Manufacturing job losses have an even greater impact in the Southeast because of the region's smaller, less developed manufacturing base. And what we are talking about in this case is not simply a shrinkage of a portion of an industry, but rather the virtual elimination of an entire industry.

We at the BC&T know firsthand the personal and economic hardship caused by the closing of a cigarette manufacturing facility. On the afternoon of December 13, 1985, the doors of the Brown & Williamson Tobacco Company plant in Petersburg, Va., closed for the last time.

The plant once employed thousands of our union members. It closed, the victim of unfair international trade policies of U.S. trading partners, the overvalued dollar and a corporate decision to respond to Far East protectionism by shifting production there.

The union was able to negotiate extensive severance pay and retraining benefits for our laid off members. But in the eight years since the plant closed, few of the workers from the Petersburg plant have been able to find new jobs providing anywhere near the level of pay and benefits they were receiving at Brown & Williamson. Those jobs, particularly in the Southeast, simply do not exist regardless of the amount of retraining a worker receives.

What the union and our members find most outrageous in this entire cigarette tax debate is that their own government is energetically pursuing a policy specifically designed to destroy their jobs and disrupt their lives. To our knowledge, never before has the federal government sought to destroy an American industry -- in this case an industry with a history and heritage as old as the nation itself.

The BC&T urges you to look beyond the rhetoric and anti-smoking hysteria and see the issue in its entirety. We also suggest that you not be assuaged by the false hope of retraining and adjustment assistance.

Our members in the tobacco industry are good citizens and proud of the work they do. To paraphrase President Clinton, they work hard and play by the rules. These men and women should not have to watch their careers be tossed away by their own government.

Thank you for your consideration of our concerns. We look forward to hearing from you.

Sincerely,



Frank Hurt  
International President

FH/CJJ:kfw