

# 22,600 retired US coal miners face loss of health benefits on May 1

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Nearly 23,000 retired coal miners and their spouses will be cut off health insurance on May 1 unless Congress passes a stop gap measure to shore up the United Mine Workers of America (UMWA) Health and Retirement Funds.

Many of the retirees have worked decades and have debilitating diseases such as black lung and emphysema, which are contracted from breathing coal dust. Others were hurt in crippling accidents and only receive a pittance in disability benefits. The retirees and disabled miners are too young to receive government-funded Medicare benefits.

Donald Trump won the election in mining states like West Virginia, Kentucky, Pennsylvania and Ohio, in part because of promises made to “bring back coal” and “stand up for the miners.” Since taking office he has rolled back pollution controls and other government regulations to boost corporate profits while remaining silent on the impending disaster facing tens of thousands of miners and their families.

About 16,000 of those facing an imminent cutoff worked at St. Louis-based Peabody Energy, the world’s largest private-sector coal company, and its spin-off Patriot Coal. These companies and others deliberately used the bankruptcy courts to escape paying into the UMWA funds. Peabody filed for bankruptcy in 2016, while Patriot filed for insolvency protection in 2012 and again in 2015. Other miners affected by the benefit cuts worked for Walter Energy or Alpha, both of which declared bankruptcy.

The funds were set to run out of money last winter and miners were sent letters informing them their health coverage would stop in December. At that time, Congress agreed to a four-month extension. Money for the 22,600 miners will run out by the end of this month.

Retired coal miners from Pittsburgh, Pennsylvania area spoke to the *World Socialist Web Site* about the hardships retirees face. “I worked 22 years,” Edwin explained, “But I came out when a roof fell and messed up my leg. After that I couldn’t work anymore, so I retired.”

His mine had changed ownership numerous times, he said. “It went from Ellsworth to Bethlehem Mines, to Beth Energy, to 84 Mining. Then Consol came in and they shut it

down. These companies don’t want to give up anything. If you take health benefits from retirees and widows out here and in West Virginia, people will have nothing to live on. You take that away where are they going to go?

“It’s wrong to do that to people. They don’t know you once you’re out of the mines. These companies just say you’re a number—and that hurts.”

“They try to kick you off insurance,” continued Russell, who had 10 years at the same mine. “They try to kick you off everything they possibly can. They are grimy, that’s the only way I can put that. Miners put into it [the retirement fund], so why shouldn’t they keep getting it out?”

Speaking of the history of struggle among coal miners, Edwin explained, “My sister was a union rep and she was awesome. She used to go out there and lay down in front of trucks trying to move coal during strikes. She had a family, but she would lay down there and go to jail. She was something. You don’t really have anybody fighting like that now,” Russell added.

“If you don’t stay together, you can’t win anything,” Edwin concluded.

Opposed to any serious struggle, the United Mine Workers of America (UMWA) has called on miners to prostrate themselves before Congress and appeal to the corporate-controlled politicians to protect benefits, which were won only through the bitterest class battles against the coal companies and the government.

UMWA President Cecil Roberts has called on retirees to urge Congress to pass the Coal Miners Protection Act, which would transfer funds from the Abandoned Mine Lands Reclamation Fund to the Multiemployer Health Benefit Plan and the 1974 United Mine Workers of America (UMWA) Pension Plan. Even if the measure were passed it would do nothing to protect pension funds, which could face insolvency by the end of the year. Moreover, the deal could include higher out-of-pocket costs or benefit reductions for current or future retirees.

The Coal Miners Protection Act (House Resolution 179) introduced in January by West Virginia Republican

Congressman David McKinley and now in committee, “prohibits the pension plan from making certain changes to benefits during any year in which a transfer is received,” but does not preclude pension cuts in any other year. It would also relieve companies with UMWA contracts of the obligation “to pay unassigned beneficiaries premiums or backstop premiums if transfers under SMCRA (Surface Mining Control and Reclamation Act of 1977) are less than the amount required to be transferred.”

The bill, which is being pushed by several Democrats with close ties to the mining industry, including West Virginia Senator Joe Manchin III, would bail out the coal bosses and their servants in the UMWA.

Health care and pensions were never granted to miners by the coal operators. In 1946, 400,000 miners struck—as part of the massive post-war strike wave involving 4.6 million workers in some 5,000 walkouts—and defied President Truman’s threat to draft strikers into the military and order them back to work. A deal signed between UMWA leader John L. Lewis and US Secretary of the Interior Julius Krug established a royalty system that compelled the operators to pay a fee on every ton of coal the miners extracted.

From its inception in 1947, however, the new system was riddled with contradictions. Because the arrangement was based on the tonnage of coal produced, not the number of workers, the UMWA cleared the way for mass layoffs in the 1950s through the introduction of new mining technology.

Over the next several decades, the funds were undermined by the coal companies’ demands for waivers, the growth of non-union coal production, the wave of corporate bankruptcies and finally the plummet in coal production. In the name of making US coal producers more competitive against their foreign rivals, the UMWA signed one sweetheart deal after another.

To overcome the militant resistance of the miners, former union president and now AFL-CIO chief Richard Trumka and current UMWA President Roberts deliberately betrayed strikes against A.T. Massey, Pittston, Peabody and others in the 1980s and 1990s. By the 2000s, tens of thousands of miners had lost their jobs, and conditions had been thrown back decades—with deadly disasters at Sago and Upper Big Branch mines and a spike in the deadliest forms of black lung disease.

The solvency of the funds was further undermined by the 2008 financial crash and the collapse in the global demand for coal. US coal production peaked in 2011 reaching nearly 1.1 billion tons, largely based on growing international demand for coal and steel. The slowdown in China—where nearly two million coal miners and steelworkers are losing their jobs—and around the world drastically reduced demand. In 2016, total US coal production had fallen to just 728

million tons with exports of just 60 million tons. The drop in the price of natural gas—which power plants now use more than coal—worsened the situation further.

As part of Patriot Coal’s bankruptcy restructuring, the UMWA negotiated a Voluntary Employees Beneficiary Association (VEBA) in place of the company’s standard payment into the union-controlled funds. While the arrangement provided union bureaucrats with lucrative posts managing the VEBA, Patriot Coal and Peabody later used the bankruptcy courts to renege on their commitments to pay \$400 million into the new scheme.

As far as the coal operators, congressmen and UMWA executives are concerned, miners are simply living too long after retirement. They are determined to solve the pension and health care “crisis” by reducing benefits and killing off workers sooner.

If miners and their supporters are to defend their hard-fought benefits they must reach out to the tens of millions of other workers facing similar attacks, including truck drivers, teachers and other public and private sector workers, to build a powerful industrial and political counter-offensive against big business, Trump and both corporate-controlled parties.

If the social rights of workers, including the right to health care and a comfortable retirement, are to take precedence over private profit and the squandering of trillions on war, workers must fight for the nationalization of the mining and energy industry as part of the socialist transformation of the economy.



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