

PRESS RELEASE

Cement giant Lafarge plans to end retiree medical benefits

Workers at Sugar Creek plant would be affected

INDEPENDENCE, MO, August 29, 2008 – Lafarge, one of the top two cement companies in the world, intends to phase out health insurance for union retirees at its Sugar Creek plant, near Independence, said David Herron, president of Boilermakers Local D27. Herron's local represents 55 hourly production employees at the plant.

"We've been in contract negotiations with Lafarge since spring," Herron said. "Our members have twice rejected the company's proposal because of what it means to retirees. We're disappointed that a company with \$3 billion in net income last year would cut medical benefits for employees at the end of their careers, people who have helped make the company profitable. It's not what you'd expect from a world leader in the cement industry."

Under Lafarge's proposal, new hires (those hired after the next contract goes into effect) would be ineligible for retiree medical insurance coverage. Union members currently employed at the plant would be forced into a separate insurance grouping upon retirement, and their premium share would likely double. Currently all bargaining unit workers and retirees are covered by the same plan. Participants pay \$254 per month for family coverage.

Carey Allen, Director of the Boilermakers CLGAW Division (Cement, Lime, Gypsum, and Allied Workers), said he hopes the company will reconsider its proposal. "Making cement is hot, dusty, dirty work. Local D27 members have made many concessions to Lafarge, and the company has cut the workforce substantially. Our members work rotating 12-hour shifts that take a toll on them physically and make it difficult to have a normal family life. Retirement is when these workers most need medical insurance."

Allen said the Sugar Creek plant is a good performer for French-owned Lafarge, and Local D27 members have set records for production and safety. "These guys have not had a lost time accident in seven years," he noted. "This is a strange way to reward your workforce."

Local D27 and Lafarge are scheduled to return to the bargaining table Sept. 10.

The International Brotherhood of Boilermakers is headquartered in Kansas City, Kan. The union represents workers primarily in industrial plants and shops, construction, shipbuilding, manufacturing, and railroads.

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