Local 425, OPEIU's Newest, Has a Half-Century History

An independent clerical union in Cleveland, Ohio, has celebrated its golden anniversary by affiliating with the OPEIU.

On July 14, 1916 the clerical workers employed in the headquarters of the Brotherhood of Locomotive Engineers, Firemen and Enginemen formed the Grand Lodge Employees' Association (GLEA) to bargain for their employers collectively. Ever since it has negotiated working conditions in half a century as Local 425.

The metamorphasis into the OPEIU's newest chartered local came about because the officers and the vast majority of the GLEA membership of 85 realized that now more than ever they stood to gain by linking up with others with the same problems and goals.

They wanted representation by Independent Local which has the trained staff, experience and resources to cope with the many problems confronting white-collar workers in these fast changing times. And they wanted to eliminate the disparity in bargaining strength between a powerful union and a relatively small group of its employees.

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The Answer Is Fair Play

An Administration Management Society survey of 1,631 firms showed a turnover in office staffs of 20% in 1965.

The turnover in 1964 was 22%. It is already evident that the trend has reversed and that this year office workers are quitting their jobs at a much faster rate than ever before as employment opportunities grow.

The Wall Street Journal reported that one insurance firm with an annual turnover of 38% is "reviewing the entire salary situation."

We think most employers will find that the high rate of turnover is due to low rates of pay. Office employees, like other workers, are interested in obtaining wages commensurate with their education, ability, and experience.

Unemployment Compensation—
Now Is the Time for Reform

The AFL-CIO is appealing to the Senate to strengthen the Unemployment Compensation bill passed by the House. It seeks a bill establishing minimum federal standards.

The bill passed by the House merely extends coverage of unemployment insurance to additional groups of workers and provides for an increase of thirteen weeks of federal benefits when joblessness reaches recession levels.

Secretory of Labor Willard Wirtz appeared before the Senate Finance Committee and stated that benefit ceilings set by the fifty state laws are too low to provide jobless workers with payments equal to one-half of their lost wages. He urged that ceilings be gradually moved up to two-thirds of the average wage in each state.

The Office and Professional Employees International Union noted also the failure of the House bill to protect workers from unreasonable disqualification. In numerous cases, workers have been deprived of benefits after the employer took the position that the worker brought on his own discharge. In New York City, the OPEIU once took a case to arbitration and after failing to gain reinstatement, found that the worker was also denied unemployment insurance. The worker was hit coming and going.

In a statement forwarded to the Senate Finance Committee, OPEIU President Howard Coughlin testified: "Acutely needed today are a number of revisions which would enable the Unemployment Compensation program to effectively fulfill the goals for which it was originally established."

Unless action is taken now, while the economy is fairly prosperous, the unemployment insurance program will not be able to meet jobless workers' financial needs during a recession or depression. (See Monthly assessment page 4.)

Back Pay Awards Aren't Enough

The National Labor Relations Board recently disclosed that it had awarded a total of $2,759,550 in back pay during the year 1965 for illegal discharges. Despite the crackdown of the NLRB, management continues to use illegal firing as a weapon against collective bargaining.

The AFL-CIO has called on the government to deny contracts to companies found guilty of unfair labor practices.

The Executive Board of the Office and Professional Employees International Union announced at its June meeting its complete support of this policy of the AFL-CIO and demanded tougher penalties for employers who violate the labor law.

TVA's Office Workers Win 3.5% Increase

Four OPEIU locals took part in the negotiations which have resulted in wage increases for some 2,500 office workers at the Tennessee Valley Authority, the great public power system.

Approved by the TVA Board of Directors, the raises ranged from $120 to $450 a year according to job category. The new maximum rates range from $4,580 to $8,530 annually for clerical and secretarial employees, and from $8,000 to $13,150 a year for administrative and fiscal employees.

The TVA Board acted July 1 and the new scales went into effect July 3. The TVA estimates the increase in gross compensation to be more than 3.5 per cent.

The office workers were represented in the negotiations by the Tennessee Valley Salary Policy Council. They are members of Local 32, Sheffield, Alabama; Local 119, Chattanooga, Tennessee; Local 268, Knoxville, Tennessee; and Local 273, Paducah, Kentucky.

Women Are Taking Jobs
At Faster Rate Than Men

Women have been pouring into the labor force in the U.S. at so fast a rate that during the 15 years between 1940 and 1965 they made up more than 60 per cent of the labor force.

The U.S. Department of Labor estimates in its "1965 Handbook of Women Workers" that the number of women—most of them homemakers—will go up 41 per cent in the next 15 years while the number of male workers is rising by only 27 per cent.

The 321-page handbook brings out these further facts indicating the important role women play as workers:

- One half of all American women in the 45 to 54 age group are now in the labor force.
- Half of all women workers are more than 40 years of age.
- In general, older women are less likely to hold full-time jobs.
- Some 26 million women are now in the labor force.

Employer Denies Roster; Election Is Set Aside

An employer's refusal to give the Auto Workers a list of employee names and addresses is sufficient reason for setting aside a representation election and ordering a new election, the NLRB has decided in the first decision since the name-and-address rule was adopted last year.

The NLRB's regional director in charge of the election, the AFL-CIO-produced film, "Congratulations, Laurell! You're the thousandth employee I've fired in my career!"

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The 1968 convention of the Office and Professional Employees International Union will be held in Miami Beach, Florida, at the Carillon Hotel. Originally Washington, D. C., was picked for the convention site but satisfactory arrangements could not be made there.

The Computer and Staff Protection

By "Cassius"

(From Cover Note, published by the Guild of Insurance Officials of the United Kingdom)

"Productivity" is an innocent enough set of syllables when bandied about at board meetings or in electoral campaign speeches, but think what it means to insurance men, individually and in general. It means new methods of work, it means MacKinsey and being moved about. In short it stands for all the inconvenience of change, because it is just another word for efficiency and doing more work in the same amount of time.

I realise that our national solvency, and more personally, my salary, depend on an increase in productivity, though like everyone else I cannot see how I can work any harder than I do at the moment. If there were a change in organisation and in the way our business in general is carried out I could get more done. But insurance companies generally are unaware of organisation, and, so far as many are concerned, productivity ends up as a computer.

My knowledge of the workings of a computer is slight. I know that it works on the binary system and that a current of electricity and the absence of a current represent 0 and 1, or vice versa, but the more esoteric information it7 had left to me. Computers, of course are not the first mechanical aids to offices; there are typewriters, (the introduction of which struck the fear of redundancy in the hearts of the scribes of commerce at the turn of the century) adding machines, telephones and dictating machines, but the computers are the first to perform large scale duties.

No pressures

The use of computers in insurance is increasing rapidly and all of us will be affected by them sooner or later.

We must accept the increasing automation of our industry as inevitable, but we can make sure that it causes us the least inconvenience possible.

The main safeguard is full consultation between management and staff, which means the Guild. The staff must be told we7 will be affected, that their jobs will disappear, they must be told exactly when this will take place and if they decide to obtain another job before the change there must be no pressure put on them to stay—for no loss of pension or foreclosing on staff mortgages or any of the other arm-twisting tricks insurance companies are prone to.

New staff joining must be told before they take a job that they will have to change to something else after a while. This consultation and full disclosure must be continuous and the staff informed of any change in plans.

Not all wrong

All those who are misplaced must be guaranteed complete and proper training for whatever new duties they have to carry out, and there should be no loss of seniority or status.

These main requirements have been laid down by the Trades Union Congress, the National Federation of Professional Workers and many other responsible bodies. The Minister of Labour, Ray Gunter, has said "I hold firmly to the view that whenever changes affecting employees are being introduced, it should be a normal part of good management practice to keep dislocation to a minimum by advance planning and to give employees the fullest and earliest information possible on what is going on."

We can't all be wrong in thinking this and I hope that the insurance companies will realise their responsibilities.

Two Labour Conferences To be Held in Ottawa

Ottawa will be the host to two significant labour conferences this September.

The Canadian Labour Congress has called a national conference on injunctions and related matters affecting collective bargaining. It will take place September 27-28.

"Unions are finding that more and more legal hurdles are being thrown in the way of collective bargaining." President Claude Jodoin said in announcing the meeting. He cited the issuance of some 298 injunctions in British Columbia in the past three years.

The American Regional Conference of the International Labour Organization will meet in Ottawa September 12-23. It will deal with the relationship between manpower policies and economic development and the role of minimum labour and industrial relations. It will consider the delegations from 25 American nations will attend the conference, being held in Canada for the first time, since 1915.

Labor and the Law

By Joseph E. Flaherty

OPEIU General Counsel

New Operation—Or Accretion?

If your employer opens a new operation, what are your chances of getting the employees covered under your contract?

Many unions have been built upon growth occasioned by the employer's opening of new installations and automatically adding the employees to existing contracts. If a regional chain store, for example, has 15 stores under one contract, and opens up a new one, there must be thought about the legality of adding the 16th store to the same contract. But what about the situation where the employer has but one operation and opens up a new one in the same general trade district?

A new NLRB ruling involving two plants in Michigan handles some hot legal grounders. The employer, with a certified union in his plant, opened up another location 18 miles away, doing the same work. He then argued that the new plant was a separate unit.

By this time, the new plant was in full operation, with as many employees working as in the first shop. An outside union began a quick organizing drive, and filed a petition for an NLRB election for the new plant.

The Board referred the case to an arbitration board. Under the arbitration award, the new plant was certified to the union. Since the Board was not better off and the Board was still faced with the problem of deciding on the merits whether or not there was an accretion.

Although the same product was manufactured, the new plant was an entirely new operation, the Board said. There was separate supervision at the new plant. There was no interchange of employees. There was a separate pay scale, and none of the provisions of the contract had been applied at the new plant. Hence, the arbitration award was relinquished. In view of the fact that a single plant unit is always presumptively appropriate, the Board said the new operation was a new separate unit and not an accretion.

But because of the similarity, the employees were allowed to vote whether they wanted to join one unit with the incumbent union, or have their own separate unit with the petitioning union.

Thus, if a new employer opens a plant that is separate and distinct, you will have some difficulty in adding it to your contract. The incumbent union in the Michigan NLRB case was faced with the job of organizing the new shop and winning an election there. On the other hand, if the employer is willing to add the new operation to your contract, and if there is no outside union to file a petition, you may well succeed.

In another case where an employer did agree to add a new operation to an existing contract, the Board ruled it was not an accretion and both the company and the union were found guilty of unfair labor practices. In this case, a disaster was rolled under a union shop contract took the case to the Board, filed charges, and successfully dynamited the whole arrangement.

But what is a valid accretion which you can rely upon? Where a new operation is temporarily closely related to the current operation, where there has been some transfer of personnel, where some work passes back and forth, and where the new operation is considerably smaller than the old shop, your case may be correct.

One of the best legal examples involves OPEIU local 45 in the Gillette Motor Transport case in 1962. After the union won an NLRB election at Gillette, the company purchased a small truck company and its operation. It opened a new plant for clarification to add nine employees of the small company into the certified unit. Even though there were separate payrolls and separate stockholders, the employees were found to be in the same work after the same work was performed, there were the same wage rates, even the supervision was the same, and working conditions and benefits were generally the same. The motion was granted and Local 45 became its agent for new members.

Accretion cases can sometimes be extremely difficult and complicated. But watch out for them, for rarely let an opportunity pass to add coverage to your contract and pick up new members. If the problem looks tough get in touch with the International.
from the desk of the
PRESIDENT

Pension Credits Should be Portable

In a recent appearance before a subcommittee of the Joint Economic Committee, Secretary of Labor W. Willard Wirtz emphasized the shocking fact that millions of Americans will never collect from their company pension plans.

The reason is that every year thousands of workers lose their jobs or change jobs and are unable to take the pension credits they have built up to the new place of employment.

In addition, there are numerous cases where companies go out of business. The pension plans collapse.

Secretary Wirtz said that private retirement and profit-sharing plans now cover more than 25 million workers in the United States. He estimated that this number would increase to about 34 million in 1970 and to about 42 million by 1980.

He cited a report made last year by the President’s Committee on Corporate Pension Funds which recommended that a reasonable measure of vesting should be included as one of the standards for tax benefits enjoyed by corporations with pension plans.

The testimony of the Secretary of Labor served to remind members of the committee that there is need for a system of “pension portability” that would enable a worker to transfer his pension rights should he change his job. The present system of private pension plans tends to make it very expensive to a worker who seeks to better himself through a shift of job.

Secretary Wirtz said that he had no specific proposals for meeting the problems of vesting and portability but reported that the Labor Department and the Internal Revenue Service are now collecting and analyzing information on 7,000 tax-qualified retirement plans that went out of existence between 1953 and 1965. He stated that many of these plans which were lost were in union-organized companies.

Union-negotiated plans are far more likely to have protective provisions even though they may not go as far as union negotiators would like.

In too many instances, companies are still able to obtain the approval of the Internal Revenue Service for retirement plans which automatically exclude workers who join unions. While such plans may be in technical violation of the Labor-Management Relations Act, they can gain the acceptance of the Internal Revenue Service.

About 2.5 million men and women are currently collecting benefit payments under private pension plans and this number will increase to 7 million by 1980.

It is absolutely essential that the federal government pass legislation designed to protect the interests of workers covered by such plans.

In the words of the AFL-CIO, “A pension plan is not a conditional or discretionary gift by the employer, but rather current wages withheld to pay a life annuity or retirement.”

If private pension plans now in existence or in the process of formation are allowed to disqualify workers from eventually receiving pension benefits because the worker terminates his employment for any reason, or joins a union, such plans are discriminatory and unjust and should not be able to obtain the approval of the Internal Revenue Service.

If Congress allows private pension plans to deprive workers of earned pension benefits to which they are entitled, the government will be perpetuating an evil. It is time that the Congress acted.

Local 29 Gives Youth a Helping Hand

May Jaykiss, Alameda High School senior, signs up for part-time job at Permanent Services under Work Education Program. She will sign a Local 29 card too. Aiding her fill out form is Local 29 member Darlene Myers, seated to right. From left standing are C. Richard Winn of Permanent Services, Senior Business Representative John Kinnack of Local 29, and John Howsby, School District official.

High school students in Alameda County, California are sharpening their office skills and getting school credit as Local 29 members at Permanent Services in Oakland.

Under a Work Education Program, students work part-time and continue to attend school on a half-day basis. Initiated by the Alameda County Unified School District, the program is designed to expose high school students to the business world, offering them an opportunity to acquire knowledge and skill under actual working conditions. The students work at a growing number of East Bay firms.

At Permanent Services, where the clerical staff is represented by Local 29, the students are rotated among many departments to gain varied experience. Each student’s work performance is reviewed and evaluated upon completion of scheduled work in each department. The student is then counseled and advised of individual strengths and weaknesses to foster improvement of clerical abilities.

Each student becomes a member of Local 29, paying union dues at a reduced rate.

The program has received the enthusiastic endorsement of Local 29, reports Senior Business Representative John Kin-