



WHITE COLLAR

Office and Professional Employees International Union, AFL-CIO and CLC

U.S. Commission
On Automation

—page 2

No. 243

May, 1966

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J.C. Penney Unit Backs Local 29 in NLRB Poll

Clerical employees of the Oakland, California, Area Regional Accounting Office of J. C. Penney voted to join Local 29, Office and Technical Employees, in a National Labor Relations Board election held April 12-13.

A majority had signed union authorization cards before the election, and despite a strong anti-union campaign by the company, this majority held firm. The vote was 80 to 66.

Refusing to comply with a recent NLRB ruling, the company withheld the names and addresses of employees eligible to vote. Because of this, it was told by the NLRB that its violation would mean a second election if Local 29 failed to win the first.

In addition, the J. C. Penney Company sent letters to all employees quoting the Constitution and By-Laws of Local 29 out of context. Trying to scare the employees by making it appear that they were in danger of being arbitrarily fined or otherwise disciplined by the union, the company cited only those sentences that seemed to serve its purpose—ignoring the careful provision for hearings and appeals in the event a charge is brought against a member.

Offsetting the company propaganda, Local 29 Representatives Joe Needham and Bob Hipps conducted an organizing campaign without let-up. It was a many-sided effort that included meetings, mailings, handbill distribution and personal contact daily near the premises of the company.

Space Unit Picks OPEIU

An overwhelming majority of the 25 employees of Data Duplicators, Inc., a NASA contractor at the manned space center in Houston, Texas, chose OPEIU Local 129 as their collective bargaining representative in a NLRB election conducted April 13.

Local 27 Representative Mike Buzbee, OPEIU International Representative Jack Langford and Local 129 Business Representative Alma Herring were the team leading the successful organizing effort.

New Medicare Deadline: May 31

Persons 65 years or older who have failed to sign up for Medicare have until the end of this month to do so.

The original deadline of March 31 was extended to May 31 by Congress in view of the fact that about 1.3 million of those eligible for the Social Security health care program failed to act to enroll. Medicare benefits start this July 1.

Our union urges all retired and still working members and their wives and husbands to sign up for full Medicare—for both Plan A, the basic hospitalization program, and Plan B, the voluntary medical insurance program. The latter costs \$3 per month, but is a bargain because the premium is matched by government payments from general revenues.

Those failing to beat the May 31 deadline will have to wait until the next enrollment period in the fall of 1967 and will not begin to get benefits until July, 1968.

To sign up for Medicare go to the nearest Social Security District Office. Inquire at your local post office for the address.

See related story on insurance policies supplementing Medicare on Page 4.

Local 30's Gwen Newton Elected To Los Angeles Federation Post

Business Manager Gwen Newton of OPEIU Local 30 was recently elected a Vice President of the Los Angeles County Federation of Labor, AFL-CIO. This is the first time that a representative of the Office and Professional Employees International Union has served on the Executive Board of the Federation. Sister Newton is

also a Vice President of the OPEIU.

Along with three other newly elected members of the Board, Sister Newton was installed April 18. All four seats were newly created to afford wider representation to the more than half-million affiliated union members in Los Angeles County.

The Challenges of Organizing

By William L. Kircher

Director of the AFL-CIO Department of Organization

(This article was excerpted from the American Federationist.)

As the labor movement resumes its long-term growth, it faces unprecedented challenges in its organizing efforts. In a long and often turbulent history, trade unions have been broken and have risen again despite depressions, company police, court injunctions, armed militia, political attacks and even such prosperity as the American Plan offered in the 1920s.

Today, with the labor movement solidly established, unions are finding they can progress only if they recognize the vast changes underway in American society.

Rapid technological change, popularly called "automation," is remaking the workforce. The baby boom of the postwar years has come of working age. The civil rights revolution continues to ripple through every segment of American life. More women have become fulltime workers. The white-collar and technical occupations have emerged as the new growth areas. Education and training are clearly today's keys to advancement.

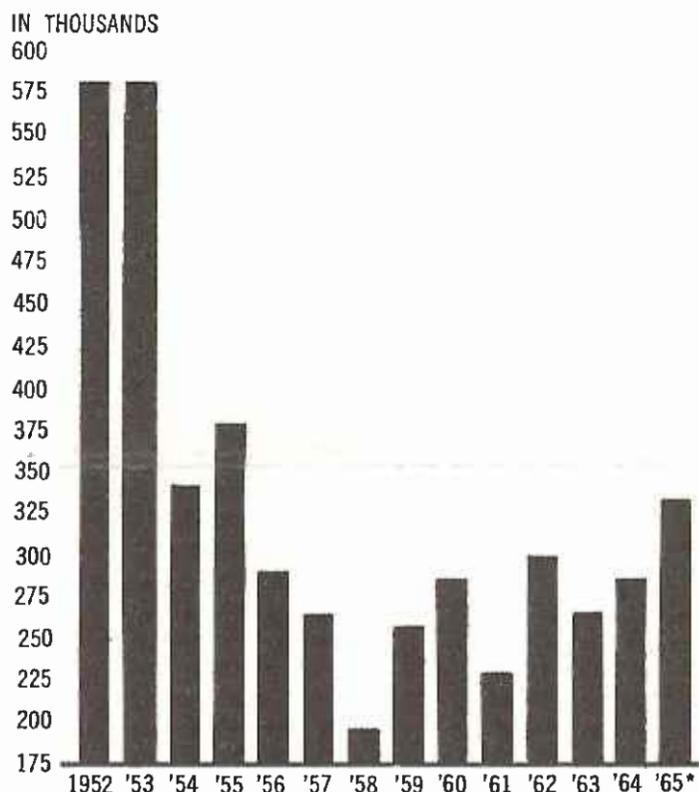
The new young look in the workforce has long been predicted. Experts say the average age in this nation will be 25 years by 1968. This means the "average person" will have been born in 1943. As far as the appeal of labor history is concerned, what can this young person be expected to know of the Great Depression, the sweatshops, the sitdown strikes, the union role in building the wartime "arsenal of democracy" and other early accomplishments? Most of the benefits for which union members struggled, bled and died were here when this young person arrived.

To try to create in him an understanding and appreciation of days and conditions that existed before he was born as a means of exciting him towards embracing unionism just isn't going to get the job done. Before he accepts unionism, he is going to have to recognize it as a helpful method of getting at the things bothering him today.

The growth rate of unions during the first 10 years of merger is a subject about which many writers have had a great deal to say. One thing is certain—organized labor's growth rate has not reached expectations. Over the past decade, union membership levels have remained rather constant. Organizing efforts have produced substantial growth in terms of new members, but this has barely offset the loss of membership through plant shutdowns, automation-shrunk workforces, runaway plants, etc. Simply maintaining the numerical total has meant the relative size of union membership has gradually worsened over the past decade as the workforce grew.

There are those outside the

TRENDS IN UNION GROWTH
Employees in units which voted union
in National Labor Relations Board elections.



labor movement who would like everyone to believe that all this means workers no longer need unions or that they no longer are attracted to unionism. This is pure hogwash.

The annual average number of workers in units for which unions have gained bargaining rights during this 10-year period is nearly a quarter million and the rate of acceptance in the last six-month period of 1965 hit a new 10-year high.

There is a noticeable upsurge of interest on the part of such critical groups as teachers, government workers, retail sales persons and others. The current increase in favorable organizing results is not, significantly, limited to any one geographical area.

One of the best indications of the fact that workers still need and want unions is a recent article in the Wall Street Journal which details the accelerated efforts and highpowered methods of managements to resist unionization by their employees. Obviously, if workers were losing interest in organizing into unions, there would be no necessity for an acceleration of anti-union campaigning.

Still, it is important to look at the reasons for the deceleration in the rate of union growth over the past decade—and there are reasons, many of them. They probably fall within five basic categories: the economic climate, the legislative encumbrances, the massive managerial area.

(Continued on page 3)

White-Collar Organizing Up

The OPEIU and other unions organizing white-collar employees made further gains last year, according to an analysis by the Bureau of National Affairs, Inc.

This was the fourth year in a row that more white-collar workers were organized than the year before.

Of 514 elections, unions won 318 covering 7,605 white-collar employees. This was 900 more employees than in 1964. But elections in white-collar units amounted to only seven per cent of all NLRB-conducted elections.

The BNA observed that the OPEIU and other unions added some members without having to go through NLRB elections.

WHITE COLLAR

Official Organ of
OFFICE AND PROFESSIONAL EMPLOYEES INTERNATIONAL UNION
affiliated with the AFL-CIO, CLC

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Automation and Collective Bargaining

Our union has always insisted that employees hit by automation are entitled to a variety of protections ranging from financial compensation to retraining opportunities.

It believes too that they are entitled to a share in the savings accruing from automation.

And it holds that these and related matters are to be decided at the collective bargaining table.

The trend is toward wider acceptance of these views.

One important development early this year was the report of the 14-member U.S. National Commission on Technology, Automation & Economic Progress, a key excerpt of which related to the needs of employees is published on this page.

The three labor members deplored the lack of a "tone of urgency" in the 200-page document and the failure of the others to agree with them on the need for a shortened work week, but nevertheless signed it as a forward-looking "agenda for action."

As Sam Zagoria of the National Labor Relations Board observed recently, the concepts adopted by the commission are a substantial departure from the narrow notion that companies may use a worker when they need him and toss him on the scrap heap when they don't. As he noted too, the report was the work of a group which included some of the leading industrialists of the United States.

Just as important is the fact that the NLRB has been thinking along somewhat the same lines as the commission.

This also was pointed out by Zagoria, who himself has long argued eloquently that automation should not be allowed to become a "people eater."

Among his many citations of Board rulings indicating concern about the effects of automation was this one:

"... the effect of automation on employment is a joint responsibility of employers and the representatives of the employees involved. To the extent that this responsibility imposes a statutory obligation on either party to bargain in good faith about wages, hours and conditions of employment, it is a matter over which this Board has jurisdiction. Certainly, in some cases, the adverse effect of changes in operation due to improved, and even radically changed, methods and equipment, could be at least partially dissipated by timely advance planning by the employer and the bargaining representative of its employees."

The phraseology is cautious but the point is clearly in the right direction.

Both the National Commission's recommendations and such NLRB declarations will aid us as we continue to use our strength to better the lot of white-collar workers in this age of rapid technological change.

White-Collar Restiveness

White-collar workers are increasingly restive.

So said Thomas McGrath, Employees Relations Manager for Johnson & Johnson, in remarks at a recent seminar at the University of Michigan's Graduate School of Business.

He went on to urge that companies should sponsor programs to detect and evaluate this restiveness in its early stages. Alerted to the prevalent grievances, management should then do something about them.

Reporting on current organizing drives among white-collar workers, he suggested that unionism might hit employers who ignored the signs of restiveness.

But calculated company beneficence can be no substitute for collective bargaining.

Benefits handed out unilaterally to inoculate workers against the appeal of unionism can be unilaterally taken away. Union-won benefits are both greater and written into a contract.

U.S. Commission Reports:

Basic Guarantees to Workers Are Key to Automation Adjustment

The following is excerpted from "Technology & the American Economy," the report of the National Commission on Technology, Automation & Economic Progress.

Whatever the characteristics of a given situation brought about by technological change, an adequate adjustment program must satisfy certain basic requirements.

First, those displaced should be offered either a substantially equivalent or better alternative job, or the training or education required to obtain such a job. This objective cannot be achieved unless displaced workers have access to the full range of available alternatives.

Second, they should be guaranteed adequate financial security while searching for alternative jobs or while undertaking training.

Third, they should be given sufficient financial assistance to permit them to relocate their families whenever this becomes necessary.

Fourth, they should be protected against forfeiture of earned security rights, such as vacation, retirement, insurance, and related credits.

It is difficult to estimate how many persons are covered by adequate adjustment programs. Beyond the well-known formal and collectively bargained programs, much is undertaken by managements on their own initiative or in conjunction with public agencies and community service organizations. Qualitative assessment is also difficult.

Because of the dearth of available information, we suggest that the Department of Labor and the Department of Commerce systematically investigate and report publicly on successful private adjustment programs developed through either collective bargaining or the unilateral efforts of management.

As increasing attention is given to adjustment programs,

standards of adequacy are bound to rise; today's more advanced ideas will be commonplace tomorrow. We may expect not only wider variety in the methods of adjustment, but also greater flexibility. For example, employers should be encouraged to give employees a chance to try new jobs without forfeiting their rights to old jobs.

There is general agreement that wherever possible reductions in the work necessitated by technological change should be accomplished by attrition.

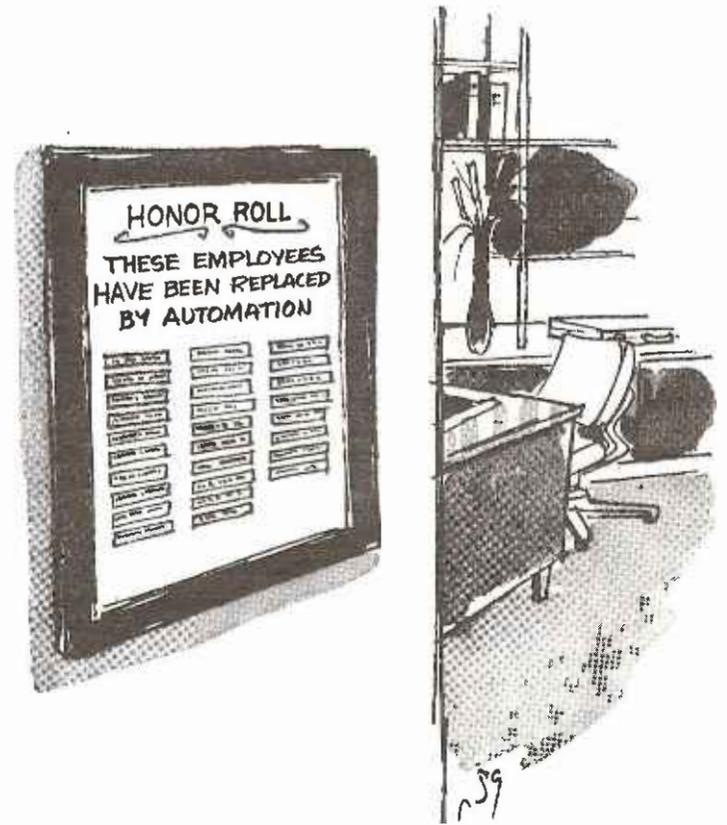
One of the main objectives of manpower planning is to obviate the need for sudden and substantial layoffs, and also to ease the impact on those who must be displaced. By studying attrition ratios and the age structure of the work force, and by attempting to project manpower requirements, employers could do a better job.

Because laid-off employees need time to explore alternative job opportunities, government agencies, unions, and

others have increasingly emphasized the need for an "early warning system" which will alert employees to the possibility or inevitability of future compulsory job changes. Formal arrangements do exist, but the notice periods are generally relatively short.

Recent research suggests that employer fears of premature job-changing are largely unfounded.

The value to employees of advance notice of technological change can be greatly enhanced if it is accompanied by assistance in finding alternative jobs or securing additional training or education. Employees should be given either time off with pay to look for other jobs or financial assistance while they upgrade their skills through additional training or education. Employers willing to lend this type of assistance might well make it dependent upon the employees' commitment to stay at their jobs through the transitional period.



Local 320 held its third annual workshop in Kansas City March 19. The main topic this year were the duties of a shop steward, grievance and arbitration procedure, and analysis of the dues dollar.



CANADIAN NEWS

Vacation Bank Plan Advanced by Local 378

Local 378 in Vancouver has come up with an idea to help members whose skills are outdated by technological change: The banking of vacations so that employees will have a period of paid time in which to take retraining courses.

Since retraining at night classes is difficult for workers with families, the union feels that full-time study at vocational schools and universities is preferable.

By setting aside, or banking, a part of every year's vacation an employee could accumulate the time he would need for such study. He would be able to go to schools elsewhere offering the training best suited to him.

Schemes like this require union-management recognition of the need for utilizing present employee resources. Such recognition is embodied in a recent agreement worked out by Local

378 President Ron Bone with B.C. Hydro after months of meetings. Under it, a joint union-management committee was set up to discuss changes in manpower requirements and skills and the training required to prepare the employees for them.

A provision in the Local 378 agreement now permits employees with 17 years of service who are entitled to four weeks of vacation to bank the fourth week for possible retraining use.

The union expects that this benefit will be liberalized so that younger employees too will be able to start vacation bank accounts.

White-Collar Workers Need Union, Dean Says

A top Canadian educator believes that professionals and other unorganized white-collar workers will find it essential to engage in collective bargaining if they are going to effectively participate in our rapidly changing society.

This view was expressed by Dr. A. W. R. Carrothers, dean of the University of Western Ontario's law faculty, in a keynote address to a conference sponsored by the University of Toronto's new Center for Industrial Relations.

Dean Carrothers observed that professionals might have to surrender a measure of personal independence once they take

collective action but said that without the advantages of such joint action, professional employees would suffer in negotiation of rewards.

Moreover, if professional employees are to participate in the formulation of national policies respecting income, collective bargaining is an obvious avenue, Dean Carrothers said.

He reminded conference delegates that with the increasing number of professionally trained persons in business, industry and government service, many professionals will find their vocation only as employees rather than as individual contractors or high-echelon executives.

The New Challenges of Organizing

(Continued from page 1)

ment resistance campaign, internal problems of organized labor and the changing nature of work.

There never has been a recipe for successful organizing and probably never will be. The fact is that organizing is a personal business. As people and their conditions change, the nature of the organizing task changes. The basic tools remain pretty much the same, but they must be sharpened and reshaped.

Essentially, organizing is a communications process and a two-way process at that. It is as important for an organizer to know what workers' attitudes are as it is for workers to know what the union program is.

Devising methods of penetrating the network of fear and misunderstanding that has been carefully woven around work-

ers' attitudes toward unions by the events of the past decade is what makes the skill requirement in organizing one of the greatest of any task in the movement today.

There are those who think that change means the introduction of many new techniques and methods, perhaps turning to the highly trained social scientist or psychologist, or utilizing skills similar to those of Madison Avenue. It may well be that some of these very things will be needed to help unions to better condition the climate within which they organize.

In the main, however, the idea of unionism is still going to have to be conveyed to the non-union member by unionists. Further, it's going to be done with essentially the same kind of machinery that has been used in

Bulletin Treats Pension Problem

The enactment of the Canada Pension Plan and the Quebec Pension Plan has created a problem in the case of local union officers and members who take time off from work on an irregular basis in order to engage in union business.

The Department of Legislation of the Canadian Labour Congress has prepared an informative bulletin on the matter which local unions may obtain by writing to it at 100 Argyle Avenue, Ottawa. Ask for the bulletin on pension plan coverage for union members dated April 1.

Local 15 Strikes Paint Co.

OPEIU Local 15 has been forced to resort to a strike by the adamant refusal of the Sherwin-Williams Paint Company to make an acceptable wage offer.

Nineteen office employees are maintaining a picket line, which is being respected by the some 30 members of the Paint and Varnish Workers Union.

The current starting wage for clerks and clerk typists is \$180 a month, that of sales clerks, \$215. Local 15 is asking starting rates of \$242 and \$273 respectively.

On Good Friday, a nationally observed religious holiday in Canada, the strikers did not man the picket lines. The company seized the opportunity to transfer products to its local outlets on U-Drive trucks.

The OPEIU and the British Columbia Federation of Labor have authorized the strike and are fully supporting it.

the past. A look at that machinery is far from discouraging. It is there and in good shape, except for a little dust here and there.

It should be utterly impossible to look at the broad network of union representation spread over this nation and the vast source of talent and energy that it contains and shrink from the union growth challenge as an unattainable task. This is so especially if we add to all these factors that unique effectiveness of collective bargaining itself as a means of meeting the needs of workers.

The flexibility of collective bargaining is limited only by the imagination of those who use it. A great deal of the economic fabric of this nation and the fringe benefit structure about

(Continued on page 4)



from the desk of the PRESIDENT

AFL-CIO Drives for Higher Minimum

Since the failure of its campaign for repeal of Section 14(b) of the Taft-Hartley Act, the AFL-CIO has given priority to winning the improvements in the Fair Labor Standards Act embodied in H.R. 13712.

H.R. 13712, sponsored by Congressman John Dent of Pennsylvania, Chairman of the House Labor Subcommittee, was substituted for the more comprehensive Roosevelt Bill approved by the committee in 1965. The substitution was the result of the deliberations of the Subcommittee following the appointment of Congressman James Roosevelt to be United States representative to the United Nations Economic and Social Council. The AFL-CIO has urged the House to promptly pass the Dent Bill.

This bill would raise the minimum wage to \$1.40 an hour in February 1967 and \$1.60 in February 1968. It would also extend coverage to more than six and a half million additional workers.

The passage of H.R. 13712 would help assure every American a decent minimum standard and thus make a major contribution towards the elimination of poverty. Some 17.5 million non-supervisory wage and salary earners are presently excluded from the Fair Labor Standards Act—among them vast numbers of the very workers who have the most need for minimum wage protection.

The more than one-third of these 17.5 million excluded workers to whom H.R. 13712 would give coverage for the first time are employed in retail trade, hotels and restaurants, hospitals and nursing homes, laundries, transit, taxicabs and several other industries including agriculture.

These newly-covered workers would not immediately receive benefits of the increased minimum wage. For them the following rate beginning schedule would prevail: As of February 1967, the new minimum would be \$1; on February 1, 1968—\$1.15; February 1, 1969—\$1.30; February 1, 1970—\$1.45; and, February 1, 1971—\$1.50. Agricultural workers to be covered would receive a minimum of \$1 on February 1, 1967; \$1.15—February 1, 1968; and \$1.30—February 1, 1969.

Overtime protection for the first time would be given to employees in retailing, hospitals and related institutions, construction, laundry and dry cleaning and certain other industries. This overtime protection would be effective as of July 1, 1967, providing time and a half pay after 44 hours. The standard work week would be reduced to 42 hours as of February 1, 1968, and to 40 hours on February 1, 1969.

Despite the fact that the above mentioned improvements in minimum wage coverage are obviously long overdue, enactment of the Dent Bill cannot be taken for granted. It is necessary for organized labor to contact Congressmen and Senators in order to guarantee the passage of this legislation during the present term.

The AFL-CIO was almost single-handedly responsible for the original minimum wage law of 25c per hour back in the days of the New Deal. Strangely enough, organized labor itself did not need minimum wage protection because its collective bargaining contracts provide for far more than the minimum wages guaranteed under the law.

The labor movement in the United States, however, has always been cognizant of the fact that it is impossible to continue to raise the wages of organized workers unless all workers are provided with basic wage protection. The AFL-CIO throughout its history has sponsored measures designed to help all of the working people because of its concern with the country as a whole. Actually, while the AFL-CIO only represents 25 per cent of the working force of the nation, it is the sole spokesman for wage earners in Washington.

Those unorganized workers who complain that unions are too powerful should be reminded that without their strong voice in the halls of Congress, there would not be laws providing for minimum wages, workmen's compensation, unemployment insurance and social security.

The organized and unorganized alike have reason to be thankful for the activities of the AFL-CIO in the legislatures of the 50 states and in Congress.

O'Dell Appointed to United Foundation

Thelma O'Dell, president of Office and Professional Employees International Union Local 10, was appointed as a labor representative to the United Foundation Labor Participation Committee.

As a member of the Committee, Sister O'Dell will represent the interest of organized labor at the United Foundation and will help to coordinate fund raising drives in the Detroit area.

Labor and the Law

By Joseph E. Finley
OPEIU General Counsel

Getting Job Facts from the Employer

Have you been getting all the information from the company that the law allows?

You need information for two major purposes: (1) for negotiation of a new contract, and (2) for policing and administering your agreement during its term. To get information you need, the obvious first rule is to ask for it, preferably in writing. The case law has advanced by now to a stage where you can obtain data that perhaps you never thought possible to receive a few years ago.

It may be extremely important for you to have information about jobs outside the bargaining unit. A new NLRB ruling has affirmed this right where a union, through its attorney, wrote to the employer and asked for the department numbers, names, job titles, and job descriptions, wages or salaries, hours, and fringe benefits for "excluded salary technicians." The letter stated that the information was needed to administer the collective bargaining contract and for aid in contract negotiations that were scheduled to begin a few months later. The employer refused to furnish the information, the union filed charges with the NLRB of refusal to bargain, a complaint issued, and the matter went to trial before a trial examiner.

The legal test of whether an employer must furnish information is its relevance to the collective bargaining process. The burden of proof of relevance is upon the union, but this is a burden that is becoming increasingly easier to meet. In the new case, the union was able to show its concern about the exclusion of jobs from the bargaining unit, and the effect of non-unit employees on unit jobs. The trial examiner, in finding against the company, laid out one by one his reasons for ruling on various items.

(1) Job descriptions. "The data as to job descriptions would be of some assistance to the Union in determining whether to press certain matters as grievances, and whether the unit was being improperly eroded," said the examiner.

(2) Salaries and fringe benefits. "Data as to salaries and fringe benefits in comparable jobs would be relevant to the Union in framing contract proposals covering employees within the unit," was his ruling.

(3) Names and department numbers were important as background for the actual material to be furnished.

A previous ruling a few years ago on an office clerical unit in a large plant in New Jersey set the background for the furnishing of information on employees outside the bargaining unit. There was a vast number of employees excluded from the unit as confidential and administrative employees. The union wrote the company and requested "a summary of job classifications and/or titles of confidential and administrative employees . . . a job description or summary of duties and functions of such employees . . . a summary of the total number of such employees in each job classification and/or title . . . and the regular rate of pay, including the grade or range for each confidential and/or administrative employee classification or title." The union, in its letter, gave as its reasons the fact that there had been much concern over exclusions from the bargaining unit, and said, "Since the work of excluded confidential and administrative employees in many situations bears a close and substantial relationship to that performed by employees covered by the contract, complete information concerning such excluded employees is essential for the union to discharge its obligations under the collective bargaining agreement and to intelligently administer that agreement." The request and the reasons were held to be adequate and proper.

Many of you know of numerous employees who for one reason or another have been kept out of your unit and out of the contract's coverage. You have a right to negotiate these employees back into the unit. If your contract is broad enough to give rise to a claim that even under the agreement, they should be in the unit, you would have a right to arbitrate this question. But you need to know full details of these jobs before you can make a proper claim. Then, of course, the wage rates and benefits paid to people outside the unit can be extremely important in making a claim for your own people during negotiations. Often, companies "quietly" boost the benefits for non-unit people and bear down when you ask for comparable money for comparable jobs in the unit. Finally, you need this information at all times to keep the company "honest," to let it know that you are vigilant and aggressive in protecting your rights. However, we would advise not to include the latter reason in any letter.

Court decisions are upholding these broad demands for information, although one rather anti-labor court, the U. S. Court of Appeals in Chicago, has recently gone the other way. But you can expect sympathetic treatment at the NLRB if you have to file a charge to make an employer give you what you ought to have. But more likely, since the new line of cases has been so good, the employer will comply with your request once you let him know how serious you are. This whole area of information can be a most important bargaining tool for your union, and might even be a step in the direction of increasing the membership in your unit. Take full advantage of all your legal rights in this area.



This year's Northeast Educational Conference, held in Philadelphia in March. OPEIU Director of Organization Henderson Douglas is at the podium.

Fringes Equal 1/4 of Wage

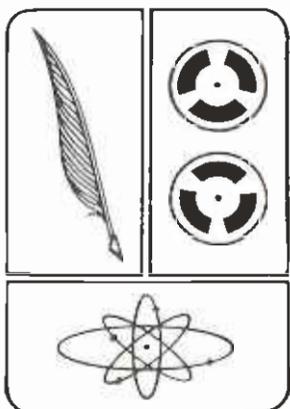
Fringe benefits of white collar workers averaged more than one-fourth of their basic salaries, according to a recent report by the U.S. Department of Labor's Bureau of Labor Statistics.

Among the salary supplements studied, total paid leave, excluding sick leave, represented 8 percent of basic salaries. Leave payments were mainly for vacations (4.8 percent) and holidays (2.9 percent). Substantial payments were also reported for retirement programs and health benefit programs—averaging 7.4 and 4.2 percent, respectively.

Outlays for the remaining items studied were smaller: Penalty pay (overtime pay and shift differentials), 3.2 percent; yearend and other special bonuses, 2.3 percent; unemployment programs, 1.6 percent; and savings and thrift plans, 0.3 percent.

The BLS study, two years in preparation, was in large part designed to provide a basis for comparing expenditures of employers in private industry with those of the Federal Government, the nation's largest employer.

OPEIU 000



UNION LABEL

This reproduction of the new OPEIU emblem appeared in the publication of the Union Label and Service Trades Department, AFL-CIO, with which the OPEIU is affiliated. Secretary-Treasurer J. Howard Hicks explained to the department that in actual use of the Union Label the number of the local union concerned will appear in place of the figures 000.

Coughlin Warns on Cost Cut In Speech at TVA Meeting

In a speech before 500 representatives of labor and management of the Tennessee Valley Authority, meeting at a two-day conference at Gatlinburg, Virginia, OPEIU President Howard Coughlin urged that cost consciousness and cost cutting not be the foremost considerations in the operation of the Tennessee Valley Authority.

"Improved service and efficiency are more desirable attainments," Coughlin said. "If we accent cost cutting, we may give the impression that we are more interested in that than in improving services to consumers in the TVA area. If we lose the support and confidence of the consumer, cost-cutting will do more harm than good."

He continued: "We have found evidence throughout the nation of the frenzied use of automation devices in order to cut employees from the payroll. After spending large sums of money to install computers, designed to eliminate great numbers of workers, managements have learned to their surprise that great savings were not on the horizon—but dissatisfied workers were numerous. We cannot cut costs at the expense of people."

Noting that a tight money policy aimed at preventing inflation has changed our economic picture considerably, Coughlin declared that increased spending on many domestic programs, a military cost increase of \$12 billion per year to fight the Vietnam war, and an

increase in our Armed Forces to a total of 3 million men, have created a temporary imbalance. The present drop in unemployment may be considered, therefore, only temporary, and the present optimism should be tempered with an awareness that the unemployment picture may again worsen, he said.

Carriers Plan Medicare Supplement

Private medical insurance for retired workers — a frequent union goal in negotiations—will change directions on July 1 when Medicare starts.

Insurance carriers are currently preparing a variety of plans to replace existing coverage of retired workers. Blue Cross-Blue Shield, the largest insurer of its kind, will offer plans that fill the gaps in Medicare. Details will vary from one locality to another but the principal aim will be to cover out-of-pocket charges to be paid by Medicare patients.

Some plans will cover hospital charges beyond the maximum 90-day period allowed under Medicare.

It is anticipated that typical costs for this extended coverage will be \$4.50 to \$5.00 per month. Other carriers are planning to offer policies which provide flat cash sums for each week of hospitalization without regard to Medicare.

Organizing

(Continued from page 3)

which even the employer boasts today resulted from the ideas of union leaders—ideas considered strange when first proposed.

Workers need to see unions as the embodiment of the collective bargaining process. When they do and at the same time understand their role in directing this process toward their problems, they become very firm in their determination to organize.