Board Picks Los Angeles As 1977 Convention City

The 1977 OPEU Triennial Convention will be held in Los Angeles, Calif., "...because arrangements being made for suitable accommodations," the Executive Board decided at its semi-annual meeting held in San Francisco last month. It also took action on the following:

- Educational Conferences in the U.S. and Canada will be resumed in 1975 in both Spring and Fall with specific dates and places to be announced later. The Board discussed topics to be covered, conference objectives, and the possible use of previously used methods of presentation and instruction.
- The annual conference of all OPEU and Local Staff Representatives will be held in Atlanta, Ga., in April. Further details will be announced after arrangements are completed.

President Coughlin announced that the OPEU has affiliated with the newly-established AFL-CIO Public Employee Department, together with 23 other unions, and has also applied for membership in the AFL-CIO Building Trades Department.

Membership Gains

His semi-annual report to the Board revealed that average per capita payments in the six-month period from March through October totaled $7,613, including Canadian membership of 14,424, an over-all increase of 1,697 over the eight-month average for the March, 1973, to February, 1974, period.

He noted that this figure did not reflect 1,600 employees recently consolidated in Vancouver, B.C., by Local 378 at the Insurance Company of British Columbia, nor the substantial numbers organized in the U.S. in recent months, including 500 at Hofstra University, N.Y., organized by Local 15.

However, he listed numerous current adverse factors affecting new organizing, such as the declining economy, the anti-labor bias of a majority of NLRB members, layoffs in existing bargaining units, and drastic

(Continued on page 2)

Bank Jobs at Stake in U.S. Automation Ruling

U.S. Comptroller of the Currency James E. Smith has ruled that bank computer terminals at supermarkets or similar locations need not be considered as branches of the banks concerned. The ruling can have wide repercussions on rank-and-file bank employees, especially in branches, many of which may be closed if they are losing money.

The ruling on so-called Customer Bank Communications Terminals (CBCT's) which have been requested by bank and regulatory agencies of 14 states, had the computer terminals been declared bank branches, the banks would have had to approach regulators for permission to set up or shut down terminals.

The ruling also clears the way for national banks to establish the terminals in different states and in all kinds of locations such as airports, factories and various types of stores. Here's how the CBCT's will operate:

- The cashier at a supermarket, for example, rings up a customer's bill, inserts a plastic bank card in a slot and pushes a few buttons. The customer's account is immediately debited and the supermarket's account credited with the amount of the purchase.
- That's the way grocery shopping, gasoline filing, department store purchases and a host of similar consumer transactions will be handled from the minute of the start of the administrator of national banks.
- If a customer is a little short of cash, just ask the cashier. She'll charge it to the customer's bank account and hand out the money from her cash register.
- Customers will be able to do most of their banking where they shop, eliminating bank branches entirely in many areas. Unlike the use of a credit card for checking for payment, use of the computer terminals constitutes an immediate charge of credit to a customer's account.
- Comptroller Smith's ruling did not say how many banks intend to set up such computer terminals or how soon they plan to do it. He did note, however, that some stores already are using manned terminals to handle shoppers.
- Many banks currently operate 24-hour automated banking stations at their offices which permit customers to use a specially coded card for such transactions as deposits, cash withdrawals or advances, and payment of utility bills.
- During the Great Depression of the 1930's, banks offered secure employment when construction, steel, auto and factory workers were being unemployed by the hundreds of thousands month by month. Then, as now, bank employees were underpaid but consoldeled themselves that at least they enjoyed regular paychecks. Their job security is now a thing of the past.

Automation and technological change have made them just as vulnerable to layoffs as other workers. So far, they have remained apathetic to unionism because the majority—mostly women—are too young to remember the Great Depression.

While they still have bargaining power—BEFORE automation occurs at their banks—rank-and-file employees have the opportunity to maintain their job security by unionizing. Walking away AFTER it occurs will be too late.

See Page 3 for Coughlin's comments on current economic crisis.

2nd Frisco Blue Shield Pact

Boosts Pay 22% for 1,700

New Blue Shield Contract

Proves Unionism Pays Off

Since Blue Shield employees in San Francisco selected Local 3 as their bargaining agent in 1972, two OPEU negotiated agreements boost their pay scales almost by 50% over the pre-union rates. Counting additional fringe benefits, their gains amount to 64%.

The initial contract was negotiated when Wage Board regulations were still in effect. Although Local 3 hammered out a package amounting to some 30%, the board refused to allow anything above a 5.5% fringe benefits.

The OPEU appealed the board's decision to the Cost of Living Council in Washington, D.C., which last month upheld the OPEU initial agreement providing wage increases between 25.6% and 25.8%, plus fringe benefits. Without the union this would have been impossible.

The new contract now adds wage boosts of 22% to the above, plus another 6.15% in fringe benefits. The collective bargaining record of the San Francisco Blue Shield unit proves conclusively that unionism has paid off handsomely for them. It can do the same for all unorganized Blue Cross/Blue Shield employees throughout the nation.

Across-the-board wage boosts totaling in the first year $1,474 pay increase is an indication of fixtimest with numerous other fringe benefits as well as two additional paid holidays, were gained in a new three-year contract renegotiated by Local 3 for its 1,700 bargaining unit at Blue Shield in San Francisco.

In the second contract negotiated for these Blue Shield employees who voted overwhelmingly for OPEU representation two years ago. Sr. Business Representative George Davis reports that in the second and third years the new pact calls for a 6.15% cost-of-living advance with a guaranteed minimum 5% wage boost in each year even if the cost-of-living does not increase.

Wage increases of 8% in the first year became effective November 1 this year, with an added 4% after six months to take effect on May 14 next. Improved fringe benefits account for 6.15% of the total package in the first year which, Davis says, will cost San Francisco Blue Shield more than $214 million.

1,492 Members Upgraded

Fringe benefits include cost of implementing clerical progression and elimination of the six-month time lag, directly benefiting 1,492 of the 2,091 employees at Blue Shield, or 71.4%. Davis notes.

Also included are costs of two extra paid holidays, one floating holiday to take effect after January 1, 1975, and the other to become effective in the 1977 calendar year when the new contract expires. The employer in addition agreed to pay full costs of long term disability premiums formerly deducted from pay checks of the employees, plus improvement of pension benefits that will increase them up to 60% of salary.

After January 1 seniority is liberalized through conversion from department to group to provide expanded opportunities for promotion, and after group bumping to allow employees to exercise company-wide seniority in the event of layoffs due to a reduction in the work force.

Flextime became effective on January 1. It allows all employees to whom such a schedule is applicable to start their eight-hour workday at any time of their own choosing between 7 a.m. and 9 a.m.

Trust Company Contract

Wins $50 per week Raises

Wage gains totaling more than $4,000 per individual over two years were won in an initial agreement negotiated by Montreal Local 57 for its new 60-member bargaining unit of office employees at Montreal City & District Trustees Ltd.

The agreement, retroactive to January 1, 1974, calls for an average increase of $28 per week in the first year, and $22 per week effective January 1, 1975, boosting the pay scale by $36 per week over the pre-union rates. Superintendend Director Conwell says that the new unit was "quite militant" during the long negotiations, using information picketing outside their normal hours of work. This is not to be confused with that of 1,100 employees at the Montreal City & District Savings Bank who are represented by Local 434.

JANUARY, 1975
OPEIU Cites the Record

In organizing campaigns anti-union management sometimes density the benefits of their employees and union organizers to the world of work. However, the organizers should know the actual facts, judge matters for themselves, and ignore management cliches.

As an example, organized Blue Cross/Blue Shield employees should study what the OPEIU has accomplished for their 1,700 unionized colleagues at the Blue Shield office in San Francisco who organized just two years ago. Today they have achieved wage gains totaling almost 50% over their pre-union rates. Unionism made this possible.

Local 3 negotiated the initial contract during the wage-price freeze period, but it provided a 30% package increase in wage and benefit packages. The Wage Board ruled the settlement exceeded its guidelines. But the union with assistance from the International made it stick in a successful appeal to the Cost of Living Council in Washington, D.C.

The second contract in San Francisco again boosts Blue Shield wages and fringe benefits by another 28.15%. Needless to say, although union and management made a mistake of a million, about union dues the latter are only a very trivial part of these giant gains. Anti-union management know these facts; nevertheless they try to fool employees.

Another example of what unionism has accomplished for white collar employees is the new contract renegotiated by our Local 378 in Vancouver, B.C., for its unit of office and technical employees at an engineering company. The first time that some of the white collar employees through collective bargaining have achieved pay parity with unionized construction workers. (See story on Page 3.)

Only one union which has successfully organized some half-dozen Blue Cross/Blue Shield offices but others are anxious to try their hands in this field where such offices remain unorganized. We hope that Locals everywhere across the nation will now punch vigorous campaigns to enlist them under the OPEIU banner.

Refutes "Devil" Image

In fighting to prevent unorganized employees from unionizing, anti-union management often try to create the image that unions are "a new-fangled invention of the devil." The idle threats of unorganized management are an unnecessary weapon in their tool kit for union organizers, and the common image of "the devil" should be under attack.

Canada's Deputy Minister of Labour T. M. Eberle to a Toronto audience recently denounced that holdup when he said that he didn't know if the system could be improved until "people generally accept trade unions and collective bargaining as the completely legitimate institutions that they actually are.

However, union organizers in the U.S. do their utmost to sell their nonunion employees this "devilish" image, implying such without saying so but keeping inside the law, although in this effort they throw overboard all sense of decency, ethics or fair play. Social psychology is the rule of the day, and the slaves of such masters who are required to make ends meet the least of their concerns.

In the face of the dollar's shrinking purchasing power has a deeper meaning for every employee, so anti-union management exploit the union dues bit to scare employees. Surprisingly, this phony argument convinces some.

Drumming this conscious deception, some firms in unorganizing campaigns use the paycheck device. Just before a representation election they issue two checks on pay day. The first one is smaller than that for the previous week, in the amount of union dues for a month.

Naturally, the employees are disturbed. They rush to the personnel office to find out the reason for the pay "reduction." Then they are handed a letter and told that the first check is what they will be getting if they vote for the union. It's an old trick. Yet the NLRB has ruled that it's not illegal. It's not intimidating either, says the NLRB which assumes that adults should have enough ordinary common sense to see through this transparent humbug employed by anti-union management.

This is one more reason why we must go out of our way to educate the unorganized on the many and decisive tricks anti-union management use to deny employees their legitimate right to organize into unions to gain the benefits of collective bargaining.
from the desk of the President

Says Ford Proposals Fail To Meet Economic Crisis

It would appear at this time that President Ford has retreated from his proposal of a 5% surtax on middle incomes. At the same time, however, his economic message to the Congress last month offered no answers to the problems of recession and little in the way of cues for inflation.

The President's proposal of aid for the increasing number of unemployed was inadequate. His $3-billion proposal in widened, permanent tax loopholes for corporations and the wealthy was combined with tax relief of a meager $4-cents a week for the worker. This proposal is no solution to the inequities of America's deepening economic mess.

In a recent speech to the Business Council, a corporate executive group, President Ford promised a significant switch in emphasis from inflation fighting to recession fighting. He proposed a program designed to deal with the triple threat of recession, inflation and energy problems. He admitted that the United States is in a recession. He further stated that production is declining and unemployment is increasing.

At the same time, he added: "The nation is still faced with intolerable rates of inflation." The actual fact of the matter is that the government's tight money policies designed to attack inflation have created our present recession.

Specific Plan Urgently Needed

While President Ford has not indicated what the specifics of his program will be, he stated that Congress will have the details of his proposals on the desks of all members when it reconvenes in mid-January.

Problems. Ford's recent speech to the Business Council was in sharp contrast to a speech he made only nine days earlier at which time he stressed the fact that he had already presented a comprehensive economic package that Congress should get busy and pass. Since then, however, evidence of a worse than expected recession has been piling up which caused him to change his program. A startling jump in the national unemployment rate, which some authorities predict will go to 8% by the spring of 1975, underscored the President's change in position.

The President's new economic plan has not, when this column was written, been formulated. It's obvious, however, that a decisive change in the government's economic policies is needed immediately to curb the rising price level and to turn the economy around towards expanding sales, production, buying power and employment.

Problems Ford Must Face

His program must face up to the fact that, (1) unemployment has already increased by 1.4 million in the past twelve months. It is rapidly peaking towards 8% ; (2), living costs are up 12.1% in the past year. Thus, it is continuing to wash out workers' wage gains and, at the same time, deals a staggering blow to the living standards of retired people and low and middle income families with children; (3), despite the fact that organized labor called for an across the board tax at the summit meeting held last September 27 and 28, corporate after-tax profits jumped 17% in the first half of 1974, despite the recession and preliminary reports that indicate an even greater increase in the July-September quarter essentially on price gouging, hoarding and profiteering by many companies.

These fabulous profits in the midst of a deepening recession follow boosts of 17% in 1971, 25% in 1972 and 26% in 1973. The Department of Agriculture and sugar corporation profits are a major disgrace. And, (4), home building is in a deep depression.

Housing starts are down more than 50% from last year. This condition has resulted in falling sales and unemployment and it has also brought about a sharp decrease in the production and distribution of building materials. Further, high mortgage rates have prevented low wage and middle income groups from entering the housing market.

Only a decisive change in the Administration's policies dealing with recession-inflation fighting can begin to restore public confidence in the government's ability to manage the nation's economic problems. An affirmative constructive policy devoid of politics which will place responsibilities on all segments of the economy in the United States is a must.

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Two sets of wage rates will be implemented for the EDP Department of Local 378, the candidates for the position were: first, a 2½ hour increase, $23.20 per week, and second an hourly increase, $289.20. In the supervisory clerical grade, the rate will be $296.40.

The wage schedule was changed to provide an additional 2½% increase in the EDP Department from Departmental level at the same time, he added: "The nation is still faced with intolerable rates of inflation." The actual fact of the matter is that the government's tight money policies designed to attack inflation have created our present recession. The wage schedule was changed to provide an additional 2½% increase in the EDP Department from Departmental level.
AFL-CIO Labor Studies Center Opens New 47-Acre Campus

Labor education, which has met with varying degrees of success in the years of labor history, has achieved a new status and new potential with the opening of the campus of the AFL-CIO Labor Studies Center.

On the outskirts of Washington, the 47-acre campus is the base for an impressive physical plant that includes an administration building, classrooms, 442 room residence hall, and dining room. By next summer it will have a total of 110 resident rooms, an auditorium, and extensive outdoor recreational activities.

While labor education centers have grown throughout the country, the Labor Studies Center is the first labor-owned, labor-operated, campus-based labor college serving the AFL-CIO and its 111 international union affiliates.

The Center is a non-profit education corporation funded entirely by the AFL-CIO. It is governed by a board of trustees made up of union officials and public members. AFL-CIO President George Meany is board chairman and Secretary-Treasurer Lane Kirkland fills a similar spot on the board. Walter G. Davis, AFL-CIO education director, is assistant secretary.

Executive director of the Center is Fred K. Hoehler, former education director of the United Steelworkers with healthy academic credentials from the University of Chicago, Pennsylvania and Michigan State. Assistant Director Russell W. Allen, one-time education director of the AFL-CIO's Industrial Union Department and the Papermakers, has a comparable academic background.

For the last five years under Hoehler's direction the Center has offered programs to prepare trade unionists in such technical areas as labor law, negotiation, arbitration, pensions, collective bargaining techniques and trends, job safety, health and leadership methods.

Has Trained 5,000 Unionists

Some 5,000 trade unionists completed 140 courses during its five-year operation in downtown Washington. Hoehler believes that was a critical gearing up for the challenges ahead.

Now, at its new location, the Center is offering an expanded curriculum of one- and two-week institutes, seminars and programs of special interest to leaders and potential leaders of national and international unions. Interested Locals may write the Center, 1000 New Hampshire Ave., Silver Spring, Md., for full information on its special courses.

The Center has its own expertise staff but reaches out into the labor movement, into the academic community, to foundations or to many other areas to secure the instructors it needs for the courses it conducts.

Leadership Training Vital

Implicit in the new directions undertaken by the Center is the recognition that the trade unions are facing increasing demands for training and for knowledge over a wide spectrum of subjects in a world growing in complexity.

"In an easier day we didn't have to worry about the economy," says Hoehler. "Now we have got to worry about economic theories and the union leader has got to understand them. Legislation affecting the worker has increased by leaps and bounds. And there are matters of technology which a union leader today has to know something about.

"A trade union leader has to know how to administer a rather complicated office. Collective bargaining is still the major role, but now it is more than that."

A NEW CHAPTER in labor education was launched with the announcement of the AFL-CIO Labor Studies Center, Fred K. Hoehler, center, said of the Labor News Conference. Questioning the center's executive director were Harry Conn, left, of Press Associates, Inc., and John V. Reistrup of the Washington Post. The AFL-CIO produced public affairs program is aired Tuesdays on Mutual radio.

U.S. Price Index

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Canadian Price Index

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