AFL-CIO Says Carter Plan Curbs Pay Only; Asks Congress to Enact "Full and Fair" Controls

Season’s Greetings

The year just ending has seen some reverses for organized labor, illustrated by the defeat of Labor Law Reform and reimplementation of wage controls, yet despite these adverse factors the OPEIU continues to forge ahead.

In the coming year, we expect to see organized management, heavily financed, intensifying their attacks on unionism and collective bargaining in both the U.S. and Canada. Nevertheless, we feel that the solidarity of the union movement will successfully repel those attacks, and we will emerge stronger than ever before.

On this optimistic note, we wish all our members in both countries (active and retired), as well as OPEIU Field Representatives, clerical and clerical employees, and Local Business Representatives and their office staffs, our sincerest wishes for a most joyous Christmas and a bright and prosperous New Year.

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professional employees international union, afl-cio and clc

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A hard-hitting statement, unanimously adopted by the AFL-CIO Executive Council, agreed with President Carter that inflation is the nation’s No. 1 problem but rejected the Administration’s anti-inflation program as “inequitable and unfair.” The Council called for “mandatory, legislated, economic controls” and urged the President to call a “special session of the Congress to develop a full and fair controls program.” It stressed that the program “should be detailed — not a standby grant of unspecified authority to the President,” should treat all Americans equally, provide for adjustment of inequities, control all prices, and last only for the duration of the emergency.

The Council charged that the Administration program “excludes for all practical purposes, all sources of income except wages,” called the price guideline “so flexible as to be non-existent,” asserted that “wage controls are inflexible, not voluntary,” and will be “cruelly enforced by employers.” The statement noted that the AFL-CIO “does not determine the collective bargaining goals of affiliated unions.” It said that in the final analysis, members of 60,000 bargaining units negotiating contracts over the next year will consider “costs of all necessities they must provide for their families and the profitability of their employer” in making “decisions affecting contract bargaining.”

The statement also charged that using the same formula mandated by Congress under Nixon controls, “low-wage exemption should be $5.50 an hour, not the $4.00 the President has decreed.”

At a news conference later, AFL-CIO President George Meany said organized labor will cooperate with President Carter in seeking to bring inflation under control, but would not call on affiliates to adhere to the Administration wage standard. He said the program “holds down wages, nothing else.”

"Labor is ready to have our wages controlled by Act of Congress,” but only if all other income is equally controlled, that the Federation opposes piece-meal controls, and that the nation should get to full, comprehensive controls and “get it over now.”

Unions Rout R-T-W Forces in Pivotal Missouri Contest

A proposal to outlaw union contracts that require workers to join unions or pay dues as a condition of employment was soundly defeated by Missouri voters in last month’s election.

The so-called “right-to-work” for less amendment gathered only about 40% of the vote. In heavily industrialized St. Louis, the proposal was soundly voted down by a four-to-one margin.

During the campaign, St. Louis Local 13 members did an outstanding job as volunteers, going door-to-door speaking to people who had signed the R-T-W petition.

As a result, thousands of those who had, signed noticed affidavits to remove their names from the petition.

Local 13 volunteers were very active in the voter registration drive, using their office to call out material against the proposed law. They were also out in large numbers as poll watchers on Election Day.

The issue had stirred bitter controversy in the state when “right-to-work” forces mounted a sophisticated campaign in its behalf, and organized labor mobilized to counter their efforts. However, few observers expected it to lose by such a wide margin.

Under the 1947 Taft-Hartley Act, contracts requiring workers to join unions are legal, but states can pass laws barring them if they wish. Twenty states currently have such laws.

Union and “right-to-work” forces both say the proposal’s defeat in Missouri will likely dampen plans in other states to press for similar amendments.

AILICO Chairman Defends Unions As Essential to a Free Society

Replying to The Wall Street Journal to a critic who claimed that unions push society in a “collectivist” direction, Bernard Rapoport, Chairman of the Board of American Income Life Insurance Co., of Waco, Texas, vigorously refutes that argument. Text of Rapoport’s reply, reprinted in interest to all OPEIU members, follows:

As an entrepreneur, a capitalist and chairman of an enterprise employing over 1,200 persons across the nation, I read Irving Kristol’s “Understanding Trade Unionism” of October 23 with both interest and concern.

My firm, American Income Life Insurance Company, is one of a very, very few fully unionized insurance companies in America. Ours is a profitable company as quarterly reports printed in The Wall Street Journal show, and our stock is listed on the Over-the-Counter Market. We are not one of America’s corporate giants but neither are we a pygmy. I attribute the growth of our company largely in our successful dealing with the Office & Professional Employees International Union, which represents our employees, and to the generally cordial relationship we enjoy with the American trade union movement.

Mr. Kristol argues that unions “push society in a ‘collectivist’ direction.” While it is true that unions have sought state intervention to cushion the shocks of the business cycle and to place floors under wages and other working conditions, it is equally true that the real push toward collectivism has come in far greater degree from the huge agglomerates of corporate power that dominate the American economic scene. If anything, the unions have helped significantly to move their members toward greater freedom through participation in the democratic political process. Unions may not have fostered individualism in the Horatio Alger sense, but they surely have fostered greater individual freedom.

I do not see American unions as antipolitical (Continued on page 3)

Unionized Bank Tellers Hit $6.17 an Hr. in New Pact

A 9% across-the-board wage increase was won in a new one-year contract renegotiated by Local 411 for its bargaining unit of bank employees at the Springfield Bank & Trust Co., in Springfield, I.,. International Representative Bill Kirby reports.

He says that a Grade 1 employee (Bookkeeper and Receptionist), after 18 months of service, will now receive $178.48, or $5.10 an hour for a 35-hour week. A Grade 2 teller will receive $215.89, or $6.17 an hour. All but one employee is at the top of her grade.
We Must Revive Democracy

Labor Law Reform will remain a priority goal of the trade union movement "until justice on the job is achieved," says a statement issued by the AFL-CIO Executive Council. It affirms the continuing need "to restore balance to the nation's labor law" and to protect the rights of workers to join unions and bargain collectively.

The council stressed that employers are still using delaying tactics, and continue to harass, threaten and fire union supporters "victoriously without penalty." A classic illustration of this was given in last month's issue of White Collar that headed the arrogant refusal of the Midwest Stock Exchange to bargain collectively with the OPEIU, which won a fair election among its 375 employees and was officially certified by the National Labor Relations Board.

The Midwest Stock Exchange's anti-union action was a direct outcome of the defeat of Labor Law Reform in the 95th Congress through a vicious Senate filibuster, although the bill easily passed in the House, won overwhelming Senate committee approval, and had the support of a clear majority of the Senate.

Had majority rule prevailed, in accordance with democratic principles, the Midwest Stock Exchange employees could not be deprived of their legal rights to bargain collectively over their wages and working conditions, as President Howard Coughlin pointed out in a personal letter to those Senators responsible for the filibuster.

We have no doubt that thousands of other employees, who sought to assert their rights under the National Labor Relations Act, are also being equally victimized. Anti-union employers at the moment are exploiting a loophole that they use in the way of abolishing the trade union movement entirely. But eventually justice will prevail.

When the 96th Congress convenes in January, organized labor will be back. We hope those few Senators who reneged on their promises to labor last time will have changed their minds by then.

U.S. Bank Employees: Note

While North American bank employees (overwhelmingly non-union) remain indifferent to the fact that automation and advancing technology are slowly undermining their job security, the same cannot be said for the highly unionized bank employees in the Nordic countries.

Representing 120,000 bank employees in Denmark, Finland, Iceland, Norway and Sweden—where 82% to 95% of all bank employees are unionized—the Nordic Bankworkers Union (NBU) has held an annual biannual Congress in Reykjavik, Iceland. The main topic was automation and its future impact on bank employment and job content.

The concern of the Congress was eloquently expressed by NBU's Vice President, Ms. Birthe R. Holm, a leader of the Danish bankworkers, who declared that this bank technology was being introduced in "other countries unilaterally by the employers." She strongly indicated that this won't happen in the Nordic countries.

"The time has come for bank employees and their union organizations to have a say. Their right to participate in decision-making must also be embodied in collective agreements," she asserted.

During the Congress, other speakers stressed coming technological events casting shadows over job security in the world-wide banking industry. Magnus Neuber, secretary of FIT's Bank Trade Section, cited the delegates as examples the recent closing of 130 branches by the First National Bank (U.K.), and its reorganization of another 480 branches, as well as the $100 million being spent by Citibank (U.S.A.) for automated tellers at its 265 branches in New York City.

The NBU is a strike fund of $26.4 million and an agreement between the five national bank unions providing for any of them to force a strike. Consequently, it's obvious that when automation does invade these Nordic countries it won't be done unilaterally. These unionized bank employees will have a say—a powerful voice over their own destinies—arrived at in joint decisions made through collective bargaining with their employers.

This is what unionism is all about! Need we say more?
General Dynamics Corporation's Conventional Division and Local 277 in Fort Worth, Tex., reached a new three-year agreement boosting pay by 6% in the first year and 3% in each of the following two years, President-Business Manager J. B. Moss reports.

In the first year, it will raise the maximum hourly pay for top-rated employees to $8.94 in the 1,340 member bargaining unit comprising secretaries, stenographers, computer and key-punch operators, and accounting clerks.

During the negotiations, a major agreement was the frequency of cost-of-living adjustments. Eventually the company gave in to the union's demands that these should be made quarterly instead of semi-annually. The formula, which is unchanged, provides one cent an hour for 14.3% in the Consumer Price Index.

The agreement provides an additional "catch-up" of 20¢ an hour for those in Grades 1 through 8, and 15¢ for those in Grades 9 through 14. The first COLA adjustment is due next month.

Moss says that substantial improvements were made in job security and seniority, and several jobs were upgraded. Thorne-Upgraded in future are to receive the first time of the automatic projection scale on the date of their promotion as will employees recalled to a higher rated job.

Other improvements are the addition of grandparents and grandchildren to the bereavement list, an additional three paid holidays, and the right of employees to take one week of their vacations one day at a time.

Substantial improvement was also made in health-welfare provisions, including higher room rates and increased maternity benefits. Major medical coverage was raised to $10,000 from the previous $5,000 and weekly disability benefits were increased to 55% of salary, or $120 per week in the first year and $125 in the second.

Life insurance coverage was increased to $7,000 in the first year, $7,500 in the second, and $8,000 in the third year. Pension benefits were raised to $12 per month times years of service, an increase of 20% over the previous $10 per month.

Union Wage Settlements Lag Behind Those in 1977

Wage adjustments in union contracts negotiated are temporary and seniority benefits. Major improvements were made in the following areas:

- Air Force employees obtained the right to take paid parental leave for their newborn children.
- The first COLA clause, which is a study, averaged 3.1% during the third 1978 quarter in units receiving such boosts.
- Wage and fringe benefits gains combined, averaged 8.8% for the first year and 6.5% over the life of the contract. These figures compare with the 9.6% and 6.2%, respectively, in 1977.

Wayne T. Kepler, 69

We regret to announce the death of Wayne T. Kepler, 69, former Business Manager of OPEIU Local 325 and for the past 10 years employed by the Division of Labor of the State of Indiana, in Fort Wayne, Ind.

He was a trustee of the Allen County Central Labor Council, labor adviser to Indiana Blue Cross/Blue Shield, labor adviser to the education board of Indiana University, labor representative to the United Way of Allen County, and a member of the executive board of the Indiana Workers Protective Committee.

A Fort Wayne native, he attended the University of Wisconsin and was a member of Trinity English Lutheran Church.

He is survived by his wife, Rosalyn; a son, John; a daughter, Pamela Zimmerman, and a brother, George, all of Fort Wayne.

AILICO Chairman Defends Unions

(Continued from page 7)

institutions as Mr. Kristol seems to feel. American unions are ideologically opposed to being adjuncts of the state, but they are vehement in insisting that unions be seen as being an important part of the political process. They are, in fact, a bulwark against a collectivist state for just that reason.

Unions, like all other institutions, are fallible and have their blemishes. And, like Mr. Kristol, I cannot "envision a decent society without free trade unions." I part company, however, with his fear that unions are increasingly difficult to live with because some are able to "bring the entire economy grinding to a halt."

Most union leaders aren't fools and see the strike—any strike—as a last resort since union members suffer more than those forced to put up with some temporary inconvenience. American unions do not engage in general strikes because they are philosophically opposed to bringing society to a halt and because they have no desire to take over the state apparatus.

Secondly, American union leaders and their members almost invariably accept the judicial and the legal process. Only recently, the nation's rail workers returned to work under court order although they were entitled to continue their strike under law. Methinks, in fact, that Mr. Kristol protests too much on this score. Strikes are temporary and do far less permanent damage to the economy than corporate decisions to close plants or to move production abroad.

I agree that it's time to do more thinking about unions and what role they have as viable institutions. They are not only essential to a free society; they are a civilizing force within it.

(Signed) BERNARD RAPPAPORT

Pregnancy Disability Bill Signed by President Carter

President Carter has signed a House-Senate compromise on a union-supported pregnancy disability bill just hours before the 95th Congress adjourned. The new legislation takes effect 180 days after the signature.

The legislation amends the Civil Rights Act to make clear that a sick pay or temporary disability insurance plan that is provided as an employment benefit can't exclude coverage from women unable to work because of pregnancy or childbirth.

After the U.S. Supreme Court ruled otherwise last year, a coalition of unions including the OPEIU and women's groups opened a campaign for legislation to reverse the court's interpretation.

It passed the Senate 75-11 in 1977 and the House 376-45 last July. But a House-Senate conference had difficulty resolving differences over abortion. Under the compromise finally adopted, an employer could exclude payment for the cost of an abortion as in the House bill.

But if an abortion to save a woman's life results in "medical complications," the employee would be entitled to whatever sick leave and medical care the company plan provides for other disabilities.

Local 8's Don Olson Named to State Commission Post

Gov. Dixy Lee Ray has announced the appointment of Seattle Local 8 Business Representative Don E. Olson, Jr., as a member of the Public Employment Relations Commission of the State of Washington.

The commission governs labor relations for the state's public employees, including teachers. It conducts elections, investigates unfair labor practices, and hears disputes.

Local 8's Don Olson has been named to the State Commission Post.

Pay increases of more than $4,500 over three years for unit members in addition to longevity raises were gained by Local 23 for its office unit at Schoenfelds, a Tacoma retail store, Business Representative Frank Pfenninger reports.

He says these amount to 5¢ per hour after five years, 10¢ after 10, 15¢ after 15, and 20¢ after 20 years.

The company agreed to increase its pension contributions to 15¢ an hour for each employee on September 79, and to 25¢ in September, 1980. It was also agreed to maintain health-welfare and dental benefits for employees and their dependents at Pierce County Medical Center.

In lieu of time loss insurance, the company agreed to a sick leave clause of one-half day a month cumulative to 18 days, to be available on the first day in case of hospitalization or accident, and the third day for illness.

In a sharp departure from other retail store contracts, a new clause was negotiated providing seniority would prevail in the event of transfer, layoff and recall. A four-month probationary period was also negotiated.

The employer further agreed to a uniform system of warning letters and reprimands, with employees obtaining the right to review all materials in their personnel files.

A Reminder! When Christmas shopping, please look for the Union Label. Help keep jobs in the U.S.A.

Boston OPEIU Educational Conference Winds Up 1978 Series

Delegates to the Educational Conference pose for picture outside the Sheraton-Boston Hotel, in Boston, Mass., where Local 453 acted as host. Unlike previous conferences held this year, women comprised only about one-fourth of the group. At other conferences they turned out in much larger numbers.
from the desk of
the

President

Radical Right-Wingers Aim at U.S. Dictatorship

A staff reporter of The Wall Street Journal recently received front-page attention in that newspaper with an article describing the activities of Richard Viguerie, the king of right-wing political fund-raisers. It was headlined "New-Right Cashier."

Viguerie, publisher of Mr. Victory, the newsletter. For some time, the article contains much that we did not know before. As indicated in The Wall Street Journal, millions of people who have never heard of Viguerie have probably seen numerous examples of his work in the form of fund-raising letters. These are generally sent in the name of Jesse Helms, the conservative Republican Senator from North Carolina, or in the names of political groups such as the Committee for the Survival of a Free Congress, or the National Conservative Political Action Committee.

Despite the signatures, Richard Viguerie's letters are always written by the national lawyer facing it from liberals, labor unions, gun-control advocates, pro-abortionists and the Wall Street Journal.

The Viguerie name identifies itself to its conservative group members. This year, in accordance with The Wall Street Journal article, he expects to raise between $25 million and $35 million.

Viguerie's groups and candidates consider themselves part of the "New Right." An aide to George Wallace described Viguerie's politics as almost too-far-to-the-right for Wallace.

The fund-raising enterprise employs some 300 people spread out over the offices of a former office in Washington, D.C. Within the computer room are computer tape spools that carry the names and addresses of perhaps five million people who have been identified as likely donors to conservative causes. However, most of the money supposedly raised for candidates doesn't reach them. Data from the Federal Election Commission indicate that candidates get only about ten cents of each dollar raised.

In recent instances of possible misappropriation, Viguerie argues that it is more valuable to provide candidates with services, professional staff members, seminars on campaigning and the like than with cash. He further stated: "People in the individual races aren't all that interested in a general rule," in effect, he indicates that they may not spend the money wisely.

Charles Snider, campaign director for George Wallace's presidential races, said that Viguerie "made a hell of a lot of money off us."

Drs. Brown and Brasted, campaign consultants for conservative Republicans, cites similar concerns. "I generally steer people somewhere else if I can," he said.

Recently, Viguerie's fund-raising enterprise settled a three-year-old lawsuit brought by the office of the New York State Attorney General. The State accused it of keeping an unconscionable portion (up to 75 percent) of the money it raised for three charities. In settlement of the suit, without admitting any legal violation, it agreed to limit its future fund-raising fees for New York charities to no more than 35 percent of the money raised. It should be noted that the settlement limits Viguerie's activities only to the State of New York.

While right-wing conservatives associated with Viguerie feel that he is doing a good job, there have been a number of failures. The Panama Canal treaties passed despite his opposition. He also supported a write-in campaign for John Connally in the 1976 New Hampshire primary, spent thousands of dollars and wound up with only a few votes.

On the other hand, Viguerie and a large number of his associates have been successful recently in their campaign to widen the scope of "right-to-work" (for fees) laws. A couple of years ago Louisiana, which had previously thrown off the "right-to-work" for less pay, passed a similar law through its State Legislature.

The same type of proposal will be introduced in the New Mexico legislature in 1979. Viguerie and his supporters are hopeful that they will be able to pass similar legislation eventually in the Congress of the United States, although they met with a responding defeat in last month's Missouri election in an attempt to make "right-to-work" part of that state's constitution.

Viguerie insists that his firm does not make a great deal of money. However, he and his wife and three children live in a large brick house in McLean, a fashionable Washington suburb. The 300 employees of the Richard A. Viguerie Company working in elegant offices also believe that statement. His activities are wide and varied. He publishes the "Conservative Digest," and his staff are the headquarters for organizations like the Conservative Caucus and the Gun Owners of America which are dedicated to fighting government gun-control efforts.

Right-wing fund-raisers such as Richard Viguerie who, incidentally, may himself be aspiring to the Presidency, through their campaign to eventually eliminate unions and collective bargaining in the United States are, in effect, raising money collected from misguided Americans to establish a right-wing dictatorship.

The Committee led by Heath Larry, formerly of U.S. Steel, is openly espousing a union-free environment as the principal goal of the Radical Right Wing.

OPEIU Scores in Dental School Pact

On the very last day of their old contract, members of San Francisco Local 3 at the University of the Pacific School of Dentistry overwhelmingly ratified a new three-year agreement providing wage increases totaling $1.60 an hour.

The first increase of 50¢ an hour this year represents an 11.8% pay boost, based on the U.S. average rate. The new agreement calls for additional increases at six-month intervals of 40¢, 20¢, 30¢ and 20¢ over the next two years.

UOP employees also receive raises for their anniversary. Those with five or more years of service get 2% more than their former longevity step, on top of their minimum raise.

Certified Dental Assistants who assist in teaching were raised 7% on the pay scale, in addition to the minimum increase. They had been the most underpaid group in view of their responsibility.

At the "eleventh" hour in the negotiating session, the University agreed to the OPEIU unit's demand that overtime be paid after 7½ hours a day, 37½ hours per week. Previously, overtime was paid only after 8 hours a day and a 40-hour week.

According to Reeva Olson, Local 3 Business Representative who headed the negotiating team, management was surprised when the members voted unanimous rejection of its "final offer," insisting that their wage level be not only catch-up with inflation but also make up for past inequities.

In the last negotiating sessions, the unit successfully resisted management's attempt to introduce lower training levels and inequitable increases. Management finally agreed to grant the higher wage package and to eliminate "merit" increases which are discriminatory and di-

ive employees. However, those who have such increases will keep them.

For the lowest paid, the new wage package will mean increases of 13% to 14%.