

# WHITE COLLAR

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

No. 376

MAY, 1978



## Blue Cross/Blue Shield:

# 8 More Cities Organizing New OPEIU Units

## Milwaukee B/S Pact Spurs Employee Interest Across Nation

News of OPEIU successes in unionizing Blue Cross/Blue Shield employees—the first step to gain for them the benefits of collective bargaining—is spreading across the nation. As a result, many inquiries are being received from individual employees in non-union BC/BS offices seeking more information about the union.

These employees want to know how they, too, can join the OPEIU; what units are unionized and where; and a **BEFORE** and **AFTER** listing of benefits gained in collective bargaining so that they can pass along solid facts to colleagues also anxious to unionize.

The OPEIU already has ten bargaining units among BC/BS employees in the U.S., Puerto Rico, and Canada. These are in Buffalo, N.Y.; Newark, N.J.; St. Louis, Mo.; Milwaukee, Wis.; Seattle, Wash.; Oakland and San Francisco, Cal.; San Juan, P.R., and Montreal, Canada. In Greater New York, the OPEIU also represents a unit of BC salesmen.

Growing interest in unionism by BC/BS clericals is reflected in eight current organizing campaigns by the OPEIU in the following cities: Denver, Col.; Atlanta, Ga.; New Haven, Conn.; Minneapolis, Minn.; Jacksonville, Fla.; Indianapolis, Ind.; and Bangor, Me. In Greater New York, another drive seeks to unionize thousands of clericals in addition to the BC salesmen unit. Even in far-off Honolulu, the groundwork is being laid for an organizing drive.

For more than 25 years, the OPEIU has represented BC/BS employees in collective bargaining, gaining an expertise from long experience possessed by no other union, and a keen insight into their special problems unmatched in the white-collar union field.

Incomplete details of the recent OPEIU's eye-opening initial contract, negotiated for its new Milwaukee Blue Shield unit, are now seeping along the grapevine into non-union BC/BS offices, arousing unusual curiosity. And well they should because these non-union employees are starting to realize what unionism can also do for them.

The 64 percent salary gain won by their Milwaukee BS colleagues, as a result of collective bargaining for a first contract, is ringing bells. When average salaries soar to \$6.08 an hour from a pre-union rate of only \$3.89, non-union employees sit up and take notice.

For the first time also, the Milwaukee group gained Christmas bonuses, in addition to health-welfare improvements and more liberal fringe benefits than they ever had before. As one example, they now enjoy a new dental plan providing \$1,000 coverage per year with two free annual checkups and cleaning, something they never dreamed possible in pre-union days.

Other questions concern union dues. Unionized BC/BS employees consider this the wisest decision and "best investment they ever made," yielding big dividends in higher pay and fringe benefits, in addition to proper job grading and grievance machinery, which bolsters job security.

Because of grievance machinery, unionized office employees develop a new sense of self-respect and human dignity. This negotiated procedure assures them of union protection against unfriendly supervisors who often develop personal dislikes or spleens for some employees.

Another question asked: does one become a union member by signing a designation card? The answer is NO! A designation card is strictly confidential and cannot be seen by any employers. But they're needed to bring about an early representation election, or prove to an impartial-referee that a majority of the employees in a unit favor collective bargaining.

Following a voluntary unit recognition by management, or a successful representation election, a unit committee negotiates a first contract. This has to be ratified by the full unit membership. Only then do the employees become eligible OPEIU members. For new units invariably initiation fees are waived, and dues become payable only after the unit has its contract in hand.

Invariably, managements try to keep the union out by using fanciful scare tactics such as exaggerated dues, or by picturing lengthy strikes that may follow unionization. Most of this propaganda is pure fiction. Union dues are comparatively trivial. U.S. Department of Labor Statistics show that in all of 1977 only 0.17 of 1 percent of available working time was lost throughout the entire nation because of labor disputes.

Consequently, BC/BS employees have nothing to lose but very much to gain by joining the OPEIU bandwagon and winning the privilege of collective bargaining.

## Expert Pinpoints Union Gains in Milwaukee B.S. Contract

So that the benefits of collective bargaining can be studied by unorganized Blue Cross/Blue Shield employees in other cities, an assignment was given to an expert in this field—a former Milwaukee Blue Cross employee now an OPEIU Business Representative—to list specific facts that illustrate the advantages of unionism.

She is Judy Burnick who helped unionize Milwaukee Blue Cross, some years ago and, more recently, the new Blue Shield 600-member unit. She also has served on both OPEIU unit teams which negotiated the BC/BS contracts, and knows intimately salary scales and other working conditions that existed **BEFORE** and **AFTER** the employees unionized. She sets forth simply and clearly the **GAINS** made in the following tabulation:

### Milwaukee Blue Shield—Comparisons

#### PRIOR to Organizing

**CHRISTMAS BONUS**—None existed.

**GRIEVANCE PROCEDURE**—None existed.

**HEALTH COVERAGE**—Blue Cross/Blue Shield limited hospital stays; \$200 diagnostic coverage; first aid care, major medical—Single OB.

**DENTAL COVERAGE**—None existed.

**HOLIDAYS**—10½ days total, ninth and tenth set by employer.

**WORK HOURS & OVERTIME**—7½ hours per day, 37½ per week. Time-and-one-half after 7½ hours per day, 37½ per week. No double-time.

**SUMMER HOURS**—Set each year by employer.

**MEAL ALLOWANCE**—\$2.25 for those working two or more hours beyond regular shift.

**SHIFT PREMIUM**—2nd Shift, 5¢ an hour; 3rd shift, 10¢.

**JURY & WITNESS PAY**—Employee paid for time served but reported for work if uncalled; time served not credited for overtime purposes.

**SNOW DEFICIENCY PAY**—Tardiness caused may be excused and paid on an individual basis.

**VACATIONS**—2 weeks after one year, 3 after five, four after 14; could not take vacations in single days, and not allowed to carry any over.

**WAGES**—Employees got merit increases up to 5%. Reviews given every 6 months until mid-point reached, after which they were given annually. Merit review factors included: attitude, absenteeism, tardiness, early exits, and work performance. Average wage per hour was \$3.89.

#### Gains AFTER Organizing

**CHRISTMAS BONUS**—\$10 per year of service up to five years; \$5 for each year thereafter.

**GRIEVANCE PROCEDURE**—Employees now have a four-step procedure, ending in arbitration with a third impartial party making a final and binding decision.

**HEALTH INSURANCE**—Blue Cross/Blue Shield unlimited hospital days; unlimited diagnostic coverage; first aid and emergency care; major medical—Single OB.

**DENTAL COVERAGE**—\$1,000 coverage per year including two FREE check-ups and cleaning.

**HOLIDAYS**—11 in the first two contract years; 12 in the third, all negotiated.

**WORK HOURS & OVERTIME**—7½ hours per day, 37½ per week. Time-and-one-half after 7½ hours per day, 37½ per week. Double-time after 12 hours per day, 46½ per week or 7th day. Holiday work—Double-time plus holiday pay.

**SUMMER HOURS**—8 a.m. to 4:30 p.m. Monday thru Thursday; 8 a.m. to 11:30 a.m. on Friday.

**MEAL ALLOWANCE**—\$2.75, a 25% increase.

**SHIFT PREMIUM**—In 3rd year 21¢ an hour; 3rd Shift 29¢.

**JURY & WITNESS PAY**—Employee paid for time served. If it exceeds half a shift, employee paid for full shift. Doesn't have to return to work. Time served credited for overtime purposes.

**SNOW DEFICIENCY PAY**—Tardiness will be excused and employees paid up to one-half regularly scheduled shift.

**VACATIONS**—2 weeks after one year; 3 after five, and 4 after 10 years. May now take vacation in single days, and may carry up to 2 weeks to succeeding year.

**WAGES**—8% general increase in 1st year; 8% in 2nd; 7% in 3rd year, or 28% total. In addition, all employees won 8% retroactive to 6/1/77. Average retroactive pay was \$384 in entry level jobs, highest \$708 in top grade. Further, employees won 3% automatic raises each six months until they reach the maximum. A series of "catch-up" increases of 4% every six months in the first two contract years were also negotiated. The 4% raises are in addition to the general and automatic wage increases. In the first two contract years, average employee \$1.57 an hour, and in third year gain will be around \$2 an hour. Average wage will then be \$6.08 an hour.

## Senate Deluged By Union Mail

### 2.5-Million Pieces Strongly Urge Labor Law Reform

The AFL-CIO Task Force on Labor Law Reform reports that some 2,500,000 letters, postcards and mailgrams were mailed to Senators by union members in support of Labor Law Reform Bill (S. 2467), coming up in the Senate sometime this month.

It was the second major milestone in organized labor's campaign which passed the one-million mark on February 20. Since then, as a result of an

all-out effort by organized labor, that figure was more than doubled.

"Overall, the campaign exceeded our highest hopes," the Task Force commented.

The OPEIU devoted its entire March issue of *White Collar* to the campaign, the result being so gratifying that President Coughlin expresses his personal thanks to members for their enthusiastic support of S. 2467 in letters to their senators.

As this issue goes to press, the Senate still has not acted on the bill. However, AFL-CIO Legislative Director Andrew J. Biemiller has notified the 100 Senators of the 26-pronged blitz aimed at them by opponents of the measure.

He sent each Senator an outline of the planned blitz they face. It includes massive "fly-ins" in corporate jets and shopping among pollsters until they

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## WHITE COLLAR

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# OPEIU Man's Letter to Ala. Senator

## Asks Foe of Labor Law Reform to "Search Conscience"

February 14, 1978

Hon. James Allen  
United States Senate  
Washington, DC 20510

Dear Senator Allen:

I have just read in the Labor Law Reform Memo of February 6, 1978, that you want to lead the parade against the bill on Labor Law Reform S-2467 when it comes before the Senate in a few weeks. I cannot understand why you would want to uphold unscrupulous employers like the J. P. Stevens Company and others who have used the National Labor Relations Board and the courts in the past to defeat the union. This bill does not give unions any special advantage, but will establish and maintain procedures that will assure fairness.

Presently, this nation is engaged in a policy of promoting the issue of human rights all over the world, an issue that we all support. So why, Senator Allen, would you, especially at such a time as this, want to deal a crushing blow to human justice on the job for millions of American workers by not supporting the Labor Law Reform Bill? Have you ever been told that if you had to go to the

restroom at any time other than lunch, you would need a physical from the medical department? I'll bet you haven't, but this was reported to the House committee by a rubber worker from Ohio. Have you ever been fired for wanting to work under a union contract that would provide security and benefits which you deserved? Hundreds of American workers have and the list could go on and on.

You were elected to represent the best interests of the people of Alabama. Apparently you have never worked in the labor market in Alabama or you would have a better understanding of the low wage and little unionized South of which Alabama is in the heart.

I challenge you, Senator Allen, to search your conscience very deeply and then cast your vote in favor of the millions of working Americans, both men and women who make up the backbone of this nation.

Sincerely,

Gerald E. Lane, President  
Office & Professional Employees  
International Union Local No. 52

## Message to BC/BS Employees

Few Blue Cross/Blue Shield employees are aware that indirectly they owe their jobs to organized labor. During the Great Depression in the 1930's union demands for a non-profit organization that would provide health insurance at a reasonable cost led to the formation of Blue Cross. Later Blue Shield was organized to supplement it.

In their beginnings, individuals eagerly subscribed as members for hospital-surgical insurance coverage. But with the growth of unions, which made this coverage part of a union contract covering hundreds and then tens of thousands of workers, both health insurance agencies grew like mushrooms.

When organized labor finally got Medicaid and Medicare enacted into law, to cover the hospital needs of the poor and the elderly, the government utilized these existing health agencies to administer the program bringing further growth for the BC/BS organizations. So, BC/BS—employees owe the jobs they hold to the union movement directly.

However, Big Business quickly saw in both organizations an opportunity to expand its influence by placing management representatives on their Boards of Directors. These imposed their own anti-union philosophies on the non-profit health agencies, holding employees down to the lowest possible pay scales.

The fact that both agencies were labor-inspired was completely forgotten, and consequently the employees have lagged behind in these inflationary days with the result that more and more now want to reclaim their labor heritage by unionizing. The OPEIU has given thousands of them this opportunity, and expects in time to bring them all together under its banner. Ask a typical OPEIU member why he joined, and his reply will be something like this:

"Because I'm proud of my job; it makes me a better employee in a better job. Our white-collar union puts things on a business-like basis. I like that. We put everything down in a written contract which we, ourselves, negotiate. My employer wouldn't think of doing business without a signed contract. It's just as good business for an employee to have a signed union contract. We've found that our union contract benefits all of us, and makes our office a better one to work in."

That's why all BC/BS clerical employees and salesmen should unionize now.

## Mergers Affect Contracts

A growing number of corporations, seeking faster profits, are joining the takeover parade through merger and acquisition, according to *The Wall Street Journal*.

It says European companies, many of which have more reason even than U.S. corporations to be unhappy with profit prospects have jumped into the act, too. They are armed with marks, francs and pounds that will buy far more corporate stock than a few years ago as a result of the declining value of the dollar.

Last year, there were 41 takeovers valued at \$100 million or more, up from 39 in 1976 and only 11 in 1975. So far this year offers for public companies are coming at a still higher rate.

But the big transactions are only part of the activities. The vast majority of the 2,224 mergers and acquisitions last year were purchases of small businesses or divisions that the large company buyers think will speed up their rate of earnings growth.

Greater emphasis on long-range strategic planning also is stimulating acquisitions, and divestitures, which are acquisitions for someone else.

Some economists question whether this wave of acquisitions is good for the national economy. When a company buys another concern, instead of using cash to build a plant, store or warehouse, this doesn't add to productive capacity or create new jobs, these critics point out.

Also, acquisitions concentrate control of an ever-larger part of the economy in the hands of fewer and fewer corporate officials.

**Foreseeing this trend several years ago, the OPEIU Model Agreement (Revised) recommended that a Successor clause be negotiated into all union contracts for the better job security of OPEIU members in the event of merger or acquisition.**

**We urge all bargaining units to check their current contracts and, if a Successors clause is not included, to negotiate one when the agreement comes up for renewal.**

## Senate Deluged By Union Mail

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find the results they want.

"Nowhere in the 'battle plan' is there a single item attempting to factually address, point by point, the substance of the bill," he told the Senators. "It is obvious opponents have no intention debating the legislation on its merits."

Particularly galling, he said, was the plan to raise funds among businesses involved in

NLRB elections. And particularly revealing were the plans to exploit the coal strike—on which S. 2467 had no impact whatever.

The blitz program, in addition to the "fly-ins" and massive advertising, has many other projects designed to smother the Senate in paper.

It includes massive distribution of an "economic" study by

business tool Pierre Rinfret; state-by-state polls by the Business Roundtable; cornering 400 news reporters on "coal strike" economics; "small" business petitions actually signed by 200 national associations, and "dear colleague" letters by chosen Senators.

These pledge "no letup in the press on the marginal Senators whose support is vital to our success in defeating S. 2467."

## Unions Shrug Off 'Sacrifice'

### Say Inflation Puts Pressure on Wage Hike Demands

Union leaders express deep skepticism toward President Carter's latest proposal for sacrifices on the wage front. They say their contract demands are more influenced by the real inflationary pressures on their members than by new calls for restraint.

The President's program was formally denounced by leaders of major industrial unions within the AFL-CIO who met in Washington, D.C., shortly after his proposal was publicized—that wage increases of federal employees would be held to 5.5%.

"It cannot have a serious effect in checking inflation," the unions' statement said. Unions would "participate wholeheartedly in any anti-inflation program that is both just and workable. We are also convinced, however, that experience has fully disproved the discredited theory that working people must bear the brunt of corrective measures.

"The evidence is clear—the Nixon experiments showed unmistakably that worker sacrifice is no panacea for economic ills."

Unions cite particular problems with voluntary restraint programs. If a businessman tries to hold prices but costs go too high he can always raise prices. But if a union takes less than it normally could get and prices continue to rise, it is too late; the agreement is signed and

wages are then locked up for one to three years, unions point out.

In addition, contract bargainers for low-paid workers insist

they should not be kept from improving their condition, and high-paid workers—such as the coal miners—generally have the power to enforce their demands.

### John Fitzmaurice Retires As Int'l Representative

John F. Fitzmaurice, for more than 20 years an International Representative for the New England region, has announced his retirement. He says he plans to keep active in the organized labor movement in a volunteer capacity, in addition to traveling and other pursuits in the local community theatre.

John's entire career has been devoted to the labor movement. Before joining the OPEIU staff he had served in various elective and administrative capacities with other unions and on numerous state and local labor committees in New Haven, Conn.

He also held various political offices, among them a term as a member of the Board of Aldermen in New Haven, and also on the Mayor's Advisory Council for its central city redevelopment program.

At one time, he was secretary of the Diocesan Labor Institute in New Haven, an Executive Board member of the New Haven Central Labor Council,



John F. Fitzmaurice

and also served as the labor member on the Board of Directors of the Travelers' Aid Society, affiliated with United Way.

We wish John many long and happy years to enjoy his well-earned retirement.

# Food Company Unit Forges Ahead

## 20.8% Wage Boost, Other Benefits Won at Fisher Nut

An across-the-board 20.8% wage boost in addition to other fringe benefit improvements were gained in a new two-year agreement renegotiated by Twin Cities Local 12 for its office unit at Fisher Nut Co., a Beatrice Foods, Inc., subsidiary in St. Paul, Minn., Business Manager H. R. Markusen announces.

He reports that it calls for a 12.3% increase retroactive to January 1 in the first year, and 8.5% next January. In the second contract year, it sets a starting rate of \$154 a week in the lowest office grade rising to a

\$178.2 maximum. In the top grade, the starting minimum will be \$192.8 rising to a \$233.2 maximum.

The vacation schedule was improved to provide three weeks after eight years. A new sick leave plan was negotiated.

The health-welfare program was expanded to include a dental plan with a \$5,000 lifetime maximum. The plan has a \$25 deductible and provides 80% of covered charges per year to a \$1,000 maximum.

It was also agreed that a union-management team would

meet within 60 days to review and analyze qualifications for each job now in the bargaining unit for purposes of promotions or transfers.

The company also agreed that it would try to continue its annual Christmas gifts, provide company products to employees at selling prices, and furnish coffee for rest breaks.

The negotiating team was headed by Business Representative Vern Paul and included Chief Steward Carol Steele with Stewards Ruby Strandberg, and Rhonda Braun.

# Local 2 Member Appointed To AFL-CIO Executive Post

Jean Ingrao, a long-time member of OPEIU Local 2, in Washington, D. C. has been named Administrator of the Maritime Trades Department, AFL-CIO, in which this union is an affiliated member.

Under the MTD Constitution the Administrator functions in the capacity of Secretary-Treasurer of the Department, an office vacant since the passing of Peter M. McGavin. Mrs. Ingrao's appointment was unanimously approved by delegates to the Department's Convention in Los Angeles.

Her professional union career started in 1951, when she became a secretary in the office of the president of the American Federation of Labor. Following the merger of the American Federation of Labor and the Congress of Industrial Organizations in 1955, Mrs. Ingrao served as an administrative assistant to McGavin, who was then an assistant to AFL-CIO President George Meany.

She was actively involved in



Jean Ingrao

the mergers of AF of L and CIO local and state central bodies, in strike funds and in the settlement of international dispute cases.

The late Brother McGavin appointed Mrs. Ingrao as his administrative assistant when he was elected executive secretary-treasurer of the MTD in 1961. She resides in Falls Church, Va., and is the mother of two sons, Michael and Mark.

# Old Friend of Labor's Cause Needs Help in N.J. Primary

U.S. Senator Clifford P. Case, (Rep.-N.J.), a long-time friend of organized labor who has one of the finest legislative records in the U.S. Senate, has received the official endorsement of the New Jersey State AFL-CIO in the June 6 Republican primary election to win his party's nomination for another six-year term.

In this election he is being opposed by a right-wing candidate who, thus far, has received \$150,000 on a first installment of right-wing money to defeat Senator Case for renomination.

He has also received the endorsement of national COPE



Clifford P. Case

which urges members of organized labor to support him actively in the primary campaign as a "true friend of labor."

# Unions to Set Up Memorial to Late H.H.H.

The AFL-CIO Executive Council has voted to endow a chair at the Hubert Humphrey Institute for Public Affairs at the University of Minnesota as a memorial "to the greatest friend working people ever had."

The basic funds for the endowment will be raised through a 2-cent per year assessment over the next five years. In addition, the council also wants to give individual union members the opportunity to contribute to the institute.

The funds collected from individual members will be used for scholarships for union people to attend the Institute, for special books and materials for the labor chair, and for other needs related to making certain that Hubert Humphrey's special relationship with union people is recognized in the work of the Institute.

# Musical Instruments Firm Put on Labor's Boycott List

Striking workers at the 144-year-old C. F. Martin & Co. Inc. plant in Nazareth, Pa., makers of the world-famous Martin Guitars and Vega Banjos, have received official AFL-CIO approval of their boycott of those products.

Martin workers have been on the picketlines since Sept. 14, when the company hired an antiunion Philadelphia lawyer to handle its negotiations. A chief issue is the company's pension plan for its 167 work-

ers. Many Martin workers who retire can anticipate pensions of less than \$100 a month for 27 or more years work for the company.

Martin's workers voted three to one last year to have the United Cement, Lime, and Gypsum Workers International Union represent them in negotiations. The Martin plant had existed nearly a century and a half without union organization. This is the first consumer boycott in that international union's history.

# D.C. Bank Contract Ups Pay Another 15 1/2%

Across-the-board wage boosts totaling 15 1/2% over two years, with improved fringe benefits, were won by Local 2 for its bargaining unit at the National Bank of Washington, D.C., comprising more than 500 tellers and clerical employees, according to President-Business Manager Jim Sheridan.

He says the new agreement calls for a boost of 8% in the first year, and 7 1/2% in the second. Average pay under the expired agreement was \$197.03 a

week.

For the first time, the contract provides dental and long-term disability plans. Lifetime maximum major medical coverage is increased to \$1-million from the previous \$100,000.

The contract also provides that if Veterans Day is not made a federal bank holiday, an additional paid holiday off in lieu of Veterans Day may be taken between November and March each year. The new agreement runs to March 31, 1980.



Help the Labor Movement honor his memory.

Send your contributions to:  
Hubert Humphrey Institute  
for Public Affairs  
c/o Lane Kirkland  
815 16th Street N.W.  
Washington, D.C. 20006

# Unionism Pays Off Big For Nurses

Registered nurses and licensed practical nurses represented by unions earn an average of 17% more than those who are not, according to a survey by *Nursing 77*, a professional nurse publication.

More than 30,000 nurses belong to unions affiliated with the AFL-CIO and the number is growing. The OPEIU represents hundreds of nurses among its bargaining units.

# Showing U.S. Engineers That It Pays to Unionize

American engineers earn less than their counterparts in Denmark, Germany, Switzerland, Norway and Belgium, according to a study by the Conference Board, a business research organization.

Registering a drop from first place in earnings in 1971 to sixth place in 1975, starting salary for U.S. engineers was \$14,900, while engineering graduates in Denmark averaged \$20,400.

Even when differences in "real" income were considered, allowing for different price levels and spending patterns, engineers in Denmark, Norway and Germany did better than the Americans.

It's no coincidence that engineers are one of the least unionized professional groups in the U.S., but they are strongly organized in Europe.

# West Coast United Way Pact Wins 16% Pay Boost

Wage gains totaling 16% across-the-board over two years, plus a cost-of-living allowance in addition to quarterly automatic increases ranging from \$15 to \$17 depending on grade, were won by Portland 11 for its office bargaining unit at United Way and Tri-County Community Council which raises funds for charity.

Business Representative John T. Bral reports that employees in the lowest grade will start at \$622 a month, rising to \$894. Starting rate in the top grade will be \$777, rising to \$1,088. In both years, a COLA will be paid if the CPI increases more than 3% during each year.

A floating holiday was negotiated, bringing the annual total to 11. The vacation schedule calls for two weeks after one year, three after four, and four after 14 years.

# Check Local TV, Radio to Air Labor Law Debate

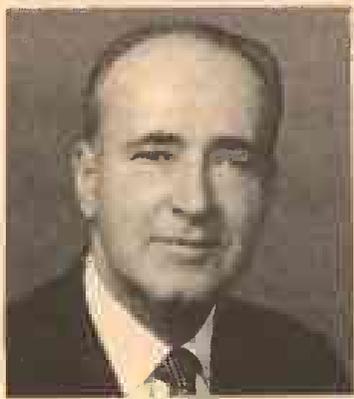
A recent Washington debate on Labor Law Reform was filmed for TV and will be available around May 1 from the Public Policy Forum series. The debate has been edited to a one-hour show, with a tape also available for public radio stations.

The AFL-CIO Task Force urges union members to check their local TV and radio stations now to make them aware of local interest in scheduling the debate, as well as to find out the date to alert the maximum number of workers to see it.

Organized labor's case was represented by Senator Harrison A. Williams (D-N.J.), co-sponsor of the bill, and Thomas R. Donahue, executive assistant to AFL-CIO President George Meany. Williams and Donahue won easily.

OPEIU members can tell their local TV and radio outlets that the debate was filmed by the American Enterprise Institute as part of the Public Policy Forum series, with which they should be familiar.

Union groups can buy or rent a film or tape from the Public Affairs Program, Robert Doyle, BNA Communications, 9401 DeCoverly Hall Rd., Rockville, Md. 20850.



from the desk  
of the  
**PRESIDENT**

## How Editorials Bait Labor

We find some amazing contradictions in editorials of numerous newspapers throughout the United States. On one hand, we see articles which decry the losses in membership of organized labor and, on the other hand, the same newspapers editorialize against the Labor Reform Measure (S. 2467) now under consideration in the U.S. Senate.

These writers would have you believe that they are sympathetic with the failure of union membership to keep pace with the growth of the American labor force and, conversely, criticize organized labor because it has too much political power and should not be attempting to arm-twist on Capitol Hill in order to insure the passage of a much needed Labor Reform measure.

In addition, many of the figures used by the authors of such articles are incorrect. For example, a feature writer in *The Wall Street Journal* indicated that organized labor represented 40 percent of the American labor force some 30 years ago and this figure had dropped drastically to 25 percent today. The same newspaper, in a later editorial, stated that labor represents only one-fifth of the non-farm work force today as opposed to one-third 20 years ago.

The truth of the matter is that organized labor has failed to keep pace with the growth of the American labor force, particularly in the last ten years. Organized labor, however, never represented more than 25 percent of the non-farm work force and today represents approximately 20 percent.

In the private sector of the economy, organized labor has been hurt the most. This is due to numerous causes, including the export of industries overseas by American multinationals for economic reasons. These include cheap labor in underdeveloped and developing nations, in addition to numerous tax advantages overseas and in the United States. Electronics, television, typewriters, apparel, textiles, steel and automobiles are only some of many examples.

Organized labor's union membership in the public sector has grown. It is definitely running into increased resistance from taxpayers and public sector employers spurred on by anti-labor forces who are opposed to unionism generally, and specifically opposed to the unionization of civil servants. Growth of union membership in the public sector will, in many respects, be dependent upon the passage of the Labor Reform measure, even though this bill is not specifically aimed at public sector organizing.

If workers in the private sector do not organize at an increased rate, then the failure to keep pace with the growth of the labor force will have a dampening effect on public sector organizing. Politicians will encourage or discourage public sector unionism based on the strength of organized labor in the private sector.

While *The Wall Street Journal* in an article written by Peter F. Drucker, a Professor of Social Sciences at the Claremont Graduate School, lays the failure of organized labor in the private sector to successfully organize a larger percentage of American workers to increased schooling of workers, inept leadership, a decline in political power and public esteem, and numerous other incorrect reasons, it continues to editorialize against the passage of the Labor Reform Bill.

The editorial refers to the Labor Reform Bill as an "ingenious combination of amendments to the National Labor Relations Act that look fairly innocent when viewed separately. When combined, however, they put a considerable power in the hands of union organizers, and sharply weaken the ability of employers to resist union organization."

It is simply amazing that the same newspapers, shedding crocodile tears about the failure of the organized labor movement to keep pace with the growth of the American labor force, at the same time are doing their utmost to defeat the Labor Reform proposal which would take us a few steps closer toward achieving the goal of organizing unorganized workers.

J. P. Stevens Company has been found guilty of violating the National Labor Relations Act some 15 times. The *U.S. News and World Report* magazine twice refused an advertisement from a coalition of groups supporting labor law reform because it referred to the fact that hundreds of corporations were found guilty of violating the National Labor Relations Act and a large number were repeater offenders, such as the J. P. Stevens Company.

The growing number of employer violations of employee rights (15,800 in 1960 and 34,302 in 1976) is substantial evidence of the little respect employers have for the National Labor Relations Act as it is presently written and enforced.

You will never read anything of this nature in the major news-

# New Retirement Law Poses Queries

## Answers on Pensions, Benefits Await Labor Dept. Rules

The retirement-age law signed by President Carter may complicate things a bit for pension plans and other benefits.

The law ensures most private-sector employees the right to work at least to age 70 without being pushed into retirement solely because of age.

For most workers the new law takes effect next January 1. But for employees subject to collective bargained contracts requiring retirement at age 65, the law's effective date for superseding those labor-management agreements is delayed to the expiration of the agreements or January 1, 1980, whichever comes first.

But some officials familiar with the measure have expressed private concerns that it could complicate the operation of employee benefit programs.

While many of the questions concerning the new law's impact

aren't answered explicitly in the legislation, its sponsors have taken care to place on the record Congress's legislative intent surrounding the bill.

Officials say they hope the complications can be dealt with as the Labor Department writes regulations for putting the new law into effect.

But officials emphasize that nothing in the bill requires employers to keep employees who can't perform their jobs adequately, even if their professional inadequacy is the result of their age.

"You can always fire someone for cause," said a Congressional official. "This bill doesn't change that."

Yet, controversy surrounding the legislation is likely to resume when the Labor Department takes up the task of writing the highly complex rules required by the new law.

Some officials emphasize, for example, that under the law employers are free to cease contributing to workers' pension plans beyond their "normal retirement age," typically 65.

Thus, workers who choose to wait beyond the normal retirement age can merely defer their retirement benefit until their actual retirement, and any increase in pension benefits they realize in the meantime would be based solely on pension investments rather than on further employer contributions.

Also, years of service beyond age 65 needn't be credited to an employee for purposes of determining pension levels, officials say.

Such questions, as well as those concerning life insurance and health protection, will not be answered until such time as the Labor Department draws up its rules and regulations to implement the new law.

## AILICO's Board Chairman Urges Labor Law Reform

President Bernard Rapoport, American Income Life Insurance Company in Waco, Texas, sent a personal letter on March 22 to every United States Senator expressing his support of S. 2467 (Labor Law Reform bill). The text of his letter follows:

"The American Income Life Insurance Company is one of a number of organized insurance companies. Approximately 1,300 of our employees, both agents and clerical workers, are organized under the banner of the Office & Professional Employees International Union, AFL-CIO. We have negotiated with that union for a number of years. The representatives of that organization have been firm but fair. Our collective bargaining agreements have been of constructive value to both our employees and the company.

"As an organized employer, therefore, I support legislation (S. 2467) designed to give the same type of representation to all workers throughout the United States. While we have no desire to tell other employers how to conduct their business, we feel that unionism and collective bargaining will benefit unorganized employees and the companies in which they are employed as well.

"We see nothing in the proposed Labor Law Reform Bill which we cannot live with. Therefore, we feel that the same thinking should apply insofar as all other employers in the United States are concerned."

Kindest personal regards,  
(signed) Bernard Rapoport  
Chairman of the Board

## Flexitime Schedules Now Cover 6% of All Employees

Use of flexitime by U.S. firms has doubled since 1974, according to a survey by the American Management Associations showing that 13% of all private employers, with 50 workers or more, allow employees to vary their daily starting and quitting times while working a contracted number of hours.

The study indicates 6% of all employees are on flexitime—up to 3½ million.

The report authors, Stanley Nollen of Georgetown University and personnel consultant Virginia Martin, predict that the trend will accelerate; about 9% of the 805 respondents in their survey were considering a flexitime policy.

papers of our nation, including *The Wall Street Journal*. Despite the avalanche of propaganda emanating from a press completely subservient to American industry, citizens of the United States are becoming more aware of the need for labor reform.

As it presently stands, this Act will be passed in the U.S. Senate if the opponents do not use filibuster tactics. However, such tactics will be used and supporters of organized labor must obtain not a simple majority, but a two-thirds majority in the Senate to invoke cloture and defeat the filibuster. The passage of labor reform must have top priority by organized labor in general and the Office & Professional Employees International Union in particular.

If you move, send your old and new address, including zip code and social security or social insurance number to:

William A. Lowe, Sec.-Treas.  
815 16th Street, N.W., Suite 606  
Washington, D.C. 20006

## U.S. Price Index

U.S. Bureau of Labor Statistics  
New Base 1967 = 100

1977		
February	177.1	
March	178.2	
April	179.6	
May	180.6	
June	181.8	
July	182.6	
August	183.3	
September	184.0	
October	184.5	
November	185.4	
December	186.1	
1978		
January	186.9	Old
February	188.3	Revised
March	189.8	188.4

## Canadian Price Index

Statistics Canada  
New Base 1971 = 100

1977		
February	155.4	
March	157.0	
April	157.9	
May	159.2	
June	160.3	
July	161.8	
August	162.5	
September	163.4	
October	165.0	
November	166.1	
December	167.2	
1978		
January	167.8	
February	168.9	
March	170.8	