Unionism Benefits D.C. Bank and Its Employees

Customer Deposits, Net Profits and Staff Pay Soar at The National Bank of Washington

By JANE PEDEN

When bank employees unionize they not only benefit themselves but also stimulate management innovative skills when they both work together in an atmosphere of mutual respect and harmony.

As an example, I can cite my own experience in The National Bank of Washington where I work in the Loan Review Department. In my capacity as Unit Chief Steward of the Office & Professional Employees International Union, Local 2, our bargaining representative, I have had a unique opportunity to observe the results of collective bargaining since we unionized in 1972.

Today, as unionized bank employees, we enjoy the highest salaries of any bank in the Washington, D.C. area. We now have employer-paid medical care with optical and dental plans; better vacations, more liberal personal leave, and many other fringe benefits that didn’t exist before we unionized. Moreover, we enjoy greater job stability and have a new sense of personal security.

Contrary to what many believe, not only has the bank grown in strength and profitability since the union came in but so has our unit membership which now totals 550, against 358 when we unionized in June, 1972.

Personnel turnover, which is unusually high and costly in unorganized banks, has dropped drastically at our bank to a low between 15% and 20% and even in some months has been down to 10%, reflecting the high morale and more stable work force that the union has brought about.

Under our OPEIU contract we enjoy grievance and arbitration machinery to settle any disputes that may arise between management and employees. Strange as it may seem, grievances are now few and far between, amounting to less than 10 a year, all being resolved fairly in a mutual spirit of “give and take.”

Technological changes have been numerous also since we unionized but they, too, surprisingly have created new opportunities for career advancement by the employees. Our contract calls for retraining in event of automation, and this solution has proved mutually beneficial for both the bank and its employees.

Before the union, promotions were haphazard. There was an old tradition that if one was good in a particular job he or she stayed there. This no longer applies; the union changed that. Now whenever a job vacancy occurs, our contract requires that it be posted on the bulletin boards so that anyone qualified can apply.

Where applicants are of equal ability, seniority is the deciding factor. Consequently, favoritism and cronyism are ruled out. With this union innovation, career-minded individuals have moved up and qualified people in the unit have even been promoted into managerial ranks.

If any argument is needed that unionism is as good medicine for management, I believe that our record of success and growth at The National Bank of Washington can be cited as proof.

When the employees unionized in 1972, its bank deposits totaled $373,935,000. On December 31, 1978, these deposits had grown to $690,670,000 and, in due course, we expect them to reach the one-billion dollar mark.

This remarkable but solid growth has been due to the joint efforts of entering and innovative bank management, together with the loyal cooperation of our unit members who act as personal sales people in attracting more deposits to the bank.

Next year, a few months time to time, we will run into some jittery employees who see doom in some new innovation in bank services or a rumor floats about. But when the union informs its membership that it cannot inhibit management’s ability to offer cost-competitive services with other banks, its assurance is met with a general understanding by unit members that what is good for the bank is also good for them. Thus, management and union have built up a feeling of mutual trust.

Summing up, in my opinion it’s good business for bank management to accept unionization because I know that the Union has contributed to the growth and success of the bank where I work. Its profits have increased with growing deposits, careful investments, and many service innovations. Besides, its personnel turnover has been greatly reduced, another plus on the profit side.

For the employees, it has meant greater job and personal security, improved opportunity for advancement and promotion, and the highest pay and finest fringe benefits for banks in the Washington, D.C. area.

For my own part, I cannot understand why this formula for success and growth, which The National Bank of Washington adopted just a few years ago, has not been grasped by other bank management and bank employees in the area.

Office Unionism Booms in Britain

Five Reasons Cited to Explain White Collar Influx

A massive influx of white-collar employees into unions in Britain in recent years has swelled membership in the Trade Union Congress to the 12 million mark, according to NUBE News, official publication of the British National Union of Bank Employees.

Explaining why British white-collar employees are "increasingly turning toward collective bargaining," the article lists the following reasons:

1. The loss of their former position in earnings relative to manual workers.
2. The apparent reduced status in society of white-collar workers.
3. The growing threat to their security of employment as a result of automation and technological change.
4. The tendency toward employment in larger and larger groups and the growth of corporate bureaucracy.
5. The increased detachment of clerical and supervisory grades from the top echelons of management.

The article points out that employers have "to face an ever-growing number of claims for trade union recognition" that will "effect progressively higher status groups in an employee’s hierarchy." (Unlike the U.S., supervisors and middle managers in Britain are allowed to unionize.)

Asserting that employers cannot ignore "the changing attitudes of their employees, or of society as a whole," the article adds that employers must also realize "that the organization of their employees in a trade union can have practical advantages for an employer."

The article concludes:

"Thus it is quite possible that this new growth period will take union membership in the United Kingdom up to a figure around 70-80 percent of employees. If, within this figure, a white-collar "(Continued on Page 3)"

1978 Membership Soars in “President’s 100 Club”

Sec.-Treas. William A. Lowe reports that membership in the “President’s 100 Club” in 1978 totaled 133, almost double the 79 figure for contributors in the previous year.

Enrollment in the Club, authorized by the Executive Board in 1977 to raise funds for VOTE (Voice of the Electorate), requires members to send $100 by check or money order, or sign a payroll deduction card for that amount in the year. A gold membership card is sent to qualifying contributors.

Contributors who were employees of the International Union and qualified in 1978 are:

Howard Coughlin
William A. Lowe
Jack Linstead
Arthur P. Lewandowski
George V. Parcero, Jr.
Jerry Schmidt
Joseph J. McGee

Contributors to the Club who were full-time employees of Local Unions in 1978:

John Kelly
H. R. Markussen
J. E. Moss
Gwen Newton

Contributors who were NOT employees of the International Union or Local Unions in 1978 were:

Bernard Rapoport
James Avery
Jeff Barberry
J. D. Bedford
Ken Berkin
Lester Bjorklund
Dave Blaisdell
Billy Boyle
Mike Brecken

This membership program is open to all members of the International Union.

Midwest Council Names Woman Organizer to Staff

The OPEIU Midwest Council announces the appointment to its staff of Jenny Rohrer as an organizer. She formerly served in the same capacity with another union, and for several years worked as a volunteer community organizer in Chicago.


Jenny also put in a stint as an accounting clerk in a Chicago loop insurance company.

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WHIT COLLAR
February 1979

OPUEIU'S New York Local 153 Supports Stevens Boycott

Carrying its banner, Business Representatives of Local 153 were prominent in huge demonstration at Steven's Tower in New York, urging boycott of all textile products made by the company, infamous throughout the world for its anti-union policies. The march was organized by the N.Y. Central Labor Council. J. P. Stevens textile products include such brand names as Utica, Meadowbrook, Tastemaker, Yves St. Laurent, Suzanne Pleshette, Diahn Shore and Galistan.

Where J. P. Stevens & Co. Gets Its Anti-Union Finance

Control of the U.S. economy has become so concentrated in recent years that fewer than 500 individuals, in interlocking boards of directors, now control over 80% of the nation's wealth and productive capacity. J. P. Stevens & Co., the giant anti-union textile firm, is a good example of these interlocking directorates comprising mostly bankers and corporate executives. Until recently, Stevens' board. The powerful bank (the nation's fourth largest) and the insurance firm have loaned J. P. Stevens nearly $100 million.

Banks and insurance companies have long been kingspins in America's corporate structure, wielding large amounts of capital from depository savings and the premiums of policyholders.

Ironically, much of the money invested by banks and insurance firms comes from union pension trust funds. Rather than make investment decisions themselves, many pension fund trustees hire a bank or insurance firm to invest the money for them.

The results include a climate in which union members' pension funds have been used, and are now used, to finance many corporate activities—including the illegal anti-union activities carried on by J. P. Stevens and other companies unfriendly to organized labor.

In recent years the insurance industry has made loans to Stevens of up to $190 million, over 80% of the textile firm's total indebtedness, owning in effect much of the Stevens empire.

The Ties That Bind

The chart shows some of the interlocking directorships linking J. P. Stevens, the notorious anti-union textile firm, to some of the nation's biggest banks and insurance companies. Two of the interlocks were broken last year when the directors resigned as a result of the publicity generated by the Analgamated Clothing and Textile Union which is trying to organize the company's plants. The OPEIU actively participated in the campaign. (Chart from Southern Exposure magazine.)

Why Unions Are Needed

The radical right-wingers would like to have the general public believe that there should be no unions in this country, and many non-union workers fall for this transparent propaganda which falls apart when analyzed. The reality is that, as non-union workers themselves, and the only beneficiaries are unscrupulous employers.

During 1978 more than 600,000 workers were illegally underpaid by almost $129 million, according to the U.S. Department of Labor, up from $120.9 million in 1977. Minimum wage underpayments totaled more than $40 million owed to 378,000 persons, compared with $37.2 million owed to 371,000 persons last year. Overtime violations totaled $51.7 million owed to 264,000 workers.

Violators of the Equal Pay Act, which protects female workers from discrimination because of their sex, resulted in $16 million owed to 18,000 workers, compared with $15.5 million due to 19,000 in the previous year.

There was also a 15% increase in 1977 in the amount of illegally withheld wages employers eventually agreed to restore to workers. More than $78.1 million was restored to $38,000 workers who agreed not to sue under ADEA in 1977.

According to the Department, the major reason for the difference between the amount due workers and that actually paid is the employer's refusal to pay back wages in cases judged "unsuitable" for litigation by the Department.

The greatest recorded increase in terms of types of violation involved age discrimination. There was a 47% increase in the amount of damages resulting from violations of the Age Discrimination in Employment Act (ADEA), which protects workers aged 40 to 65 from job discrimination based on age.

Damages totaled $13 million compared to $8.9 million in 1977. The number of workers owed damages under ADEA soared from 1,700 to 3,900, an increase of 126%.

Unscrupulous employers have no respect for unorganized workers. But they do respect them when they're unionized and work under a union contract. It's just another reason why every worker—white-collar or blue-collar—should belong to a union.

Why The Silent Treatment?

The so-called "right-to-work" (for less) union-busters met a disastrous defeat in Missouri in the November elections when they tried to impose this law on that state. They had the money but they lacked the people who backed the plan by a 200,000 to 1 margin.

Yet newspapers and the media were silent about this union victory. There were no editorials or comment by the networks which had played up the issue beforehand. The victory was due to dedicated union members, including our Missouri Locals, who rang doorbells to educate the public on what passage of this vicious anti-union law would mean.

It would have meant that all union contracts in that state would have to be renegotiated, with the likelihood that the new scale would be reduced by 83¢ an hour—or $1,600 a year for Missouri workers.

Here are some facts our union members elsewhere should keep in mind if these extreme right-wingers should attempt to foist such a law on their home states:

• The poverty rate in so-called "right-to-work" states runs nearly 50 percent higher than other states.
• The number of people living below the poverty level in "right-to-work" states is about 15 percent, compared to an average of 10 percent for the rest of the nation.
• The difference in average yearly income per person in "right-to-work" states is more than $1,000 less than in other states.

Figures compiled for 1977 show that:
1. Workers in Arkansas lagged $4,479 behind the national average.
2. Tennessee was $1,234 behind.
3. Nebraska was $299 below the national average.
4. Iowa was $141 below.

There is no doubt that professional union-busters now see the time as ripe to destroy unionism and collective bargaining in this country by any foul means. The undemocratic Senate filibuster that killed labor law reform last year was one instance. The Missouri election contest was another. Union solidarity is the only key to ultimate victory.

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Rules for OPEIU in Child Adoption
Arbiter Finds Mother Entitled to Maternity Leave
Office Unionism Booms

(Continued from Page 1)

Shift Lag May Cause White Collar Illness

The ILO study finds computer growth may pose health problems

utility services, the ILO suggests that the period of nightwork should be reduced as much as possible. However, the report notes that the disruption of nightwork on family and social life is obvious. The working housewife faces particular difficulties if her husband works nights. Whether working or not, problems of adapting social life to shift work falls heaviest on the wife.

The solutions are limited. Some writers have suggested switching could be done in an entire community to shift patterns. This could mean school periods starting at 10 at night and banks and shops open well past midnight; hardly a feasible idea or one acceptable to the rest of the community.

Simple cost accuracy is often the only justification for nightwork; expensive machinery and buildings must be kept in constant use, although no account is taken of the social and medical costs.

The OPEIU report states unequivocally that: "Nightwork should be banned whenever it poses a cost more than the financial considerations of making costly equipment pay for itself more quickly."

Employers introducing nightwork offer attractive financial carrots to workers, but once nightwork is established, the value of the premium is eroded, the report says, adding: "We find nightwork becomes expected, but once it is established, the value of the premium is eroded."

Contract bargainers should look beyond merely negotiating good nightwork premiums and consider the long-term implications for union members. They should ask is nightwork really necessary and if it is, what changes are there for shift-workers to change to day work if their health and social needs demand it.

Midwest Museum Yields
Agency Shop, Salary Boosts

Across-the-board pay increases of 5½% in the first year, $14,605 in the top grade.

The new agreement provides an agency shop, requiring non-members of the unit to pay a service fee in union does, and membership and staffing at three-month intervals to discuss matters of mutual interest.

The unit negotiating team assisting Markuson included Stewart 'Skip' Bessen, Gary Morsensen and Fran Singewald.

The contract is retroactive to July 1 and runs to June 30, 1980.

Independent Chicago Union Affiliates With Local 28

The Chicago Editorial Association, a 53-member independent union and formerly an AFL-CIO affiliate, voted unanimously to affiliate with Chicago's Local 28, according to a report from Sec.-Treas. William J. Taylor.

The new unit consists primarily of editorial employees of The Chicago Daily Record, in a union pitch in to carry the message to the unorganized. I congratulate Local 1's pioneer effort in that direction.

Milwaukee OPEIU Member Makes Convention History

Laurie Onaski attended the recent Wisconsin State AFL-CIO convention in Green Bay, Wis., as a delegate from Milwaukee OPEIU Local 9. Her father, Herb, a Business Rep.
20% Pay Boost Would at Minnesota Gas
Jobs Revalued, Shift-Differentials Raised in 3-Year Pact

A 20% across-the-board pay increase, supplemented by a cost-of-living adjustment, was won by Twin Cities Local 12 for its office unit of roughly 300 employees at Minnesota Gas Company, in a three-year contract renewal which became effective last June.

Business Manager H. R. Markusen reports that the new agreement calls for an 8% pay boost in the first year with an additional 3.5% on each anniversary date—June 1, 1979, and June 1, 1980. He says that the COLA calls for 2.5% productivity per hour for each 0.2% increase over 6% in the Consumer Price Index in both the second and third years, with no ceiling. A third shift employee gains a differential of 30¢ an hour (was 20¢), and employees filling in on a higher level will get 20¢ an hour (was 15¢).

The company also agreed to pay 51 cents per month for hospital-medical coverage for dependents in each of the second and third years.

The new pact contains a revised job evaluation schedule, each job title being designated in one of 10 classifications. Those not previously paid in accordance with the new schedule will be paid at the level designated by their job titles, and shall automatically progress from there to the top rate for their classifications.

The starting rate for the lowest office grade starts at $3.89 an hour, rising to $4.05 after one year. In the top grade, the starting rate is $6.64 an hour, rising to an $8.40 maximum, or $336 a week.

The total allowance was raised to $3.50 in the first year; $3.75 in the second, and $4 in the third year.

Language was tightened up in various other clauses covering vacations, maternity leave, overtime, and grievance and arbitration procedures.

The unit team assisting Markusen in negotiating the contract, which runs to May 31, 1981, was headed by Chief Steward Ronald Jelmo and included committee members Robert Adelman, Duayne Roepke and Richard Harper.

**From the Desk of the President**

**Carter's Anti-Inflation Plan Won't Solve U.S. Economic Ills**

President Carter's anti-inflation program promulgated on October 19, 1977 is not the answer to the economic problems of the United States. While there is no doubt that the President's program will limit wage increases of companies doing business with the government and may serve to limit prices on certain goods and services, it has too many loopholes to bring about the desired effect. The exclusion of food, for example, and the inability of our government to control food costs will tend to weaken the entire program.

The President's program does not protect consumers and wage earners from runaway price increases for the four necessities of life—food, energy, housing and medical care. These are the areas which have been hit the hardest by inflation. The Price Guidelines have little or no meaning.

For example, companies are allowed to increase prices by five percentage points above their historical rate of annual price increases during 1976-1977. This allows companies which have increased prices the most in the last two years to further profit under the President's program.

Automobile companies, for instance, have already increased prices three times in the last three months without any admonishment by the Administration despite the fact that they have not been forced to increase wages during that period as a result of collective bargaining.

Consumers and wage earners are also faced with an inflated rate of increase on many products; in many instances, prices will double between this year and the first half of 1979. This forecast did not take into consideration the 14.5 percent increase scheduled in oil prices by the Organization of Petroleum Exporting Countries.

With initial increase is five percent, the total increase will accumulate to 14.5 percent by October 1979. According to Administration experts, this will add almost one-half of one percent to the Consumer Price Index. Decontrol of gasoline prices will probably add another one-half point. The continuing turmoil in Iran could result in further acceleration of energy prices.

While it is true that the Administration has been responsible for a cut in income taxes, it is also true that the increase in Social Security taxes will result in an increase in total taxes in 1979 over the year 1978.

This past week we have been listening to forecasts which indicate that meat prices are continuing to spurt primarily because of controls which many economists predict will be doubled by the middle of 1979. The forecast is that the increase in the price of beef will reach 40 cents per pound in 1979.

It is difficult to understand, therefore, why the President feels that controls can inhibit inflation when practically all other aspects of the economy are out of control. Because of the imbalance of our balance of payments, our dollar continues to decline on foreign exchange markets. This, too, contributes to inflation.

The President has included in his anti-inflation program an incentive called "real wage insurance." This program, if enacted, would provide tax refunds representing the difference between seven percent and the increase in the cost of living above and above seven percent, not to exceed three percent credit.

The President stated that he would propose this to the Congress in January 1979 to represent a real wage insurance program for those employers and employees who observe the wage standard. As this column is prepared, it appears that the Congress is not looking kindly on the President's proposal and there is great doubt that such a program could be enacted into law.

The President's program to curb wage increases while not effectively controlling food, energy, housing and medical costs flies in the face of the opinion of most economists that we are, in fact, experiencing an inflation which is not caused by wages. There is even at this point a considerable slack in the economy as measured by both levels of unemployment and the extent to which substantial unused plant capacity. All economists are predicting that the nation's economy will grow even more slowly this year, or even shrink. Higher interest rates will cause a slowing of productivity, which will lower the demand for goods and services. The President's "voluntary" program to check inflation will fail.

High interest rates have a tendency to force up the prices of goods and services needed by workers. Workers, as a result, have been forced to seek higher wages to meet the higher prices they