OPEIU Discusses Merger With Insurance Workers

Executive Board OK's 1980 Convention Plans, Membership Tops 103,000

The Executive Board of the OPEIU, the Office and Professional Employees International Union, at its recent meeting in Nevada authorized International President Howard Coughlin and Secretary-Treasurer William Lowe to meet with representatives of the AFL-CIO and the Insurance Workers International Union to explore a possible merger with the Insurance Workers International.

Other actions taken by the Executive Board were:

1. It confirmed the 1980 Convention plans and designated the New York Hilton in that city as the site of the Convention, which will open on May 17 and close on May 21. The Executive Board will meet the week prior to the Convention and Convention Committees will be assigned to their tasks on June 4th and 5th.

2. The Board, at the request of the AFL-CIO, voted to contribute $500 to the Wayne Morse Chair of Law and Politics at the University of Oregon.

3. The Board discussed the possible formation of new Councils for organizational purposes throughout the United States and encouraged OPEIU Local Unions to form such Councils at the earliest possible date.

4. The Board approved the merger of Local 450 into Local 17.

5. The Board discussed President Carter's Guidelines at great length. It agreed that in negotiating with companies which do a substantial portion of their business with the government, it is going to be difficult to secure wage increases over and above the Guidelines. The Board disagreed with the Guidelines and felt that the government was not controlling prices to the extent that wage guidelines could be realistic.

6. The Board also doubted that the Presidential intent to allow price increases of 0.5% above the high of 1976-77 could be enforced with a staff of 135 workers administering the program in Washington. The Board pointed out that the control period of World War II, 63,000 were employed by the Office of Price Stability to assure compliance.

7. The Board noted that the Canadian Triennial Convention of OPEIU Local Unions will be held in Ottawa at the Skyline Motel, March 31-April 1, 1979.

8. The Board denied the appeal of three members of Local 29 against disciplinary action imposed by that Local Union.

9. The Board approved President Coughlin's report which indicated a new membership high for the OPEIU. Our membership average in the past seven months was 103,682 which indicates a gain of 5,394 over membership figures reported to the 1977 Convention.

10. At the meeting of the Retirement Committee of the OPEIU, the desire of the Insurance Workers International Union Pension Plan, the Executive Board, after hearing a report from Clifford Routh of the Martin E. Segal Company, adopted a change in the Pension Plan whereby the benefits formula at retirement will be increased by one-half of one percent from two to two-and-a-half percent. This change will call for an additional contribution of one percent by the New York office which is participating in the Local Unions.

The Retirement Committee instructed its Executive Officers to look at the expansion of the benefits for those already retired and report to the next Executive Board meeting.

Business Week Article

Says Unionism Pays Off

Pay raises for white-collar employees achieved at unionized corporations have sparked salary increases for clerical personnel in all sectors of the economy. That's one of the conclusions of an article entitled: "A boom in white-collar salaries," published recently in Business Week.

The article notes that pay increases for clerical employees in corporations where they are covered by collective bargaining agreements have run ahead of increases for secretaries and other workers in non-union firms.

The article deals only with salaries. It does not discuss other advantages unionized employees enjoy: hospitalization and life insurance coverage, pensions, security on the job, and other fringe benefits.

John P. Cahill, 62; Exec. Bd. Member

We regret to announce the death, after a long illness, of OPEIU Vice President John P. Cahill at his home, 5112 - 41st Ave., Hyattsville, Md. 20781. He retired as President-Business Manager of Local 2, Washington, D.C., earlier this year but continued to serve as an International Vice President.

Before joining the OPEIU, he had worked during World War II for the U.S. government in aircraft production, receiving for his efforts a citation from the British Ministry of Aircraft Production, and a letter of appreciation from the then Prime Minister Winston Churchill.

After the war, he joined the OPEIU and became Local 2's Secretary-Treasurer in 1947. He was elected its President in 1950 and served in that capacity for the following 28 years.

In 1962, he was elected an International Vice President and was reelected to the post at subsequent OPEIU Conventions.

He was born in Washington, D.C., in 1916. He is survived by his wife, Mary Elizabeth, and one daughter, to whom we extend our deepest sympathy.

Wage Guideline Rules Eased; May Average as "High as 7.2%"

The Carrier administration has modified slightly its wage-price standards that are designed to encourage compliance with the anti-inflation program.

However, the changes don't alter the basic thrust of the President's program, Alfred Kahn, anti-inflation chief, told a news conference in Washington, D.C.

One change eases the wage standard by counting only part of the costs of maintaining health benefits while discounting entirely the costs of maintaining pension benefits.

The other change concerns the price standard, which calls on companies to keep their price increases in the year ahead at least 0.5 percentage point below the average annual price increase in 1976 and 1977.

The basic pay guideline remains 7%, but Kahn conceded that the liberalized treatment of wage and fringe benefits could average a 3% increase under the program. During October, consumer prices rose at a 9.6% annual rate.

The change in how fringe benefit costs should be calculated was adopted after labor and business groups complained that the additional expense to employers of simply maintaining existing benefits would eat up a substantial portion of the allotted 7%, making it additionally difficult for 3- to 4-year to keep pace with inflation.

Thus, to make allowances for the burgeoning cost of providing health care, the government now says employers may exclude from the guideline any added health benefit costs that exceed 7%.

In other words, if the cost of maintaining current health benefits grows by more than 7% from last year's cost, the additional amount needn't be charged against the guideline. But any extra costs resulting from expanding health benefits must be charged against the 7% limit.

The new exemption for retirement benefits goes even further. It says employers needn't charge against the guideline any added costs of maintaining present pension levels as long as the increases are the result of cost-of-living or actuarial requirement.

Again, any increased costs attributable to plan improvements will automatically fall under the 7% guideline.

New Organizing Adds 1,000 to OPEIU Rolls

As 1978 closed, approximately 1,000 new members were added to OPEIU rolls as a result of organizing campaigns reached their climax in December in National Labor Relations Board elections.

New York Local 153 won a 275-member unit at Group Health Insurance, Inc., in Coral Gables, Fla., an out-of-state branch of the New York GHI whose employees have long been represented by Local 153. The vote was 154-to-102.

The campaign lasted several months, led by Organizer Jim Bloodworth. He was assisted at intervals by Local 153 Business Manager John Kelly, Sec.
Pay Hikes Don't Cause Inflation

Study Finds Wages Lag Behind Rising Prices and Taxation

Wage and salary raises are not the cause but the effect of the current inflation, according to a study made for the AFL-CIO by a Washington, D.C., economic consulting firm, which finds that wages and salaries instead have lagged behind the inflation rate.

The study criticizes the "mentality that automatically links a pay raise to wage and price increases." It notes that the fact prices have outstripped by a considerable margin increases in the minimum wage.

The researchers make proposals to slow economic growth or, perhaps, bring on a recession as a cure for inflation are "more likely to prolong or aggravate the inflation than to reduce it," they conclude. "Economists on the federal reserve board have bailed out of such proposals based on the little link to current economic realities."

The study continues, "inflation in the United States, is in no way due to pressures generated by demand. There is at this point considerable slack in the economy, evident from the high level of unemployment and the existence of substantial idle plant capacity. And still prices keep rising rapidly. There is simply no reason to anticipate that creating additional slack will ease the price pressures.

The researchers also noted that, few producers will tolerate a profit squeeze when lack of competition allows them to increase unit prices and maintain profit margins."

"If producers are in a position to raise prices without regard to the condition of the market," the study observes. "But there are many who... and these firms are located in key industries where price competition is practically nonexistent."

"Negotiating wage pay for a study finds that increasingly the public utilities and many others are paying workers in a position since 1969 to have been illustrous. They have been "eaten up by the continuing rise in prices."

"Many workers have been subjected to an actual decline in living standards as a result of rising prices and taxation, it says."

The study notes that the average nonfarm worker earned $95, would have to make $106.00 a week in July, 1978. Because this figure is an average, the study concludes, "millions of workers have not managed to maintain themselves on the treadmills...

Other major findings of the study include:

- Labor costs have actually declined as a share of total production costs, while the costs of raw materials, power and transportation have taken a larger share.
- Because of declining effective federal, state and local taxes on corporations, corporate after-tax profits have risen very much more than national income.
- Despite some inflation, productivity actually is declining, despite the fact that workers in the last seven years have been subjected to an actual decline in living standards as a result of rising prices and taxation, it says.

As before the previous study, we find many workers have been forced to use their full year of service if necessary to gain employment, yet all had unit costs go up at higher rates than in the United States. Yet, only the United States saw worthwhile prices rise faster than labor costs.

Tampa Electric Offers Fat Package

Local 46 Unit Wins Pay hike, Benefit Gains in New Pact

Wage gains totaling 22.5% over three years, with other fringe benefits, were won by Local 46 in a new contract for the Tampa Electric Company.

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The challenge for governments in the present slump is the cost-wage inflation spiral, Cardova notes. Basically, he says, there are two approaches to the problem:

- One is to impose a wage control system under which, of course, the voluntary character of collective bargaining goes overboard. If specie controls are attempted, then the freedom of the two industrial partners to fix the conditions of employment is curtailed.
- The second approach, he continues, lies in elaborating and implementing what is called a "socially responsible wage policy," worked out in consultation with government.

"Though the principle of voluntarism is here maintained," he notes, "government may gradually become the inevitable and sometimes principal partner. This implies a move from the traditional labor-management dialogue toward a trilateral discussion.

"Under these circumstances," Cardova concludes, "collective bargaining is bound to become more and more influenced by political considerations. Thus, the old and vigorous institution will face new and far-reaching challenges."

Charles Hogan, 61; Ex-OPEIU Official

We regret to announce the death of Charles Hogan, 61, a former OPEIU International Representative for the Eastern Region, in San Dimas, Calif. At the time of his death, after a brief illness, he was the AFL-CIO Director for Region 6 on the West Coast.

More familiarly known as "Chuck," he was born in Philadelphia, Pa., where he spent his early childhood. A veteran of World War II, he served in the U.S. Navy.

Before joining the AFL-CIO National staff in 1963, he had served in various capacities with many International Unions. Prior to becoming a Region Director, he administered the Los Angeles-Orange Counties Organizing Committee set up by the AFL-CIO Executive Council to bring about maximum cooperation, coordination and promotion of organizing among the more than 40 International Unions with its framework.

He is survived by his wife, Carole Cathryn; two sons, Mark Edward and Cal David; two daughters, Avis "Del" Morici and Rae "Sandy" Morgan, and seven grandchildren.
Delayed Picture of Delegates to Western Educational Conference

Because of an oversight in forwarding, we regret the delay in publishing this photo of delegates who attended the highly successful Western OPEIU Educational Conference. Here the delegates posed outside the Quality Inn, in San Francisco, Cal., where the conference was held in September. Women delegates outnumbered men by about two-to-one, reflecting their growing interest in unionism.

TacomaHealthAssn.SignsInitialPact

New OPEIU Unit Wins Many Gains Over Pre-Union Days

Important gains in pay, fringe benefits and working conditions were achieved in an initial one-year agreement negotiated by Tacoma Local 23 for its new unit of about 32 office employees and technicians at Sound Health Association in that city, Business Representative Frank E. Fenerty, Jr., reports.

He says the average increase is 144 an hour in addition to anniversary date raises ranging from 7 to 10. It brings the starting rate in the lowest grade to $3.25 an hour, rising to $3.70, and for X-ray technicians to $5.85 an hour, rising to $5.85.

Among fringe benefit gains are medical and hospital coverage for the employee and one dependent; sick leave cumulative to 60 days at the rate of one day per month, paid bereavement leave, and leaves of absence for illness, maternity and advanced study.

The initial agreement includes a modified union shop and protection for employees in event of technological changes, with new rates to be negotiated if job content is thus altered. The contract also provides for posting job openings and promotions, the latter based on qualifications and seniority; a system for warning letters with employees having full access to all material in their personnel files, and grievance procedure spelled out, culminating in arbitration.

N.Y. Man Gets OPEIU Post on West Coast Field Staff

President Howard Coughlin announces the appointment of Richard Holiber, 26, as a new International Representative assigned to the West Coast. He will be based in San Francisco.

A native of Flushing, N.Y., he holds a B.A. degree from the University of Rochester, and an M.S. from Cornell University where he majored in collective bargaining, labor law and labor history at the N.Y. State School of Industrial and Labor Relations.

In 1977, he served as a field examiner intern with the National Labor Relations Board in San Francisco, and before joining the OPEIU staff was an assistant teacher of labor history at Cornell University.

D.C. Health Plan Signs First Pact

New Unit Gains 13% Pay Hike in 28-Month Contract

A 13% general wage boost over 28 months, with other improvements in working conditions, were won by Local 2 in an initial contract negotiated for its new 130-member unit of clerical, technical and administrative employees of the Georgetown University Community Health Plan, Inc., in Washington, D.C.

President-Business Manager Jim Sheridan, of Local 2, says the new agreement calls for a 6 1/2% pay boost in each year. Some employees got an additional 7% under a suspended merit increase plan implemented for those whose anniversaries fell between June 26 and Dec. 31, 1978.

Those who are required to work on Sundays or holidays will get doubletime rates. The contract provides nine paid holidays and two one-half days, making the annual total 10. It also provides vacations ranging from two weeks in the first year to five weeks in the ninth year.

Management also agreed to institute flextime on a trial basis to areas of operation where patient care is not involved.

The contract provides sick leave of one day per month, cumulative without limit.

More Women Join Unions At Fastest Pace in 20 Years

Women in labor unions increased by some 1.1 million in the 20-year period, 1956 to 1976, accounting for almost 50% of the total growth in union membership, according to the U.S. Department of Labor. By 1976, women represented one of every five union members.

In an article entitled "Women in Labor Organizations: Their Ranks Are Increasing," it was pointed out that the growth in female union membership parallels the increased labor-force participation of women. It adds that:

"Their continued concentration in certain low-paying white-collar occupations, that have been traditionally difficult to organize, has made them an increasingly important source of union strength."

The article said that an examination of the membership pattern in unions with 50,000 or more women members (such as the OPEIU), showed a trend toward more women joining these unions. Their female membership rose at a faster pace than among all unions during the 20-year period covered.

OPEIU Wins Job Back For Clerk Fired Unjustly

That an OPEIU card guarantees a fair shake for unit members was a discovery made by Marilyn Myers, of Baton Rouge Local 428, after she was fired for "absenteeism and tardiness" by the Baton Rouge Water Works Co., where she worked for two years as a customer clerk.

Local 428 filed a grievance immediately, contending that she was treated unfairly because she was sick, and had worked on many occasions even though she was sick. Four days before she was fired, she had to leave at noon to see her doctor.

The company claimed that she had a "poor" attendance record, and had been given two written notices before she was fired.

When the case was brought to arbitration in New Orleans, La., before John F. Caraway, selected from a Federal Mediation & Conciliation Service panel, the company had "terminated her employment without just cause."

He ordered the company to reinstate her immediately to full employment and restore all lost seniority.

International Representative Jack Langford handled the case for Local 428.

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Don't Drink Coors Beer!
Anti-Union Press Silent
On Corporate Misconduct

A large segment of the public press, either directly or by in- 
nuendo, raises questions concerning the integrity of the labor 
movement if and when a criminal indictment of a labor leader 
occurs. The same questionable atmosphere is created when in-
vestigations of a major labor organization are announced. Paid 
labor relations experts, with the goal in mind of terminating union 
representation, emphasize these problems in order to sell their 
programs.

The media and those who would use this questionable publicity 
against organized labor seldom, if ever, use evidence of corporate 
corruption in the same manner. You would have to go to great 
lengths to find a publication that spelled out a recent Senate Sub-
committee report which stated: "Hardly a day passes without some 
shocking revelation of corporate misconduct-corporate bribery, 
political slush funds, misrepresentations and falsifications, personal 
use of corporate airplanes, cars and vacation spots, and excessive 
salaries for officers."

Phyllis Payne, an attorney for the Laborers' International Union, 
dwelt on this subject in an article published in the AFL-CIO's "Feder- 
ationalist." She stated: "Even those corporations that have
admitted to bribery on an international level have not been severely 
chastised for such actions. They have often agreed to consent 
down the procedures and to make that kind of information 
available to their shareholders in the future, hardly a very severe 
penalty."

Phyllis Payne pointed out that an informal survey of articles 
published so far in Corporate Crime Journal-a publication consid-
ered a newspaper with an ax to grind against the business world—dur-
ing the first half of 1978 has revealed that indeed not one day did 
pass that the "Journal" failed to report upon some aspect of 
corruption in the pursuit of profit.

The violators include the large multinational corporations that 
dominate American society and its economic and political life. We 
are talking now about companies in the Fortune "500" which have 
the highest salaries in the nation.

Fortune "500" companies had sales of $1.086 billion and earned 
profits of $53 billion in 1977. The corruption, whether commercial 
or foreign bribery, illegal campaign contributions, price-fixing or 
tax evasion, manifests a direct assault on each American in the 
form of higher prices and higher taxes.

Ms. Payne's article which, in effect, was an informal survey of 
news published in The Wall Street Journal in the first month of 
1978, lists all the instances of conglomerates which engaged in the 
foreign bribery uncovered during Watergate. Companies in the 
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