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President Thomas addresses Labor-Management Seminar

Lee Thomas, President of Local 1245, participated in a seminar for graduating seniors at Trinity High School in Weaverville, California on May 7, 1973. The theme of the seminar was "The Role of Management, Organized Labor and Government in Labor-Management Relations."

Brother Thomas' participation in this type of program is consistent with Local 1245's long standing policy to take part in many Labor Relations programs, at both high school and college levels.

Robert Rowen, Economics Instructor and former member of Local 1245, is to be congratulated on setting up a forum where the seniors can hear from all segments involved in modern labor relations.

President Thomas, after giving a brief picture of Local 1245, attempted to explain some of the common areas of misconception about Labor Unions and what they do for their members. He stressed the point that when an employee joins the Union and completes a probationary period with a company, he or she shouldn't feel that this immediately qualifies the individual to early retirement, i.e. taking it easy. He stated that jointly developed work rules through collective bargaining should be lived up to by both sides, and that competence and pride in workmanship should be the guiding influence of the worker. He also said that management should give maximum credit to those who provide the skills and efforts to keep the company physically operating.

Brother Thomas explained the basic conflict at the collective bargaining table results from the Union member's desire to receive top wages, benefits and working conditions which are countered by the employer's desire to receive top performance and production while keeping labor costs as low as possible.

Lee Thomas indicated that he did not agree with the "monster role" that management had played in the first one hundred years of Labor history, and he would not agree that Labor should play a similar role for the next one hundred years to balance the score. He further stated that while present laws were not all equitable in our present Labor-Management Relations system, that honest collective bargaining by both sides is the surest means to good Labor Relations and industrial peace.

The participants of the labor-management Seminar are shown above from left to right, Lee Thomas, Pres. of Local 1245, Mr. Twohey, N.L.R.B., Mr. Hughes, Dept. of Ind. Rel. State of Calif., Mr. Bingham, Deputy Labor Commissioner, Mr. Falor, Pers. Rep. for Simpson-Lee Paper Co.

Robert Rowen, Instructor, (see arrow), is shown with many of the students participating in the seminar.

YOUR *Business Manager's* COLUMN

UPDATE ON ENERGY CRISIS

L. L. MITCHELL

Last month I participated in a conference which will form the basis of much controversy in the legislature. Some of the recommendations from this group will be introduced as legislation as part of an Energy Policy for the State of California. It will have a real impact on the members of 1245 because it deals in part with the uses of gas and electricity. The entire populace will also be involved for there are many sources of energy which affect us whether we are employed in the industry or not.

The conference called by Lt. Governor Ed Reincke was composed of some fifty selected invities to discuss "What energy and environmental policies are necessary to balance supply and demand of energy consistent with acceptable economic, social and environmental goals to achieve the most effective development, uses and conservations of California energy resources?"

The conferences were divided into three panels to discuss 1) Supply, 2) Demand, and 3) Policy Implementation. In the prepanel meeting and briefing the consensus was that 1) a "do nothing" Energy Policy would be tragic, 2) immediate actions must be taken to reduce demand, and supply must be implemented, 3) to alleviate a crisis the policy would have to establish three time frames for actions: a) short range (0-5 yrs.), b) intermediate range (5-15 yrs.), c) long range.

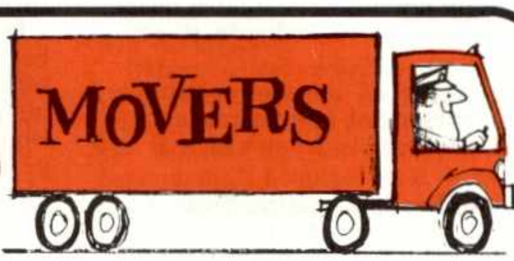
I participated in the Supply Panel and found it most interesting, although very alarming. Our increasing dependence on foreign imports for petroleum and gas has major implications, both economic and political. One has only to view the attitude of various Middle East countries. Their recent actions on increasing oil prices by $1.00 per barrel, thus affecting the balance of payments and our own domestic economy is one thing, but when it is suggested that if our political decisions do not meet the desire of these potentates they won't sell us oil at any price. We should all recognize the importance of immediate actions to develop some means of gaining more reliable energy supplies.

The Supply Panel submitted recommendations on Power Plant Siting, Research and Development, On Shore and Off Shore Oil Drilling, Nuclear Power Generation and Geothermal Power Generators. In the Research and Development areas the discussions covered uses of solar, wind, tidals, fuel cells, etc. as energy sources but emphasis was also placed on development of advanced systems to increase efficiency and safety of electric power generation and the development of systems to control formation and emissions of pollutants from fuel combustion.

Those attending the conference were representatives of industry, science, ecology and government. I attended as Vice President of the California State Federation of Labor and represented our most precious natural resource, man/woman power. Without the skills and knowledge of our labor force, none of the proposals set forth at the conference could be realized. As our technology grows and the industry complex becomes more sophisticated, there will be a proportionate need for this vital energy resource, which is also in short supply and which must constantly

(Continued on Page Three)

... HAVE YOU MOVED?



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OOPS!!!

By Ed Fortier

In the February issue of the Utility Reporter Citizens Utility members were featured. The pictures and comments were limited to the locations in the Shasta Assignment. Due to various reasons, Ferndale was omitted and there was not time to include it in the article. This was in part due to the fact that the operation in Ferndale is one of the smallest. Another factor involved the location of that headquarters in another assignment area. It seems that Ferndale is located in Humboldt Division, a fact well known by Humboldters and tourists alike. For many years this city has been noted for its scenic beauty, country folklore and the preservation of historic architecture. The location of a Naval Base nearby keeps the employees busy and brings new faces to the area. It would be unfortunate to pass up an opportunity to salute our members in Ferndale who contribute so much to this community. Since we are talking about such a small group it would be appropriate to mention them all by name and classification.

Art McDaniel—Exchange Supervisor.

Gus Scalvini—Installer Repairman.

Gene Schonrock — C.O.E. Maintenanceman.

Mary Miller—Commercial Clerk (Senior).

Bev Anderson — Commercial Clerk.

D. B. Frigulti—Janitor.

It was unfortunate that I was only able to get pictures of three of the six. An emergency situation arose at the Naval Base just before my arrival for the picture taking and I was only able to get shots of those that were at the headquarters. Perhaps there will be an opportunity to catch them another time.

Gus Scalvini

Shown above are Mary Miller, left, and Bev Anderson.

the utility reporter

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Pension Benefits

Part V

A pension plan for PG&E employees has been in effect for over 45 years. Prior to 1937 this plan was an unfunded plan, totally supported by the PG&E, and retirement payments were paid out of current income. The plan provided only for retirement income at normal retirement date under certain conditions, and early retirement based on permanent and total disability. All pensions were grants of management and only received if approved by the Company's Executive Committee.

With the advent of the Social Security Program, which became effective on January 1, 1937, the pension plan for PG&E employees was revised and was underwritten by the Metropolitan Life and Prudential Insurance Companies. It became a joint contributory plan, was funded, and provided vesting privileges based on age and service. **The contributions by the employee were established at 2% of earnings up to $3,000 of annual income and 4% for all additional earnings.** The difference between the amount contributed by the employee and the actual cost of the annuity was to be paid for by a Company contribution. Retirement incomes at normal retirement age were to be calculated on the employee receiving an annual income of ½ of his total contributions made during his period of participation. A contingent option to provide a pension for a surviving spouse had to be made five years before actual retirement. The reduced pension was based upon a standard actuarial table.

The plan provided early retirement during a ten-year period prior to the normal retirement date only for permanent and total disability and upon receiving approval from the Company. The pension income was reduced by standard actuarial tables in accordance with age and the amount of purchased income at the time of retirement. It also provided a return of contributions without interest to a beneficiary in the event of death before retirement. Vesting was acquired by reaching age 50 and having ten years' participation in the plan.

At the time this plan became effective, the Company also established a past service plan to provide retirement income for service prior to 1937. The income was to be determined on a formula of a percentage of the employee's December, 1936 salary multiplied by the number of years of service completed before 1937. These percentages were graduated and determined by the age of the employee and the amount of income earned at the time the plan was established. The total amount allowable was reduced by the amount of Social Security benefit available. This program was funded in 1945 by establishment of an irrevocable trust with the Crocker First National Bank of San Francisco as Trustee.

Bargaining Begins

In 1950, the two I.B.E.W. Locals on the PG&E properties prepared proposals aimed at improving the pension plan. These proposals were discussed but nothing concrete came of this until 1952 when Local 1245 obtained system-wide bargaining rights. In the 1952 bargaining preparations, after considerable study and with assistance of a pension expert from the International Office of the I.B.E.W., the Union submitted proposed changes on the pension plan along with our regular contract changes to the Company. During these sessions, a commitment was obtained to continue bargaining on pensions separately on an interim basis after we concluded our regular contract bargaining. Counter proposals were received from the Company on February 9, 1953. These were in answer to our proposals which had been made in the general submission of April 8, 1952.

Bargaining was long and the problems were complicated but agreement

(Continued on Page Six)

Why not?

A can of soup costing 30¢ is required by law to carry a label bearing the list of ingredients it contains.

An article of apparel costing a few dollars must have a tag showing the materials from which it is made.

An automobile costing from $2,000.00 must have a label showing all extras with the cost of each plus the base cost of the auto.

The single largest investment the average working man is apt to make is the purchase of a home and this can run into many thousands of dollars.

A house is also made of a number of materials and products or equipment which can be included in a listing but is not required.

Red Pitchford, B.M. L.U. 332, proposed at the Joint Executive Conference of the Northern California Electrical Workers that such a labeling be placed on houses. The list would include the grade of material, the type used, the equipment installed etc. These specifications would show wire type and sizes, the grade of lumber, size of beams, glass standards and prices of all ingredients. This would include costs of lot, financing, labor, commissions, interest etc. as separate items on the list. The idea was adopted and is to be put into form for submission to the legislature.

This would no doubt slow down the unscrupulous builder and reduce the blame placed on labor for the expanded costs of housing.

Novel? Yes. Effective? Yes. Can it be made law? Doubtful, but you could help bring it about. Drop us a card on what you think of the idea.

The meat price squeeze continues

By Sidney Margolius, Consumer Expert for Utility Reporter

While some meat prices have receded because of the boycotts and seasonal increases in supply, the problem is not over. Meat prices will rise again this summer. Normally meat is at its highest price of the year in the July-August period.

Not until fall will working families get any more lasting relief in the form of more abundant supplies.

The rise in meat prices between November, 1971, when the original Phase I freeze ended, to the end of March, 1973, has been fantastic. On the basis of an analysis of market reports in three cities, we find that the per-pound cost of 13 cuts of meat leaped from a total of $12.80 to $16.44. This is an average rise of 28%.

Poultry and fish also have gone up sharply in that period, although not as drastically. Three poultry items rose an average of 22%, and four fish items, 21%. Actually, broilers, a mainstay of moderate-income families, went up 20 cents a pound from the 1971 price tags of 36 cents—an increase of 56%. But turkey is still close to its 1971 price.

For some time we have warned that the so-called cheaper cuts on which working people rely are going up faster than the traditionally expensive cuts. But the full extent of this increase is a shocker. The averages hide the fact that the food inflation has hit low and moderate-income families hardest.

One example is the sharp jump in the price of chicken. But look at these figures. Chuck steak has gone up 46 cents a pound; sirloin, only 20. In some markets chuck with bone-in has been selling for as much as $1.39 a pound compared to $1.69 for sirloin. Beef stew has gone up even more—as much as 55 cents a pound on average in one city and recently has sold for $1.39 to $1.59 a pound in many stores.

Rationing by Price

What has happened, of course, is that as prices soared, middle-income families switched to the low and moderate-income families. Many of these families have been subjected to a kind of rationing by price. Well before the recent boycott movement gathered its impressive strength, many lower-income families already were seeking out the substitutes.

Even frankfurters, another staple in moderate-income homes, have jumped 34 cents a pound in the past 16 months and now often are tagged $1.15 a pound. That is more than chopped beef costs with its higher nutritional quality.

Bacon is another high riser, up 32 cents a pound compared to an increase of only 12 cents for cooked whole hams. Bacon, which really should be classified as fat, not as meat, has only 38 grams of protein per pound as purchased. At recent prices of $1.15 a pound, that makes the cost of 100 grams of protein $3. In comparison, smoked ham with bone-in at 93 cents a pound has 68 grams of protein per pound at a cost for 100 grams of $1.36.

(I use the cost of 100 grams of protein — about 3½ ounces — to measure relative values in protein, because that's about the amount a family of four would consume at a main meal.)

Bologna has become an even worse buy than franks. Sliced bologna at $1.32 a pound really costs $2.19 for the 100 grams of protein. Bulk pieces of bologna are, of course, better value. They cost about 20 cents a pound less than sliced, in our survey.

Unsliced liverwurst is one of the relatively better values, our survey found. But if you want it pre-sliced and in a small package, you pay a startling 38 cents a pound extra.

The 16 relatively best values, on the basis of their protein cost, and in order of ascending cost, are: canned beans with pork; cottage cheese; eggs; turkey; broilers, perch fillets; cheddar and American cheese; frozen cod fillets; canned tuna; unsliced liverwurst; hamburger; canned luncheon meat; smoked ham; corned beef hash; beef chuck with bone.

The five worst buys were sliced bologna, sliced boiled ham, lamb chops, bacon and veal chops.

Other tips and warnings:

—Because of the big jump in the price of beef stew you may be able to save by buying chuck and cutting it up.

—Ordinary hamburger even with 30% fat is still a better value than other grades of chopped beef.

—Boneless chuck has gone up more than chuck with bone in.

—The recent temporary price decline in wholesale meat prices has been more helpful in stimulating sales and specials than overall price cutting. Some stores have been more active in passing on price cuts than have some others, so wider price comparisons now can be useful. For example, we observed such wide ranges in some cities as bacon selling anywhere from 79 to $1.37 a pound.

buyers' bailiwick

Bargaining Roundup

PACIFIC GAS AND ELECTRIC COMPANY

Gas Street Department:
Latest proposal from Company still being studied by Local Union office. Gas Street Committee will meet in Walnut Creek on May 16, 1973.

Terminal Operators - PLO:
No change since last report.

Marysville Gas Load Center:
Same as last report.

Technicians:
Committee will be called in in the near future.

General Construction Lines of Progression:
Civil, Gas and Hydro: Committee met in Local Union office on May 8, 1973 to attempt to arrange a meeting with Company in the near future.
Field Office Operations and Process Centers: No change since last report.

Traveling Maintenance Crews:
Discussing with Company results of their survey for adjustment of daily travel allowance.

SIERRA PACIFIC POWER COMPANY

Consolidation of Gas and Water Departments completed. We have also completed wage negotiations. Union also studying Company's latest proposal on improving promotional opportunities for electric underground employees.

CITIZENS UTILITIES COMPANY OF CALIFORNIA

Benefit Committee: Preparations are being made to take this case to arbitration as recommended by the National Labor Relations Board. Awaiting list of Arbitrators from the Federal Mediation and Conciliation Service.

CALIFORNIA-PACIFIC UTILITIES COMPANY

Needles Division: Negotiating Committee met on May 8, 1973. Members balloted on May 14, 1973 and rejected Company's latest proposal.

MOUNT WHEELER POWER, INC.

Negotiations began on May 3, 1973. Next meeting is on May 24 and 25, 1973.

X-RAY ENGINEERING CO.

No change.

YOUR *Business Manager's* COLUMN

UPDATE ON ENERGY CRISIS

L. L. MITCHELL

(Continued from Page One)

be renewed and conserved through continuing education and training.

The Supply Panel, of which I was a member, discussed all areas of energy sources. Solar, geothermal, oil, gas, coal, wind, tidal, which are the most common were explored for applications of technologies for greater recovery and for conversion to other fuels such as coal and oil gasification, etc.

Each panel submitted some strong resolutions in these time frames. Those in the short and intermediate ranges could create radical changes in all of our life styles. You, no doubt, have read them in the daily news but to give examples: 1) lower the speed limit to 50 miles per hr. for all cars, 2) put a weight tax on all automobiles to encourage compacts, 3) ban pilot lights on gas stoves, 4) ban electric heat in all new homes, 4) ban air conditioners that don't meet set standards for efficiency, 5) lower thermostats in winter and raise them in summer.

These may sound nonsensical to some but in total they add up to massive reductions in energy use. In terms of conservation providing meaningful assistance and needed time from short to long range goals they could be significant.

Our big problem and greater user of energy is transportation. This was summed up by Jack Bridges, Chief Technician on the staff of the A.E.C. Joint Committee, and pinpoints the real problem in transportation. "It is not the electric toothbrush which is creating the energy and pollution problem, but much of it can be attributed to our love affair with that four wheeled monster we park in our driveway. When we opt for the Cadillac and not the Vega we add to the problem." He states further that 25% of energy use goes into transportation.

While all participants did not agree with all the solutions proposed, there was unanimity on the need for action now. Liken the situation to the individual and while we may not care nor even desire a will when we die, we find the state has already written us one. This can happen to us as a state or nation in relation to our natural resources. If we don't plan our estate and make provisions for the current and future use of our money, taxes could have nothing for our heirs. Nature is an even harder task master and we had best do our planning now, and with proper wisdom, or our legacy to the future generations may be extinction.

Local 1245 members help to keep the ga

This feature story on Pacific Gas Transmission C
and while the Pipeline and the men who make it w
their importance increases tremendously as we hea
sibility of a energy crisis.

Had this pipeline not been built 12 years ago, we
an energy crisis which would undoubtedly include
experienced by people on the East coast.

The Alberta-California pipeline has resulted in a
ments to Canada now exceed $123,000,000 a year. T
their economy.

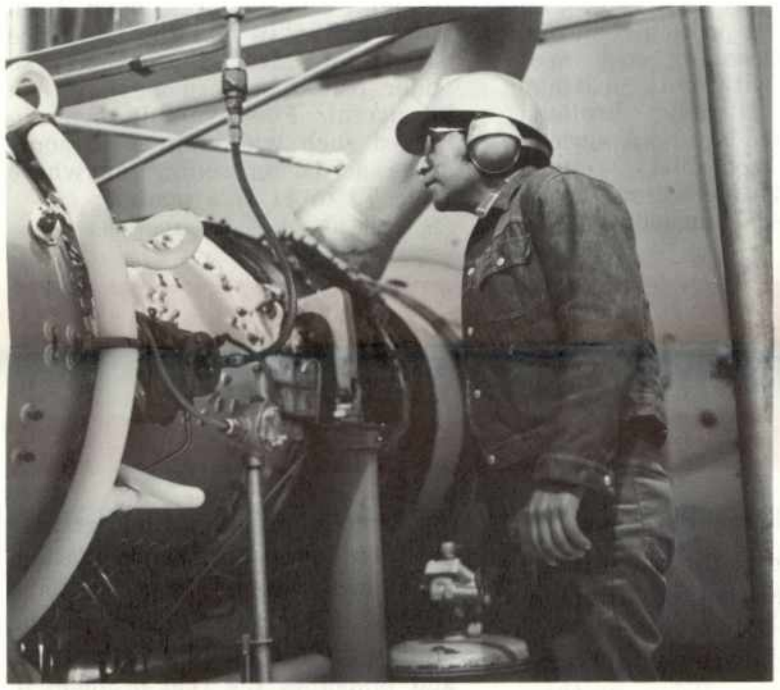
The pipeline delivered more than 2.6 trillion cubic
Dec. 2, 1972. The amount of gas received by Calif
boost in the "energy picture" for the residents of
All of the stations shown on the map below are a
1245 employed by PGT are involved in the operat
pipeline.

The maintenance of the equipment is critical so t
ral gas from the Canadian-Washington border to
This is where the members of Local 1245 come int
tell their story is with some photos of a few of the

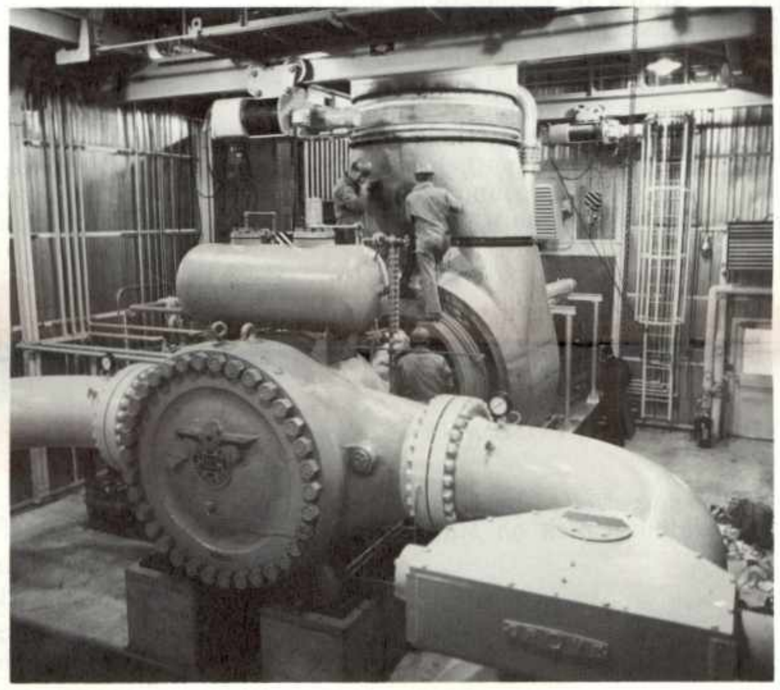
We would like to thank Roger C. Thompson, Pub
for P.G.T., for supplying information and photos fo

This photo shows Truman Bates removing volute of Unit B compressor, Station #13, just east of Crater Lake, Oregon.

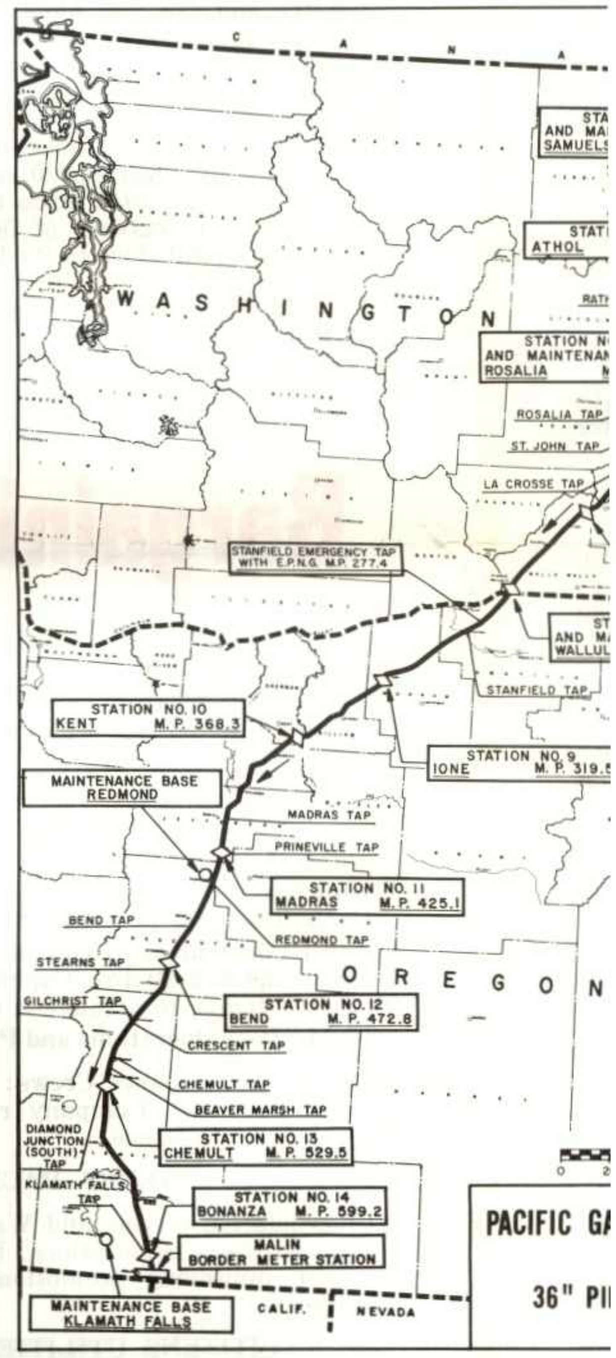
Paul Felkins, former Advisory Council member, is shown on the job at Station #12, south of Bend, Oregon.



Repairman Glenn Gibson is shown inspecting the Rolls-Royce gas generator, a jet aircraft engine adapted for land use.



Redwood Unit Chairman Joe McClay, Mech., and Tom Touchon, Repairman, are shown inspecting a coupling on a 12,500-h.p. Cooper-Bessemer compressor.



Shop Steward Jim Smith, Sr. Mech., is shown changing a light fixture at Station #10 (Kent), approximately 100 miles southeast of Portland, Oregon.

Edward L. Johnston, Technician and also Shop Steward, is shown operating test equipment in Control Center at Spokane Operating Headquarters.

Sr. Mech. Wally Miller, Local 1245 Shop Steward Station #4 just north of Sandpoint, Idaho.

e gas flowing from Canada to California

as Transmission Co. has been planned for months ıen who make it work have always been important, endously as we hear more and more about the pos-

t 12 years ago, we would be right in the middle of ıdoubtedly include the brownouts and blackouts as t coast.

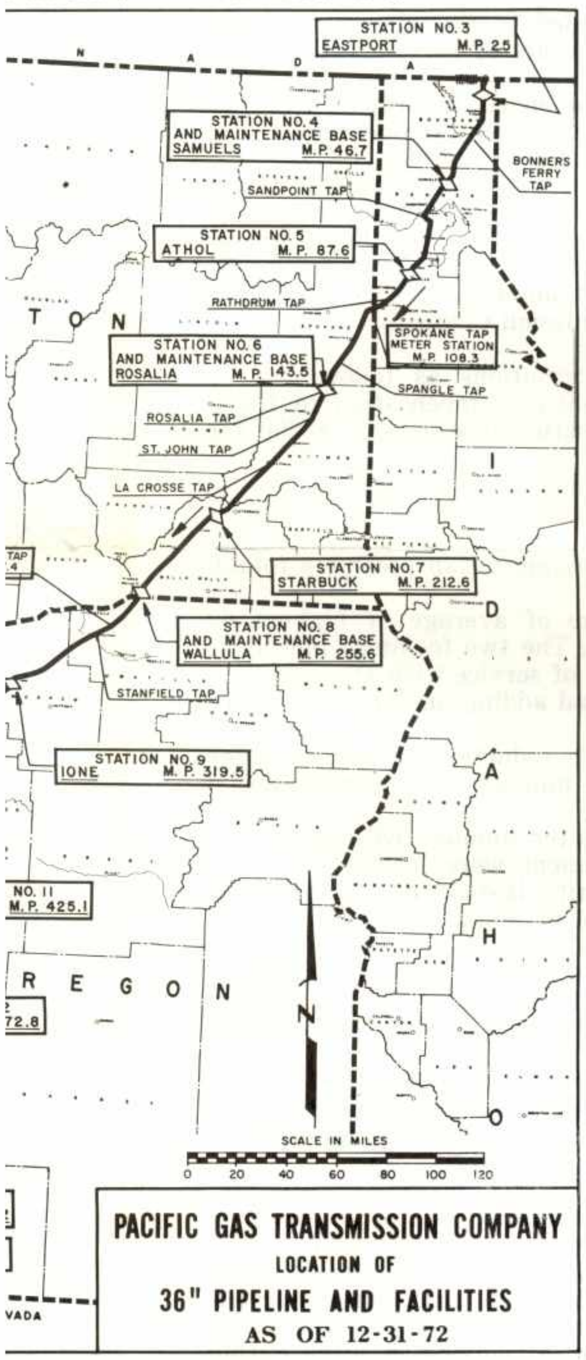
› has resulted in an economic plus for Canada. Pay- 3,000,000 a year. This constitutes quite a boost to

ın 2.6 trillion cubic feet of gas from Dec. 2, 1961 to received by California constitutes a tremendous the residents of Northern California.

ıe map below are automatic. The members of Local lved in the operation and maintenance of the 36″

ıent is critical so that PGT can transmit the natu- hington border to the Oregon-California border. ›cal 1245 come into the picture. The best way to os of a few of the members on the job.

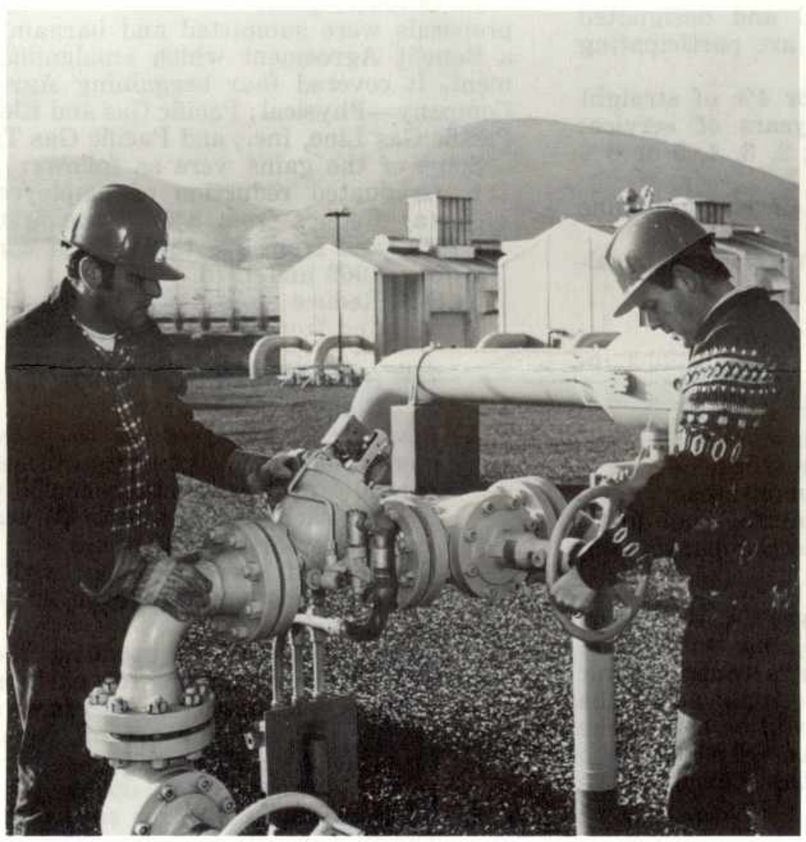
C. Thompson, Public Information Representative tion and photos for this article.



1245 Shop Steward, is shown shoveling snow at dpoint, Idaho.

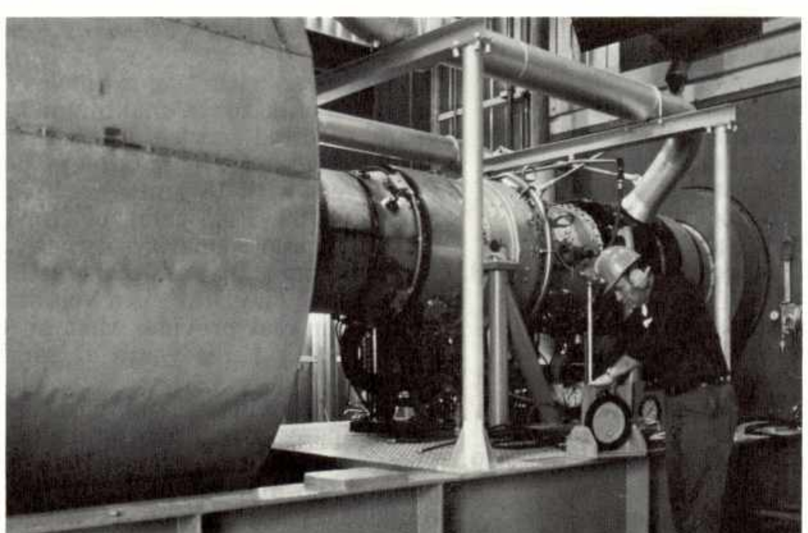
Klamath Falls Unit Recorder F. Edwin Decker, Mech., is shown preparing "Man on Line" tags.

This photo shows the participants of an Accident Prevention meeting in the Redmond Maintenance Base.

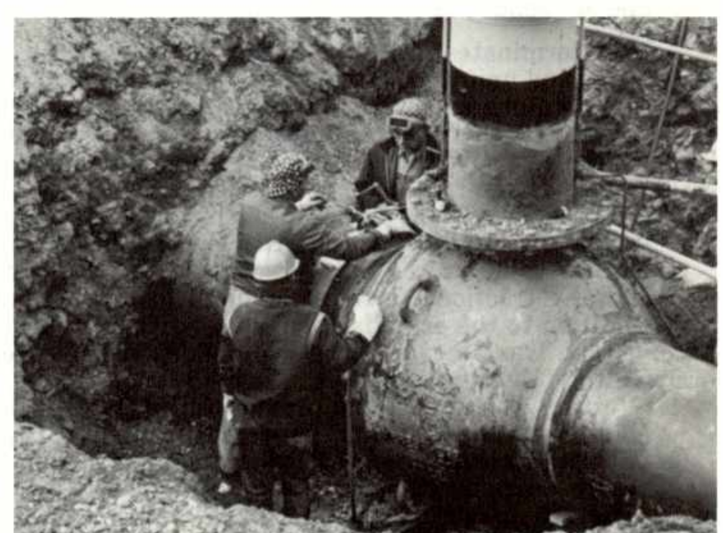


Shop Steward Duane Tate, Repairman, and Sr. Mech. Larry Eades are shown performing valve operations at Station #8, located 30 miles west of Walla Walla, Washington.

Shown above from left to right are: Shop Steward Bob Blank, Charles Nealy and Dick Quackenbush. They are shown plotting a diagram for a shutdown at Station #6.



Jim Smith, Shop Steward, is shown testing gas generator, which serves as prime mover for a turbine-centrifugal compressor.



Clockwise, from front, Jim Yount, Dick Perry, Myron Power and Deaver Noland are shown removing the station suction valve at Station #6, Rosalia, Washington.

Pension Benefits

Part V

(Continued from Page Two)

was reached and ratified by the Union members. A "Union Pension Contract" was signed to be effective January 1, 1954 which would run for five years through December 31, 1958. Gains made updated the plan and placed it in a position relative to other leading plans in the industry. Some of these gains were as follows:

(1) Increased pension benefits by increasing employee's contributions to 3% up to $3,600 and 5% above $3,600. Company's contributions were increased accordingly.

(2) Early retirement based on reduction of 4% per year instead of on an actuarial basis. (Fractions of a year over six months to be considered as a year.)

(3) Adjustments in past service credits would be frozen to the amount of Social Security as provided by the Social Security Act as it was on December 1, 1945.

(4) 2% interest on employee's contribution after 1954 upon termination of employment or on their payment as a death benefit.

(5) Minimum guarantee of $5.00 per year up to 25 years' service or $125.00 (Social Security being included).

(6) Company to purchase retirement benefits for employee members of the plan who enter military service after June 26, 1950 and who return and continue in employment until retirement.

In November, 1958, the plan was open again for amendments. Union proposals were submitted and bargaining resulted in the development of an Employee Savings Fund Program as a pension supplement. This savings program provided joint contributions for purchases of Government bonds or PG&E common stock. A summary of the principal provisions of the plan are as follows:

Eligibility—All regular, full-time employees of PG&E and designated subsidiaries with 5 years of Company service who are participating in the Retirement Plan.

Employee's Contribution—By payroll deduction @ 2, 3 or 4% of straight time earnings for employees with 5 through 9 years of service; 2, 3, 4 or 5% with 10 through 14 years of service; 2, 3, 4, 5 or 6% with 15 years of service or over.

Deductions to be made each month on the basis of straight time earnings for the month.

Participants may change their percentage deduction once each calendar year.

Company's Contribution—50% of employee's contribution.

Investment Media—Employees may elect to have their contributions invested as follows:

100% Savings Bonds and 0% Company's common stock or
50% Savings Bonds and 50% Company's common stock or
0% Savings Bonds and 100% Company's common stock

Company's contribution will be invested in PG&E common stock.

Vesting—After the employee's contribution has been in the Plan for a period of three years, he acquires full rights to the Company's contribution.

Withdrawal Privileges—Full withdrawal of the employee's contribution and dividends thereon may be made at any time, but withdrawal prior to vesting will result in forfeiture of Company's contributions. Company's contributions may be withdrawn by an employee at the time of vesting, but if not withdrawn at such time will be left in the Plan until the termination of his employment. An employee who withdraws during a current year may not re-enter the Plan until the following year.

An employee whose employment terminates by reason of retirement, death or total and permanent disability will be entitled to all of his contributions and the Company's contributions for his account plus earnings thereon. The amount involved may be withdrawn in stocks and/or bonds together with uninvested cash in his account.

If he terminates for other reasons he may withdraw his stocks and/or bonds and uninvested cash accrued to his account by reason of his own contributions and the Company's contributions which are vested. He will not be entitled to Company's contributions and earnings thereon which have not become vested. With respect to stock, he may elect (1) to receive the full shares of stock and cash equal to the market value as of the date of withdrawal of any fractional share of stock credited to his account, or (2) to receive cash in an amount equal to the market value at the date of withdrawal of the full shares of stock and any fractional interest credited to his account.

In addition to the establishment of a Savings Fund Plan, the retirement income plan was amended to run an additional five years to 1964 and to provide the following changes:

1. Vesting was changed to provide full rights in the Company's contributions after 15 years' employment with no age requirement.
2. Company consent was no longer required for employees who desired early retirement.
3. The 4% annual discount factor for early retirement was changed to provide a computation of 1/3% as a monthly reduction factor.
4. Survivors' options were changed to provide election as late as one year prior to early retirement instead of the previous five-year requirement.

In January, 1961, a supplemental pension provision was established providing a minimum annual retirement income including the primary Social Security benefit, for all employees who retired before January 1, 1961 with 40 or more years of service under the retirement plan, or 50% of the final five-year average pay. Those with 15 or more, but less than 40 years of service, who had retired under the plan, would have the 50% reduced by 1% per year for each year that the service was less than 40 years.

In November, 1963, the plan was open again for amendments. Union proposals were submitted and bargaining began. Some of the gains were as follows:

1. An additional retirement benefit was provided covering the period between January 1, 1937 and December 31, 1953, during which an employee contributed to the plan.
2. The reduction factors for early retirement were lowered.
3. Provided a supplemental Pension Benefit for employees who had at least 15 years of service. This Supplemental Pension Benefit provided for an employee who had 35 or more years of service at retirement, an amount equal to 50% of the average of the last 60 months' earnings upon which he contributed to the Plan, minus (1) the regular Company Pension and minus (2) the Primary Social Security amount which the employee is or would be entitled to at age 65. The 50% referred to above shall be reduced 1% for each year of service less than 35.
4. A Widow's Pension was provided for the spouse of an employee who dies at age 55 or over and had at least 15 years' participation in the Plan. The benefit was an amount equal to 50% of the total benefit accrued at time of death.
5. The Savings Fund Program was amended to provide an employee would be eligible to participate with 3 years of service rather than 5 years of service.
6. The Group Life Insurance Plan was amended to provide full pay out of current amount in force if an employee became totally and permanently disabled between the ages of 60 and 65.

In October, 1968, the plans were again open for amendments. Union proposals were submitted and bargaining provided the establishment of a Benefit Agreement which amalgamated several Memoranda of Agreement. It covered four bargaining Agreements: Pacific Gas and Electric Company—Physical; Pacific Gas and Electric Company—Clerical; Standard Pacific Gas Line, Inc.; and Pacific Gas Transmission Company.

Some of the gains were as follows:

1. Graduated reduction of employee contributions as follows:
   (a) Reduce from 3% of the first $3600 of compensation to 1½% and from 5% to 2½% of compensation in excess of $3600 for 1969 and 1970.
   (b) Reduce from 1½% of the first $3600 of compensation to ¾% and from 2½% to 1¼% of compensation in excess of $3600 for 1971 and 1972.
   (c) Effective January 1, 1973, the Retirement Plan became a totally Company-paid Plan.
2. Revised pension formula to percentage of average of highest 60 month period based on years of service. The two formulae provided:
   (a) 40% of average salary for 30 years of service with 1% reduction for each year less than 30 years and adding one-half of 1% for each year over 30 years.
   (b) 50% of average salary with above reduction or additions for service other than even 30 years, minus ½ of primary Social Security benefit.

   That formula which produces the greater amount will apply.
3. The reduction factors for early retirement were lowered.
4. Vesting was based on 10 years' seniority instead of 15 years, regardless of age, and age 55, regardless of length of service.
5. Provided 5 year period for conversion of fixed pension to a variable annuity at employee's option for up to 50% of pension benefit.
6. Improved the tables for survivor's option and the Widow's Pension. The Widow's Pension was changed to Spouse's Pension to cover both male and female spouse.
7. The total and permanent disability feature of the Group Life Insurance Plan was terminated and a Long Term Disability Plan was established. It provided 50% of employee's regular wage after a six month waiting period for illness or disability.

   An employee with 1 year but less than 5 years' credited service may draw benefits for a maximum of 5 years. Employees with over 5 years' credited service, but less than 15 years' credited service, may draw benefits for a maximum period equal to his credited service. Employees with 15 years' credited service or more may draw benefits until age 65. Full value of life insurance remains in force during disability and seniority accrues for pension purposes.
8. A second part, Diversified Investment Fund was added to the Savings Fund Plan. The D.I.F. is a voluntary plan operated by an Investment Counsellor and provides that an employee may invest up to 4% of income after three years of service. The original unit values were $5.00.

   The Plan provides for all costs of trustee, counsellor, etc. to be paid by Company. Brokerage is included as part of stock purchase costs.
9. The Group Life Insurance Plan was changed from a schedule determining the amount of insurance to two times annual basic salary rounded to next higher $100.
10. Increased the retiree's life insurance from $1000 to $2000 at no cost to the retiree.

The Benefit Agreement will be open again for negotiations in October of 1973.

Health Care Crisis

Editor's note: In the April issue of the Utility Reporter we ran an article entitled **"Health Care Crisis"** which discussed the cost and quality of health care in America today. The following article, as promised, discusses the three plans being considered by Congress and is concluded with a "no higher priority" statement by the AFL-CIO Executive Council.

NHS: THE ROAD TO GOOD HEALTH CARE

The twin needs in health care are relief from the cost pressures on health consumers and major improvements in the organization, financing and delivery of care. National Health Security does both, without affecting in any way a patient's choice of, or relationship with, his physician. Here's how it would work:

- Eligibility—Everyone living in the United States would be eligible for Health Security program benefits.
- Financing—NHS would be financed by a 3.5 percent payroll tax on employers and one percent on employes (no new tax, since the same percentage now goes into medicare, which would be phased out). These contributions would be matched by federal revenues.
- Payment—Medical personnel and hospitals would be paid pre-determined amounts directly from an NHS trust fund. The patient could not be charged.
- Innovations—Incentives would be built into NHS to modernize health delivery through development of prepaid group practice plans and establishment of programs for widespread preventive health care.
- Benefits—All professional services furnished by physicians in their office or elsewhere would be covered in full. All major surgery would be covered. NHS would provide full payment for all hospital services. (As a result, that $1,200 New York appendectomy, or the $16,000-plus coronary, or the cutting out of an in-grown toenail would be of no cost to the patient.)

With limitations, nursing home care, psychiatric services and drugs would be covered: dental care up to age 15 at first, but ultimately to all persons.

A MIRAGE WITHIN AN ILLUSION

The proposed "catastrophic illness" plan is like a mirage within an illusion. On a distant glance it looks good. However, the closer you get to it, the more it fades and fades. Finally, it just isn't there.

First, it ignores completely the "routine" medical costs that can set back the average family budget for months—a breadwinner's bad back, a wife's pregnancy, a child's tonsillectomy. There would be no coverage for such "routine" problems.

But even in dealing with genuine catastrophic sickness—the coronary, kidney disease, cancer, and others that run into the many thousands of dollars—the proposal falls far short of the need, both in hospital and doctor's coverage.

The chart below supposes a 90-day hospital stay at a charge of $7,200, plus physicians' and other professional costs of $3,000. Of the total of $10,200, the catastrophic sickness plan would pay a total of only $2,750, leaving the patient holding the bag for $7,450. Before the catastrophic plan even went into effect, the patient would be hooked for the first $4,000 in hospital charges and the first $2,000 in doctor's charges.

Under the proposed Health Security program, however, the patient would pay nothing.

The catastrophic sickness plan would be financed by payroll taxes which all workers would pay. The plan apparently is based on the fallacy that the first 60 days of hospital care and the first $2,000 in medical expenses are adequately covered by a family's private health insurance. But most such insurance pays less than three-fourths of total hospital bills, and 50 percent of families with private insurance have no benefits for physicians' service other than surgery. One out of five does not even have surgical coverage.

A FLAWED PLAN BUILT UPON A FAILURE

The Nixon Administration is expected to offer a program similar to proposals it made to the last Congress, one which relies on the effectiveness of the private health insurance industry.

It is a flawed plan based upon a failure. The failure is the private health insurance industry itself.

It would require most employers to provide their employees with private health insurance or membership in a health maintenance organization, using their own and employe contributions. The federal government would buy insurance for poor families with dependent children. The insurance companies would administer the program.

The plan would be a gigantic boondoggle for an industry that, in large measure, has itself been responsible for soaring costs of health care and actually encourages inefficiency in health delivery.

The private health insurance industry has helped create a vicious circle that entraps the health consumer. For example: Most people with such insurance are covered only when hospitalized. The tendency has developed to put persons in hospitals for treatment which often could be performed at home or in the doctor's office. Because hospitalization is much more costly than outpatient treatment, unnecessary hospital stays drive up the total cost of health care and, historically, have driven up the cost of the insurance.

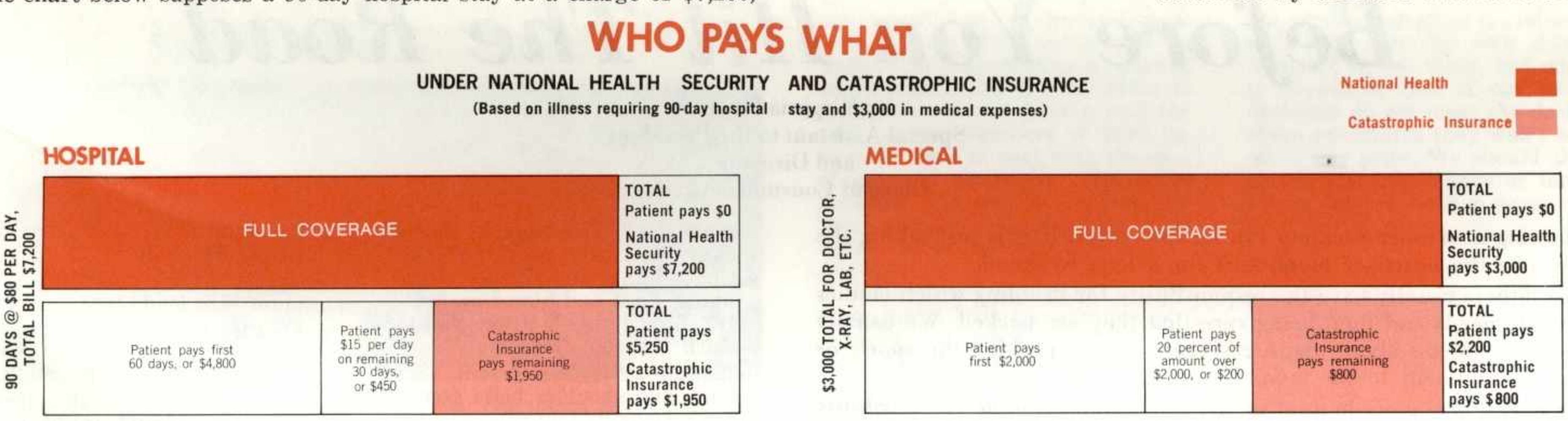
There is nothing in the long record of the private insurance industry to suggest that a massive program involving tremendous sums should be entrusted to it, and there is nothing in the administration proposal to encourage the view that it will help meet the health care crisis.

NO HIGHER PRIORITY . . .

There is only one national health insurance bill before the Congress that would reverse the health care crisis and build a lasting delivery system that meets the needs of the people. That is the Kennedy-Griffiths National Health Security bill (H.R. 22 in the House and S. 3 in the Senate), and we are proud to reaffirm our support of this legislation.

There can be no higher priority than the health of the American people, and that is why the AFL-CIO will press unstintingly for enactment of the National Health Security bill in this Congress.

—Statement by AFL-CIO Executive Council



CITY OF SANTA CLARA AND LOCAL 1245 SETTLE

On March 16, 1973, members of Local Union 1245 employed by the City of Santa Clara voted to accept the results of negotiations with the City. The Agreement between the parties runs for three years and provides for the following improvements:

A general wage increase of 6% retroactive to the first pay period of January 1973 was obtained. Also gained was an equity adjustment of an additional 5% for Foreman Electric Meterman, Electric Meterman and Apprentice Electric Meterman to bring their salary range equal to other journeyman and related classifications. Effective the first pay periods in January 1974 and January 1975, a salary increase equal to the annual percentage increases for journeyman salaries in specified comparable employments will be applied.

Other improvements resulting from negotiations are: Effective March 1973, City will pay $40.00 per month for an employee and dependents' hospital and medical insurance coverage. Effective January 1974 and January 1975, City will increase their $40.00 for employees and dependents to equal the average hospital and medical insurance contributions paid for Lineman and their dependents by specified comparable employers at the rate effective in those agencies on July 1, 1973 and July 1, 1974, respectively.

Other significant improvements were improved dental coverage for employees and dependents, improved provisions regarding working hours and schedules, increased rest periods and a substantial breakthrough on pay for working out of classification.

Members of Union's negotiating committee were John Coker, Richard Murphy, Pasquale Greco, William Hazard, Sr., Senior Assistant Business Manager M. A. Walters and Business Representative Orville Owen.

Local 1245 & Truckee Donner P.U.D. Settle

Effective May 1, 1973 wage rates for Local 1245 members employed by the Truckee-Donner Public Utility District were increased in an amount sufficient to bring them up to comparable rates paid by Sierra Pacific Power Company. The wage rate for Lineman is now $6.65 per hour.

The foregoing was one of the results of negotiations between Local Union 1245 and the District, which were ratified by Union members employed by the District on April 25, 1973. Also gained were the observance of an employee's birthday as a holiday, bringing the total paid holidays to ten; an increase in the District's contribution toward hospital and medical insurance for employees and their dependents, increasing the District's contribution from 50% to 60% of the total premium costs; and the reclassification of Service Utilityman to Electrician Serviceman at the Journeyman rate of pay.

Union's negotiating committee members were Bruce N. Grow and Business Representative John Stralla.

The Safety Scene

Equality Under the Law? — Some People are Less Equal than Others

Editor's note: The following article is a column written by Stan Williams, Editor of the Pennsylvania AFL-CIO News, which appeared in the April, '73 issue of that publication. We thought that some of the statistics would be interesting to the members of Local 1245.

There's an old saying about equality under the law that ends, "Some people are less equal than others." Nowhere is this more apparent than in the laws designed to protect workers from the hazards of environmental pollution. The logic among the powers-that-be seems to be (1) that a worker has the right to a safe and healthful workplace, (2) that most workers face a greater variety of dangerous substances than most other people, and (3) that workers are tough enough to put up with a bigger dose of just about anything that is harmful to everyone else.

The Occupational Safety and Health Act of 1970 (OSHA) is designed to "assure safe and healthful working conditions." Under the law workers can call on the federal government to inspect their plants and force companies to meet certain standards for what is "safe" and "healthful" on the job. Supposedly, any workplace that is in compliance with the standards is a safe place to work.

Outside the plant, another government agency, the Environmental Protection Agency (EPA) sets standards for air pollution to safeguard the health of the general public.

OSHA has a number of temporary standards that are now in effect. It has been proposed that the Secretary of Labor make these standards permanent. Here are some examples of how some of these temporary/proposed standards measure up with those set by EPA:

Carbon monoxide—a deadly gas that is colorless, odorless, and tasteless. A recent Kentucky Department of Health survey of workers in transportation, manufacturing, and public utilities found carbon monoxide to be the leading health hazard on the job. The proposed OSHA standard for the workplace is five times higher than for the air outside.

Sulfer dioxide—a gas that is particularly harmful to the lungs in combination with some of the tiny particles often present in factory dust. The proposed OSHA standard is 167 times higher than for the air outside.

Nitrogen dioxide—a mixed bag of particles, some little more than a nuisance, others extremely hazardous. The proposed OSHA standard is 200 times higher than the EPA standard.

Workers are expected to be able to endure greater hazards on the job and not notice that 100,000 workers are believed to die each year from occupationally caused disease. It may not be necessary for OSHA standards to be the **same** as EPA standards. However, OSHA standards are based on an eight-hour exposure. Standard setters assume that during off hours, workers are not being exposed to these hazards at all and therefore their bodies have time to recover from high exposures. In order to really protect worker health, OSHA standards should take into account that workers are exposed to the same environmental hazards as everyone else in the community.

Under the OSHA law, workers do have something to say about setting standards. A worker, a group of workers, or a union can petition the Secretary of Labor to change a standard or create one if none exists for a particular hazard. The Secretary must decide within 30 days to set a new standard or keep the old one. If workers believe the Secretary's decision is unfair, they may request a public hearing. If, after a hearing, a standard is still believed to be harmful and unsafe, workers may file suit in the U.S. Court of Appeals.

The first step in this process was taken recently by the Oil, Chemical and Atomic Workers when this union petitioned the Secretary of Labor to remove from the workplace environment 10 dangerous cancer-causing chemicals.

It is not an easy procedure for a single individual, but through collective action, a worker's voice becomes loud enough to be heard. Then the importance of his or her health and safety will truly become equal to that of others. One-million, twenty-two thousand, nine hundred and forty-eight.

Before You Hit The Road

By Virginia Knauer
Special Assistant to the President
and Director
Office of Consumer Affairs

Planning a summer vacation can be fun—even if it is just taking the children to the beach or mountains for a long weekend.

We mothers usually have the responsibility for deciding which clothes the family needs and then being sure that they are packed. We usually leave the problems about maps, reservations and packing the sports or camping equipment to the men.

But even if the men do most of the driving and assume responsibility for the car, I have never hesitated to remind my husband or son of the need to safety check the car before we leave. Billy, my son, is a car buff, so he knows what should be checked. Many of us, however, don't remember.

As a reminder for all of us, here is a pre-vacation checklist for the car:

—Check fluid levels for water, oil, power steering, transmission, battery, brake master cylinder.

—Inspect tires (Tread okay? No cuts or breaks? Pressure right? Spare tire okay, too?)

—Check brakes (Linings okay? Parking brake working? Wheel cylinders okay?)

—Check lubrication (Change oil? Replace oil filter?)

—Tune engine (Spark plugs? Ignition wiring? Distributor points? Condenser? Carburetor? Fuel pump? Voltage regulator? Automatic choke operating freely?)

—Check wheels (Aligned? Balanced?)

—Inspect cooling system (Radiator clean and free of leaks? Pressure cap okay? Fan belts? Water hoses? Clamps tight?)

—Test air conditioning (Coolant needed?)

—Check battery (Holding a full charge? Battery terminals and cables clean and connections tight?)

—Inspect exhaust system (Muffler and tailpipe free of holes, cracks)

—Examine shock absorbers (Need replacing?)

—Check air cleaner (Need cleaning? Replacing?)

—Check windshield equipment (Wipers operating? Blades need replacing? Windshield washer okay? Defroster working?)

—Check lights and signals (Headlights clean and aimed accurately? Tail lights? Brake lights? Turn signals? Horn?)

—Inspect safety equipment (Seat belts and shoulder belts secure? Door locks working?)

—Take stock of emergency equipment (Jack? Fire extinguisher? Flares? Flashlight, with extra batteries? Tire gauge? Tool kit, including lug wrench? Spare fuses? First-aid kit?)

—Check owner's manual for maximum safe load.

Finally, make a mental note to monitor your fuel gauge carefully. There is a growing possibility of gasoline shortage in some areas of the country. Don't count on the next station down the highway having plenty of gas to sell. Don't let your supply run low. Fill your tank frequently.

Editor's note: If you follow the above checklist before you leave on your vacation, your chances of having a safe and uninterrupted trip will be improved 100%. **Enjoy your vacation and drive carefully.**

Sorry About That,

but nobody could have won $50.00 by noticing their number in the April issue of The Utility Reporter, because it wasn't there. We inadvertently left out the number, but what started out to be just a goof turned into a positive thing. There was some consideration being given to dropping the contest because we have had no winner, but we have received so many inquiries and comments as to the location of the number that we will continue the contest. There is a number hidden in this issue.

LOOK FOR YOUR CARD NUMBER