utility reporter

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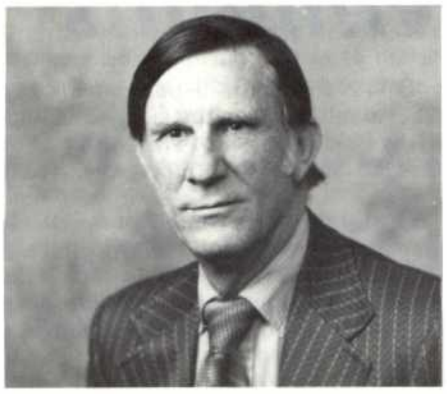

L. L. MITCHELL
Business Manager

HOWARD DARINGTON
President

Mitchell and Darington lead changed Executive Board and I.O. Convention delegation

L. L. Mitchell of Walnut Creek, has been reelected to the office of Business Manager - Financial Secretary of Local Union 1245, International Brotherhood of Electrical Workers, AFL-CIO. This will be Mitchell's second three year term as chief administrative officer of Local 1245.

Mitchell also leads in the balloting for delegate to the International Convention.

All officers of the 17,000 +member organization were up for election as well as the balloting for 14 delegates to the I. O. Convention. The election was handled through a secret mail referendum procedure at the Local's Walnut Creek headquarters by a nineteen-member election committee of rank and file members.

Howard Darington of Eureka was elected to the office of President. E. M. "Buffalo" Horn was elected Vice President; Betty J. Thomas was elected Recording Secretary and Richard D. Robuck was elected Treasurer.

The only incumbent returned to the Executive Board was Guy E. Marley, Executive Board Member-at-Large. The newly elected Board members are as follows: James W. "Bud" Gray, Southern Area; Manuel A. Mederos, Central Area; and Dale Turman, Northern Area.

New faces on the Advisory Council will be: Ruben Arrendondo, Pipe Line Operations Department and California Pacific Utilities Company - Needles Division; Dennis Lyle Ailor, San Jose Division, Teleprompter of Los Gatos and Santa Cruz and City of Santa Clara; James McCauley, East Bay Division, X-Ray Engineering Corporation, Concord T.V. Cable, Teleprompter of Milpitas, Tele-Vue Systems, Inc., Bay Cablevision, Standard Pacific Gas Line, Inc., and Material Distribution Department; Patrick S. Nickeson, Stockton Division, Tri-Dam Project and City of Lodi; Alexander Adams, Pacific Gas Transmission Company; Raymond R.

(Continued on page two)

Members ratify PG&E agreements

A record number of ballots (10,232) were returned in the secret ballot vote on negotiations between Local 1245 and P.G.& E. This amounted to a solid 70% participation in the decision to accept the agreement reached by the negotiating committees at the bargaining table.

Some of the ballots returned could not be certified because of a lack of names on the return envelopes, not eligible because of being delinquent on dues and several people even attempted to vote twice.

The final voting results were as follows:

PHYSICAL	CLERICAL
Yes 4,711	Yes 1,132
No 3,957	No 390

These figures are not to be scoffed at or taken lightly. They show that a true majority took part in determining the wages, benefits and working conditions under which they will live and work for the next 2 1/2 years.

The officials of Local 1245 are aware that all members are not satisfied with the results and are aware of most of the major objections. They are interpreting the results as a careful consideration of alternatives weighed against the significant gains made in these agreements.

The new agreements call for wage hikes, early retirement and improved vacation, holiday, dental, overtime and medical plan provisions.

The members employed by P.G.& E. will receive a seven percent pay increase, retroactive to January 1, 1974, a three percent wage increase effective July 1, 1974 and a boost of six percent on January 1, 1975. The second year wage offer also includes a provision for a "wage opener" if the Consumer Price Index—all cities reaches the 149.0 level by October, 1974. An increase for the third year of the new agreements will be subject to bargaining in the latter part of 1975.

(Continued on page two)

YOUR *Business Manager's* COLUMN

Preparations for the future

L. L. MITCHELL

The tempo of work in the Business Manager's office has not slacked off despite the fact that bargaining on wage and contract agreements for our major groups have been concluded. Interim committees are working on a number of issues which do not affect great numbers of persons, but to each group these are critical. Every effort is being made to conclude these matters as soon as possible.

Grievances are being settled but the number of disputes seem to increase more rapidly than the solutions can be found. This is due in part to more activity by individual members who are now reading the contracts and asking questions of Stewards and Business Representatives. This will hopefully stablize as decisions on the issues are reached.

We will, no doubt, see more activity and problems as we integrate new provisions of agreements calling for greater participation in safety and grievance handling at the local level. Shakedown of these changes may take time and the Office and Business Staff are working on Steward training programs which we would hope to put into effect soon. It will take special effort on the part of Stewards to become effective in these new fields of endeavor, but I am sure that their demonstration of capability in other areas show that they can meet new challenges and will do as well on these activities as they have on others in the past.

New Unit Chairmen and Unit Recorders will also need special attention and this will be one of the priority items to be handled. How this will be handled will again require consultation with Officers and Staff as well as the physical preparations of any program which may be decided.

Both the Nevada and California Labor Federation Conventions will be held in August, and due to the upcoming elections in November there will be much discussion of legislation to be introduced as well as policy declarations on labor's position on the ecological, social and economic issues of the day.

Our own I.B.E.W. Convention in September could become a lively session with a number of crucial issues being put forward by various Locals throughout the U. S. and Canada.

So, one can readily observe that in addition to the everyday operation of maintaining our Local and its functions, much work has to be done in preparation for meeting the future and the changes which we can see.

... HAVE YOU MOVED?

MY NEW ADDRESS IS:

NAME ______________________

STREET ______________________

CITY ______________ STATE ______________ ZIP ______

RETURN TO:

P.O. BOX 4790, WALNUT CREEK, CALIF. 94596

Status of Outside Construction Agreements

C.A.T.V. CONSTRUCTION

The Agreement with C.A.T.V. DEVELOPERS ASSOCIATION transferred to the jurisdiction of Local Union #1245 and #47 effective January 1, 1973 is a three year agreement continuing in effect through March 31, 1975 and could not be opened for negotiations this year. The agreement does, however, contain provisions for the application of an increase in the equivalent of 5.4% to the Lineman rate effective April 1, 1974, which resulted in raising the hourly rate for Journeyman Lineman, Equipment Operator, Splicer and Technician by 30¢, to $6.05 per hour, effective on that date. Increases to other classifications were made in lesser amounts. There were no other changes provided for in the Agreement.

With an anniversary date of March 31, 1975, notice of amendments desired will be served on the DEVELOPERS ASSOCIATION not later than December 31 of 1974, and request is at this time made to members working under this Agreement to commence making submission to the Union of their recommendations for Agreement amendments desired.

TELEPHONE CONSTRUCTION

Anniversary date of the Agreement between Locals #47 and #1245 and the WESTERN LINE CONSTRUCTORS CHAPTER OF THE NATIONAL ELECTRICAL CONTRACTORS ASSOCIATION was June 1, 1974, and negotiations were commenced between the two locals and the Association on March 21, 1974.

The Unions' Committee composed of Robert Sittman, Bill Turner and Mike Kelly of Local #47 and James Holt and Roy Murray of Local #1245 negotiated with the Representatives of the Association a settlement offer which included the following listed amendments:

THE ELIMINATION OF PIECEWORK PAYMENTS FOR WORK COMPLETED, IMPROVEMENTS TO THE UNIONS' REFERRAL PROCEDURE, PROVISIONS FOR GREATER AUTHORITY TO UNION STEWARDS AND PROTECTION AGAINST THE TERMINATION OF STEWARDS FOR OTHER THAN JUST CAUSE, AN INCREASE IN PENALTY PAYMENTS REQUIRED TO BE MADE TO EMPLOYEES IN THE EVENT OF LATE PAYMENT OF WAGES DUE, INCREASES IN THE AMOUNT OF SHOW-UP PAY TO BE PAID WHEN JOBS ARE SHUT DOWN BECAUSE OF INCLEMENT WEATHER OR OTHER REASONS, THE INCLUSION OF THE FRIDAY AFTER THANKSGIVING AS AN ADDITIONAL HOLIDAY, CHANGES TO THE APPRENTICE LINEMAN PROGRESSION SCHEDULE TO REDUCE PROGRESSION TIME AND INCREASE THE WAGE RATES FOR EACH PROGRESSION STEP, and THE APPLICATION OF A WAGE INCREASE AMOUNTING TO 8.7% ON THE JOURNEYMAN LINEMAN RATE.

Of the wage increases granted, 10¢ per hour was applied to increase the Employers' payments to the Health and Welfare Plan from 25¢ to 35¢ per hour, and 45¢ per hour was applied to the Lineman rate to increase it to $6.76 per hour, with wage rates for all other classifications increased through application of previously agreed upon percentage formulas applied to the Journeyman Lineman rate.

In balloting concluded in early May, the membership voted to ratify acceptance of the settlement, and all changes were made effective on June 1, 1974. Term of the Agreement is for one year, with anniversary date of June 1, 1975.

OUTSIDE LINE CONSTRUCTION

Anniversary date of the Agreement between Locals #47 and #1245 and the WESTERN LINE CONSTRUCTORS CHAPTER OF N.E.C.A. was the same as that of the Telephone Construction Agreement, June 1, 1974. The first session of negotiations was held on March 19, 1974 with members Curt Peterson, Ray Marshall, Bill Turner and Mike Kelly representing Local #47 and Paul Westerman and Roy Murray representing Local #1245.

Late in the month of April a settlement agreement was reached between the committees, for referral to the membership for ratification vote, which included the following:

IMPROVEMENTS TO THE GRIEVANCE PROCEDURE, IMPROVEMENTS TO THE REFERRAL PROCEDURE THROUGH THE PLACING OF TIME LIMITATIONS ON THE USE BY EMPLOYERS OF NOT ELIGIBLE FOR REHIRE REJECTION LETTERS, AN INCREASE IN THE COST TO EMPLOYERS FOR MEALS NOT PROVIDED, THE ESTABLISHMENT OF MINIMUM RATES FOR DAILY SUBSISTENCE PAY AT ALL LOCATIONS, and WAGE INCREASES IN THE AMOUNT OF 9% ON THE JOURNEYMAN LINEMAN RATE.

In making application of the wage increase offered, 10¢ was applied to

(Continued on page seven)

Members ratify PG&E agreements

The seven percent hike effective January 1, 1974 and the 3 percent hike effective on July 1, 1974 will increase the journeyman wage rate by sixty-seven and one-half cents per hour. Gas Servicemen will get an increase of sixty-three cents hourly. In beginning or helper classifications, the boost will be forty-eight cents per hour.

For clerical workers the average increase will be fifty-one cents an hour.

Effective July 1, 1974, the Company will pay eighty percent of the Hospital and Medical premium and the employees will pay twenty percent.

Effective January 1, 1974, retirement at age sixty-two and over for employees with fifteen or more years of credited service with no reduction for earned pension credits.

The Company will increase from $2,000 to $4,000 the Life Insurance provided for employees, after retirement.

Other provisions include a tenth holiday on the Friday after Thanksgiving and further negotiations on Medical benefits to commence in July, 1974.

Effective January 1, 1975, five weeks of vacation will be given after twenty-five years of employment. A provision for an extra week of vacation in every fifth anniversary year will continue through the twenty-fifth anniversary year.

Effective January 1, 1975, the Dental plan will pay sixty percent of employees' bills for covered services and the employees will pay forty percent.

Formal negotiations began last October and it has been a long and difficult period of bargaining. This was the second offer of settlement for a three year contract. The first offer was rejected by the membership in April of this year.

the utility reporter

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Mitchell and Darington lead changed Executive Board and I.O. Convention delegation

Skidmore, Humboldt Division; Jay Russell Killgore, Sierra Pacific Power Company, Teleprompter of Reno, Truckee - Donner Public Utility District, California Pacific Utilities Company - Winnemucca District and Mt. Wheeler Power, Inc.; James Lewis Dietz, De Sabla Division and State T.V. Cable; Arlie L. Baker, Colgate Division and Yuba County Water Agency; Jesse Tackett, Jr., Sacramento Division; Alvin J. Wolf, Jr., Sacramento Municipal Utility District; Philip J. Blyth, Citizen's Utilities Company of California; Roger Stalcup, P.G. & E. General Construction; Albert C. Schiff, Tree Trimmers; and Eduardo Vallejo, San Francisco EDP Center.

Advisory Council incumbents reelected were: Russell Foxe, San Joaquin Division; Royce R. Herrier, Coast Valleys Division, City of Lompoc, Teleprompter of Lompoc and Santa Maria; Jay H. Burton, San Francisco Division, General Office and Western T.V. Cable; Wilfred Nunez, Sacramento Regional Transit District; Terrance L. Scott, Shasta Division, City of Redding and California Pacific Utilities - Lassen Division; Stanley P. Justis, Drum Division, Plumas-Sierra REA, City of Roseville and Placer County Water Agency; Marshall Proschold, North Bay Division, City of Ukiah, City of Healdsburg, and Teleprompter of Ukiah, Willits and Ft. Bragg; William R. Miller, United States Bureau of Reclamation - Mid Pacific Region; Earl Duane Bartlow, Irrigation Districts; and Jack B. Hill, P.G. & E. Clerical-at-Large.

CONVENTION DELEGATES

Balloting in the Local Union Election for Delegates to the International Convention of the I.B.E.W. resulted in the following individuals being elected:

DELEGATES

L. L. Mitchell
Howard Darington
E. M. "Buffalo" Horn
Betty J. Thomas
C. P. "Red" Henneberry
Leland Thomas Jr.
Mickey Harrington
James W. "Bud" Gray
Jacqueline A. Offerson
Henry B. Lucas
Shirley M. Storey
Thomas C. Conwell, Jr.
Richard D. Robuck
Frank A. Quadros, Jr.

ALTERNATES

Manuel A. Mederos
Shirley J. Washington
Kathleen E. Hill
Merton A. Walters
Rose Mary Guelld
Jack K. McNally

The Election Committee consisted of Robert L. Carlsen, Judge of the Election, and tellers: Gary C. Mai, Eugene R. Sheldon, Steven M. Dickinson, Jack W. Nottingham, Clinton L. Wallington, Willard G. Hollis, John E. Pangburn, Allen J. Simontacchi, John C. Beck, Thomas M. Farmer, Melinda Carreon, N. S. Covert, Eugene E. Javillo, Ronald E. Shields, Charlie L. Winder, Richard M. Hafner, Kenneth L. Whinery and Richard Beede.

Battle Over Insurance Cost Disclosure

by Sidney Margolius Consumer Expert for the Utility Reporter

Can you protect your family better by buying inexpensive term insurance or should you pay more for a policy with cash value such as ordinary or whole-life insurance?

We often have discussed this question in this column—over the past 25 years, in fact. It's one of the real issues behind a long-time controversy over whether insurance companies should disclose the "interest adjusted" cost of their cash-value policies. The adjusted cost would take into account the potential interest which could be earned on the extra amount paid for cash-value insurance. Using that method, cash-value insurance might not seem as cheap over a 20 or 30-year period as many agents now say it is.

For example, as we reported previously, decreasing term insurance is the cheapest kind you can buy. A man of 35 can buy 30-year decreasing term insurance with $50,000 of initial face value for as little as $250-$300 a year. Such a policy would give his family as much as $250 a month income if he died the first year, with benefits gradually reducing as his family grew older.

Mortgage insurance which decreases in total face value as your mortgage is paid off, is a popular form of decreasing term insurance. "Income riders" attached to a policy you already have, which provide additional income when a bereaved family is young, are another form.

One long-time insurance agent has challenged this analysis. He argues that this 35-year-old man could buy $50,000 of so-called "permanent insurance" for $724 a year. At the end of 35 years the policy holder would have $27,050 of cash value. Thus he would not only recoup his total payments of $25,340 but would have what this agent calls a "profit" of $1,710.

How is that possible? Can you really be protected by insurance all those years and yet recover all your payments and more?

The answer is that this calculation does not include the potential interest you lose on the higher premiums you pay for the cash-value insurance. For example, the difference between the cost of decreasing term insurance and cash-value insurance is about $450 a year. If you deposited that difference in a savings account or other fixed-value investment earning even only 5% after taxes, after 30 years you would have a total savings of $31,392.

Insurance companies also usually argue that when a policyholder retires he can convert his cash value in that kind of policy into an annuity paying an income for the rest of his life. That's a reasonable argument. It's true that you can buy an annuity for a little less by converting cash value than by buying one for cash. You save the sales charge.

But the man who bought term insurance and invested the difference could still buy a bigger annuity because he would have accumulated more cash.

Admittedly, there are at least two times when cash-value life insurance might be more suitable: (1) for high-bracket taxpayers, since the earnings of cash-value insurance are sheltered from taxes, and (2) for people who might not be able to save the difference in cost. Even these people might be better off if they at least used the difference in cost to finance other purchases such, as cars instead of paying 12 to 22% in finance charges, while earning only 5 to 7% on insurance cash reserves or other fixed value savings.

At least if consumers are told the "interest adjusted" cost of cash-value life insurance they would be in better position to judge which kind of insurance is more useful in various situations. A number of consumer spokesmen recently have joined those who for many years urged this kind of full disclosure, and even some of the insurance companies seem ready to give in.

Now Senator Philip A. Hart (D., Mich.) is drafting for introduction in Congress a "truth in life insurance" bill. It would require insurance sellers to disclose the adjusted cost of the insurance if you took into account a reasonable rate of interest the cash value could earn.

Hart hopes that this and other requirements of the pending bill will help reduce costs of selling insurance and the lapse rate. He points out that the industry spends almost $5 billion a year in selling and operating expenses to provide about $16 billion of ordinary life insurance death payments, endowments, cash values and policy dividends.

Too, millions of dollars are wasted because policy holders terminate their cash value policies early. People who

buyers' bailiwick

bought cash value policies from four large companies in 1971 lost nearly $25 million when they let those policies lapse within 13 months after purchase.

In shopping for insurance you can get some frank guidance from the widely-publicized booklets recently produced by the Pennsylvania State Insurance Department. They include **A Shopper's Guide to Term Insurance**, which has cost comparisons for over 100 companies, and **A Shopper's Guide to Straight Life Insurance**, with comparisons for this kind of policies. These booklets are available at $1 each from Consumer Insurance, 813 National Press Building, Washington, D.C. 20004.

The January, February and March 1974 issues of **Consumer Reports** magazine also have cost listings. The January issue concentrates on five-year term insurance. These back issues should be available at your local library.

Jack Harden

did read his Utility Reporter and found his membership number hidden in the May issue. Congratulations to Jack on winning the $50.00 prize. This month's number is well hidden. Don't miss out, read your Utility Reporter.

LOOK FOR YOUR CARD NUMBER

July Buying Calendar: Best Shopping Month

by Sidney Margolius, Consumer Expert for the Utility Reporter

July is one of the best shopping months (along with January) because of the many important sales and clearances this month. This is a good time to watch for family needs in the semi-annual sales of shoes; men's shirts; lightweight suits; dresses; handbags; refrigerators and freezers; rugs; furniture; bedding; curtains and drapes.

Here are tips on selecting values in some of the more important July sales with special attention to operating economy in this year of high utility costs:

REFRIGERATORS: Fully frost-free models cost anywhere from 17% more to almost twice as much to operate (depending on whose estimate you use) than those frost-free only in the refrigerator section. Defrosting the freezer section manually really needs to be done only several times a year.

One new feature on some fully frostless refrigerators, which can help hold down power use, is a switch you activate to control the little heater in the box which prevents condensation. Such heaters really don't need to operate when humidity is low, as in the winter or in air-conditioned homes.

FREEZERS: If floor space is no problem, chest models cost less to operate than uprights, since cold air tends to spill out of the uprights when you open the door.

Too, I. L. Griffin, refrigeration manager of one of the largest makers (General Electric), pointed out at a recent press conference, that freezers usually cost more to operate than comparably-sized refrigerators since the whole unit must be kept at zero degrees. While Griffin would disagree with us that the economy of a partly-defrost refrigerator is worth the work of defrosting the freezer section yourself, he does advise that in full freezers there is no doubt that the no-frost feature costs more to operate. So far, he says, most buyers of freezers have not been willing to pay the extra operating cost and higher initial price for no-frost freezers.

Moreover, freezer doors are not opened as often as refrigerators doors, thus do not admit as much warm air and humidity which cause frost.

WASHING MACHINES: A number of features can save hot water. These include variable cycles so you can reduce time and water use for small loads; temperature and water-fill selection; and wash basket for small loads.

Of course, if your present washer lacks some of these features but otherwise is in good condition, you can control washing time, fill level, temperature, etc., manually. You simply have to remain nearby to adjust the controls during the wash cycle.

Note also that washing lightly-soiled clothing separately in a quick cycle saves hot water.

DRYERS: Many of the modern synthetic garments do not need as much dryer time since they have lower water retention than cottons, Griffin advises. Among features on some models which do save energy are electronic sensing and automatic termination controls which prevent over-drying.

Gas dryers usually cost less to operate than electric but their energy cost can be further reduced by models which use an electric ignition system instead of a pilot light. Families who already own dryers with pilot lights soon may be able to buy an adapter to convert to electric ignition, Griffin says.

(If possible, a dryer should be located in a heated area. Otherwise, it will use almost twice as much energy in the winter.)

TV SETS: The 1975-model color TV sets will cost $10-$20 more than current levels, manufacturers have announced. In fact, one leading maker raised prices three times in just the past three months. The early-summer clearances of this year's models thus offer a double money-saving opportunity: a chance to beat next fall's prices plus a reduction on current models.

Note also that TV sets which have an instant-on feature use a little more electricity since some current always is flowing into the set to keep it warm.

FOOD BUYING CALENDAR: Pork is beginning to go up again. Beef is still relatively reasonable but prices will start rising again later this summer. Fortunately, broilers and turkeys are in heavy supply and prices are at pre-inflation levels.

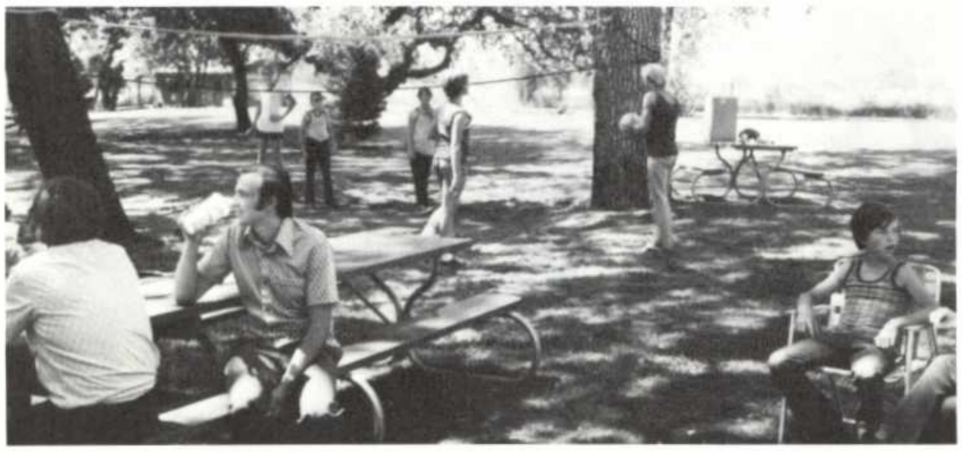
In general you may find better values in fresh meat and produce this month than in their canned and packaged equivalents. Prices on many canned and packaged foods are still going up while the tags on their fresh equivalents already have receded from their high levels earlier this year.

LOCAL 1245'S SHASTA AREA SERVICE

The Shasta Area Pin Award Picnic was en nic are to be congratulated on their requirements and the lack of immediate a photos, no captions will be made. See if y

AWARD PICNIC IS GREAT SUCCESS

yed by all. Those who worked on the pic- ;uccessful efforts. Due to press time ilability of some names of persons in the ı can find someone you recognize.



ADVISORY COUNCIL MEETS

Local 1245's Advisory Council met in Concord, California on June 1st and 2nd, 1974. This was the last meeting for many of the outgoing Advisory Council members.

There was considerable discussion by the Council on how to improve attendance at Unit Meetings. Many safety items were also discussed.

The new PG& E agreements were topics which were discussed and clarified.

Business Manager Mitchell reported on the activities of his office and brought the Council up to date on the recent settlements between Local 1245 and various employer groups.

The photos on this page show most of the participants of the two-day Council meeting.

Price Explosion, Profit Gusher

by Bill Schleicher

Drive up to your friendly neighborhood gas pump. Fill 'er up. There's plenty of gas, right? No lines, no "odd" or "even" day requirement. But there sure is one (expletive deleted) of a "crisis." That's when you reach in your wallet to pay the man.

In the six months since the Bureau of Labor Statistics has been releasing average gasoline price figures to mark the "crisis", prices are up more than 30%. Government statistics say the average New Yorker shelled out 56 cents a gallon for regular in April, but most union members would argue that they are paying more—upwards of 60 cents. Fuel oil for the home is up nearly 70% over a year ago, gas and electricity, according to the Government figures, cost 24% more.

Where does all that money go? What Business Week calls the "natural resources industry" had profits "rocketing ahead by 82%" in the first quarter of 1974. One company, Occidental Petroleum, increased its take by a stupendous 716%. The largest, Exxon, put over nine billion dollars worth of tigers in America's tanks, and earned its stockholders nearly twelve bucks a share, in the same year as the real spendable earnings (allowing for inflation and taxes) of the average working person went down over five percent.

Now you may ask, isn't it too simple-minded an explanation, that profit-hungry oil tycoons are just reaching into the average American's pocket and helping themselves to all the profits they like? Isn't a vast, world-wide oil shortage driving prices up? Aren't the Arabs keeping all the money for solid-gold Rolls Royces, and tanks and Mig fighter planes?

A recent study by Yale and Stanford economists analyzed oil prices and concluded:

"It is clear from the data that oil companies are not simply passing through increases in crude oil prices into the prices of refined products. In the period March 1973 to January 1974, crude oil prices went up from about $5.25 to about $7.25, so dollar-for-dollar pass-through would have led to a rise of 38% in the prices of refined products. Refined petroleum prices rose 127%. With an increase in profit margins of this magnitude, 'breathtaking' oil company profits should come as no surprise."

To understand the crisis, you have to understand the oil industry, its structure, its relations with the U.S. Government and the Arab governments.

For example, you might expect that when the Arab nations announced their "embargo" on oil sales to the U.S. last October, the big oil companies would have been upset. Wrong. When the Arab oil countries first announced a 10% reduction in shipments, the U.S. oil companies reduced the output of their Arab wells "not just 10%, but a little more for good measure," said Fortune magazine, supposedly to improve their "image" with the Arab governments. Soon Arab representatives and big oilmen shared an oil company jet to a meeting where further cuts were announced. They were "as friendly as ever," said Fortune.

Arab price increases and the anti-Israel embargo worked to the advantage of the oil companies. One oil executive was quoted in Business Week, gloating that, "The Arabs gave us an oil price that our own Congress would never have given."

Actually, the shortages created for a time by the Arabs were just a page from the oil companies' book on how to get more money for less production. The U.S. Federal Trade Commission conducted a two-year investigation of the industry. The FTC report attributed the U.S. oil crisis not to a depletion of supplies, nor to the Mid-east conflict, but charged that the major oil companies have behaved "as would a classical monopolist: They have attempted to increase profits by restricting output."

Oil is the biggest industry on earth. Half the tonnage moving across the oceans of the world is oil. The "big eight" oil companies (Exxon, Texaco, Gulf, Mobil, Chevron, Amoco, Shell and Atlantic Richfield) are half of the top sixteen U.S. corporations in terms of assets. Yet oil is the least taxed of all industries in the U.S.

The "oil depletion allowance" allows oil companies to write off 22% of their income earned at the crude oil *production* stage. Thus the higher the prices and profits at the oil wells, the more benefit from the depletion allowance. The FTC study suggests that "it pays to raise crude prices up to a point where refinery profits have been (artifically) reduced to zero." Of course, since the big oil companies are "vertically integrated" (they dominate production, refining and marketing) they're happy to make their money at the well-head—where the tax breaks are permitted—instead of at the refinery.

This helps the biggies drive "independent" refiners (who don't have production facilities) to the wall, and also explains a good share of our shortages of refined products—gasoline, heating oil, etc. With no profits to be had in refining, nobody builds new refineries. In the last five years, refinery capacity increased by 1.9 million barrels a day, while demand rose by three million barrels a day. Not a single new refinery is being built in the U.S. today.

Of course, the high price of Arab oil is having interesting effects on the price of oil from U.S. wells. Although oil workers have received no larger pay increases than anyone else, although the cost of pumping oil have increased no faster than most costs in our inflating economy, "The price of domestic oil from *established wells* has risen in the last year from $3.50 to $5.25 a barrel, and the profit on it has jumped from around 75¢ to $2.25," says Business Week, and oil from "Marginal stripper wells" earlier this year "soared to $10 a barrel, producing profits as high as $6.50.

While last year oil company earnings doubled on foreign operations, according to the Chase Manhattan Bank, "this year the companies will get their big profits from the U.S., and this will add to the furor in Congress," says Business Week.

Despite a three-million dollar public relations campaign to explain away their obscene profits, the oil companies haven't fooled anyone. A January Gallup poll indicated that more Americans blame the oil companies for the shortages than any other possible cause, including the Arabs.

The oilmen are frightened. They paid for a full 10% of Nixon's campaign expenses, but now he is too weak to save them from some tough legislation. The head of Chase Manhattan's energy economics division says, "There just has never been a greater chance than now of the oil industry in this country being nationalized."

AFSCME, many other unions and many in Congress are demanding tough excess profits taxes, and questioning the wisdom of leaving the country's energy resources entirely in the hands of private interests.

Public Employee Press

Ballot Committees at work

Shown above are some of the members of the PG& E ballot committee.

This photo shows some of the members of the Local Union Election Committee.

SAFETY PREJUDICE

(Continued from page eight)

come, almost as difficult to overcome as an instinct. They're deep seated because they're implanted in the first stages of life. That's why we keep hammering away at you with Safety Newsletters. Our goal is the realization by man that he cannot overcome the accident prejudice by blindly ignoring it. True, we cannot live with an accident prejudice. It stifles growth and development. But ignoring it is likely to do worse than stifling growth and development. It's likely to end growth and development abruptly. The only effective way of coping with the accident prejudice is to make safety an integral part of our lives. Then we'll do things the right way, the professional way, the safe way. Two million, fifty-seven thousand, seven hundred sixty four. We can approach any endeavor, from our daily work to high adventure, without fear. Let's start today in making safety our instinctive response to every potential hazard.

Safety Newsletter

Construction Agreements

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increase the Employers' contribution to the Health and Welfare Plan from 25¢ to 35¢ per hour, and 75¢ added to the basic Lineman wage rate, increasing the Journeyman Lineman rate to $10.28 per hour, with the rates for all other classifications increased through application of the previously agreed upon percentage formulas applied to the Journeyman Lineman rate.

Term of the Agreement established by the proposed settlement was for one year. By vote of the membership the proposed settlement was ratified and all amendments were made effective on June 1, 1974, with provision that the Agreement may again be opened for the negotiation of changes and wage increases on June 1, 1975.

COPIES OF ALL AGREEMENTS will be made available to members as soon as printing is completed. Members desiring copies should ask for them on visits to the Local Union Referral Office, or by mailing request for same to the Local Union office.

The Safety Scene

Local 1245 needs information on PVC use

Vinyl chloride has been implicated, according to recent investigations, in the death of fourteen rubber production workers due to cancer of the liver, caused by exposure during vinyl chloride polymerization. They died of angiosarcoma of the liver, until then, a rare form of cancer.

The Department of Labor has proposed a flat ban on worker exposure to vinyl chloride whose killer potential has been certified by leading industrial health experts. It has adopted, at least tentatively, the contention of the trade union movement that there is no safe level of exposure, that no worker should be exposed to any detectable level of vinyl chloride in the air he breathes.

Last month, the AFL-CIO Industrial Union Department had sharply criticized the emergency temporary standard set by the Occupational Safety and Health Administration. It allowed up to 50 parts vinyl chloride per 1 million parts of air (50ppm.) This was only one-tenth of the previous standard, but labor's position was that the only justified standard was "no detectable level" of exposure.

The gas, vinyl chloride, is used to make polyvinyl chloride, or PVC, the solid plastic employed in a wide range of industrial and consumer products. PVC is used for electrical insulation and conduit, also in a gas form, as a propellant in household disinfectants, hairsprays, and household pesticide sprays, all of which pose a dangerous health hazard to Local 1245 members and their families. Aerosol sprays are dangerous to other areas of the body as many aerosol products are propelled as fine particles that can penetrate the deepest recesses of the lungs, where they can enter the bloodstream and be carried to vital organs. The eyes are most vulnerable to the impact of aerosol sprays for tiny aerosol particles can be driven with great speed into the cornea.

While present investigations have been centered in rubber and plastic manufacturing facilities, this office is concerned with the health and safety of Local 1245 members whose daily work may expose them to similar danger in field work where heat must be applied to polyvinyl products.

For example, when heat is applied to PVC Film, the heat causes polyvinyl chloride to vaporize and to decompose into such products as hydrochloric acid, phosgene, and carbon monoxide. Phosgene is a colorless gas, which was banned as poisonous during World War I. It is reportedly ten times more lethal then chlorine gas.

The Federal Safety Law requires the Labor Department to promulgate a permanent standard within six months after a temporary standard is issued. Before the temporary standard was set on April 5, 1974, concentrations of vinyl chloride were permitted in workplaces up to 500 ppm.

In outlining the proposed standard for "no detectable level", Assistant Secretary of Labor John H. Stender stated the provisions would include:

Limiting the manufacture, use or handling of vinyl chloride to regulated areas;

Monitoring the atmosphere of regulated areas to determine individual worker exposure;

Allowing workers or their Union Representatives to observe the monitoring;

Initiating programs for respiratory protection of workers in regulated areas when measurable levels of vinyl chloride are detected;

Requiring protective clothing for workers in regulated areas;

Providing medical examinations annually, at no expense to workers and;

Maintaining records for 20 years or longer.

The Labor Department proposal published in the May 10, 1974 Federal Register states that the standard would apply to all vinyl chloride processes and to "operations involving polyvinyl chloride where detectable levels of vinyl chloride are released".

But the proposal also specifies: "This section does not apply to the handling or use of fabricated products made entirely, or in part of polyvinyl chloride."

Labor safety experts, while welcoming the proposal for the vinyl chloride exposure ban, were studying the standard for its applicability to the larger problem of workers dealing with PVC, the solid plastic. While only some 6500 workers are employed in the basic vinyl chloride industry, it is estimated that nearly 1 million workers are in jobs involving the use of PVC.

In line with the foregoing, Local 1245 is currently conducting a survey with regard to our members' exposure to PVC.

If you have had any experience with PVC in your normal work procedures, whether it be by heating it, reducing it to a gaseous form by burning it, applying adhesives in splicing it, etc., please notify Dave Reese, in writing, at the Local Union Headquarters in Walnut Creek.

We also need under what conditions you were working at the time: Ventilation, protective devices such as gloves, creams, respiratory devices, etc., and what adverse effects arose as a result of working with PVC, such as skin irritations, head-aches, dizziness, watery or inflamed eyes.

Cellon pole study

With reference to an accident reported in the April 1974 issue of the **Utility Reporter** involving an Apprentice Lineman falling after "kicking-out" of a cellon treated pole, Local 1245, on behalf of its members, has been actively involved in this problem for over a year now.

On October 4, 1972, Business Representative Dave Reese, as assigned and directed by Business Manager L. L. Mitchell, attended an organizational meeting called by the Division of Industrial Safety, State of California. The purpose of this meeting was to review the question of "kick-outs" and falls from wood poles with respect to statistics prepared by various employers in California, and to appoint a fact-finding committee to gather and develop pertinent statistics in order to resolve the issue.

Represented at this meeting were:

Local Union #18, I.B.E.W., Los Angeles
Local Union #47, I.B.E.W., Whittier
Local Union #465, I.B.E.W., San Diego
Local Union #1245, I.B.E.W., Walnut Creek
Division of Industrial Safety, State of California
Pacific Gas and Electric Company
Sacramento Municipal Utility District
Southern California Edison Company
San Diego Gas and Electric
Department of Water and Power, Los Angeles
Public Utilities Commission, State of California
Koppers Company (manufacturer)
McCormick-Baxter (manufacturer)

As a result of this meeting, a subcommittee was appointed for the purpose of establishing objectives so they could recommend to the Division of Industrial Safety action to be taken to reduce these falls. From January 19, 1973 through March 13, 1974 meetings were held and a great deal of time and money was expended gathering information on this problem.

Various items were investigated and reports given, which included the training program given employees in a climbing classification, the equipment used by climbers, the types of poles with which the climbers were experiencing trouble and the characteristics of the cellon treated pole itself.

Along with this, other avenues and areas were explored for information. These included the initial results of a joint investigation into the question of pole hardness and climbing equipment conducted by Local Union 2150, I.B.E.W. and Wisconsin Electric. We also looked to the Department of Agriculture, through the Mine Safety Appliance Company, for any information relating to experiments with teflon and silicone coated gaffs.

Also Pacific Gas and Electric Company's Claims and Safety Department developed a form that was utilized by all of the committe members to obtain more current information.

As a result of all of the aforementioned work and investigation, a meeting was held on March 13, 1974 at which time proposed wording to resolve the "kick-out" problem was decided. The proposed wording is as follows:

"Poles which are expected to be climbed frequently for maintenance or operating purposes shall be stepped.

Such poles include, but are not limited to the following: Riser poles having potheads, fused cutout equipped poles, switch poles where the switch is not operated from ground level, street light poles where the light is serviced from the pole, transformer poles, and capacitor poles."

This wording was submitted to the full committee for study and comment. When determination of final language is decided upon, it will be reported in the **Utility Reporter**.

The prejudice against safety

A prejudice is a fear based on emotions instead of logic and understanding. We arrive in this world without prejudice, without fear—with one exception.

The only instinctive fear is the fear of falling, really fear of an accident. Other prejudices, other fears, must be instilled in us early, before we are six or seven years old. This is accomplished by our parents, other relatives, and childhood friends.

From our babyhood on, our elders attempt to erase the prejudice against accidents. A good and admirable goal, except they go about it in the wrong way. They say, "Don't be afraid of the dark, of snakes, of the bogey man." Rarely do they explain the fear and how to overcome it safely. Rarely do they introduce the child to the physiology of snakes and teach the child the correct handling procedure for poisonous snakes. It's really common sense to fear the dark until you're taught how to maneuver safely around unseen hazards. Compounding this empty parental counsel is the "dare" tactic of playmates. They coax, "Climb the tree. Don't be afraid. I dare you."

From these patterns a disastrous change occurs. The prejudice against accidents becomes a prejudice against safety. By the time we're six or seven years old most of us are imbued with a fear of safe practices. The example of our elders and the scorn of our peers has convinced us safety is not "cool", is not a life style to be admired.

Prejudices are difficult to over-

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