Union begins offensive against Arbor Tree

There are times when your patience just runs out.

That was the case on Nov. 5 when Local 1245 established a picketline near the Auburn, Ca. headquarters of Arbor Tree Surgery Co., kicking off a renewed campaign to bring union wages and working conditions to Arbor.

The union's decision to go public in its dispute with Arbor Tree follows nearly four years of fruitless negotiations for a labor contract. Local 1245 was certified by the National Labor Relations Board (NLRB) in 1989 to represent line clearance tree trimmers at Arbor Tree after a majority of employees voted for union representation.

"Arbor just doesn't get it, just like Bush didn't get it," said Jack Osburn, the Local 1245 business representative who headed up the most recent bargaining with Arbor and is coordinating the new offensive.

"After four years of negotiations they should get it, but they don't," said Osburn. "We're not going to let this company drag down wage and working conditions for the tree industry. We're just not going to let that happen."

Arbor Tree, which holds a contract with Pacific Gas & Electric Co., consolidated 31 customer service telephone centers into four regional centers has left many Local 1245 members with a painful choice: move, commute intolerable distances to one of the new centers, or quit the company.

While Local 1245 has no authority to block the company's plan, the union is negotiating with PG&E in an effort to lessen the hardships imposed upon workers by the consolidation. Bargaining over the impacts of the consolidation began last month with the convening of a joint Telephone Service Study Committee.

According to committee member Val Casimir, a customer service representative in Redding, the consolidation has aroused widespread concern among those who will be affected.

"Everybody is against it," said Casimir. "Nobody is looking forward to it."

Casimir, a 22-year union member, has as good a reason as anybody to be concerned. Currently he lives in the community where he works. After consolidation, his job will be a three-hour drive away.

"We're not going to let this company go down wage and working conditions for the tree industry. We're just not going to let that happen."

A decision by Pacific Gas & Electric Co. to consolidate 31 customer service telephone centers into four regional centers has left many Local 1245 members with a painful choice: move, commute intolerable distances to one of the new centers, or quit the company.

PG&E phone centers being chopped

Consolidation poses painful choices

Launching the new offensive against Arbor Tree in Auburn, Ca. are Local 1245 members (front row, from left): Lee Thomas (Outside Line) and Ray Thomas (City of Redding); (back row, from left): Bob Quinn (PG&E), Joe Krohohoel (City of Redding), William Bouzek (PG&E), Local 1245 Business Reps. Bobby Blair and Sam Tamimi, organizer Pete Ely, Business Rep. Jack Osburn, and Leland Thomas (Outside Line). (Photo: Landis Marttila)
Rolling the union on...

Fire 'em all: Volkswagen has reopened its plant in Puebla, Mexico following a ruling by a Mexican labor board that management could tear up its union contract and fire all 14,000 workers. According to Labor Notes, the Puebla plant is the only one in the world which still produces the VW "Beetle," Mexico's most popular car. The company intends to dramatically expand the plant over the next six years so that it can export other models to the US under the North American Free Trade Agreement.

Children, Not Slaves: About 150 children aged 4 to 7 marched on the Labor Ministry in India recently to protest the use of young children to weave carpets. The children demanded the government implement laws that ban anyone under age 14 from working in factories. "We are children, not slaves," the marching children chanted.

No time to study: Students with jobs attend class less frequently and spend less time on homework, according to a study by the William T. Grant Foundation. The Child Labor Coalition proposes limiting 16- and 17-year-olds to 20 hours of work a week (excluding agriculture) when school is in session. About 5.5 million youth aged 12 to 17 are employed in the US. More than 600,000 12- and 13-year-olds work.

General strike: Almost 10 million workers walked off their jobs across Italy last month in a general strike to protest government austerity measures. The national strike closed private and state-run factories, government offices and newspapers, and left big-city bus, subway and train services in chaos.

"Change for Justice": Members of Utility Workers Local 223, who are fighting Detroit Edison's concession demands (the utility is making record profits) have begun a "Change for Justice" project, according to the Detroit-based Labor Notes. The union is asking Detroit Edison customers to pay the dollar amount of their monthly bills with a check, as usual, and the rest with coins. The union hopes that a flood of nickels, dimes, quarters, and pennies will show the company that the workers have community support.

Bankruptcy is rough: Carl Icahn, the wheeler-dealer who loaded up TWA with debt to finance his takeover of the airline, had TWA file for bankruptcy early this year. But TWA's sorry financial condition didn't stop Icahn from shelling out half a million dollars on a painting by Alfred Sisley during New York's spring auction season.

Flying Start: Charlie Helton, a member of Teamsters for a Democratic Union in Chattanooga, Tenn., said he would perform a bungee jump to raise money for an upcoming officers election at his local union. Helton's co-workers didn't believe he would actually jump and pledged almost $300 to see him do it. Helton, who was described in Labor Notes as "rather portly," says he came within four or five feet of the ground—and got the campaign off to a flying start.

Big Brother Is Watching: The Italian company Olivetti is testing a computer-based system that can constantly monitor the location of a company's employees. Each employee wears an ID card which sends infrared signals to sensors scattered around the building. "It's great technology in the right hands," Roy Want, the system's inventor, told Business Week. "But if you've got a bad manager, he's going to make your life hell."
Phone consolidation: painful choices

From PAGE ONE

Moving in order to hang on to a PG&E job can pose just as many problems, especially if it forces a PG&E employee’s spouse to abandon a job in the old community.

Not to mention the fact that severing long-standing ties with a community is not a matter to be taken lightly.

...will face new, possibly insurmountable, childcare issues.

...who have children at home...

...cannot quickly get just as many problems, especially if it forces a PG&E employee’s spouse to abandon a job in the old community.

PG&E “will lose a lot of employees—people they’ve invested a lot of time and money in.”

Cathy Barber-Haring

Utility deregulation: Who benefits? Who pays?

Jack McNally, IBEW 1245 Business Manager

A far-reaching national energy bill was passed last month by Congress and signed by the President. This bill was the result of long and intensive lobbying by the nation’s utilities, who were not necessarily united on the issue, as well as by environmentalists, consumer groups, and an association of independent power producers.

The new energy act provides a variety of incentives to be energy efficient and expands the Federal Energy Regulatory Commission’s authority over the wholesale wheeling of power. The new energy act also contains provisions on electric and magnetic fields, nuclear waste, and the reduction of greenhouse gases.

The energy act imposes a strict ban on federally-managed retail wheeling. This law is another major step toward the deregulation of energy. In this case, electric energy.

Retail wheeling or transmission access is the biggest threat posed by the deregulation process to the major investor-owned utilities. However, retail wheeling is looked upon very favorably by the independent power producers and large electric energy users.

The new energy act leaves the issue of retail wheeling of power up to the states. Individual states rather than the federal government will determine the extent of retail access.

This being the case, California will be a hotbed of debate for retail wheeling because California has one of the largest concentrations of independent power producers in the country.

The California legislature and the Public Utilities Commission will no doubt see increased lobbying activity as the independent power producers and large users of electricity begin pushing for transmission access in their quest for cheaper electricity.

This follows almost the same scenario as the Mojave pipeline caper, where the independent energy producers picked off the largest and most profitable customers and left small business and residential homeowner to pay higher costs.

Investor-owned utilities are in transition from operating as regulated monopolies to operating in an unregulated free market. This dramatically changes the way a utility operates. Strategizing and positioning to compete in the new energy market will become a top priority for utilities.

Who benefits from this deregulation? Check your phone bill (if you can figure it out). Check the airline business. Check the trucking industry.

The pattern is this: deregulation and who need to be asking ourselves: Who benefits from this deregulation? Check your phone bill (if you can figure it out). Check the airline business. Check the trucking industry.

The pattern is this: deregulation leads to a shakeout of the industry (not to mention union-busting and layoffs) and ultimately leaves fewer corporations on the playing field. The end result is less competition, higher prices, and in many cases poorer service.

Small business and residential ratepayers—and the utility employees—had better pay close attention to these developments. We need to be asking ourselves: Who benefits from utility deregulation—and who pays?
LOCAL 1245 LEADERSHIP CONFERENCE

Ex·tinc·tion:

\ik-ˈstɪn(k)-ʃən\ n 1: the condition or fact of being extinct, no longer existing.

The year is 2002 . . .

• Local 1245’s generation unit at PG&E is almost non-existent.
• Union jobs in distribution have vanished.
• Meter readers have gone the way of the buffalo.
• Customer service jobs are now 100% contracted out.
• Local 1245 is on the verge of extinction.

Mike Lucas

Local 1245 on the verge of extinction? Sounds like the raving of some right-wing nutjob speaking to a conference of professional union-busters, doesn’t it?

But it is not. It’s the opinion of Mike Lucas, executive assistant to IBEW International President J. J. Barry. Lucas spelled out his sobering assessment of the union’s future—and offered a strategy for survival—in a workshop at the Local 1245 Leadership Conference last month at the Sheraton Hotel in Concord, Ca.

From San Francisco to Ely, Nevada, from Bakersfield to Walla Walla, Washington, nearly 100 unit officers gathered to sharpen up their leadership skills and learn more about the challenges facing the union in the dawning era of utility deregulation.

First came the basics. Local 1245 Business Manager Jack McNally, Vice President Jim McCuller, and Recording Secretary Barbara Symons outlined the responsibilities that go with being a unit officer. The unit officers—some newly-elected, some in office for over 20 years—responded with questions about paperwork and with suggestions for improving the initiation process for new officers.

Next came IBEW Legislative Advocate Art Carter, who reminded unit leaders of the importance of electing friends of labor to public office. Later in the conference labor educator Peter Guidry challenged the unit leaders to develop a leadership style “so that when management looks at you they see the [entire] unit.”

But the heart of the conference was the probing, three-hour workshop by Lucas. Using a question-and-answer method, Lucas coaxed members into thinking about and talking about the most fundamental problems facing the union.

Why Organize?

He began by asking: “Why do people organize unions?” The unit leaders quickly agreed that security was the main reason.

But there is no security, Lucas suggested, without the ability to bargain.

“We went into the union because we wanted to bargain,” said Lucas. And not just simply to bargain, but to “bargain well.”

It is difficult to bargain well, however, unless you have the power to hurt the employer. Traditionally, that power has come from a union’s ability to withhold its labor-to-strike. In most situations workers don’t have to actually strike to express that power—they only have to maintain a credible threat of striking.

But the power of the strike has been seriously compromised for modern utility workers.

“Let me tell you what happens normally on a utility strike after 90 days. Nothing. The lights never flicker,” said Lucas.

The reason a utility can usually continue operating even during a strike is that it can purchase power from the grid, which means the utility can wait the strikers out. And even if the utility can’t wait the strikers out, current labor law permits companies to hire permanent replacement workers.

It’s a disturbing picture: no power to strike means less strength at the bargaining table, which means less security.

But get ready, Lucas warned. The sweeping energy bill passed last month by the US Congress threatens to make the situation even worse.

Utility Deregulation

For generations, utilities have operated as regulated monopolies. Utilities like PG&E long ago were permitted to have a monopoly on providing gas and electric service to certain geographical areas.

But to assure the public’s access to power, and to protect the public against price-gouging, state agencies like the California Public Utilities Commission were established to regulate the utilities. In the early part of this century, many communities went a step farther and put utilities under municipal ownership in the belief that private companies should not be permitted to control and profit from essential services like electricity.

Consider those the good old days.

The new energy bill goes a long way toward “deregulating” the utility industry—much as the airline, trucking and telephone industries were deregulated in the 1980s. The new bill permits Non-Utility Generation companies (NUGs) and Independent Power Producers (IPPs) to operate without any regulation by state agencies.

See NEXT PAGE
NUGs and IPPs, roughly defined, are power producers that don't possess transmission and distribution capability: their chief purpose is to generate power.

Although utilities like PG&E may not like all aspects of the new federal energy legislation, the bill offers them a very enticing opportunity. Under the new law they can create a new corporate entity—a NUG or an IPP—and then "spin off" their generating capacity to that newly-created company.

Presto, the utility's sentinels generating division—even if it is still the same equipment owned by the same stockholders and run by the same employees—is now free of regulation by state agencies. And, most likely, it will also be free of the union contract that governed employee relations at the old company.

Chaos and Concessions

What happened to the airline industry when it was deregulated during the 1980s? Intense competition provoked chaos in the industry: companies were driven into bankruptcy, thousands of workers lost their jobs, and thousands more were forced into taking drastic concessions. Unions in some cases were busted and many workers lost their power to bargain.

Likewise, when AT&T was broken up, non-union companies stepped into the ring. Work that used to be done by a union telephone installer—with union wages and union benefits—is now performed by "a guy who makes $8 an hour with no pension, no life insurance, and no medical insurance," said Lucas.

And customer service jobs that are now being "consolidated" may soon be contracted out. According to Lucas, one utility has moved its billing operation to Ireland, transferring the data by satellite.

If these trends are not checked, the union's membership base will be ripped apart.

"So you see," said Lucas, "the one thing we were after, the one thing we valued more than anything else—security—has disappeared. It's already gone. We just don't know it yet. It's going to come home to us, the same way it came home to AT&T employees."

Fight Back: Organize

Coming from someone else, Lucas's assessment of the situation might seem hopeless. But Lucas clearly did not come to the leadership conference to tell people to give up. He came to urge them to fight back.

"There's only one answer, isn't there? And that's to organize," said Lucas, who has led countless organizing campaigns for the IBEW during his three decades on the staff of the International.

"You see, we're going to have our rates dragged down to compete with these IPPs and NUGs, and all the IPPs that haven't even been formed yet, unless we organize them and give these people a voice and bring them up to our standards."

For years, the IBEW has functioned as a service union—bargaining contracts, processing grievances, and protecting the rights of its members, Lucas said. But in the coming decade, our top priority must be to organize, which is one of the reasons that International President J. J. Barry has appointed Local 1245 Business Manager Jack McNally and other local union leaders to head up an organizing task force.

"The real question is not whether or not you're going to organize," said Lucas. "International President Barry says the real question is whether we are going to bargain effectively. And everyone of us in this room, myself included, is very personally interested in whether or not we're going to bargain effectively."

(Photos by Eric Wolfe)
Our task now is holding Clinton to his word

It's a new ball game! (Or so we hope.)

If President-elect Clinton truly believes in giving people an opportunity to help themselves, he will find no better way of doing it than to make it possible for workers to join unions without fear of harassment or retribution.

By Eric Wolfe

The election of Bill Clinton as President of the United States offers working people a chance to regain some of the economic ground they lost during the Reagan-Bush era.

A strong push by union volunteers helped elect pro-labor candidates to the US Congress, including Barbara Boxer and Dianne Feinstein who will represent California in the US Senate. Solid Democratic majorities in both houses of Congress should give Clinton the muscle he needs to enact an economic recovery program.

But it would be a serious mistake for working people to relax their guard. The battle for change has just begun.

Investment bankers and corporate leaders are lining up to help shape and direct Clinton's economic policies. Working people, as always, will have to speak loudly in order to be heard at all.

While Clinton as a candidate called for the creation of "high-wage, high-skill" jobs for American workers, he did not spell out in detail how this could be accomplished. In fact, his support for the North American Free Trade Agreement indicates he may end up helping US corporations continue their flight to Mexico, causing further US job losses.

During the campaign, Clinton advocated negotiating separate agreements with Mexico to insure that the Free Trade Agreement does not weaken labor and environmental standards.

At a practical level what this means is that Mexico must guarantee that its workers will have the right to organize unions without fear of being fired or discriminated against. It also means that companies operating in Mexico must invest sufficiently in pollution control to bring their plants up to US environmental standards.

If Clinton truly believes in "high-wage" jobs for American workers, he will take these steps to prevent further corporate flight to Mexico and downward pressure on US wages.

Infrastructure

One way for Clinton to quickly create "high-wage, high-skill" jobs is to invest federal dollars in rebuilding America's infrastructure. The nation's roads, bridges, transit systems, water and waste treatment systems are in terrible shape. Repairing them will create large numbers of good "prevailing wage" jobs, send a positive ripple effect through the rest of the economy, and enlarge the tax base by boosting incomes.

Perhaps seven more important, improving our infrastructure ultimately will increase the productivity of American industry.

But where will the money for infrastructure and other economic revitalization programs come from?

Major cuts in military spending will be an important source of funds for domestic investment. The central challenge of Clinton's presidency could well be whether he has the political courage to convert the US to a civilian economy, and the integrity to honor his commitment to retrain defense workers for civilian employment.

"High Wage" Jobs

Finding jobs for laid-off defense workers is, of course,
Elected to serve California in the US Senate were Barbara Boxer (left) and Dianne Feinstein, shown here at the July convention of the California AFL-CIO. (Photo: Eric Wolfe)

just part of the problem. Millions of Americans, including young people just entering the job market for the first time, need jobs.

Creating jobs is one thing. Creating high-wage jobs is quite another.

Clinton is right to emphasize the role of education in preparing workers for "high wage" jobs. A worker with skills is in a better position to command a good wage than a worker without skills.

But high wages do not automatically flow to high-skill workers engaged in productive work. The president, after all, does not set wages—employers do.

And standing right behind most major employers are stockholders. When greater productivity creates a bigger economic pie, workers will want to take it in the form of wages. Stockholders will want to take it in the form of profits.

Workers who have no collective bargaining strength—who have no union—will find they have little leverage when it comes to getting higher wages.

Clinton's vision of a "high wage" economy can only be achieved when American workers are in a position to bargain for those high wages.

"Under Organized"

While campaigning in California last July, Clinton said that American workers work hard, but are "under-educated, under-organized and under-led." Since making that statement, Clinton has said a lot about fixing the "under-led" and "under-educated" problems: he intends to provide leadership and educational opportunities.

But he has said virtually nothing about the problem of American workers being "under-organized."

Ultimately, the federal government can't organize workers. Organizing is something that workers have to do for themselves.

What the federal government can do is reform federal labor law so that workers who want to organize a union can do so quickly and easily, without fear of being fired.

In theory, the Wagner Act of 1935 assures workers the right to join a union. But in reality, employers today can defeat most organizing drives by picking out the most active pro-union workers and simply firing them.

A study published by Professor Paul Weller of Harvard Law School in 1984 showed that one in 20 union supporters are fired in a typical organizing drive.

As Thomas Geoghegan notes in his recent book, "Which Side Are You On?”, employers can "pick out and fire all the hard-core pro-union workers. They can do this flagrantly, almost admit they are doing it, yet can be assured they face no legal sanction for it, except maybe, possibly, having to cough up a tiny sliver of back pay...."

And by this time, Geoghegan observes, three or four years have passed, the organizing drive is over, and the union "is in ashes."

What's more, even if the organizer wins reinstatement, he or she can be fired again. Weiler's study found that 80% of those who win reinstatement are fired again within a year.

Under these conditions, it's small wonder that American workers are "under-organized."

Throughout the campaign, Clinton portrayed himself as a "different kind of Democrat" who, instead of giving hands-off advice to help people, intends to give people an opportunity to "help themselves."

Specifically, he advocated giving able-bodied welfare recipients job training, and then cutting off their benefits.

If President-elect Clinton truly believes in giving people an opportunity to help themselves, he will find no better way of doing it than to make it possible for workers to join unions without fear of harassment or retribution.

Clinton's receptiveness to labor law reform in the coming months will demonstrate whether he really believes American workers are "under-organized."

Union members worked hard to put Clinton in office. They registered the voters, they staffed the volunteer phone banks, they got out the vote.

The task before us now is to make sure that Clinton and the newly-elected Congress do not abandon the working Americans who put them in office.

"Which Side Are You On?" by Thomas Geoghegan is published by Penguin Books USA Inc. Check your local bookstore for this entertaining and insightful look at today's labor movement.

100 days

A new President's priorities are often made clear during the first 100 days.

While there has been little to suggest that labor law reform will be at the top of Clinton's agenda, other issues of importance to workers will probably receive immediate attention.

Clinton can be expected to move ahead on health care reform soon after taking office. His program will probably seek to extend coverage to all Americans and to find a way to cap costs. Watch out: If he opts to "phase in" universal coverage, it could amount to a backsliding on the issue and needs to be pressured to fulfill his campaign promises.

A program to stimulate the economy will also come early in Clinton's presidency. This could take the form of targeted business tax breaks designed to spur investment.

Rebuilding infrastructure was a major campaign theme and presumably Clinton will want to get an early start on it. In addition to programs to renovate roads, bridges and tunnels, some analysts think Clinton will seek to create a national fiber-optic data network and build a high-speed rail system linking US cities.

Clinton will almost certainly propose tax reform early in his administration. During the campaign he proposed raising personal income taxes on those who earn $200,000 or more annually.

Family leave and child care legislation may also find a spot near the top of Clinton's agenda, especially given the large number of new female members of Congress.

It seems safe to say one thing with certainty: more will be accomplished for working people during Clinton's first 100 days than during Reagan and Bush's 12 years in office.
Henkels & McCoy crews restore communications after Burney fire

When Local 1245 members arrived at the site of the Round Mountain forest fire in Shasta County, California, they were greeted by an eerie scene.

"We came in at night. Everything was sealed off. The town was evacuated," said Local 1245 member Dale Hagadorn, who serves as area manager for Henkels & McCoy in Tracy.

"It was pretty weird. Round Mountain was still blazing. Everything smelled like smoke."

The devastation from the week-long fire that broke out Aug. 20 was truly awesome. From Montgomery Creek to Burney, the fire laid waste to thousands of acres of forest and to the utility structures that served the sparsely-populated area. Only a heroic last-ditch stand by firefighters spared the town of Burney itself from ruin.

"This has to be one of the hottest fires I ever saw," said Local 1245 Business Representative Art Murray. Electric and communications lines "just completely burned up," Murray said.

Pacific Gas and Electric moved quickly to rebuild power lines, utilizing both Division and General Construction crews.

Citizens Utility, the area's telephone utility, contracted with Henkels & McCoy to rebuild its communications infrastructure, including the installation of new fiber-optic cable.

Henkels & McCoy crews arrived on the scene Sunday night, Aug. 23, three days into the week-long fire. With area hotels already filled with police, firefighters and other emergency personnel, the Henkels & McCoy workers bedded down on the floor of buildings in the Citizens Utility construction yard.

On their first day at work, Local 1245 crews strung aerial cable. By the second day, they were plowing for buried cable. Soon Henkels & McCoy had four plow crews, three aerial crews, four splicers, and two mechanics at work in the area, operating nine rippercats and plowcats, 15 backhoes, and three line trucks, as well as directional bore equipment.

"It was still burning when we came here," said Jeff Bremhorst, part of a crew stringing new fiber optic cable when the Utility Reporter visited the site last month. "Smoke was everywhere, it was hard to breathe."

In addition to difficulties breathing, they had to watch out for hot spots and for holes in the ground, according to union member Keith Butler.

"We came in at night. Everything was sealed off. The town was evacuated. It was pretty weird. Round Mountain was still blazing. There was ash everywhere. Everything smelled like smoke."

Dale Hagadorn

Throw in occasional appearances by bobcat, rattlesnake, and bear, and it adds up to a worksite considerably more challenging than the city streets where many of these men normally work.

Bob Lewis even saw a wolf. "It was huge," he said.

Not all the animals they saw survived the fire, however. The carcasses of deer, cattle, foxes and squirrels were a sobering reminder of the toll taken by the fire.

Although sparsely populated, there were many homes lost to the fire as well. Union member Steve Hawley recalled visiting with one woman who was in tears.

"She just needed somebody to talk to," said Hawley.

Hagadorn said the professionalism of Citizens Utility inspectors contributed to the job running smoothly.

Hagadorn also spoke highly of Dolker, a subcontractor on the job. Although down from the peak of 85 people on the job, Henkels & McCoy crews will probably remain on the job through November, according to Hagadorn.

Henkels & McCoy employs Local 1245 members under a national teledata agreement negotiated with IBEW.
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Henkels & McCoy employs Local 1245 members under a national teledata agreement negotiated with IBEW.
Jeff Bremhorst, Keith Bob Lewis, Terry Gunter, and Eric Henkels & McCoy project manager Dale Hagadorn (left) and Local 1245 Business Representative Art Murray take a look at some of the boulders that had to be removed during trenching.

Mike Grijalva (left) and foreman Rodney Hamilton talk things over with Jeff Waldbosser (in the trench).

Digging trench for new cables are Larry Price (left) and Todd Parker.

Large boulders provided the chief obstacle to laying new underground cable. (Photo: Tony Gomez)
Port of Oakland pact ratified

Local 1245 members ratified a new three-year Memorandum of Understanding with the Port of Oakland that provides a general wage increase of 4% in the first year.

Wage increases in the second year are tied to a separate set of upcoming negotiations in which the union will seek to modify the wage progression. According to union Business Representative Dean Gurke, there is no realistic way for employees to reach steps higher than six in the current six-step wage progression. In the upcoming bargaining, the union hopes to make steps four and five a more realistic possibility for employees.

If those talks succeed, Gurke said, then the union will settle for a second-year general wage increase of 4%. If those talks fail, then the second-year general wage increase will be 4%.

In either event, the third-year general wage increase will be 4%.

The pact provides "equity" adjustments for the classification of Land Surveyor, Principal Engineer, Assistant, and Mechanical Engineer.

Also contained in the agreement are a new Long Term Disability plan, improved language in the medical and dental benefits, and the addition of a new class of employees formerly unrepresented: Equipment Systems Superintendent.

The bargaining unit represents Local 1245 at the Port consists of supervisory employees. An additional provision of the new agreement indemnifies these supervisory employees in the event they are sued for acts or omissions occurring within the scope of employment.

The agreement, ratified Oct. 26, is retroactive to Sept. 1, 1992.

Support the Frontier Strikers on December 5

Desert Solidarity...Our line in the sand.

Trade unionists from around the country are heading to Las Vegas for the weekend of Dec. 5 for a "time of solidarity" declared by the national AFL-CIO.

Striking workers at the Frontier Hotel will have the full force of the labor movement behind them in "Desert Solidarity: Our Line in the Sand." These valiant workers, members of the Hotel and Restaurant Employees, Teamsters, Operating Engineers and Carpenters, passed their first year on Sept. 21 with a remarkable show of solidarity: not a single member has gone back to work.

The unions have put together an attractive tour package for Dec. 4-6 with a choice of hotels and travel arrangements.

For more information contact
Glen Arnado at (213) 481-2574 ext. 323.
In most cases, the cutoff date for reservations is Nov. 4.

A damn good excuse for a Vegas weekend!

Foster-Wheeler Martinez co-generation plant

New contract improves wages, vacation, sick leave

A new three-year agreement covering Local 1245 members at the Foster-Wheeler co-generation plant in Martinez, Ca. provides wage increases of 3.75% a year.

The agreement, effective Oct. 16, increased annual sick leave from three to four days and increased the maximum accumulable sick leave from five days to 10 days, according to Brian Walker, shop steward and member of the negotiating committee. Company policy of not paying for an employee's first day of sick leave was ended.

Employees will receive an additional day of vacation after six years of service, another after seven, and a third after eight years.

Originally employees were given two weeks vacation upon hiring in with no increases, ever," said Walker.

Under the old contract, employees were paying up to 25% of the cost of health premiums. In the new agreement the employer pays 90%.

Pension contributions were increased from 40 cents to 45 cents an hour. The contribution will go up to 50 cents in October 1993 and 55 cents in October 1994.

Education provision

In a provision on education, the employer agreed to pay 75% of the cost of pre-approved accredited courses. Improvements were also made in the shoe allowance. A for-cause drug testing program was instituted by the new agreement.

In addition, the agreement consolidated two operator classifications into one Outside Plant operator classification.

"We've made a lot of improvements to make this a place where people would want to make this a career," said Walker.

Foster-Wheeler, an independent power producer, generates electricity for the Tosco Oil refinery in Martinez. Excess power is sold to Pacific Gas & Electric. The company has had a labor contract with Local 1245 since 1987. The 15 employees represented by the union include operators, a maintenance mechanic, an instrument technician and an electrical technician.

Negotiating for the union, along with Walker, was shop steward Clark Sheppard and Local 1245 Business Representative Joe Valentino.

City of Fallon wage hike

Local 1245 members employed by the City of Fallon, Nev., received a 4% general wage increase retroactive to July 1 in negotiations concluded in August.

The Memorandum of Understanding provides for a lump sum payment of accrued sick leave to retiring employees. It also implements a Safety Committee with equal labor-management representation.

Employees who receive additional education that can be applied to their job will be entitled to an annual stipend in addition to their regular salary. Such education includes technical certification, secondary or advanced certification, AA Degree, BA degree, or BS degree.

Negotiating for the union were James Cooper, Ed McBroom, Charles Gomes, Michelle Gulden, Jerry Miller, Alen Dobson and local 1245 Business Representative John Stralla.

Scholarship opportunity

The International Brotherhood of Electrical Workers is offering up to 12 scholarships to IBEW members who wish to pursue an undergraduate degree. Each scholarship is worth up to $12,000. All application forms, student records, and other required materials must be received by the Scholarship Administrator by Feb. 19, 1993.

For further information, contact the Scholarship Administrator at (202) 728-6090, or write: IBEW Founders' Scholarship 1125 15th Street, NW Washington, DC 20005

GOVERNMENT COORDINATING COUNCIL

Delegates to the Government Coordinating Council (GCC-1) meeting earlier this year were (from left) Larry Foltz, IBEW Local 1759; Dennis Graves, IBEW Local 1938; Brian Pieper, IBEW Local 1939; Carl Nyquist, IBEW Local 1759; Mark Hearnis, IBEW Local 1939; Mike Rumbaugh, IBEW Local 2195; Marc Pinkus, IBEW Local 640; and Steve Burr, IBEW Local 2159.

Not pictured are Chairman Richard Hafner, IBEW Local 1245; Richard Perry, serving as alternate delegate for Jack McNally, IBEW Local 1245; and Mike Croxton, treasurer; Mark Hearns, recording secretary; Carl Nyquist, first vice chairman; and Steve Burr, second vice chairman.
The man who turned

When David Freeman became general manager of the Sacramento Municipal Utility District in 1990, rates were going up, employees were unhappy, and customers had just voted to shut down the Rancho Seco nuclear plant.

Changes instituted by Freeman, many of them undertaken in cooperation with the union, have helped put the brakes on rate hikes, restored employee morale, and put SMUD on the political map as a leader in energy efficiency and renewable energy development. There is even speculation that Freeman could be tapped by the newly-elected Clinton administration as the next Secretary of Energy.

In an interview conducted on September 15, the Utility Reporter asked Freeman why SMUD has chosen to emphasize energy efficiency and renewable energy development over more traditional energy options.

David Freeman:

I think labor unions actually help you run the place if you work with them. We’re working together to get the job done, at the lowest cost to the consumer, with fair benefits for the employees... It’s stupid if I don’t provide workers a competitive package, and maybe just a tad better so that this gets the reputation as being a really good place to work and then I get the cream of the crop. I consider the unions an ally, not an enemy.”

David Freeman

SMUD around

Utility Reporter: Could you briefly touch on the major elements of energy efficiency and conservation?

David Freeman: We’re trying to buy the kilowatt hours that are being wasted from our customers. We buy them by offering rebates or cash incentives for people to switch from, say, an old refrigerator that’s inefficient to a new one that uses half as much electricity. Same with air conditioners, same with every major electrical appliance. Our program is not gadget-oriented: it’s controlled by the economic facts. We’ll pay up to about 4 cents a kilowatt hour to purchase electricity that’s otherwise wasted. We do it through more efficient air conditioning equipment, through planting trees in the proper spot on your lawn and shade the house from the sun and reduce air conditioning—whatever will pencil out at about 4 cents a kilowatt hour. In that way we’re building what we call a conservation power plant. It’s a kilowatt hour here, 2 kilowatt hours there, but it all adds up, over the next 10 years, to the equivalent of what Rancho Seco [provided].

UR: The program seems very logical—why waste energy if you don’t have to. So why is this program considered so innovative? Why is it just happening now?

DF: Well, it isn’t just happening now. We had a program similar to this at the Tennessee Valley Authority in the late 1970s. I think the truth of the matter is the country went to sleep on the subject of energy and a lot of other things in the last 10 or 12 years. Part of it was that the price of oil went down, and natural gas prices went down. But the American people gave efficiency lip service and practice waste is the truth of the matter. I think the electric power industry had a hard time absorbing the notion that we ought to be helping our customers get by with less rather than sell them more. After all, electric power went for 50 or 60 years preaching the sales pitch of more electricity means a better economy and more economic activity, almost brainwashed the public into thinking the use of electricity was an unmitigated good--the more you use, the better. Changing that mind set has taken a while but it’s happening now and I think SMUD is leading the way.

UR: What role have regulatory bodies played in this? Have they rewarded efficiency?

DF: They’re just beginning to here on the West Coast. It takes a proper regulatory attitude. I think the part that’s overlooked is that investments in conservation are more labor-intensive. We are creating more jobs with our dollar through this efficiency program than if we built another power plant. That may strike you as surprising. But we’re kind of dumb in the sense that we think of jobs...
The Man Who Turned SMUD Around

**Interview with David Freeman**

**UR:** During the last general bargaining, SMUD agreed to a union security clause, as you alluded to a minute ago. Was this something you gave away during negotiations in order to get something else, or do you see union security as a positive factor in its own right in terms of employee relations?

**DF:** We approached the entire negotiations on the basis of what can we justify. We're not a labor-intensive company, we're a capital-intensive company. Our cost of labor is not the biggest item cost at SMUD and our workforce is truly our most important asset. We lose somebody, it costs us $100,000, basically, to train somebody else. We're interested in people coming to work here and staying. If you've got a bargaining unit, everybody in the unit gets the benefit of the work of organized labor and therefore needs to stay on the job. (I don't believe it's fair to retroactively tell somebody that came to work for us before this union shop that they've got to join.)

At the Tennessee Valley Authority where I was chairman of the board, we let the unions do our hiring for us. There was an actual clause in that statute that gives organized labor a preference. I think the labor unions actually help you run the place if you work with them. We're working together to get the job done, at the lowest cost to the consumer, with fair benefits for the employees. I can't afford to justify a package that's significantly higher than the market package, but also it's stupid if I don't provide workers a competitive package, and maybe just a tad better so that this gets the reputation as being a really good place to work and then I get the cream of the crop. I consider the unions an ally, not an enemy.

**UR:** You talk about labor and management working together. In principle, that makes sense. But for the workers doing that work and their unions—the team concept poses a danger. You're encouraged to participate as a team in order to increase productivity, but then management may not really be willing to share the benefits of increased productivity.

**DF:** We do not have a set of stockholders like a private company has that is expecting us to squeeze labor so they can get an extra buck. We have a set of consumers out there where we're responsible for keeping the price of electricity as low as possible. But I don't think the people of Sacramento County want us to have organized labor subsidize the electric rate. I think if I treat the people fair I'm going to get more production, more productivity, and help my customers better than if I don't treat them fair. I have seen it happen in the last two years. The reason we're keeping our costs under control is that the workers are happy. They feel like they're finally getting some respect out of management in terms of their individual needs as well as their salaries.

**UR:** You say you're seeing that in terms of the overall productivity?

**DF:** That's right. We're probably the most successful public entity in Sacramento County. Our budgets are balanced, we're not firing a bunch of people. We're getting the job done and we're not raising rates. One of the big reasons is that the workforce feels the management respects them. And therefore, they're putting out. To tell the truth, the most successful thing we've done is flexible workhours. I understand that the 40-hour week was something that labor fought for for decades. But what we put on the table was an improvement over that so that people could work 9 hours a day for 9 days and get the 10th day off. And people love it. Not to mention the bonus we offer at Christmastime if we make our budget.

**UR:** bonuses can put unions in a real bind. Some companies increasingly want to use bonuses, administered at the company's discretion, as a way to encourage or reward employees.
way of rewarding employees. That takes power out of the hands of the union—the legally-constituted and exclusive bargaining agent—to negotiate the best compensation possible for the members' labor.

DF: But your question doesn't accurately describe the bonus situation at SMUD. First of all, it's a team-building effort. Everybody at the company, whether they're making $8,000 a year or $80,000 a year, it's the same dollar amount—$200 or $250. Second, I lay down the criteria at the beginning of the year: we all get the bonus if we make our budget. It's a tiny percentage of the total pay, but it's something tangible where everybody's treated alike, and where it's a symbol of reward for the fact that all of us together got something done. That's very different than the individual corporate bonus that's at the discretion of the boss. We have a collective bargaining agreement and we're not going to change the basic structure unless we decide to do it together.

UR: Congress is considering a new energy bill [Editor's note: Congress passed the bill on Oct. 8, shortly after this interview was conducted]. Will SMUD be affected by any of the provisions in the bill?

DF: We're trying to get a tax incentive for electric cars passed so that we can start getting electric cars on the street and get American workers to be manufacturing the cars of the future and recapture the automobile market with electric cars. I think that's a very, very major opportunity for America and incentive is needed because the first cars can't be competitive with the internal combustion engine, but they will be once we get them mass produced. Most of the provision [of the bill] are just special interest things. So we haven't taken an intense interest in this energy bill.

UR: What kind of energy bill would you like to see go through Congress?

DF: We have to deal with the transportation sector. We have to deal with the twin problems of spending $50, $60 billion overseas for oil, and then the pollution that's caused when you burn the oil. We need [an energy bill] that will get this country greatly self-sufficient over a reasonable number of years, to develop the renewable resources more, in other words harness the sun, work toward a solar-hydrogen economy. And at the same time really emphasize efficiency. There ought to be a good deal more effort into the research and development of more efficient appliances. Plus, I feel we need the CAFE (Corporate Average Fuel Economy) standards to require the automobile industry to make more efficient automobiles. We need to go down 25 miles per gallon to 40. There's no question we can build more efficient automobiles. It's just that the industry has resisted it, the [Bush] administration has resisted it, the oil industry has resisted it, the Arabs have resisted it, because they want to sell us all this damn oil. And most of what's in the energy bill doesn't really deal with that problem. The main thing we need to do is simultaneously become much more efficient in using petroleum, which is our big problem, and developing the cleaner sources of energy we can use in the form of electricity so we don't have to go back to war again in order to get to work. Which is what we did a little over a year ago with Desert Storm. There was only one reason we fought that war and that was oil. We're not over there in Bosnia—there's no oil there. And that is just as much an invasion as the invasion of Kuwait. And what do we have in Kuwait today? The same dictator. There's no democracy there.

UR: What energy sources will SMUD be tapping from here on out?

DF: Today at SMUD we have our hydro power, from the dams we built some years ago. And we have one idea for enlarging the hydro power by building a tunnel and bringing more water to an existing power plant. We have the geo-thermal, up there in the valley where the steam comes up out of the ground. We're building gas-fired co-generation plants. We have a wind plant. And we're going to have some of the most modern windmills in the world that will be producing electricity for a little over 5 cents (per kilowatt hour) in Solano County, the site we purchased. We're looking forward to using fuel cells in the future, photovoltaic cells, and solar thermal down in the desert perhaps, with advanced technologies we're working on. So I guess we're talking about solar power, hydro power, geo-thermal power and natural gas power. And conservation power. So we gonna be powerful.

UR: Are there any other issues you'd like to cover?

DF: I think the biggest crisis we have in this country is the quiet crisis of the public schools. I'd like to see union members—as parents and as union members—spending more time in public schools seeing just how much help these teachers need, and trying to redirect the public funding toward K through 12 education. If we don't do that there aren't going to be a lot of union members in the future. Unless you're going to unionize the gangs. At SMUD, we've adopted Luther Burbank High School, and we're mentoring people and trying our best to employ some of them in the summer time. Of all the problems in this country today, there's nothing more fundamental. If we lose another generation of kids... Unless you line them up against the wall and shoot them, they're going to be here—robbing you, mugging you, on welfare, doing something that drags down the rest of us and makes us not terribly proud of our country. The way the funding is going, the teachers don't have the resources to teach.

I just think this is a terribly serious issue for the future of this country. We've got to give these public officials who vote the funds a little more courage. As far as I'm concerned we ought to stop building highways until we can educate people.
Stockton Pin Dinner honors union members' service

Local 1245 members were honored on April 3, 1992, at a Pin Award Ceremony and dinner in Stockton, Ca. Among those honored were:

35 years: John L. Bryan, James E. Frey, Robert Treat
30 years: Frank Pimentel, Paul E. Langum, Jim H. Forbes, Joseph R. Keener
20 years: Stanley C. Teausant, Mike Russell, David J. Maddox, Pete Hansell, Thomas P. DeGennaro, Keith J. Bickley

Photos by Bob Gibbs
Recognition given to members in Outside Line Construction

Local 1245 recognized members in Outside Line Construction for their years of membership in the union during a Pin Award Dinner in San Bernardino on April 25. Among those honored were:

- 45 years: Harry Johns
- 35 years: Michael Walsh, Alan Wade, Dale Parrott, Kenneth Myers, Bobby Dutton, Jerry Dillow, William Dawson, Jack Cunniff, Raymond Bitney, Darrell Abbott
- 30 years: Carl Winner, Durand Vaughn, Rufus Sims, Frank Ferris, Richard Edwards, Albert Brierly, Carl Bickel
- 25 years: John Weaver, Gary Nolen, Donald Holler, Patrick Goetz, Ronald French, Richard Dunkin, Donald Dillon, David Alschbach
- 20 years: Larry Skoglund

Darrell Abbott, a 35-year member, accompanied by Mrs. Abbott.

Harry Johns, a 45-year member, receives plaque from Business Reps. Richard Dunkin (left) and Art Murray (right).

Ron French (right), a 25-year member, Dave Alschbach, also a 25-year member, and Mrs. Alschbach.

Colgate Division members celebrate service to union

A Pin Award Dinner in San Bernardino, Ca. on April 25 honored long-time members of Local 1245. Among those receiving pins were:

- 35 years: J. Uriarte
- 25 years: Vesta West, L.E. Ommen, Bruce Ollar, Philip Bernardis
- 20 years: Donald Silva, Robert Parks, Patrick Gates, Glen Bell

Business Manager Jack McNally with Colgate Division members.

Business Manager Jack McNally with Colgate Division wives.
Union begins offensive against Arbor Tree Surgery Co.

From PAGE ONE
Electric to trim trees around powerlines in PG&E's Sierra Division, employs about 75 line clearance tree trimmers and related classifications.

The union's action is not a strike, according to Business Representative Landis Marttila. "This is an informational picketline designed to support Arbor Tree employees and their right to a union contract," said Marttila. "We're fed up with Arbor Tree's substandard wages, we're fed up with Arbor Tree's poor safety record, and we're fed up with their refusal to bargain in good faith."

Because the union has not declared a strike, Arbor Tree employees continue on the job. Walking the picketline to show solidarity with the Arbor Tree employees are union members from PG&E, Davey Tree, the City of Redding, and Outside Line Construction, along with Local 1245 staff members.

Lousy Conditions

During nearly four years of bargaining Arbor Tree has rejected virtually all efforts by the union to improve working conditions for Arbor Tree employees. Currently, Arbor Tree employees:

- Must buy and maintain their own climbing gear.
- Must pay deposits on chain saws.
- Endure a 15-year wage step program from groundman to foreman.
- Receive no automatic movement through the wage progression.
- Receive substantially lower wage rates for all classifications than their union counterparts at Davey Tree.

NLRB Complaints

Upon investigating charges filed by Local 1245, the NLRB has issued several complaints against Arbor Tree. These complaints have resulted in the NLRB extending Local 1245's certification as the legal bargaining representative for Arbor Tree employees.

Earlier this year, Local 1245 struck Asplundh Tree Expert Co. to protect union standards in the area where Asplundh held a PG&E line clearance contract. As a result of that work stoppage, Asplundh ultimately lost its contract with PG&E and a union contractor picked up the bulk of the work.

"We have made every reasonable effort we could to maintain a fair labor agreement with Arbor Tree," said Local 1245 Business Manager Jack McNally. "Arbor should realize that this union's entire membership is committed to seeing that this work is covered by a union contract."

McNally noted that thousands of Local 1245 members supported the Asplundh strike by giving money, donating food, walking picketlines, wearing buttons and speaking out at their workplaces.

"This union doesn't have much tolerance for union-busters," said McNally.

Business representatives assisting the Arbor Tree mobilization, in addition to Marttila and Osburn, are Art Murray, Bobby Blair, Sam Tamimi, and Ed Fortier, along with organizer Pete Ely.

Walk the line!

Union members who want to stop in and join the Arbor Tree picketline will find the pickets located at the Interstate-80 Bell Road off-ramp in Auburn, Ca.

AFL-CIO calls national boycott

Diamond Walnut employees fight for justice

One of the fiercest labor battles in the US today is being waged by the employees of Diamond Walnut.

The Diamond Walnut workers, three-fourths of whom are women, were forced out on strike in September of 1991. But before provoking the strike, management ordered the union employees to train the scabs who would soon replace them.

Under current US labor law, employees can't be fired for striking—but employees who would soon replace them.

Two years ago, thanks to sacrifices made by employees, Diamond Walnut returned to profitability. Instead of restoring the lost wages, the company gave bonuses to top management and demanded further concessions from the workers.

Diamond Walnut is a major part of Sun-Diamond Growers of California, a Fortune 500 company.

US taxpayers are being forced to indirectly subsidize the company's union-busting actions: the US Department of Agriculture provides federal funds to subsidize the advertising and marketing of Diamond Walnut products in foreign countries.

The AFL-CIO has asked all fair-minded union members to boycott all canned and bagged walnuts and walnut pieces sold by Diamond Walnut.

Before provoking the strike, management ordered the union employees to train the scabs who would soon replace them.

Trade unionists from throughout California rallied in San Francisco in late July to support 500 striking workers at Diamond Walnut. (Photo: Landis Marttila)