



# utility reporter

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Walnut Creek, Ca. 94596



Business Manager L. L. Mitchell, right, and President Lee Thomas Jr., center, are shown watching Dennis Stout as he reads his winning essay in Local 1245's Scholarship Contest to the Advisory Council.

## Dennis Stout Wins Local 1245 Scholarship Contest

Editor's note: Earlier this year the Executive Board voted to publish the winning essay in this year's Competitive Scholarship Contest. Our winner was Dennis Stout, son of Harry Stout, Gas Serviceman in San Jose. Printed below is Dennis' winning entry.

Unquestionably, the United States is destined to be struck by an "energy crisis" in the very near future. This crisis of sorts will seriously affect most every American, i.e., it will limit his mobility and affluent comfort as well as jeopardize his job and home security. Abundant and inexpensive electricity is the lifeblood of America's economy. It has afforded America the ability to attain its existing unequaled status and opulence. Any threat to this energy supply endangers the maintenance of this socio-economical progress and promises to send this nation into a state of recidivistic depression.

Nuclear energy is the primary solution to an electrical dearth. So far its full potential has been obstructed by fearful communities which consider nuclear reactors tantamount to nuclear time bombs. By and large these are groundless suspicions born out of ignorance of reactor design principles

and safety measures coupled with complete self-interest. Already many energy-starved countries utilize nuclear energy to a great degree. The United States has been able to meet the electrical needs of its inhabitants without significantly employing nuclear generation only through the use of its vast resources, capable of sustaining more conventional modes of electrical production. However, it is evident now that electrical companies must begin immediately instating additional methods of electrical fabrication and nuclear energy is the most feasible economically plus the least detrimental ecologically.

Power companies, originally imagining nuclear energy to be the perfect source of electricity, concentrated their talents on this single field and failed to research alternate possibilities. That is why nuclear energy is universally preferred as the means for forestalling a crisis in electrical production. Even so, nuclear energy is dependent upon a rather rare and costly to refine uranium isotope, U<sub>235</sub>, whose supply has been prognosticated to last at most a couple of decades. This does not accordingly doom nuclear generation to a life span of only twenty years, as science is currently perfecting a breeder reactor which functions on an unlimited supply source. However, this will not be a reality for many unpredictable years. Meanwhile, we must seize whatever is handy.

Certain measures to block construction of nuclear power plants arise from the dictates of common sense and genuine concern. It is unaccountably hazardous to build nuclear power plants on geologically unstable land masses, like along earthquake faults and fissures. To do so would be needlessly courting disaster. Such plant sites must be cautiously and not haphazardly selected.

Unions rightfully bear the responsibility of being the "people's lobby." They represent a broad cross section of America and are attuned to the requirements of the American people. They have the power to support the safe expansion of nuclear generating facilities and to prevent overzealous corporations from creating perilous situations via poorly investigated plant locations. The unions' duty is to their constituents. They are impelled to keep this country operating smoothly. Nuclear energy is the most practicable means of alleviating the impending power shortage; back it.

Dennis Lee Stout

## YOUR Business Manager's COLUMN

### Upcoming Negotiations

L. L. MITCHELL

Preparations for coming negotiations with P.G.&E. have been keeping this office humming with activity. The committees have screened, summarized and analyzed some 657 proposals affecting the general labor agreement and some 255 proposals to the benefit agreement. In addition, the E.E.O.C. Title VII Compliance Committee has prepared and submitted a proposed revision of contract items relating to the seniority system.

Many proposals are similar in principle and vary only in the means of providing the objective and in the amount of cost. The committees will build their packages from the memberships' desires, as best they can be translated from the issues and ideas submitted. They are also weighing the problems raised through grievance cases and other issues of membership dissatisfactions as related by the various Officers, Advisory Councilmen and Staff Members.

Unfortunately, the committees will be hampered by government regulations which restrict the collective bargaining procedure and this is a big hurdle to overcome. With the unknown results of Phase IV as a brake to inflation and the known factor that the rising cost of living to the average worker has

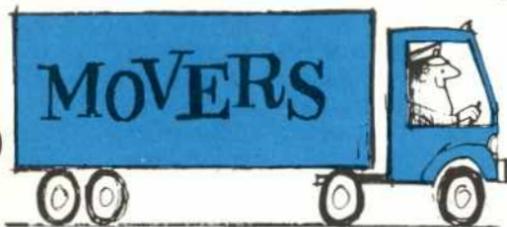
not been curbed, your committees are faced with different problems than they would under normal economic conditions. This is the expression as indicated by membership proposals. Your committee will be pushing for all it believes we are entitled to, but no doubt we will be stopped somewhere along the line short of our total objective, but every effort will be made to use any and all legal means to extend those limits to the maximum.

Every member at unit meetings will be important, for participation from now on will be closely watched by the P.G.&E. Progress reports at unit meetings will be made and, hopefully, discussion of the principal issues by a mass of people in the field at these meetings will assist the committees in their decisions and also indicate to the Company the interest of the membership in the bargaining result.

This will be a critical set of negotiations for they will really test the relationship of the parties. Unfortunately, there is a backlog of issues unresolved which have created adverse effects on membership attitudes before we even start our negotiations. Grievance backlogs, safety problems, stepped-up production efforts, the uncertainties of centralization programs,

(Continued on Page Two)

... HAVE YOU MOVED?



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# Older Americans Hardest Hit by Skyrocketing Prices of Phase 4

President Nixon's Phase 4 economic program has plunged the nation's low income elderly into new depths of desperation and despair, Nelson H. Cruikshank, National Council President, declared when Phase 4 was spelled out last month.

"It was designed without regard for the needs and problems of the elderly," he observed.

"With overall living costs rising at the rate of 8 per cent and food prices at the rate of more than 20 per cent a year, the President chose to remove controls he had imposed on food items other than meat," the NCSC spokesman pointed out, adding:

"It has been years since the low income elderly — millions of men and women across the nation — could afford to buy meat. When they had enough cash, they ate poultry, fish, eggs and other meat substitutes but these items are now out of their reach."

Cruikshank said a Long Island, N.Y., member wrote him: "By the

time I pay my rent and what I borrowed last month to keep going, there's just not enough left for more than a swallow of food."

## Future Is Frightening

A Chicago, Ill., widow wrote him, Cruikshank said, that she must make do on a small annuity but that, month after month, she has to pay more and more for what she needs. "Food, property taxes, house repairs are out of sight and for me the future is frightening," Cruikshank said her letter stated.

"An economic nightmare" is how another letter writer describes today's runaway inflation, Cruikshank said.

A retired widower in Long Beach, Calif., writes that he must live on a meager \$125 a month.

"The only time I eat a square meal is when some relative invites me out to dinner," Cruikshank said this senior commented.

These letters are a sample of the cries of despair received daily at the National Council of Senior Citizens headquarters, Cruikshank

stated. The letters tell in human terms what Federal statistics assert — that close to five million of the 20 million Americans age 65 or over have incomes below official poverty levels, Cruikshank observed, adding:

"Government figures on what constitutes the poverty level vary but none can be called generous." (See page 3 for a report on the U.S. Labor Department's retired couple's budget.)

The number of elderly officially classified as impoverished had dropped steadily for 10 years prior to 1968 but since then has risen by more than 100,000 and is now going up by leaps and bounds, according to Cruikshank.

## Half of Aged Widows Impoverished

"It is a shocking thing that approximately half of all aged widows in the U.S. are forced to live in poverty," he declared.

Cruikshank continued: "Most discouraging for seniors is the prediction of Agriculture Secretary Earl Butz that food prices would continue soaring well into the future."

This prediction, if realized, means that a great many more low income elderly will join the nearly five million who are impoverished, the National Council spokesman stated.

Actually, according to Cruikshank, official figures on the number of impoverished elderly do not reflect the real situation because, he said, "the elderly do not parade their poverty but, instead, do their best to hide it so that they become malnourished and sickly—but their pride will not let them go on relief or ask for charity."

## Poverty Follows Retirement

The National Council spokesman said "the significant thing about the plight of the low income elderly is that the overwhelming majority worked hard all their lives, raised families and looked forward to a comfortable retirement on Social Security and other income sources but runaway inflation has killed that dream."

Cruikshank cited a letter he recently received from a one-time Scandinavian immigrant — now a U.S. citizen — who wrote of accumulating a nest egg through operation of a leather goods shop, only to have it wiped out by inflation.

"We wouldn't mind this so much but I am 74 and my wife is 72 and we're too old to start over again," Cruikshank said this letter writer lamented.

With decontrol of retail food items (except meat), the nation's elderly who depend on fixed incomes are at the mercy of the worst U.S. inflationary spiral in a generation, Cruikshank said.

## Soaring Rents Take Big Bite

Those who do not own their dwellings must cope with generally uncontrolled rents that take 35 per cent of a retiree's budget, uncontrolled food prices (except meat) that take an additional 26 per cent, and loosely controlled health costs that take another 9 per cent — for a total of 70 per cent — with what is left going for transportation, clothing and other personal needs, Cruikshank stated.

Where the head of household is age 65 or over, some seven out of 10 elderly own their homes but large numbers are in immediate danger of losing them because of zooming property taxes, he observed.

More States should provide property tax relief for the elderly, according to Cruikshank.

Meantime, an 18-month moratorium on Federally assisted housing programs, proclaimed by President Nixon early this year, has stalled low rent housing for the elderly, the National Council spokesman pointed out.

This leaves approximately 6 million elderly living in substandard, inadequate housing — much of it disintegrating for lack of funds for costly maintenance, he noted, citing Federal housing reports.

"In the housing area, the elderly have been woefully shortchanged," Cruikshank said.

Over the last 10 years, Federal programs have provided around 350,000 low cost housing units for the elderly as against a need estimated by the 1971 White House Conference on Aging for at least 120,000 such units a year.

## Little Hope for Improvement

Uncontrolled rents and largely uncontrolled property taxes hit the elderly harder and harder each year, Cruikshank asserted.

Inadequate income and substandard housing accelerate the risk of major health problems for the elderly, Cruikshank said. The elderly spend three times as much as younger persons for health care and Medicare pays less than half (43 per cent) of the medical-hospital bills for the elderly, he noted.

The National Council spokesman quoted from a letter written him by a 78-year-old woman living in western Pennsylvania. He said she wrote: "I just had to have two teeth pulled and a denture made, costing me \$215. Why can't Medicare pay at least part of this cost?"

Medicare does not pay for dentistry or dentures, eye care or eye glasses, hearing care or hearing aids nor for out-of-hospital prescription drugs even though four of every five seniors have chronic ailments requiring continuing medication, Cruikshank observed.

Instead of seeking ways to correct these deficiencies in the Medicare program, Cruikshank said President Nixon has proposed adding more than a billion dollars a year to the already high out-of-pocket costs beneficiaries must pay to participate in the Medicare program.

Cruikshank concluded: "The lopsided character of President Nixon's economic controls—with wage increases being held to an overall 5.5 per cent limit, selective controls on retail prices and no controls on profits, rents and interest rates—makes it harder and harder for the elderly to get by."

The hardships placed upon the elderly by runaway inflation have resulted in many retired people seeking summer work in resort communities to supplement meager Social Security benefits. Reports from Cape Cod, Mass., indicate

(Continued on Page Seven)

## YOUR Business Manager's COLUMN

### Upcoming Negotiations

L. L. MITCHELL

(Continued from Page One)

etc., all seem to add to the problem.

There is always a bit of honest conflict between negotiating parties because each side has a stake in the outcome. P.G.&E. is not without its problems when we look at the energy problem, the question of public ownership efforts to take over their systems, the pressures from environmentalists, rising costs of fuel and equipment and others. So, it is not without understanding that we enter this crucial period of negotiations.

However, the objectives we seek are not subversive; they are not different from others who toil for their living. P.G.&E. must remember that there must be a balance between employee needs and production needs. Too great an imbalance will mean trouble for both sides. This session of negotiations can be the means of removing a number of barriers to an improved relationship, or it can result in increased frictions.

We are not in existence to be

used by others. We are not stepchildren to be pushed aside and forgotten. We are an institution of and for the good of our members. We can serve our members better by joint activities with our employers on mutual problems and maintain our separate interests where this is called for. We can do this without loss of integrity or identity, and our employers can also benefit from this type of relationship.

Your negotiators do not enter these sessions with any animosities or bitterness. Certainly we seek more in the way of wages and benefits and this produces conflicts. These we expect. I would hope, however, that there will be a measure of agreement right from the beginning that we are also engaged in a process of problem solving. The differences which stand in the way of participation on mutual problems can be cleared up and we can provide joint activities needed to give the relationship greater strength.



## the utility reporter

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# Disclosure Moves Renew Insurance Question

By Sidney Margolius, Consumer Expert for Utility Reporter

The growing movement to require insurance companies to give fuller information about the true cost of so-called whole-life insurance has raised new questions about life insurance.

In many years of advising families on money management, my experience has been that next to installment contracts, life insurance is the financial question they usually understand least.

Families frequently make one or more of these mistakes in buying insurance:

1. They carry too much.
2. They carry too little.
3. They carry too-expensive types.
4. They buy insurance that seems cheap but is almost worthless.
5. They insure the wrong people.

Some years ago I interviewed a man who had been selected as a typical worker. He had a number of small insurance policies on himself, his wife, each of his children and his mother-in-law. He paid a few dollars monthly or quarterly on the policies. I pointed out that he was paying out \$126 a year for what really added up to \$3,000 worth of insurance; that what little insurance the family had should be concentrated on him; that he could buy \$3,000 worth of plain term insurance for about \$15 a year, especially if he paid the premium once a year instead of in installments.

There are two chief types of insurance:

**Whole life insurance**, sometimes also called ordinary life insurance, builds cash value which you can get by surrendering your policy, or

on which you can borrow. Twenty or 30-payment life insurance is basically the same as ordinary life, except that you pay proportionately higher premiums for 20 or 30 years.

**Term insurance**, which has no cash value, but costs very little.

Life insurance with cash value may seem more attractive. For higher-bracket taxpayers it sometimes is. But for the average young worker with a growing family to protect, term insurance provides the most protection for your family that you can buy with your money.

Many people avoid this inexpensive form of insurance, which costs only about one-third the price of whole-life insurance, because they say: "You have to die to collect it." What they don't realize is that the cash value of the whole-life insurance is only the accumulated difference between its price and that of term insurance. The company uses part of your premium to provide a form of term insurance and puts the rest in your cash-reserve fund which earns interest but at a lower rate than you could get from other types of savings.

If you die, your family gets only the amount it would have received if you had bought the cheaper term insurance.

Because they buy this so-called "savings" type of insurance, many young men fail to protect their families adequately. They may carry only \$10,000 or \$15,000 of insurance when they should have \$30,000 or more, depending on their other assets and family needs.

Even if a young man has enough income (and most don't) to carry enough savings-type insurance to protect his family adequately, he could still do better by starting with the same amount of term insurance and investing the difference in E bonds or savings accounts at 5 to 6%.

This system of term insurance plus self-saving accumulates savings faster, especially in the early years, because agents do not get as much commission on term insurance as on ordinary or whole-life.

Insurance agents argue that people won't save if they are not compelled to, through policies that combine insurance and savings. This may be true sometimes, but not necessarily. Sometimes people who undertake this forced savings method do not save anyway, as indicated by the fact that some eventually borrow on their insurance or drop their policies altogether.

Besides, there are other methods of automatic saving, such as payroll deductions for E bonds or credit-union deposits.

Agents often present families with a plan showing that after 20 or 30 years the cash value in a whole-life policy will be as much or even more than the total premiums the policy holder will pay. The implication is that the insurance itself thus costs little or nothing. What buyers may not realize is that this phenomenon is possible only because of the accumulation of compound interest, and would occur in any savings plan.

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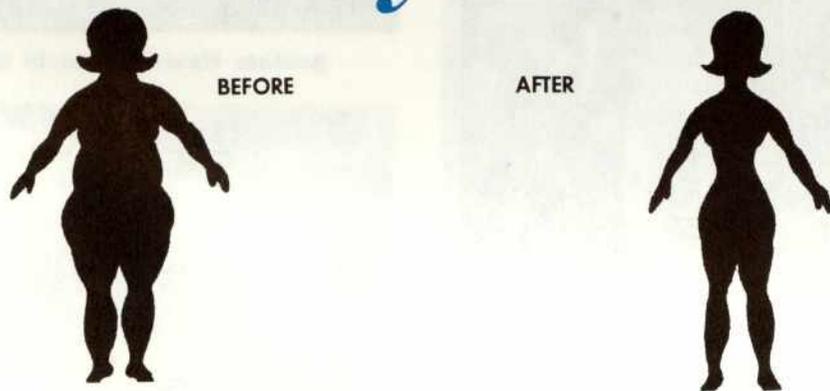
Now a movement is developing among state insurance commissioners and Congressmen to require companies to show the interest factor when they quote net costs. Consumers then would be better able to compare costs between different kinds of policies.

Possibly one advantage of whole-life insurance is the privilege of subsequently converting the cash value into a retirement annuity at less cost than if bought outright at retirement. Another argument in favor of whole-life insurance is that interest earnings are accumulated tax free. There are, however, other methods of tax-shielding savings, including the option to postpone taxes on E bonds.

It is also worth considering whether it would not be more profitable in some cases to save by accelerating mortgage payments on your home, thereby reducing the 7 to 8% mortgage interest cost (sometimes paid to the same insurance company). A paid-up home or other property also is a form of insurance and/or retirement asset. For the many families who frequently buy on credit, there is a pathetic fallacy in saving through insurance or other plans that pay 4 or 5% while they pay finance charges of 12 to 22%.

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## Healthy Advice On Health Clubs



The "neighborhood gym" of the 1940's era usually catered to people of middle and upper incomes. Today, the approximately 1,500 "reducing salons," "health studios," and "health clubs" in the U.S. seek to attract customers of all economic levels. These establishments, commonly known as "health spas," promise to help patrons improve their physical condition or appearance through:

- Weight control
- Special treatments
- Exercise (active and "passive")

It seems, however, that deceptive acts and practices are widespread throughout the health spa industry. Abuses include:

1. Deceptive and misleading advertising
2. High-pressure selling practices
3. Collection practices that harass the consumer

### Watch Out For These Common Deceptions

#### "Special Reduced Price"

Often, health spas advertise a "reduced price" to attract customers. Frequently, the special advertised rate is really their regular price.

#### "Bait and Switch"

Ten for 10 means ten treatments for ten dollars. This type of special offer may be made just to get the customer in the door. Once in, the customer may be told that ten sessions are of no value. If the customer demands the offered special, he may be told that he must take two treat-

ments on each visit to the spa, or that only limited facilities for limited hours are available under the offer. The salesperson will nearly always try to sign up the customer in a more expensive, long-term program.

#### "Free Visits"

Such prizes are sometimes awarded to everyone who signs up at "registration tables" set up in high traffic areas. "Winners" often find that their "free visit" amounts to a high-pressure sales pitch to accept the "prize" of a "discount" on an inflated membership fee.

#### "Before and After" Photos

Many times the only difference is that in the "before" photograph, the person is unkempt, frowning, slumping and poorly lighted, while in the "after" photo, the person is standing straight, smiling, with stomach in, chest out, in a tight swim suit, and flattered by lighting and camera angle. In other cases, the pictured person may have never even visited the advertised spa. Some "before and after" photos may show two different people.

#### Weight Loss Without Exercise

Many spas advertise that exercise devices will contribute to weight loss and better muscle tone without effort on the part of the patron. However, the FTC has not seen evidence to substantiate the claim that devices which simply vibrate or shake the body will actually aid in weight reduction or improving muscle tone.

#### "Personal Programs"

"Specifically developed" or "personally designed" programs may prove to be standard calisthenics and exercises that vary little from person to person.

#### "Last Day Only"

Sales representatives often claim that it is the "last day" before membership fees go up, when in fact no price increase is being considered. Pressure is often applied to make the customer believe that the contract must be signed immediately before the offer expires.

#### "Application" Forms

Sometimes consumers are led to believe that they are signing an "application" to reserve a place in the spa, when in reality they are signing a legally binding contract for long-term membership.

#### Weight Loss Guarantees

Oral or written promises of weight loss, inch loss, changes in dress size, (Continued on Page Seven)

# Advisory Council Honors Past Officers and Ex



This photo shows some of the Advisory Council members and guests.



Some Negotiating Committee members and other guests are shown in this photo.



Business Manager L. L. Mitchell is shown listening to a question from the Council.



Mert Walters, Sr. Asst. Bus. Mgr., is shown reporting on the PG&E Wage and Contract Committee.



Brother Ron Weakley, former Bus. Mgr. of Local 1245, is shown addressing the Council.



Bill Miller, Past Treasurer and currently on the Ad Council, is shown above.



Shown above is Bus. Rep. Willie Stewart, Past Executive Board Member-at-large.

Past officers of Local 1245 were invited to attend the Local's Advisory Council meeting on Aug. 25th and 26th, 1973.

The past officers in attendance were: former Bus. Mgr. Ron Weakley, past Vice President Marv Brooks, past Recording Secretary Andy Clayton, past No. Area Executive Board member Jim Fountain, past Treasurer Orville Owen, past Treasurer Bill Miller, past Executive Board member-at-large Willie Stewart, and past Recording Secretary Hank Lucas.

These men and many more were and are the backbone of this organization. They gave unselfishly of their time and often their own money. The bylaws, contracts and working conditions we have today didn't just happen; they evolved from something less than what we have now.

We are often critical of and dissatisfied with what we have now. This is as it should be, but some time should be spent in retrospect; looking back at the conditions, wages, etc., that existed when the above mentioned group of men started serving Local 1245. They did an excellent job and showed us



Another view of those in attendance at the Aug



Shown standing from left to right are: Ron Weakley, Past Treasurer, Past Vice Pres. Marv Brooks, and Past No. 1 Fountain.

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# nd Executive Board Members of Local 1245

what can be done in the future if we equally dedicate ourselves to the task. One million, three hundred and thirty-six thousand, seven hundred and seventy-eight.

The regular business of the Advisory Council proceeded as usual. The subject of **Safety** always receives a great deal of interest from the Council as they report various accidents and equipment failures in their areas.

Attendance at Unit meetings and methods of improving same was thoroughly discussed at this meeting.

President Thomas introduced Dennis Stout, son of Mr. and Mrs. Harry Stout, winner of the 1973 Local 1245, I.B.E.W. Scholarship contest, and presented him with a certificate of accomplishment.

Business Manager L. L. Mitchell reported on the activities of his office, including reports on Governor Reagan's State Expenditure Limitation Program, Pension and Benefits Laws and the need for an improved L.T.D. plan.

The captions under the photos on pages 4, 5 and 6 give more highlights of the meeting.



The balance of Advisory Council members at the meeting are shown above.



Brother Lou Anzaldo from the Hayward Unit is shown addressing the council.



This photo gives another view of guests at the Council meetings.



Former Bus. Rep. Ed James, currently Asst. Labor Commissioner, State of Calif., is shown above.



Shown above are: Bus. Rep. Hank Lucas, left, and Andy Clayton. Both are Past Recording Secretaries.



Attendance at the August Advisory Council meeting.



Ron Weakley, Past Bus. Mgr., Bus. Rep. Orv Owen, Past No. Area Executive Board member James



This photo shows Mr. and Mrs. Harry Stout, the proud parents of our scholarship winner, with Bud Gray, Treasurer and Southern Area Executive Board Member Jack Graves standing in the background.



Shown above is Lee Thomas, President of Local 1245, as he chairs the Advisory Council meeting.



C. P. "Red" Henneberry, Vice President, is shown as he addressed the Council on the U.F.W. and Teamster dispute.



Bus. Rep. Jack McNally is shown reporting on the 1973 P.G.&E. Pension & Benefit Committee.



This photo shows Dave Reese, Bus. Rep., making a report on Safety. He urged better support in submitting accident reports.



Lloyd Medlin is shown making a report on the progress of Clerical Cross Hatch Committee.



Treasurer "Bud" Gray is shown reporting on the financial status of the Local Union.



Pictured above is Asst. Bus. Mgr. John Wilder as he reports on interim negotiations.



Asst. Bus. Mgr. Larry Foss is shown reporting on the Review Committee.

## Two "Old-timers" Honored in Fresno



Shown above from left to right are Fred Hardy, Business Manager of Local 100, I.B.E.W., E. Shackelford, recipient of a 60 yr. pin, R. B. Dick Guiberson, recipient of a 50 yr. service pin, and L. L. Mitchell, Business Manager of Local 1245, I.B.E.W. As reported in the last issue of the Utility Reporter, a dinner was to be held in Fresno to honor these two men and the photo above was taken at the dinner.

## Public Employees' Right to Strike

By DON VIAL, Chairman  
Center For Labor Research & Education  
University of California, Berkeley

The following reply to a recent KNBC Editorial on "Public Employees and the Right to Strike" was prepared by DON VIAL of the Institute of Industrial Relations at the University of California in Berkeley, a good friend of Labor and IBEW Local 18. Vial was a member of the Aaron Advisory Council whose recommendations were incorporated in the Moretti Bill (AB 1243) on Collective Bargaining Rights For Public Employees.

Assembly Speaker Bob Moretti has taken a lot of criticism for introducing AB 1243. This bill proposes a system of collective bargaining for public employees which includes a limited right to strike and to lockout. As a member of the Advisory Council which recommended his legislation to Speaker Moretti, it is very disturbing to find public attention glued to the strike aspect and ignoring the benefits this bill would insure.

The purpose of AB 1243 is to provide a constructive legal framework in which public employees and their employers can peaceably settle their disputes. A law that specifically calls for real collective bargaining will result in fewer strikes because a great many public employee walkouts result from the frustration of trying to get public employers to sit down and deal with employee problems in good faith.

Declaring public employee strikes illegal will not stop employees from walking out when they feel deadlocked or ignored. If we want the law to be respected, the law must deal with reality. Reality is the 30 public work stoppages that happened in one year at all levels of government in California.

### COURTS RECOGNIZE REALITY OF PUBLIC STRIKES

The courts have recognized the reality of public strikes. In one area of the state, there were 22 employee strikes in a 2½ year period. Only in 15 cases were temporary restraining orders sought. In the 12 cases in which injunctions were issued, only three public employers tried to enforce their court orders. In all three cases, the court found the strikers were not in contempt.

None of us on the Council nor Speaker Moretti are trying to encourage strikes. We don't want paralyzed schools, police and firemen on picket lines, or garbage piled up in the streets. But, unless we prepare for resolution of public employee grievances by lawful means, we will face this and more.

California taxpayers should write the Governor and their state legislators in support of AB 1243 to guard against the threat of needless future strikes by the people they employ.  
—Local 18 Action Report

# Editorial

The record high profits listed in the article below should be proof positive that the recent inflationary spiral was not due to "high labor costs" as the administration and "big business" officials would have you believe, but rather to a profit push.

It's time we stopped taking all the blame and lay it at the door of those who are responsible. We are asked to sacrifice as Americans; tighten our belts to beat this "monster" called inflation. Where are all the Americans in "Big Business?" I was under the impression that corporations were made up of people and that these people are, in the majority, American citizens. When it comes to their money (profits) they somehow seem to lose their nationality. They seem to have the philosophy that the belt tightening and sacrifice for the sake of America applies to "those other people."

If you can read the figures below and not become very angry about this situation, then you can be considered a very unusual person. For contained in those "fat" profits is YOUR loss of buying power.

You and your family are suffering because of their greed. Young and old alike cannot afford to buy homes and they can't afford decent meals (those containing meat) every day of the week. We are slowly evolving from a three class society to a two class society. The once dominant "middle class" is being squeezed out and only the upper class (rich) and lower class (poor) will remain if the present trend continues.

## Record High Profits

A survey by Business Week magazine found that after-tax profits of major corporations in the second quarter of 1973 averaged more than 30 percent above the level of the same period a year earlier.

Mirroring the results of other recent surveys, the study looked at 880 of the nation's largest companies and found that the profits boom not only continued through the second three months of the year, but "picked up some steam." The first-quarter profits gain was 29 percent higher than a year earlier, the government has reported.

Net second-quarter earnings at better than a \$70 billion seasonally adjusted annual rate are indicated by the Business Week survey, the magazine reported. This compares with a \$53.4 billion rate for the second quarter of 1972. The 880 companies in the survey took in 36 industrial categories, ranging from aerospace to utilities.

Only two of the 36 industrial groupings reported lower earnings in the second quarter. They were railroads, which were hit by increased costs and flood damage, and the nonbank financial category, hurt by the profits squeeze on Wall Street which held down profits for the whole group.

Second-quarter standouts and the percent change in profits over the like period of 1972 were paper, up 69 percent; building materials, up 66 percent; metals and mining, up 56 percent; oil, up 52 percent, and steel, up 49 percent.

Among the paper companies, Westvaco led with profits up 161 percent. Crown Zellerbach's net earnings were up 129 percent and Hammermill zoomed 113 percent. In the building materials category, Boise Cascade boosted its second-quarter earnings 195 percent over the similar period in 1972, and Weyerhaeuser increased its profits by 179 percent.

All the major oil companies pushed their profit rate up, with Standard of Ohio showing a gain of 110 percent, Gulf 82 percent,

and Exxon and Shell each 54 percent.

Retailers, particularly the big food chains, posted impressive earnings rises in the second quarter, the survey noted.

Some companies, especially in the metals industry, made spectacular turnarounds from 1972. Reynolds Metals, which reported sharply lower earnings in the second quarter of 1972, showed second-quarter profits this year up by 750 percent. American Smelting & Refining and U.S. Steel, also down in second-quarter 1972, posted gains of 129 percent and 62 percent respectively.

—The Trades Unionist

## Phase IV Hurts Aged

(Continued from Page Two)

that many retired people are applying for summer jobs there — jobs once filled almost exclusively by vacationing students.

According to a story in the New York Times, elderly people are applying for positions ranging from bus boy to waitress and maid in the bustling summer resort communities in the Cape Cod area. James Kennedy, Massachusetts State Employment Security Manager, reports that the increasing numbers of elderly applying for the resort jobs have swelled the ranks of applicants for the approximately 6,000 jobs to 20,000 applicants.

Although this development is but another indication of the plight faced by all retired people living on a fixed income, there is one bright side to this story. Apparently, to many resort business owners, the elderly employee is a much better worker and more reliable than student help. Rich Fahey, manager of a large resort motel, reports that he has found that "more elderly people are ready to accept responsibility as compared to kids who just want to make a few bucks so they can disappear the next good beach day."

—Senior Citizens News

# Bargaining Roundup

## PACIFIC GAS AND ELECTRIC COMPANY

Gas Street Department: No change from last reporting.

Terminal Operators: No change from last reporting.

Marysville Gas Load Center: Same as last reporting.

General Construction/Lines of Progression:

Civil, Gas & Hydro: Company studying Union's last proposal.

Field Office Operations/Process Centers: Union recently received proposal from Company and it is being studied.

## CONSOLIDATION OF GAS METER SHOPS

Union has received a proposal from the Company and met with Company's Committee on August 29, 1973.

Union's Committee consists of Bruce E. West, Sacramento Division; William C. Smith, Stockton Division; Josephus B. Graham, Jr., East Bay Division; J. N. Amoroso, San Joaquin Division; Paul R. Rose, San Francisco Division; Arthur E. Perry, North Bay Division; Steve Shostar, Jr., San Jose Division; assisted by John J. Wilder and Ken Nata.

## CITIZENS UTILITIES COMPANY OF CALIFORNIA

Decision expected in the near future from Arbitrator Morris Meyers on problem involving hospital insurance.

## CALIFORNIA-PACIFIC UTILITIES COMPANY (Winnemucca District)

Union and Company negotiating committees met on August 23, 1973. Union has received counter proposal from Company which they are studying. Union's committee consists of Walt Hardenbrook, John Stralla and John Wilder.

## X-RAY ENGINEERING COMPANY

No change since last reporting.

## William E. Vinagre

from Drum Division, Auburn, could have won \$50.00 if he had noticed his Union membership card number in the July issue of the Utility Reporter. This month's number is as well hidden as it was last month. Don't miss out, read your Utility Reporter.

## LOOK FOR YOUR CARD NUMBER

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## Healthy Advice On Health Clubs

(Continued from Page Three)

or medical cures are often meaningless. The health spa may be the sole judge of whether the patron followed the program to the letter and can claim that since the client did not "exactly" follow the program, the guarantee does not apply.

### Reassignment of Contracts

Difficulties arise when the third party demands payment even though patrons may be unable to use facilities, due to a change in residence, a medical or other problem.

### Cancellation Policies

A high percentage of people who sign contracts discontinue using spas in a very short time. Requests for membership cancellation are frequently denied.

### Before Signing Any Contract:

1. Ask members and former members their opinions of the spa and its programs. (If necessary, get names from the organization.)
2. Consider the advisability of checking with your doctor about your specific exercise and/or diet needs.
3. Think it over for a few days. A reputable health spa will let you consider joining without pressuring you.
4. Finally, make sure you understand what happens if you decide to cancel your membership. There are many different and confusing refund policies. In an ideal cancellation arrangement, the customer gets a refund based on the proportion of time used during the contract. Under present collection practices used by some spas, however, you could be harassed and even sued for the full contract price—even if you never used the spa's facilities.

—Consumer Alert

In Order To Vote  
You Must Be Registered  
Do It Now

# The Safety Scene

## You Can Control Fire

One morning a few months ago, a six-year-old Michigan boy got up, ran downstairs to the living room and plugged in the TV. A faulty extension cord sparked and arced, igniting the living room draperies.

The boy ran upstairs screaming to awaken the household. His father sent his oldest son outside to get a hose while he poured water on the fire.

When the boy returned with the hose, he opened the patio doors and the fire flashed over a wider area. Upstairs, the mother called the fire department and told the children to put on coats and get out. The father and the oldest boy ran from the living room to escape the intense heat, but those upstairs were blocked by hot gases rising up the open stairwell. Two 13-year-old boys jumped out a second-story window, but the mother and her two youngest children were overcome by heat and smoke and died.

This case, recounted in the *Fire Journal*, points up the fact that from a fire standpoint most Americans live in the most dangerous of places — one and two-family dwellings. It is in these homes with their open stairwells, combustible furnishings and inadequate exits that thousands of people—mostly children—die in fires each year.

Obviously, we cannot rebuild the nation's homes to conform to the best in fire protection, but we can do much to keep fires from starting and spreading.

All fires begin when heat energy gets out of control. This energy comes from equipment such as fire-

places, heaters or stoves, or from people who misuse matches, candles, smoking materials, fireworks and the like. Only a few fires are caused by natural events such as lightning, static electricity or sunlight magnified through a broken glass.

Oregon Fire Marshal Walter Stickney, who has probably the most sophisticated fire data collection system in the country, reports that three out of four fires in Oregon dwellings last year started from equipment problems. The remainder were caused by people. Actually, most equipment fires can be traced back to human failure, because the homeowner has at least three opportunities to keep equipment from going berserk and burning the house down.

To begin with, you as a homeowner should purchase only quality equipment. It should be listed by Underwriters' Laboratories or other appropriate testing agencies. An example of a cheap, unapproved electrical device is the bargain-basement imported heater that you hang on the side of a cup. If the heating element isn't immersed in liquid, the unit melts into a metal glob.

Second, you can protect your property and, more important, the lives of your family by making certain your household equipment and appliances are properly installed. If it is other than a plug-in appliance, it should be placed in operation by someone who is technically competent and knows the local codes.

And you should not tamper with that installation as one Toronto resident did. He cut a hole in the furnace exhaust pipe in an attempt to trim his fuel costs and paid for his folly with his life. Proper furnace installation is most important. According to the Oregon report, the most frequent origin of home fires is the chimney and flue from the furnace or fireplace.

Each year millions of people move into previously-lived-in homes. They may discover that the former owners adjusted their living to makeshift maintenance, passing hazards to unaware successors. If you have recently acquired a home, you would do well to have the heating and wiring checked out. If you have equipment that acts erratic—that heats up when it isn't supposed to or that fails to heat up when it is supposed to—call in a qualified serviceman to look it over.

Running a safe home calls for constant vigilance. A properly installed clothes dryer can go up in smoke eventually if the lint filter is not cleaned. An extension cord that was safe when first put into use can have its insulation damaged by constant overloading and become a source of ignition, as in the case that begins this article.

A glance at the four types of killer fires listed on this page shows how much people problems contribute to the fire toll. Keep these four problem fires from getting a foothold in your home.

### You can slow fire spread

Once heat energy gets out of control it must find combustible material to feed on. How you manage your home will have a great affect on the ease with which an ignition can get a foothold and the speed with which it will spread.

Fuels and combustible materials that are fine in nature will burn more rapidly than those which are heavy. Both excelsior and a bare 2-by-4 are made of wood, but excelsior is much more combustible.

The combustible fuels that are easiest to remove from the house are cardboard boxes, newspapers, old mattresses and other items you no longer use. A major step toward the control of combustibles in your home is a good Saturday attic-to-cellar cleanout. Get rid of all papers, rags, and old paint that are no longer needed.

More difficult is control of wall and ceiling finish. And the type of wall and ceiling surface can make a major difference in the speed with which fires spread. Plaster and gypsum board slow fire growth. Thin plywood paneling, compressed excelsior (known as beaverboard), or low density fiberboard can lead to the rapid spread of fires in dwellings.

Low density fiberboard has been outlawed in most public buildings and is sold now mainly for use in one and two-family dwellings and mobile homes. From a life safety standpoint, it is the most dangerous interior finish used in building to-

day. Tests have shown that in less than five minutes from ignition this material has produced total involvement of the room of origin, dropping oxygen content to dangerous levels and producing high concentrations of carbon dioxide and carbon monoxide.

A number of interior finishes of an attractive and useful nature are now available that will withstand the spread of flame across their surfaces. They cost a few cents more, but they are a good investment. When you modernize your basement or add a room to your attic, give as much attention to fire control as you give to color harmony. Ask your contractor or building material supplier about the fire rating of materials you plan to use.

Although proper interior finish, protected vertical openings and adequate exits are a must in schools and other public buildings, they probably aren't present in your home. But the fact that your dwelling doesn't measure up to basic fire protection philosophy does not mean that it cannot be a safe place to live. The fact that millions of homes in North America have never experienced a serious fire is proof that proper management can control the threat of fire.

You begin to manage a fire-safe home when you (1) reduce the probability of ignition sources and (2) reduce the rate of fire spread by the control of combustible material.

A closing thought. You might start your fight against fire by developing the bedtime inspection habit. It takes little effort and no money. Just before you retire, roam the house, smelling for smoke and closing all doors. After a party remove the cushions from overstuffed furniture checking for hot spots and place all used ash trays in the kitchen sink. Then go to bed and sleep well.

Fire is a rare thing. Through proper management, it can be rarer. —Family Safety

## COMMON KILLER FIRES

Four types of fires show up repeatedly in the fatal fire category. Each can be avoided by the alert homeowner.

**1. Falling asleep while smoking**—The two most common forms of this hazard involve smoking in bed or falling asleep late at night in an overstuffed chair while watching television. Alcohol or some type of sleeping pill or drug is commonly added to make this a fatal mix. Avoid smoking in overstuffed furniture when you're sleepy or have been drinking or using a drug. **Never smoke in bed.**

**2. Gasoline as a cleaning agent**—Gasoline is a fuel for internal combustion engines. It is not a solvent for cleaning auto parts or dirty overalls. It has no place inside the house. If it must be stored for use in the power mower or snow blower, it should be kept in properly protected metal containers.

**3. "Children with"** is a heading that appears all too frequently in fire department loss records. "Children with" candles, lighters, sparklers, fireworks, matches, cigarettes. Very young children lack the muscular coordination to handle hot objects—even older ones lack the wisdom. They see nothing wrong with using a candle to look for something in a dark closet. The sensible defense is to teach children to respect hot objects and to use them properly. And for very young children the proper use is hands off.

**4. The clothing fire**—Strides are being made toward making clothes—especially children's sleepwear—less combustible. Yet, most of things we wear today will burn. Care should be taken to buy clothing that does not have soft, long nap, especially if it is for a child. Clothing fires are particularly deadly because a human being's most sensitive organs, his nose and mouth, are directly above his clothing. For this reason it's most important in a clothing fire that you drop to the ground and put your nose and mouth out of the line of flame spread. Rolling on the ground cuts down the preheating of combustibles, thus robbing the flames of fuel. Finally, get out of burning clothes—even if you end up naked on the front lawn.

## SLEEPY DRIVERS

The average driver can often wage a successful war with sleep, but even the most successful campaigns witness a few lost battles: for a second, a yawn carries the eyes upward and off the road; for a second, a nod carries the eyes downward and off the road; for a second, the mind must think of what otherwise would have been automatic.

In that second a car doing 60 mph will travel 88 feet and quite possibly present the driver with a rude awakening—unless, of course, the driver pulls off the road for a little sleep and ends the war by removing one of the combatants.

**Don't Be Half Safe  
Wear All Your Safety Gear**