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P.O. Box 4790,
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EMPLOYEE DISCOUNTS UNDER ATTACK

The California Public Utilities Commission on September 16, 1975 stated its intent to eliminate employee discounts from Pacific Gas and Electric Company's rate schedules. Portions of Decision 84902 regarding P.G.& E.'s application for gas and electric rate increases which was filed in August 1973 reads as follows:

"For many years P.G.& E.'s electric and gas tariffs have contained special rate schedules that allow employees to receive a twenty-five percent discount for domestic electric and gas service. These discounts were, in a time of abundant energy and stable utility rates, countenanced as an innocuous tax-free fringe benefit and rationalized as a substitute for monetary compensation that would be subject to personal income taxes. Under present conditions, however, these discounts tend to discourage conservation and, as they apply to the employee's total gas and electric bill, act to increase compensation each time rates are increased, whether by the operation of the electric fuel cost adjustment and gas offset procedures, or by general rate increases.

We recognize that the employees consider the discounts as part of their total pay package. Under present conditions, however, employee discounts for gas and electric service are no longer appropriate. It is our intention, at the first opportunity, consistent with allowing sufficient time for consideration of the elimination of discounts in collective bargaining negotiations, to cancel Schedules DE and G-10."

Upon receiving knowledge of the CPUC's intent, Local 1245, through its attorneys, corresponded with the Commission to express our concern with the position regarding this matter. The following is that correspondence:

October 6, 1975

Mr. William R. Johnson, Secretary
California State Public Utilities Commission
350 McAllister Street
San Francisco, California 94102

Dear Mr. Johnson:

Our office represents International Brotherhood of Electrical Workers, Local 1245, AFL-CIO, which is the collective bargaining representative of some 16,000 employees of the Pacific Gas and Electric Co. In Decision No. 84902 regarding application No. 54281, the Commission indicated that it planned in the near future to revoke P.G.& E.'s schedules DE and G-10 which grant discounts to the Company's employees.

On behalf of Local 1245 I am requesting that, before any action with regard to those schedules is taken, a noticed hearing be held at which the Local may participate as an interested party and be given the full opportunity to present evidence regarding the proposed action and to cross-examine any person testifying in favor of eliminating the discounts. Such a hearing, and the Local's opportunity to participate in it, are required by the Due Process Clauses of the United States and California Constitutions; and the Local will take appropriate legal action, if necessary, to protect its constitutional rights.

I might also add that there are thousands of retired P.G.& E. employees, and present employees not within Local 1245's bargaining unit, whom the Local probably cannot represent. These people, I believe, must also be given an opportunity to comment on the Commission's proposed action.

I would appreciate hearing from you with regard to these matters as soon as possible, and being notified of the time and place of any hearing held by the Commission to consider elimination of P.G.& E. employee discounts.

Very truly yours,
/s/ Peter Nussbaum
Peter Nussbaum

PN:jts

cc: Mr. Mert Walters; Mr. Weyland Bonbright; Mr. L. V. Brown

In the meantime the CPUC scheduled a Pre-Hearing Conference for October 16, 1975 to prepare for public hearings regarding additional P.G.& E. applications (A 55509 and A 55510) for further gas and electric rate increases. At this Pre-Hearing Conference, Local Union 1245 filed an appearance as an interested party for the express purpose of opposing the elimination of employee discounts through the cancellation of Schedules DE and G-10.

After the Pre-Hearing Conference, Local 1245's Law Firm received a letter notifying them of dates set for the hearings on the rate increase case.

Notice has been given by the California Public Utilities Commission that they have set the following dates and locations for hearings of "Public Witness Testimony" at which time all interested parties may appear and be heard:

Red Bluff - Wednesday, December 3, 1975 at 7:00 p.m. in the Crystal Room, Crystal Tavern, 343 South Main Street.

Stockton - Thursday, December 4, 1975 at 7:00 p.m. in the Auditorium, West Wing, State Building, 31 East Channel Street.

Fresno - Friday, December 5, 1975 at 7:00 p.m. in Room 1036, State Building, 2550 Mariposa Street.

San Francisco - Wednesday, December 17 and Thursday, December 18, 1975 at

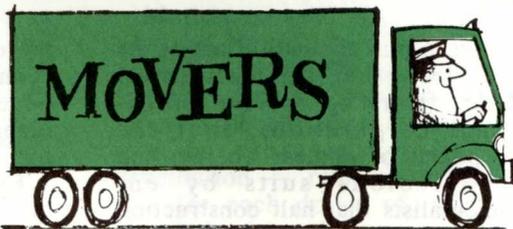
Continued on page two

Local Union 1245 Clerical Conference



Shown above are some of the participants of Local 1245's Clerical Conference. See pages four and five for the story and more photos.

... HAVE YOU MOVED?



MY NEW ADDRESS IS:

NAME _____

STREET _____

CITY _____ STATE _____ ZIP _____

SOCIAL SECURITY # _____

RETURN TO:

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

Progress toward a new office facility

A Building Acquisition Program is being submitted by the Executive Board to the Local Union membership at the November unit meetings for membership approval. Approval of the program will authorize the Executive Board and the Energy Workers Center, Inc. to contract to have a new building constructed and to sell the present office.

Briefly, the proposed building will be a 10,000 sq. ft. office building built to our specifications on a .9 acre parcel in Walnut Creek at an estimated cost of about \$425,000. The proposed building site, in the Woodlands Professional Park on Citrus Circle, is near the intersection of Ygnacio Valley and Oak Grove Roads in Walnut Creek.

Employee discounts under attack

(Continued from page one)

7:00 p.m. in the Commission Courtroom, State Building, 350 McAllister Street. The next scheduled hearings are to begin on February 3, 1976 at 9:00 a.m. in the Commission Courtroom, State Building, 350 McAllister Street, San Francisco, and are to be concluded by June 1, 1976.

Local Union 1245 intends to use its best efforts to protect the employee discounts for its members. The Executive Board of Local 1245 is developing a policy statement which will be given to Local 1245 delegates to the many Central Labor Councils in Northern California to present to those Councils asking for their support. It is also intended to present the issue to the California State Federation of Labor asking for their support.

This stated intent of the CPUC only directly affects Local 1245 members employed by Pacific Gas and Electric Company. However, the potential effects could involve other Utilities and other industries regulated by the CPUC. Local 1245 will correspond with other Unions who represent employees of CPUC regulated industries asking for their support in this fight.

Local 1245 has asked for assistance from the International by providing information on other Utilities across the United States with respect to discounts and similar moves by other State Public Utility Commissions.

Some members have written to the Local Union, the California Public Utilities Commission, and some Local Units have submitted recommendations to the Local on this issue. As stated above, Local Union 1245 intends to be heard and will do its best to protect the employee discounts. However, every member, active and

retired, has an interest in this issue, whether he is employed by P.G.& E. or not. Such members can assist in this fight; first, by attending the above-mentioned hearings that are to be held in December and letting your feelings be known. Second, by writing the California Public Utilities Commission and expressing your views on the issue. Third, write your State Legislator and let him or her know how you feel about the issue. (The State Legislature has the ultimate control over the Commission.)

The address of the C.P.U.C. is:

California Public Utility Commission
California State Building
San Francisco, Ca. 94102

The addresses of your State Legislators are:

State Senator
State Capitol
Sacramento, Ca. 95814

Assemblyman
State Capitol
Sacramento, Ca. 95814

Appointments

Negotiating Committees

STATE CABLE TV

Michael J. Lindemann (replacing Harvey Van Meter)

CITY OF ALAMEDA

Ralph Murphy
Daryl A. Lyerla
Robert P. Vieira

SACRAMENTO MUNICIPAL UTILITY DISTRICT

Jack Noble
John Hall
Tom Smiley
Bill Taylor
Tim Curtis
Dick Daugherty (alternate)

SOHNER TREE SERVICE, INC.

Larry Schubert
Neil T. Bickerton

P.G.&E. San Jose Division Joint Grievance Committee:

Lawrence Bruce (replacing Bruce Hughes)

Five Counties Central Labor Council Delegates:

Willie R. Stewart
Leland Thomas Jr.
Richard M. Hafner
Donald Kinkade
Edward A. Fortier

Medical Plan Premiums Increase for 1976

The premiums for the medical plans at P.G. & E. will increase effective January 1, 1976. Blue Cross announced they will raise their premiums by 34% while Kaiser will raise theirs 12½%. However, effective January 1, 1976, Blue Cross will increase the premiums by 30% with the remaining 4% to be applied at the end of 1976 depending upon the claims experience for 1976. The 4% will be paid from funds that were built up from refunds of the old self fund plan and the Blue Shield plan.

Local 1245 and P.G. & E. met with representatives of Blue Cross to discuss their rate increase. Blue Cross stated that inflation and rising cost of malpractice insurance is the reason for the high increase in premiums. Based on their analysis, they claim that the increased cost for malpractice insurance has added \$1.50 per doctor visit, \$40.00 per surgery and \$30.00 per hospital stay.

As provided in the Health and Dental agreement the Company pays 80% of the premium and the employee pays 20%. The following is a breakdown of what they will pay effective Jan. 1, 1976.

Kaiser is proposing to insert an arbitration clause in their agreement. This clause would provide that claims for money damages for personal injury or death allegedly arising out of rendition or failure to render services must be submitted to binding arbitration instead of a court trial. At present Local 1245 is opposing this idea pending discussions with our attorneys, P.G. & E., and Kaiser.

| | 1975 | 1976 |
|---|-------|-------|
| Blue Cross | | |
| Employee Only | 3.90 | 5.10 |
| Employee and one dependent | 8.20 | 10.70 |
| Employee and two or more dependents | 11.80 | 15.30 |
| Kaiser | | |
| Employee Only | 4.25 | 4.80 |
| Employee and one dependent | 8.60 | 9.65 |
| Employee and two or more dependents | 12.40 | 13.95 |

Convention Urges acts to spur Jobs

Action to pull the nation out of the current depression, bar the takeover of U.D. firms by foreign multinational corporations, spur the development of nuclear energy, and curb frivolous suits by environmentalists that halt construction projects was urged by delegates to the AFL-CIO's 11th Constitutional Convention in San Francisco this month in the course of acting on more than 260 resolutions put before the convention.

Here is a thumbnail description of some of the major resolutions approved by the delegates at the convention:

NATIONAL ECONOMY — Stressing the point that every one per cent rise in unemployment costs the federal government about \$16 billion in lost tax revenue and increased social costs, the delegates warned that

there "is a real danger of another economic downslide" because of the Federal Reserve Board's tight money, high interest rate policies and called for:

Extension of the individual income tax cuts for 1976;

Enactment of an accelerated public works program;

A greatly expanded public service employment program;

Full implementation of government housing programs;

Improvements in the unemployment insurance system;

Adoption of a comprehensive national energy policy;

Closing of tax loopholes;

And the adoption of an international economic policy to stop the export of U.S. jobs.

(Continued on page three)



the utility reporter

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Convention Urges Acts to Spur Jobs

(Continued from page two)

It also calls for Congressional action to direct the FRB to reduce interest rates and allocate available credit to high priority purposes such as housing and community facilities.

MINIMUM WAGE — Urged Congressional action to hike the federal minimum wage to \$3 per hour and require double time for overtime after 8 hours a day and 40 hours a week.

TAX JUSTICE — Called for elimination of the preferential half-tax applying to capital gains income; an end to tax subsidies for the overseas operations of the U.S.-based multinational corporations, including the foreign tax credit provision, and other reforms that could raise \$20 billion in additional federal revenue and "put an end to special privileges which rig the tax structure against wage earners." This resolution also voiced opposition to any across-the-board "tax incentives" for business investment.

ENVIRONMENT — Reaffirmed the AFL-CIO's stand that environmental policies and programs can be reconciled with energy needs and economic policy and called for strict enforcement of the Occupational Safety and Health Act, pointing out that a "healthy workplace is essential to a healthy environment."

But the delegates stressed their opposition to any program that would move the nation into "a disastrous no-growth posture," and called for

federal legislation to deal with suits that seek injunctions to halt construction projects based on alleged environmental considerations.

In this connection, the delegates amended the resolution to include the following statement:

"The construction industry is plagued by an unemployment rate in excess of 29 per cent. The delays and uncertainties caused by such suits, many of which are frivolous, are among the factors contributing to that intolerable unemployment. The proper balance of the competing interests therefore requires the challenges to construction projects on environmental grounds be made prior to the beginning of the work, that expeditious procedures be utilized to decide those challenges, and that once the job has been cleared it is not thereafter interrupted."

WAGE AND PRICE CONTROLS — Reiterated the AFL-CIO's stand that it could support wage and price controls only if they were equitably and fairly applied to all segments of the economy and called for opposition to controls on just wages.

SAFETY — Called on the federal government to end the delays and underfunding of the Occupational Safety and Health Act of 1970 and urged increased financial support and extended coverage of the act.

HEALTH CARE — Urged Congress to ignore President Ford's threat to veto national health insurance legislation and reaffirmed the AFL-CIO support of the Corman-Kennedy Health Security Bill as the only program that would assure all U.S. citizens the right to quality health care.

JOBLESS HEALTH INSURANCE — The delegates also adopted a resolution calling for the enactment of an emergency health insurance program for the unemployed to be financed from federal general revenues.

PUBLIC EMPLOYEES — Called on Congress to enact legislation to give all public employees the right to strike.

Senior Citizens Knock forthcoming Medicare increase

WASHINGTON—The National Council of Senior Citizens today accused the Ford Administration of "tying another millstone around the neck of 22 million senior citizens desperately trying to stay afloat" with its announced increase in Medicare costs.

"Congress is almost equally to blame for not having acted long ago to prevent moves like this," William R. Hutton, executive director of the Council, said. "But at least Congress can stop this one and will if we have our way."

The Social Security Administration announced Wednesday that starting January 1 Medicare patients will have to pay \$104 for their first day of hospital care as opposed to the present \$92. Hutton noted that less than ten years ago the Medicare cost of the first day of hospitalization was \$40.

Sen. Frank Church (D., Idaho) has introduced a bill in the Senate with the co-sponsorship of Sen. Edward M. Kennedy (D., Mass.) to halt the proposed Medicare rate increases.

"The elderly are being asked to bear an unfair part of the nation's inflation burden," Hutton said. "We are mobilizing our three and one half million members to deluge Washington with wires and letters supporting the Church-Kennedy act. The theme will be, 'Stop trying to drown us.'"

WASHINGTON — Losers can be big winners in the game of tax shelters.

If you have enough money to get into the game, a congressional study demonstrates, the right kind of an investment can produce a temporary paper loss that is pure gold at tax time.

The study, prepared for the House Ways & Means Committee, is based on actual income tax returns — with names deleted to preserve the confidentiality of the tax system. It shows how persons with hundreds of thousands of dollars in annual income can end up paying a lower federal income tax than a \$10,000 a year worker.

Furthermore, it's all quite legal — at least up to now. The Ways & Means Committee, however, is looking into the entire area of tax shelters as part of its attempt to draw

Oil Fat Cats Pad Pay Envelopes

While great minds grapple with the energy crisis, average people struggle with the problem of paying for it. The emergency belts everybody — except the big oil companies.

They're still able to pay top bananas handsomely. Exxon's board chairman is taking in a \$667,000 salary; Mobil's \$596,000; Texaco's \$579,000; Gulf's \$544,000.

These fat salaries come out of your hide directly at the gas pump and indirectly out of taxes you pay and oil companies don't. Despite new restrictions on the depletion allowance, 18 big oil firms were still able to wriggle \$800 million through tax loop-holes in fiscal 1975, according to a study by the Center for Science in the Public Interest.

And 1974 tax rates showed Texaco paying only 1.6 per cent, Gulf 2.9, Mobil 3.6 and Exxon 6.4 (Exxon ought to fire its lawyers and accountants). Meanwhile, the average American was paying an effective rate of at least 10 per cent.

The study, according to columnist Jack Anderson, charges that government oversight of the oil industry is so lax that the industry is free to manipulate prices. The 18 major companies control not only the oil fields, but the transmission lines, tankers, refineries and more than 90 per cent of the retail outlets, the service stations. That's like owning the bat, the ball, the glove and the playing field, not to mention the beer concession. You play the game on their terms.

Anderson points out the oil giants milk profits from every stage of the operation from production at the wells all the way to the pumps, giving them all kinds of openings to manipulate prices. Anderson continues:

"They sometimes lower prices temporarily, for example, to squeeze out competition. According to the study, the majors sometimes 'sell gasoline to their dealers at 2 to 5 cents lower than normal' but continue to charge the independents the regular prices. This makes it impossible for the independents to compete, and they are driven out of business. Thereafter, alleges the study, 'the majors raise their prices.'

"This insidious process has reduced competition and increased oil bigness. For example, Atlantic and Richfield joined in corporate matrimony and then took over Sinclair. Standard of California reached across the country and acquired Standard of Kentucky. Standard of Indiana gobbled up Mid-west; Continental took over Douglas; Amerada merged with Hess. . .

(Continued on page six)

ROY MILLER

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

CYNTHIA C. TURNER

could have won \$50.00 if she had noticed her union membership card number in the September 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

HOW LOSERS CAN BE WINNERS

up a tax reform package to be sent to the House floor later this year.

The study examined some of the most common forms of tax shelters — investments in real estate, cattle feeding, motion picture films and oil drilling. In most cases, investments were made by a small group of partners who often were doctors or other high-income professionals. Usually, the tax returns of one member of the partnership would be summarized to demonstrate the effect of the paper losses on the investor's taxes.

Often, the study showed, wealthy individuals used several tax shelters to bring down their taxable income to token amounts.

One executive with earnings for the year of \$427,000 plus another \$4,000 in dividend and interest income managed to end up paying only \$1,200 in federal taxes — about three-tenths of 1 percent of his income.

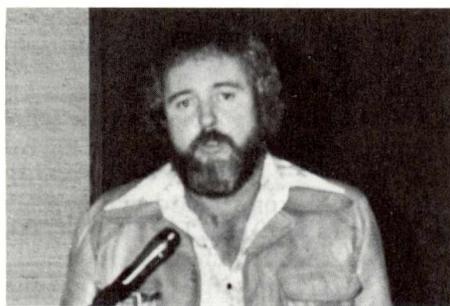
He claimed a \$385,000 loss on three real estate tax shelters and a \$25,000 loss on a farm investment.

The partnership tax return on one of his real estate investments showed that he and his colleagues invested \$225,000 in a real estate construction project that started up on Dec. 28, just three days before the end of the tax year.

By pre-paying interest on a construction loan and other expenses, the operation managed to show a net loss of \$215,000. There was of course no income during the construction stage to offset expenses. Thus, each partner was able to deduct almost the full amount of his three-day-old investment from his taxable income for the year — while still retaining valuable rights in an operation that might well turn a profit after completion of the construction.

(Continued on page seven)

Local 1245 Clerical Conference



Jack McNally is shown making the opening comments at the Clerical Conference.

Jack McNally, Business Representative and coordinator of the two day conference, opened the meeting with introductions. He then turned the meeting over to Senior Assistant Business Manager Mert Walters who greeted the participants on behalf of Business Manager L.L. Mitchell. He explained that Brother Mitchell was on vacation.

Walters indicated that certain material and information had been put together and would be presented to them and that they in turn would

have an opportunity to discuss the problems they see in the field. Brother Walters stated that the theme of the conference was "Communications" and that hopefully with the information received from the membership we can together establish goals and then work to accomplish them.

Shirley Storey, Business Representative gave a brief recap of Local 1245's clerical activity from the beginning in 1952 to the present. She highlighted some of the gains that have been made and some of the problems we faced during this period.

Sister Storey presented a challenge to those present to increase and continue our organizing efforts.

The conference then broke into three workshops which provided a good cross-section of members from different divisions of PG & E. They were to discuss the current problems they were experiencing on a day-to-day basis in their respective offices.

After lunch Bob Salazar, Clerk B-San Francisco Division; Kathy Hill, Clerk C-San Jose Division; and Wilma Cook, Clerk B-San Joaquin each gave a report to the Conference on their respective work shops.

Assistant Business Manager Larry Foss gave a report on the latest significant grievances and arbitration cases that involved the Clerical Unit of PG & E. He reported on the discontinuance of per - diem for machine operators who worked the night shift in General Office. Through arbitration the Union won back the per-diem even though it was not specifically contained in the agreement. The real victory was in maintaining the "savings clause" which protected the per - diem even though it was instituted after the first agreement was made in 1953.

Brother Foss reported on a recent grievance where the company unilaterally reduced the mileage allowance and the Union was able to stop it because of the "savings clause."

He also reported on the most recent arbitration case that now permits an employee to use sick leave for termination of pregnancy. He pointed out that the Civil Rights Act and recent court cases affected the decision on this case.

The last speaker on Saturday was Bill Aussieker, Professor, School of Administration, California State

College, San Bernadino. Mr. Aussieker was hired by Local 1245 back in 1972 as an expert on job evaluation to assist Local 1245 in evaluation and negotiations on the PG & E job evaluation plan. He addressed the conference on job evaluation and explained what job evaluation is and how it works. A long question and answer period followed.

On Sunday, the second and final day of the conference, Business Representative Jack Hill, Job Grading Committee members Lloyd Medlin and Ed Vallejo explained the Cross-Hatch Grading System used by PG & E and how it fits into the grievance procedure. It was pointed out that prior to 1973 the Union was not involved in job grading with PG & E. As a result of 1973 general negotiations, the Union now has some say in job grading. The current agreement provides a procedure to resolve disputes over the grading of jobs. A demonstration on how a job is graded was presented to the conference participants.

Sr. Asst. Bus. Mgr. Mert Walters explained the Clerical Hours Clarification. He reported that the new agreement came about as a result of Ad Hoc Negotiations in order to resolve previously unsolved grievances.

The conference was then opened up to general discussion by Business Representative Jack McNally. Many questions revolved around the shuffling of clerical duties by PG & E which result in no upgrades and red circling of jobs. It was pointed out to the delegates that in order for the system of job grading to work, it is very important that the job assignment questionnaire be filled out completely, fully explaining all the duties performed. It was also pointed out that in order for the grievance procedure involving job grading to work, stewards and members should be on the alert for any changes in clerical duties. If there are any changes in duties, shuffling of duties, or if the member has questions about the duties he or she is performing, it should be raised with a shop steward so that proper action can be taken if warranted.

The participants were of the opinion that the conference was educational and could act as the vehicle for renewed interest in the clerical group.



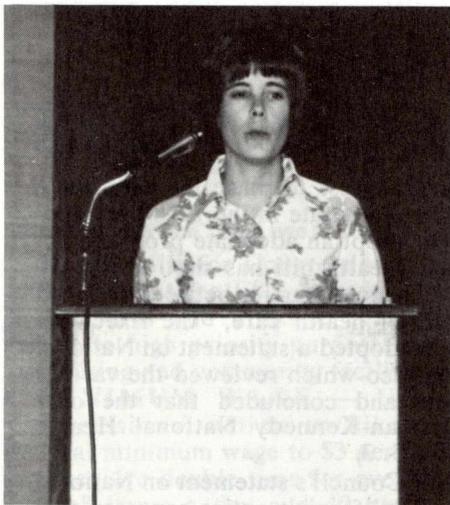
Shown above and below are some of the participants in the workshops.



More workshop participants are shown above and below.



This photo shows some of the participants in the general session of the Clerical Conference.



Kathy Hill, shop steward from the San Jose Division, is shown reporting on her workshop.



Shown above is a general view of those who attended the Clerical Conference.



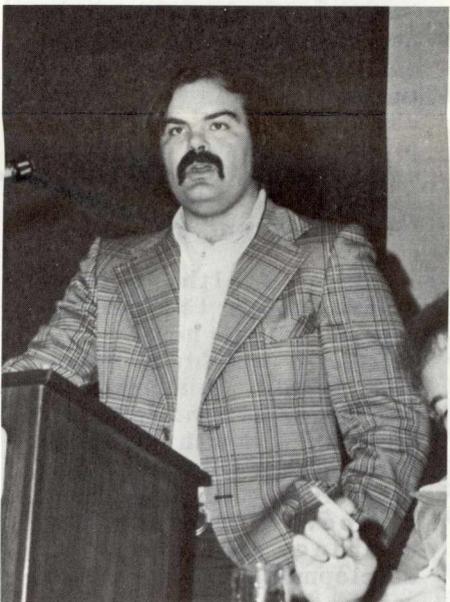
Sr. Asst. Bus. Mgr. Mert Walters is shown greeting the conference participants.



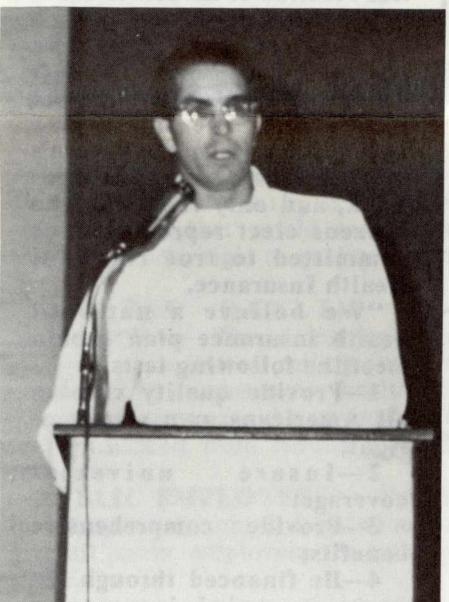
Wilma Cook, Shop Steward from Bakersfield, is shown making a workshop report.



Shown above from left to right are: Larry Foss, Asst. Bus. Mgr., Shirley Storey, Bus. Rep., Mert Walters, Sr. Asst. Bus. Mgr., Jack McNally, Bus. Rep., Jack Hill, Bus. Rep., Lloyd Medlin, Shop Steward, and Ed Vallejo Shop Steward.



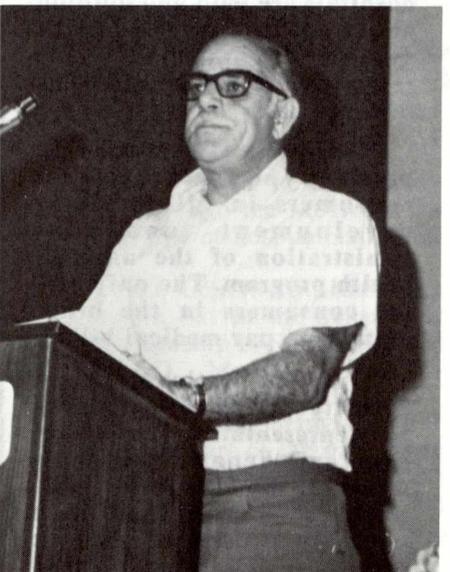
Professor Bill Aussieker is shown explaining job evaluation and demonstrating how it works.



Bob Salazar, Shop Steward in San Francisco, is shown reporting workshop results.



Shown above and below are workshop members in action.



Asst. Bus. Mgr. Larry Foss is shown reporting on recent arbitration cases affecting clerical employees.



The balance of the Clerical Conference delegates are shown in this photo.

Oil Fat Cats Pad Pay Envelopes

(Continued from page three)

"The Big 18 showed 'an increasing trend toward anti-competitive cooperation and collusion,' charges the report. This is denied by oil spokesmen. But the way it is done, according to the report, is through interlocking directorships. Wherever tycoons gather to discuss common interests, oil directors usually can be found.

"Declares the study: 'The major oil companies are linked 131 times with U.S. banks. At least one oil company director sits on the boards of each of the eleven largest U.S. banks...'

"It takes little imagination to see who gets favorable lines of credit and long-term financing.' The oil directors can be expected, according to the study, 'not to finance the strengthening of a potential competitor, particularly since the banks themselves own large percentages of the oil companies.'

"The influence of oil, with a potential for sky-is-the-limit pricing, is found everywhere. In the transportation industry, for example, 'there are nine giant oil interlocks with major transportation companies, most railroads and airlines,' states the study.

"The oil companies also help to dictate the decisions affecting other forms of energy. Exxon, Gulf, Continental and Standard of Ohio have substantial coal holdings. Geothermal energy is dominated by Union, with Gulf, Shell, Sun and Standard of California moving into the field. Exxon, Getty and Gulf are powers in nuclear energy, and even solar energy is coming under the control of (oil firms)...

"Governments may rise and fall; wars may shake the world. But the dividends kept pouring in, remarkably unaffected by international boundaries and politics. For years, Exxon, Mobil, Texaco and Standard of California, for example, controlled the world's largest oil reserve in Saudi Arabia. When their profits were on the line, they didn't hesitate to ignore the direction of the U.S. government and follow the dictates instead of the Arab oil governments."

Labor and the Press

A newspaper publisher is nothing more than a businessman whose business happens to be publishing a newspaper. There is nothing wrong in that, but somehow it seems to embarrass publishers and editors.

For some reason, they try to hide this fact with a cloak of newsprint. Admitting their natural and inherent prejudice as businessmen would, in my opinion, lend some credence to their criticisms of the labor movement. After all, a person who is honest enough to admit where he comes from — a person who is frank enough to state his viewpoint candidly merits a hearing.

That is one reason for the success of the labor press. There is no mistaking your point of departure — you are advocates. The labor press is a tool workers need and must use in their struggle for social and economic justice.

Commercial newspaper editors do not seem to suffer from vertigo. Up their pedestals they climb — so high they can't see ground.

From such a lofty perch, they proclaim the commandments of labor relations. Thou shalt not strike. Thou shalt not be greedy. Thou shalt not injure the public interest. Thou shalt honor the employer.

They anoint themselves with printer's ink and stand as the guardians of the public interest against the onslaught of the greedy horde. As their competition dwindles and disappears, in city after city, they succumb to the most acute delusions of adequacy — leading even to hallucinations of infallibility. There is a danger, in my opinion, of an imperial anything — be it president, publisher or unionist.

What we seek is fairness, balance, accuracy. Those three words — fairness, balance, accuracy — are what the newspaper business proclaims for itself. It is what the labor movement has been too often denied by the press.

The journalistic trespasses committed against the labor movement are both sins of omission and sins of commission. They are both flagrant and unwitting.

I have to believe that much of it is just plain ignorance. Few American reporters know much about the labor movement. Part of this ignorance, of course, is attributable to the utter failure of education to include trade union history and development in school texts. But the schools should not suffer all the blame. There is an unwillingness to learn, to be confused by the facts.

Simple factual errors are the most irritating and, it would seem to me, the most grievous for a journalist. I do not begrudge a person a differing opinion, just so we both have our facts straight.

The next time an editor composes an editorial about the First Amendment, and freedom of the press, I urge him to remember that unions are an expression of freedom of association and the strike is an expression of freedom of speech.

And if but one of the fragile components of the First Amendment is permitted to be destroyed, that grouping of freedoms is destroyed.

Freedom is precious to all of us, and whether editors like it or not, that includes the freedom for people to make what editors believe to be the "wrong" as well as the "right" decision.

—From the Liebling Memorial Lecture delivered by AFL-CIO Sec.-Treas. Lane Kirkland at the ILPA Convention.

Los Angeles Citizen

ACT NOW OR PUT HEALTH CARE TO VOTE

The California AFL-CIO has called on Congress to place the need for a national Health Security program before the electorate in the 1976 presidential election if the present Congress fails to adopt an adequate program.

Pointing out that the average American's health bill has shot up by 450 percent in the past 20 years and placed a "financial barrier between millions of Americans and an acceptable standard of health care," the Executive Council of the California Labor Federation adopted a statement on National Health Security at its meeting in San Francisco which reviewed the various proposals presently pending in Congress and concluded that the only proposal meriting support was the Corman-Kennedy National Health Security program embodied in H.R. 21 and S. 3.

Here is the complete text of the Executive Council's statement on National Health Security, copies of which were sent California's entire congressional delegation this week.

"The health of American workers and their families and the medical care that is available to them is of major concern to the trade union movement. Over the past 20 years, the average American's health bill has multiplied by 450 percent, thus placing a financial barrier between millions of American workers and an acceptable standard of health care.

"The labor movement strongly supports reform of the present health care system to ensure every citizen the right to quality health care.

"Further, we believe that this issue is of such paramount importance that it should be presented before the electorate in the 1976 Presidential election if no bill is enacted in this Congress.

"All provisions of the various proposed major national health insurance plans and the necessary criterion to judge each plan's merits must be explained. Then, and only then, can the citizens elect representatives committed to true National Health Insurance.

"We believe a national health insurance plan should meet the following tests:

- 1—Provide quality care to all Americans as a matter of right;**
- 2—Insure universal coverage;**
- 3—Provide comprehensive benefits;**
- 4—Be financed through the proven social insurance method;**
- 5—Establish strong cost and quality controls;**
- 6—Reform the health care delivery system; and,**
- 7—Provide for effective consumer representation in the nation's health program.**

"There is only one plan that meets these tests — the Corman-Kennedy National Health Security program (H.R. 21 and S. 3).

"We have compared the National Health Security bill with the many other proposals that have been introduced into the Congress including those sponsored by special interest groups such as the American Medical Association, the American Hospital Association and the Health Insurance Association of America as well as others.

"We find only National Health Security provides

quality health care as a matter of right while the other bills would require demeaning means tests as well as deductibles and coinsurance.

"Only Health Security provides universal coverage for all regardless of age, income or geographic location. The other proposals divide the population into groups according to age, income or employed status and would have different levels of benefits for each group.

"Only Health Security provides first dollar coverage for comprehensive benefits, including preventative as well as curative care. The other plans have less comprehensive benefits and would require large out-of-pocket expenses for everyone.

"Only Health Security provides the strong cost and quality controls needed to halt the escalation in health care costs. Other plans would have private insurance companies administer claims despite demonstrated proof of their failure to control medical costs.

"Only Health Security would begin the needed reform of the health care delivery system through financing, benefits, reimbursement and organization. It would establish a Health Resources Development Fund to support innovative health programs in manpower, education, training, group practice development, and long term care.

"Other plans would do little about reforming the methods by which doctors and hospitals are paid and nothing about reforming the health system to make it more responsive to the health needs of consumers.

"Only Health Security provides a significant role for consumers in all levels of development and administration of the nation's health program. The only role for consumers in the other plans is to pay medical bills.

"Only the National Health Security program, introduced by Representative James Corman and Senator Kennedy, meets all the tests for a viable national health insurance plan. We endorse it and urge the House and Senate to pass National Health Security during this Congress."

Simon Blames Poor For Being Poor

Treasury Secretary William Simon made a deliberate misstatement recently when he called the food stamp program "A well-known haven for chiselers and ripoff artists." It is true that there have been substantial increases in food stamp costs, but these are not the result of chiseling. The increases are a direct consequence of recession, high unemployment and continuing food price inflation — in short, the Nixon-Simon-Ford economic policy is to blame.

A review of the food stamp program could be useful if it were based on facts. Instead the Ford Administration has made food stamps part of internal Republican politics. Moving to the right to out-Reagan Reagan, the White House apparently has decided that sacrificing food stamps may

dampen the incipient revolt from the supporters of the former California governor. Now executive branch officials have joined those who are slandering and subverting the food stamp program.

The Administration has blamed recent food stamp increases on fraud rather than its own failing economic policies. Yet the Administration itself has admitted consistently that food stamp fraud is nearly non-existent. In June 1973, Assistant Secretary of Agriculture Clayton Yeutter testified that the Food Stamp Program has been "remarkably free from fraud." The percentage of fraud in the participating households . . . equaled 24/1000th of one per cent.

A different but related charge is that taxpayers are footing the bill for food stamps for high income families.

One advertisement in a national magazine was headlined: "Taxpayers Making Up to \$16,000 A Year Now Eligible." Though the Federal Trade Commission is considering charges of false advertising, the false impressions created by the ad persist. The truth, however, is that 77 percent of food stamp recipients have incomes after taxes below \$5,000 a year; 92 percent are below \$7,000; virtually all earn less than \$10,000. In fact, the food stamp program continues to be what it is supposed to be: a low-income program to feed those who otherwise cannot afford to feed themselves and their families.

Of course the best solution to the increasing costs of food stamps, as to so many of our national problems, is the restoration of our national

economy. For every one percent increase in unemployment, an additional 600,000 Americans are forced to turn to food stamps. The food stamp budget will continue to rise unless the economy offers sufficient jobs for all who can work at decent wages which are not constantly devalued by inflation. Yet the Administration which created unprecedented unemployment now complains because the unemployed need food stamps to feed their families.

Secretary Simon's irresponsible and inflammatory remarks about "food stamp chiselers and ripoff artists" are simply untrue, and he did not offer a single statistic to support his statements. He cannot defend his charges because they are false. He is a liar and he knows it.

Service Union Reporter

City of Santa Clara Honors Local 1245 Unit Chairman Howard E. "Pete" Peterson

The City Council of the City of Santa Clara passed a resolution establishing the week of November 9 through November 15, 1975 as "Howard E. Peterson Week" in recognition of the new book written by "Pete", entitled "STAND SILENT".

In his book, "STAND SILENT", Pete has traced the history of our country's Congressional Medal of Honor from its inception to the present. His book contains a wealth of knowledge and information surrounding the men who have earned this prestigious honor at the risk of their lives "above and beyond the call of duty".

In researching his book, Pete spent his vacation time over the past years traveling throughout this great land of ours visiting the areas where the early Congressional Medal of Honor winners deeds and accomplishments became a part of our American Heritage.

The detail, color and preciseness of the material and information Pete has captured in his book, "STAND SILENT" is not a surprise to our members employed by the City of Santa Clara, as he demonstrates the same qualities in his job as Line Truck Driver for the City and his activities in behalf of Local 1245 members as Unit Chairman and member of Local 1245's City of Santa Clara negotiating committee.

Editor's Note: I am sure all the officers and members of Local 1245 join me in congratulating "Pete" for his excellent book, STAND SILENT as well as expressing our pride in his efforts representing members of Local 1245.

How Losers Can Be Winners

(Continued from page three)

In another example, a partnership set up to build and operate a store began with a total investment of \$53,000 and borrowed nearly all of the money needed. The first year's operations produced a \$203,000 net loss, which meant that each investor was able to deduct nearly four times the amount of his original investment from his taxable income. The partner whose returns were examined was able to take a \$127,000 deduction from his taxable income for real estate partnership losses.

The tax study looked into the returns of a physician and a businessman who were partners in another real estate venture that owns several buildings, some completed and some still under construction. Depreciation deductions and other offsets to income resulted in technical losses sufficient to enable the doctor to avoid all taxes on an income of \$105,000 and the businessman to pay no taxes on an income of \$262,000.

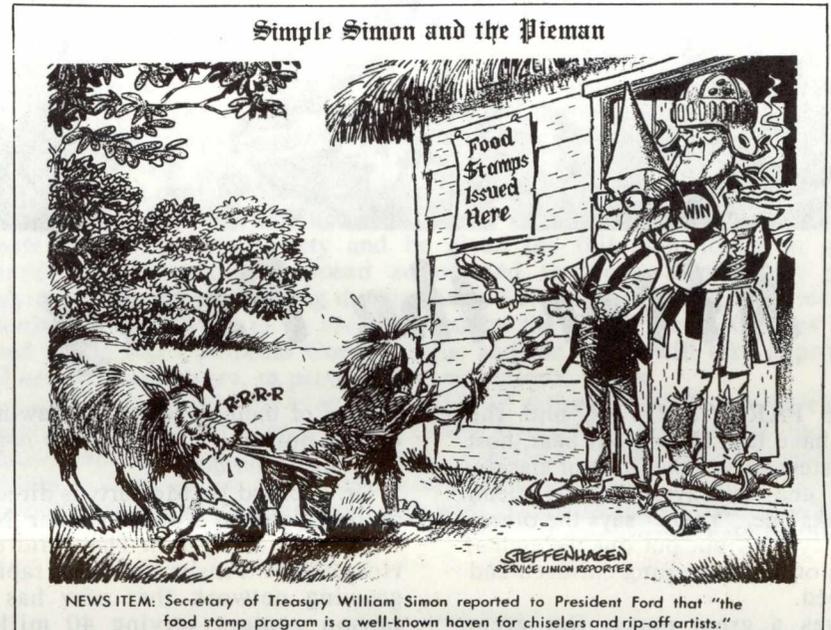
A cattle-feeding investment by a

lawyer wiped out all taxes on an income of \$151,000. Another cattle-feeding tax shelter managed to give each investor \$2.38 in a tax-deductible "loss" for each dollar invested.

Motion picture distribution partnerships did even better for investors, according to several examples in the tax study. One partnership — with the help of depreciation deductions on motion pictures acquired for distribution — returned a \$2.96 tax loss for each dollar of investment. This helped one investor with an annual income of \$181,000 to pay only \$1,000 in federal income taxes.

With the help of intangible drilling costs, a partner in an oil drilling enterprise that started up shortly before the end of the tax year managed to pay only \$1,000 on total income of \$182,000.

Committee Chairman Al Ullman (D-Ore.) said the intent of the tax shelter study is to help rewrite the tax law so that the incentive for investment is the hope of profit, not avoidance.



NEWS ITEM: Secretary of Treasury William Simon reported to President Ford that "the food stamp program is a well-known haven for chiselers and rip-off artists."

STATE UNEMPLOYMENT RISES

California's unemployment rate in September was 10.3 percent — up fractionally from August's 10.2 percent, despite a slight drop in the number of jobseekers and an increase of 85,600 in the total employed.

This was announced today by Martin R. Glick, director of the state's Employment Development Department.

Glick said total employment in California was 8,645,900 in September — the highest for 1975 and a net gain of 270,400 jobs since January. However, he noted that the total was still 76,100 below the figures for the same month last year.

He said the number of jobseekers (including those looking for their first job as well as those laid off) was 882,600 in September, down by 15,800 over the month and substantially down from the record jobless total in June of 1,021,200.

"While these figures do appear encouraging, it must be kept in mind that September is one of the peak months of the year for employment in California. A more accurate picture of the state's economic situation is obtained by comparing the monthly unemployment rates, which are adjusted to eliminate seasonal factors, rather than the actual numbers employed and unemployed.

"A year ago, in September, 1974, the seasonally-adjusted unemployment rate was 7.4 percent," Glick said, "so we still have a long way to

go. At that time, total unemployed was 622,400."

Glick said employment totals rose over the month in several major industrial groups: agriculture, government, manufacturing and construction.

September agricultural employment totaled 382,300, an increase of 53,200 over the month and the highest agricultural employment figure since September, 1969.

The increase in government employment was totally in the education sector, Glick said, which rose by 37,100 because of the end of the summer recess. This increase more than offset declines in other government groups, leaving a net employment gain over the month of 21,700 to a total of 1,622,100 for all government employment, including federal, state and local agencies.

Manufacturing employment increased by 16,500 to 1,629,700, Glick noted, but this was 116,800 below the same month last year.

Construction registered a gain of 2,900 over the month to a total of 304,200. However, this was 37,300 below the total in September, 1974, and marked the 17th month that the construction industry was below the total for the same month of the previous year.

Employment in retail and wholesale trade was down 6,100 to 1,769,600 in September, and the large services industry also declined over the month by 5,500 to 1,586,000.

The Safety Scene



After the Party

THE PARTY'S OVER and the guests have left. Happy but beat, host and hostess survey the litter of glasses, bottles and ashtrays. "Wanna clean up?" asks one. "Yech!" says the other.

So they lock up, put out the lights, look in on their sleeping children and go to bed.

It was a great party. But great everything isn't. For two hazardous hangovers have already begun:

1) The threat of fire and 2) the

danger of their children swallowing a deadly poison — alcohol — *a poison that has no antidote.*

Dr. Richard W. Moriarty is director of the National Poison Center Network headquartered at The Children's Hospital of Pittsburgh — a rapidly growing network that now has 11 poison centers serving 40 million people throughout the country. Here's what he told FAMILY SAFETY:

"Alcohol poisoning is becoming

more and more common among children under five.

"We call it 'The Sunday-morning Syndrome' because children often get up early on Sunday morning, before their parents are awake, and discover bottles and unfinished drinks left over from a Saturday-night party.

"It doesn't take much alcohol to kill a child. Even several ounces can depress the nervous system or drop the blood-sugar level low enough for death to occur.

"And there is no antidote — nothing you can do to increase the metabolism or breakdown of alcohol in the body. That's why it's so dangerous."

The ability to metabolize alcohol is directly related to body weight. The more you weigh, the more you can drink without experiencing side effects. "But when it comes to young children," Dr. Moriarty points out, "You're dealing with a very small package."

As for The Sunday-morning Syndrome, he adds: "A child has nothing in his stomach when he first gets out of bed, so the rate of absorption is further increased."

Empty the drinks

Precautions: Before going to bed after a party, empty all glasses and place liquor bottles out of the reach of children.

If, despite your precautions, your child swallows alcohol, immediately telephone your local poison center, physician or hospital emergency room. Give details and follow instructions.

Do not induce vomiting unless you're told to. If it's a severe case and your child is brought to a poison center or hospital emergency room, the alcohol may be removed from the bloodstream by dialysis — a procedure similar to that of an artificial kidney machine.

A sobering footnote for parents with children over five: keep your guard up. According to Dr. Moriarty, "Alcohol is already the number-one drug of abuse among adolescents between the ages of 10 and 16."

The other hazard hung over from a party is fire — caused by cigarettes or their embers smoldering in sofas and chairs after you've gone to bed.

A party increases the danger of fire, according to Rexford Wilson, president of Firepro Incorporated, a technical consulting center for fire protection. His reasons:

"People are less alert. Alcohol dulls the senses. Fire consumes oxygen, creating carbon monoxide and carbon dioxide, which further dull the senses. Alcohol, moreover, increases your susceptibility to CO and CO₂."

Wilson points out that party-goers are often careless while smoking. They may jar a cigarette off an ashtray, or they may bump into each other, knocking ashes and burning coals into sofas and easy chairs. If those incendiaries fall on a rug or carpet, you might smell smoke fairly soon. But if they drop into upholstery, it might take 40 minutes or more to smell danger.

According to Wilson, "Most fires that cause multiple deaths in the home occur during the sleeping hours — 10 p.m. to 6 a.m." During those hours, he says, you and your family are highly vulnerable because "fire gets a foothold before anyone awakens. Then time for escape is short — sometimes too short."

Empty the ashtrays

Precautions: Before a party, provide plenty of large, deep ashtrays. If wastebaskets are in the area, remove them; they're a target of opportunity for a smoker.

After a party, remove cushions from furniture and feel around for cigarettes and ashes with your hands. Hundreds of fatal fires begin in chairs and sofas.

Finally, gather up all ashtrays — making sure nothing falls out — and place them in the kitchen sink. (You can indulge yourself by waiting until morning to empty them.)

If you follow those fire and alcohol precautions next time you have a party, you'll have a ball!

Family Safety

Department of Industrial Relations, before the plan starts.

Once approved, the plan begins as soon as the health of the worker permits and must begin before temporary disability benefits stop.

The Rehabilitation Bureau will intercede when necessary to get a program started or to resolve disputes or misunderstandings about rehabilitation plans between workers and employers. If the employer does not voluntarily provide rehabilitation for qualified workers, the Bureau will order the employer to pay for medical examinations and vocational evaluation as needed.

Whenever the employer and worker cannot agree upon a plan, the Rehabilitation Bureau will resolve the matter through conciliation and mediation and issue a decision outlining the workers' rights to benefits. If either party does not agree

with a decision of the Bureau, he may appeal the Bureau's decisions to the Workers' Compensation Appeals Board (WCAB).

After a plan begins the Bureau can modify, suspend, or end it if necessary:

* when the disabled worker does not make satisfactory progress

or

* when the worker's rehabilitation plan is not likely to lead to suitable gainful employment

or

* when the worker refuses to complete the plan

or

* when a more suitable plan is available. Three-million, sixteen-thousand, three-hundred eighty three.

Most workers will profit from vocational rehabilitation. Some injured workers, however, may not want to participate—and that is their right.

Vocational Rehabilitation

A worker who may be unable to return to his usual job because of a job-related injury or illness is entitled under State labor law to all possible help in returning to work. For example, benefits may include fitting the worker to a job in line with abilities and interests; and job counseling, training, and assistance in finding employment in a new occupation—all paid for by the employer.

What's more, permanent disability benefits remain the same for workers in vocational rehabilitation.

Vocational rehabilitation is provided for in Labor Code section 139.5 for those industrial injuries or illnesses occurring on or after January 1, 1975.

Injured workers who begin vocational rehabilitation will continue to receive temporary disability payments until ready to get back to work. All expenses of rehabilitation, including books, tuition, supplies, transportation, and extra living expenses caused by the program are paid for.

An injured worker qualifies for vocational rehabilitation

* if the effects of an injury, whether or not combined with the effects of a prior injury or disability, permanently

prevent, or are likely to prevent, the worker from engaging in either a usual and customary occupation or engaging in the position in which he was employed at the time of injury

and

* if the injured worker can be reasonably expected to benefit from a rehabilitation program.

The plan drawn up for the worker may include job modification, vocational evaluation, counseling, transfer of job skills, re-training, on-the-job training, and job placement assistance.

The goal of rehabilitation is matching the worker to a job and returning the worker to suitable gainful employment. To do this, experts consider personal qualifications, interests and incentives, pre-injury earnings and future earning potential, and the present and future job opportunities in the chosen occupation.

A plan for rehabilitation is prepared by qualified experts designated by the employer or the worker. To protect the worker, the plan must be submitted to and approved by the Rehabilitation Bureau, Division of Industrial Accidents, State