

1245

International Brotherhood
Of Electrical Workers
Local 1245, AFL-CIO
January 1994
Vol. XLIII No. 1



UTILITY REPORTER

Al Sandoval Scholarship
See Page 16

A SPECIAL REPORT

Utility Deregulation:

ACCCESS TO ENERGY is central to the American way of life. When we flip the switch, we expect power. We rely on public agencies like the California Public Utilities Commission to protect our access to power.

We let the free market allocate most resources--but not power. It's too important. In the free market, companies come and go. But we don't let the power company come and go. We need it to be there for us 24 hours a day, 365 days a year.



ENERGY
CONSUMER

ENERGY
WORKER

THAT'S HOW THINGS HAVE WORKED in America since the 1930s, when two important Acts of Congress empowered the American people to assert control over the nation's energy resources.

The Public Utilities Holding Company Act of 1935 empowered the public to regulate utility service. And the National Labor Relations Act of 1935 empowered unions to organize utility employees.

Taken together, these laws assured that access to energy would be universal, and that its delivery by skilled workers would be safe and reliable.

In communities throughout America, *physically* powering up the local electric system has gone hand in hand with *politically* empowering the people served by that system.

BUT THERE'S A NEW GANG galloping toward your town. These guys have their own ideas about who should control energy resources.

Already you can hear their approach, like horses hooves rumbling on the far horizon. Soon they will be thundering down Main Street, trampling underfoot the era of stable, reliable, publicly-regulated power.

You are about to meet the Four Horsemen of Utility Deregulation

Who Gains
Who Loses
Who Decides

See PAGE FIVE

UTILITY REPORTER

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WIPA



Workers here and abroad

Rolling the union on . . .

Tribune Boycott: A boycott of the Oakland Tribune and other Alameda Newspaper Group (ANG) publications appears to be paying off. The Conference of Newspaper Unions said the Tribune's circulation has plunged by 25% in the year since the paper was purchased by the Texas-based ANG chain. "Readers are responding to the new Tribune owner's shabby treatment of

workers and the community by dropping the newspaper en masse," said Doug Cuthbertson, chairman of the Conference of Newspaper Unions.

Boycott Alitalia: The AFL-CIO has added Alitalia Airlines to its boycott list after three years of fruitless bargaining failed to produce a contract between the airline and the Machinists union. Owned by the Italian government, Alitalia provides freight and passenger service to and from six US cities, including Los Angeles and San Francisco. The company had sought wage cuts of up to 40%.

...and Lakewood: Lakewood Engineering and Manufacturing, maker of portable home heaters and fans, has been added to the AFL-CIO boycott list. According to the Teamsters union, the

company refused to come to the bargaining table even once since its employees voted overwhelmingly on April 3, 1992, to be represented by a union.

...and Grand Auto: PACCAR, Inc. and its Grand Auto establishments in Northern California have been placed on the California Labor Federation's boycott list. According to the Alameda County Central Labor Council, there have been 29 bargaining sessions between PACCAR and Machinists Local 1546, but no contract has been obtained.

Downsizing is a Dud: Firms with large layoffs in 1989 suffered worse financial performance two years later, according to a study reported in the San Francisco Chronicle. Every 10% increase in layoffs was followed by a 3% decline in profit mar-



"The union gave the company a great cost savings idea, but I refuse to quit."

gin and a 4% decline in return on investment. Only 61% of the companies succeeded in cutting expenses.

Freeman to Leave: David Freeman announced he will resign as General Manager of the Sacramento Municipal Utility District effective Feb. 1. Freeman's tenure at SMUD is widely credited with restoring public confidence in the utility and with building employee morale.

Strategies for Stress: Blue Cross and Blue Shield of Texas requires workers to periodically stop work and do exercise, according to the Wall Street Journal. Texas software-maker Micrografx lets employees dress how they want. At Newsday, the Long Island newspaper, computers flash an hourly message telling employees to "take a break."

Meeting dates for Antioch

Unit 2317, Antioch, will meet on the second Tuesday of each month at Straw Hat Pizza, 3001 Delta Fair Blvd. in Antioch. Meeting dates for the first half of 1994 are: Jan. 11, Feb. 8, March 8, April 12, May 10, and June 14.

Per capita goes up Jan. 1

Per capita payments to the International will increase by \$1 effective Jan. 1, 1994 in accordance with a decision by delegates to the 34th Convention of the IBEW held in St. Louis, Mo. in 1991.

In addition, for members at PG&E receiving a wage increase at the start of the year, union dues will go up accordingly.

These two factors could result in some members paying approximately \$2 more in overall dues.

APPOINTMENTS

PACIFIC GAS AND ELECTRIC COMPANY

Payment Processing Committee
Paul Wong
Shirley Roberts
Robert G. Wright



TOO LONG
Tom DeVries (left) and Ike Williams, utility crew foremen for the Sacramento Municipal Utility District, discovered one morning in November that the concrete street light poles loaded on this truck were too long for the dolly. The distance the pole hangs over the back can be no more than two-thirds the length of the wheel base. The driver would be personally liable for the fine if this load went out. DeVries said the poles would be reloaded onto an appropriate dolly. (Photo: Eric Wolfe)

What future is there in downsizing?

Jim Wilhelm, a mechanic for Sierra Pacific Power Co. in Carson City, Nev. has been thinking about what the economy will look like after corporate downsizing runs its course—and he's troubled by what he sees.

"The workforce in America—there's going to be dramatic changes," said Wilhelm. "And they don't look good."

"I think the whole country is going through this," he said, noting that he seems to hear about downsizing every time he turns on the radio or TV or picks up a newspaper.

A nine-year member of Local 1245, Wilhelm thinks downsizing is leaving a terrible legacy for the generation that follows.

"The thing is, what are we going to have for our kids?" asks Wilhelm. "Are they going to have a decent job, be able to afford a house? It sure doesn't look good anymore."

Wilhelm has two children in college, and he's crossing his fingers that their education will serve them well.

"There's a lot of people out there with college degrees without jobs—or they're flipping hamburgers if they're lucky," he remarked.

So far, Sierra Pacific Power hasn't announced any downsizing plans. But news from elsewhere around the country has employees like Wilhelm looking over their shoulder.



Jim Wilhelm, union mechanic at Sierra Pacific Power Co. in Carson City, Nev. (Photo: Eric Wolfe)

"The thing is, what are we going to have for our kids? Are they going to have a decent job, be able to afford a house? It sure doesn't look good anymore."

Family of Thomas Connolly expresses thanks

Local 1245 member Thomas Connolly, a San Francisco-based driver for PG&E, died of a heart attack Nov. 18.

Connolly, who lived in Vacaville, was a dedicated union member according to his daughter, Joan Connolly, who said:

"He was very proud of [the union]. He bragged about it all the time," said Connolly.

In a letter to the union, Joan Connolly expressed the family's thanks to the union members and others who attended Connolly's funeral.

Excerpts from her letter are reprinted here:

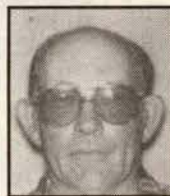
"...our heartfelt thanks [go] to my daddy's boss and crew for being with us at his funeral and for the lovely flowers and warm, friendly cards expressing their sympathy and sorrow. But mostly the face to face introduction that my brother James and I had with them for the first time..."

"We had heard all of their names a million times from my dad and his 'PG&E stories,' which were always long and probably exaggerated slightly. I felt like we should've known them all by

name as if we were old friends....

"We won't soon forget the offers for help or assistance they all offered preceeding the services. Nor will we ever forget the PG&E stories my dad had told over the last 20 years which included each of these men at one time or another and we'll remember the stories and the men with much warmth and many laughs.

"Thanks again."



'Safety First' in 1994

Jack McNally, IBEW 1245 Business Manager

Some years ago "Safety First" was the slogan in PG&E's Accident Prevention program.

"Safety First" is a slogan the Union believes is still appropriate today.

"Safety should be first and foremost in our minds as we perform our work.

Safety is not a new issue for IBEW Local 1245. The desire to have safe working conditions was one of the reasons that PG&E employees organized this Local Union 50 years ago.

Today, our contract with PG&E contains specific language that the Company has the exclusive responsibility for providing a safe and healthful workplace.

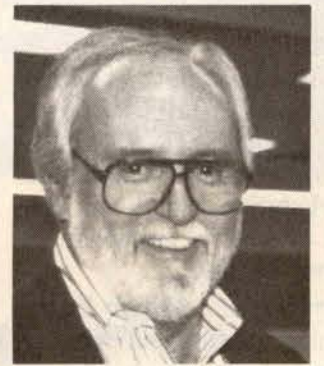
Our contract says: "Company shall make reasonable provisions for the safety of employees in the performance of their work."

It further states: "Company and Union shall cooperate in promoting the realization of the responsibility of the individual employee and supervisor with regard to the prevention of accidents."

That is very important language. Accident prevention rules are there for a reason. Our members have to take responsibility for following and enforcing those rules.

As we begin the new year, I have some real concerns about safety. We are entering a new era of utility deregulation and competition. PG&E will be attempting to compete in this new era with a smaller workforce than we have been used to.

Many PG&E supervi-



sors are new. Some of them did not come up through the ranks. That means they may not be totally familiar with what it takes to get the job done, and get the job done safely.

In this new competitive era, everyone is going to be under pressure to get more work done. That's another slogan you sometimes hear: "Do More With Less."

We should all try to work as efficiently as possible. But we should never let that slogan turn into "Do More, Less Safely."

In this new era, the temptation to take short cuts will be great. Short cuts can and eventually do maim or kill. As we face these kinds of pressures, firmly adhering to safe work practices will be more critical than ever.

In short, you should think of "Safety First" as much more than a slogan. I'm asking all of you to keep "Safety First" your uppermost concern as you perform your work.

Your life depends on it—and your family counts on it. That's a pretty good reason to make "Safety First."

Make 1994 a safe and healthy new year.

PG&E settles on design for Call Center workstations

Input from employees has helped determine the design of workstations to be used at PG&E regional telephone centers.

A joint committee of union and company officials used the employee input to develop a standard individual workstation, which will consist of several components. These include:

- Herman Miller Ergon Management Chair
- Articulating Keyboard Arm
- Partition-Mounted Diagonal-Organizational Tray
- Individual Workstation Work Surfaces—separated and height-adjustable
- PC Central Processing Unit—position to be based on employee preference

The joint committee did not reach an agreement concerning the use of monitor

arms and task lighting in standard workstations. However, a statement by the committee reaffirmed that PG&E will abide by the terms of the VDT Letter of Agreement of 1992.

Employees participating in a test period helped develop the workstation design. A survey was used by employees to evaluate the individual workstation furniture, accessory, and configuration options.

The six-week test period utilized two groups of volunteers from San Jose Division Customer Services. (See Utility Reporter, September 1993.) The volunteers tried out different types of ergonomic accessories, such as adjustable chairs and articulating keyboard arms.

According to the joint statement, the new ergonomic furniture and accessories will be provided to supplement those workstation components which are being re-used from the divisions. The new furniture and accessories will also be purchased to replace re-used workstation elements when they are no longer useful.

Employees who are not able to be properly positioned in their workstations under the guidelines provided in the VDT Letter of Agreement will be accommodated on an individual basis.

Cal-OSHA slates public hearing

A public hearing on Cal-OSHA's proposed comprehensive ergonomics standard is scheduled for Feb. 24 in San Francisco at 455 Golden Gate Ave. Unions have long urged the adoption of a strong standard.



BUILDING THE WALL

The Memorial Wall in front of Local 1245 headquarters in Walnut Creek continues to progress under the guidance of "chief mason" Gerry Pittore, a union member at PG&E. Other members assisting recently on the project include Bryant Bolen, Brian Southworth, Mike Sutton, and Rich Cowart, along with support from Business Representatives Ed Caruso and Bob Martin. The expansion of the memorial, originally erected to honor Richard Hoyer, was undertaken in honor of Business Representative Joe Valentino, who died one year ago. (Photo: Eric Wolfe)

Asbestos victims will lose right to sue

If you've ever worked around asbestos, you could be affected by a class action suit now in the process of settlement.

Unless you explicitly "opt out" of the settlement by Jan. 24, your right to sue certain manufacturers of asbestos products will end, according to the Oakland, Ca. law firm of Kazan, McLain, et al.

The Kazan firm evaluated the settlement at the request of Worksafe!, a California

occupational safety coalition supported by Local 1245.

The approaching deadline grows out of a class action lawsuit (called *Carlough*) filed against 20 asbestos manufacturers who are working together to handle their liability when sued for asbestos-related injuries.

These manufacturers sold asbestos products from the 1940s through the 1970s. When asbestos victims sue manufacturers in court they

often collect large payments to compensate for medical expenses, lost wages, and suffering.

The settlement permits victims of asbestos-related ailments to receive compensation without having to sue in court.

However, it blocks future lawsuits against the manufacturers. Workers who may have been exposed to asbestos, but have not yet developed any symptoms, will be bound by the settlement and lose their right to sue unless they act to "opt out" by Jan. 24.

The Kazan firm, which represents asbestos victims, is advising its clients to opt out of the settlement. In Kazan's opinion, the settlement unfairly limits the amount of compensation, limits the number of sick or dying victims who will be paid each year, and requires asbestos-related lung cancer victims to prove 15 years of exposure prior to 1980 to qualify under the settlement.

You may obtain a copy of the Exclusion Request form from Kazan, without charge or obligation, by writing:

Kazan, McLain, et al.
171 12th Street, 3rd floor
Oakland, Ca. 94607



OUTSIDE LINE

At work on a job for Harker and Harker are Outside Line Construction members (from left) Billy Springer, Tommy Heyl, Cliff Penrod, and Jim St. Angelo. (Photo: Art Murray)

Utility Deregulation:

Continued from PAGE ONE

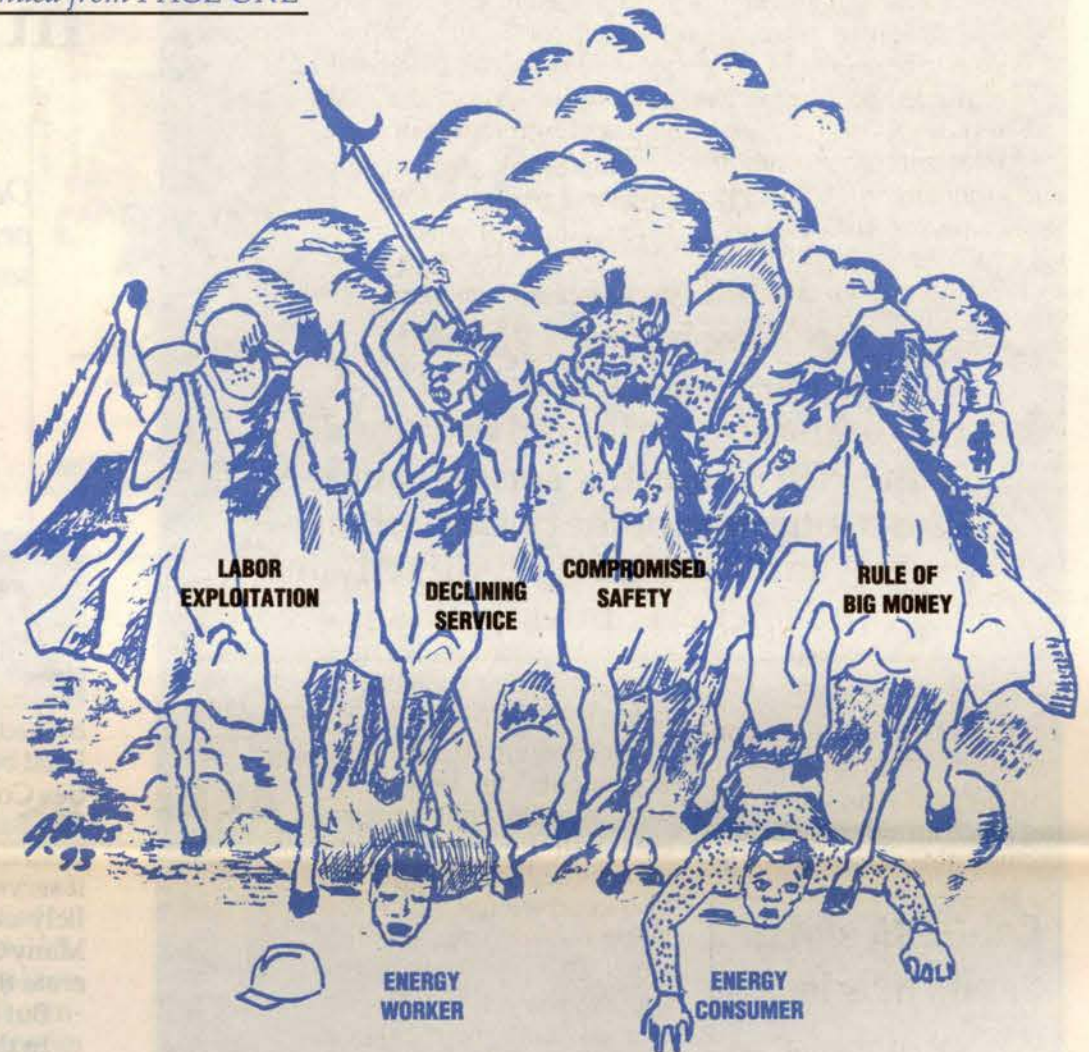
YOU WON'T HEAR ABOUT IT on Rush Limbaugh. You won't see it on Larry King Live. But utility deregulation is sweeping down upon us like the Biblical Four Horsemen. Instead of war, pestilence, famine and death, the Four Horsemen of Deregulation threaten us with labor exploitation, declining service, compromised safety, and the rule of big money.

Whether this looks like a good thing or a bad thing depends entirely on where you're sitting.

If you are a Bay Area refinery and you want to cut a deal with an independent power producer for cheap electricity, utility deregulation is a good thing.

If you are a residential ratepayer who gets stuck paying higher electric rates because that refinery and other large industries leave the PG&E grid, it's not such a good thing.

If you are a unionized utility employee whose job is terminated because your company gets bushwhacked by low-wage non-union competitors, then utility deregulation is definitely not such a good thing.



Who Gains Who Loses Who Decides

UTILITIES WERE MADE ACCOUNTABLE to democratic institutions nearly 60 years ago to make sure they served all of the public, not just a favored few. Has the time now come to toss aside the public regulation of utilities and let market forces determine our energy future?

Are the American people prepared to risk the safety, the reliability, the affordability, perhaps even the availability of their power supply in order to cut energy prices for the nation's most powerful corporate interests?

In a series of articles beginning this month, the Utility Reporter examines the politics of utility deregulation: who gains and who loses—and who should make the decisions about what course America takes.

The first article, beginning on the next page, offers an historical overview, looking at some of the reasons that Americans found it necessary to regulate certain essential services in the first place.

Next month, we look at the deregulation of other industries—airlines, trucking, telephones—and its impact on workers and on the American public. The third article in the series examines the deregulation of natural gas. The fourth article looks at the deregulation of electricity.

The final article considers the future of unionism in the energy industry.

See PAGE SIX

Pyramidal ownership structures in the early 1900s deceived investors & defied regulation. Self-dealing between subsidiaries of these utility holding companies artificially inflated the cost of electric service, sucking money out of the pockets of ratepayers and funneling it directly into the pockets of dealmakers.



These abuses occurred on such a massive scale that President Franklin D. Roosevelt declared in 1935 that the unrestrained growth of utility holding companies had "given

tyrannical power and exclusive opportunity to a favored few."

That same year, the US Congress passed the Public Utilities Holding Company Act, which chopped the holding companies down to size and made it possible for public authorities to begin regulating investor-owned utilities at the state level.

Public Empowerment: the Role of Regulation in a Democratic Society

In this first part of a five-part series on Utility Deregulation, the Utility Reporter offers an historical perspective on efforts by the American people to assert some form of public control over essential services.

By Jack McNally and Eric Wolfe

Americans have exercised some form of democratic control over energy utilities since 1935.

PG&E, although owned by private investors, is regulated by the California Public Utilities Commission, a public agency. The Sacramento Municipal Utility District is owned by the customers it serves and is governed by a publicly-elected Board of Directors. Many California cities own and operate their own electric systems.

But it has not always been so.

In the early part of this century, utility service was dominated by huge holding companies, which in turn were under the control of a few very rich and powerful individuals. Among the richest of the rich were J.P. Morgan and John D. Rockefeller. By 1912, these two individuals together controlled 341 directorships in 112 corporations valued at more than \$22 billion.

Today's most famous billionaire, H. Ross Perot, is an economic pygmy by comparison.

Among Morgan and Rockefeller's affiliated properties were American Telephone and Telegraph, Western Union, International Harvester, Westinghouse, and General Electric. Their utility properties included Consolidated Gas and Edison of New York, Commonwealth Edison of Chicago, and Niagara Falls Power.

And Pacific Gas & Electric Co. of San Francisco.

By 1932, three holding companies—J.P. Morgan's United Corporation, the Electric Bond & Share Company, and the Insull Group—controlled nearly half of the nation's investor-owned utilities.

This incredible concentration of power led to enormous corruption.

Pyramidal ownership structures deceived investors and defied regulation. Self-dealing between subsidiaries of these utility holding companies artificially inflated the cost of electric service, sucking money out of the pockets of ratepayers and funneling it directly into the pockets of dealmakers.

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Energy Policy Act of 1992

But in recent years Congress has changed course.

The National Energy Policy Act, passed in October of 1992, is a very large step on the road to deregulation of electricity and natural gas.

What does this mean for America?

Is utility deregulation a journey the American people really want to make? Do the benefits of increased competition outweigh the benefits of democratic structures and public participation? Will deregulation lower costs for the average ratepayer?

And for members of Local 1245 there is another very important question: Will deregulation help or hurt the ability of energy workers to bargain fair compensation for their skills and labor?

In other words, before we deregulate, shouldn't we think about why the American people decided that certain essential services should be regulated in the first place?

Understanding our past may not answer all the questions we have about the future. But our history as a people does tell us something important about ourselves and what we value, and can serve as a guidepost for where we want to head in the future.

What Do Americans Value?

Americans believe in competition. Historically, private enterprise in competitive markets has spurred innovation and productivity, as well as enabling people like John D. Rockefeller and J.P. Morgan to accumulate vast fortunes. The material side of the American dream is rooted in the marketplace.

But Americans also believe in democracy, a form of government where supreme power is vested in the people. The US Declaration of Independence, America's founding document, was issued in the name of "We, the People."

Americans like to think that private enterprise and democratic rights work in harmony. And often they do. But over time, market forces and democratic principles tend to collide.

This conflict is especially clear in the area of "essential services." How can we realistically say that "supreme power" is vested in the people if a tiny but powerful minority can deny access to services we regard as essential for everyday life?

Private enterprise and democratic principles clashed mightily when utility holding companies controlled the nation's power supply in the early part of this century. But the story of utility regulation in America doesn't begin with Thomas Edison and the commercialization of electric power in the 1880s. We must go back farther, to the rise of the railroads in the 1860s.

Ultimate Market Power: Monopoly Control

In America's early years, economic markets tended to be local and regional. The development of rail transportation after the Civil War created a national market. Products from the east could be sold in the west, and vice versa.

But first you had to pay the freight.

The possibilities for profit soon became obvious. If they could establish monopoly control over rail service between areas wanting to

engage in trade, railroad owners realized they could set rates almost at will.

And that's exactly what some owners were able to do.

Monopoly control over rail service created an elite group of businessmen--the first modern capitalists--with economic power unprecedented in American history. By mercilessly exploiting their customers and their workers, these "robber barons" accumulated vast fortunes. (See story on Pages 8-9: *When Central Pacific Railroad Governed California.*)

In a system of free enterprise, competition was supposed to correct this problem.

For example, if a manufacturer of that era charged too much for shirts, other shirt manufacturers would enter the market and sell for less. When the less-efficient shirt-makers went out of business, there were social costs in terms of idled equipment and laid-off workers. But there was also a social benefit: prices were lowered by competition.

Railroads, however, were different. America quickly found out that the free market is *not* always the most efficient way to allocate resources.

The railroad capitalists spent enormous sums of other people's money (a lot of watered-down railroad stock was floating around in those days) attempting to dominate particular markets. Competing railroads laid a lot of track that was simply not needed.

By 1884, for example, five trunk lines ran between New York and Chicago, and two more were under construction, even though three would have been plenty.

When a railroad went belly-up, it wasn't like the closing of a shirt factory. Bankrupt railroads left behind monumental economic waste in the form of worthless stock and bad debt--as well as abandoned, rusting track that was not needed in the first place.

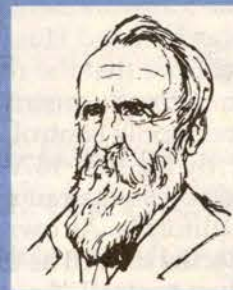
Railroads were different from factories in another way as well. Railroads did not simply offer a product like shirts. For many businesses, access to the rails was a requirement for survival, just as access to gas and electric energy is a requirement for most businesses today.

When fierce competition bankrupted all but the strongest competitors, the surviving railroad in any particular market area was left with monopoly control--and the ability to set rates at will for an essential service.

See PAGE TEN

The history of utility regulation in America goes back to the rise of the railroads in the 1860s. Like gas and electric systems, railroads tended to be natural monopolies. But if railroads were permitted to operate as unregulated monopolies, they could and did establish tyrannical control over the economy, and thus coercive powers over the American public.

Rutherford Hayes, nineteenth president of the United States, stated the problem of corporate monopoly power quite clearly in 1877:



"Shall the railroads govern the country, or shall the people govern the railroads?...This is a government of the people, by the people and for the people no longer. It is a government of corporations, by corporations, and for corporations."

When Central Pacific Railroad Ruled

In 1861, a group of lawyers and businessmen from Sacramento and San Francisco organized the Central Pacific Railroad Co. to build the western portion of the transcontinental railroad.

It was a swindle from the get-go.

Among the "Big Four" founders of the Central Pacific were Leland Stanford and Collis Huntington. They discovered two very lucrative paths to wealth: government subsidies and ruthless monopolistic control of markets.

In 1862, the US Congress gave Central Pacific five square miles of land for every mile of track the company laid across the west. In 1864, invigorated by bribes, Congress upped the grant to 10 square miles, and up to \$48,000 per mile in cash.

In all, the Central Pacific took in \$121 million in federal subsidies (and the public sale of worthless stock) for a railroad that cost them \$58 million to build.

No public authority stepped in to regulate their activity or demand restitution for the victims of this swindle. The Public Utilities Commission did not exist.

What's more, Stanford was governor of California when the Central Pacific was created, so he was well-situated to use political influence to line his own pockets.

As rich as they got from building the transcontinental railroad, Stanford and Huntington soon realized that the real money wasn't in railroad construction. It was in monopoly control.

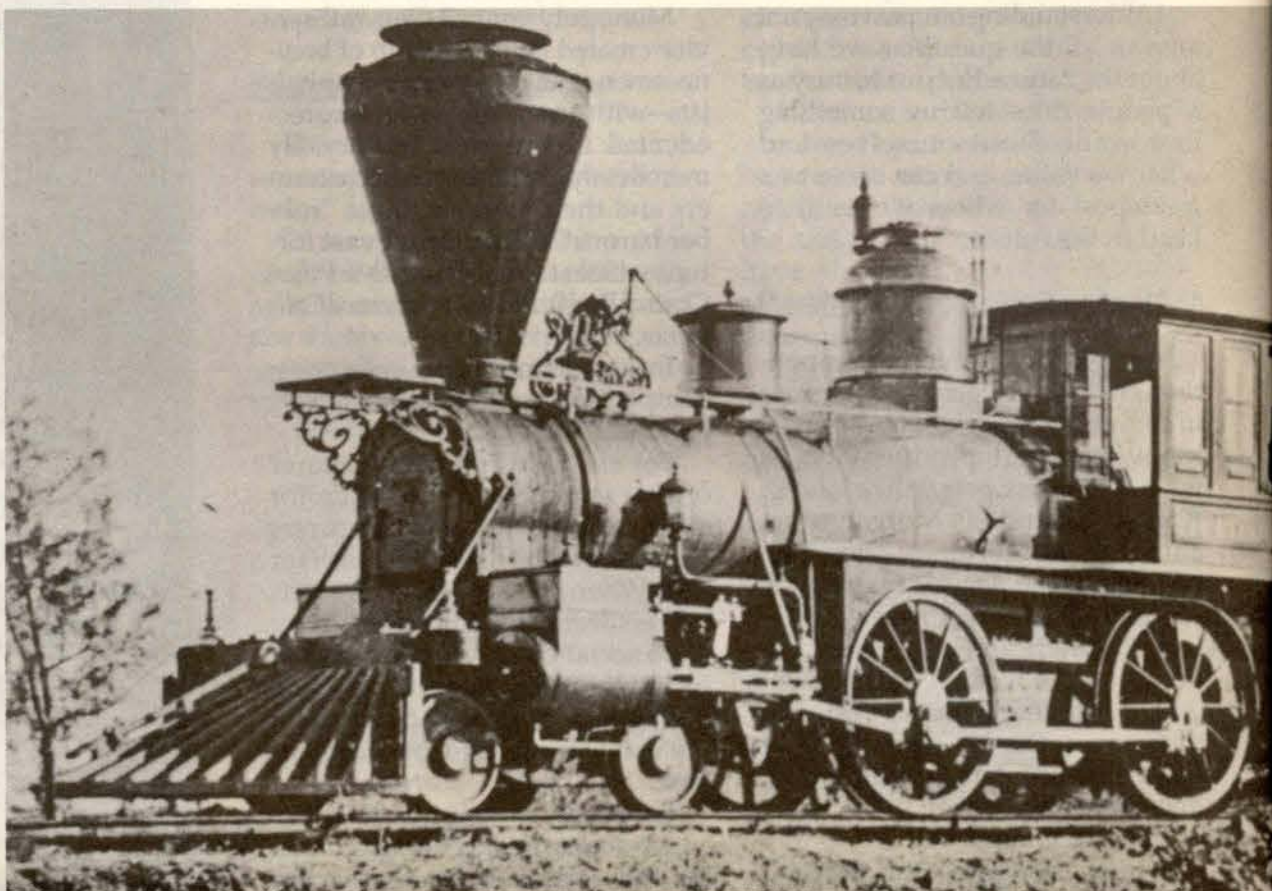
By the mid-1870s, the Big Four established a rail monopoly in California. As owners of the Sierra Pacific as well as the Central Pacific, they controlled over 85% of California's railroad mileage.

In the 1880s the Big Four expanded their power by successfully eliminating competition from sea-going shippers.

What made Stanford and Huntington so successful was the strategic nature of their economic empire. They developed monopoly control not simply of a product, but of a service that was essential to other commerce: transportation.

Monopoly control of this service permitted the Big Four to set rates virtually at will.

Needless to say, their economic



The Governor Stanford, the first Central Pacific locomotive, as it appeared in 1863, shortly after going

piracy did not endear Stanford and Huntington to the people of California.

Huntington was particularly despised. Newspaperman Arthur McEwen said that Huntington had the soul of a shark. The best thing Adolph Sutro could think to say about him was that Huntington had never been known to steal a red-hot stove. The San Francisco Examiner called him "ruthless as a crocodile."

Working people were deeply resentful of the Big Four's power. In 1877, the short-lived Workingmen's Party of California gave voice to this resentment in the Party's constitution:

"The rights of the people, their comfort and happiness are wholly ignored, and the vested rights of capital are alone considered and regarded, both in the state and the nation; the land is fast passing into the hands of the rich few; great money monopolies control Congress, purchase the state legislature, rule the courts, influence all public offices, and have perverted the great republic of our fathers into a den of dishonest manipulators."

In 1878, mainly for the purpose of bringing the Central Pacific/Sierra Pacific monopoly under some form of public control, Californians convened a constitutional conven-

tion. The new constitution, adopted in 1879, established the California Railroad Commission.

It was a futile gesture. The Railroad Commission had the authority of law, but the Central Pacific had the power of money. And money proved infinitely more persuasive in the corridors of the California state legislature.

Between 1875 and 1885, the Central Pacific handed out as much as \$500,000 annually to Congressmen and state legislators. The railroad monopoly remained the single most important force in California politics throughout the rest of the century.

'An Instrument to Burden and Oppress'

What were the consequences of Central Pacific's monopolistic control of essential transportation services? Conditions prevailing in Central Pacific's hey-day (which continued up to 1910) are described in the 1920 annual report of the Railroad Commission:

"In those early days the public had no supervision at all, either over rates or over the quality of service rendered by the corporations supplying these essential services. In those unhappy days the rule of rate-

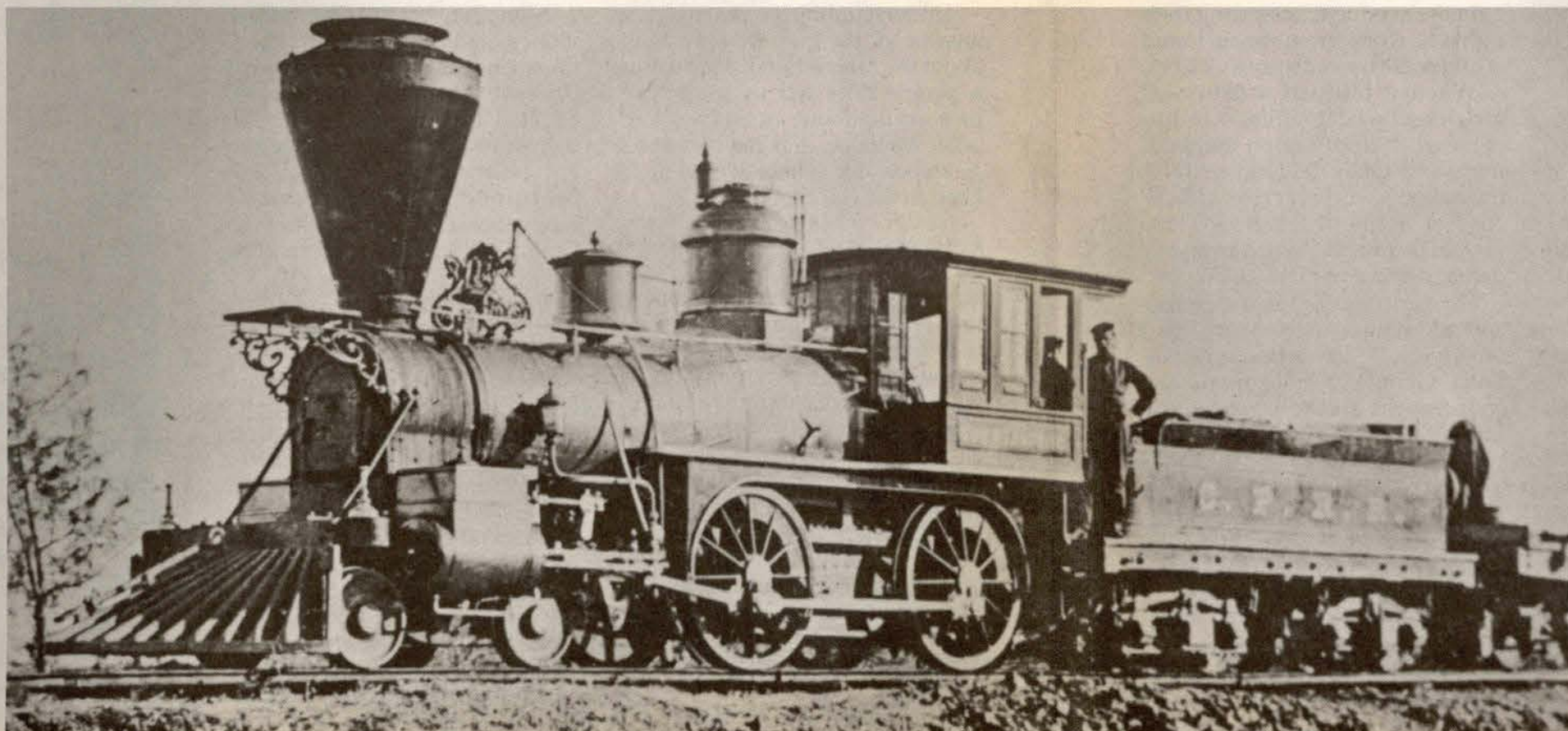
making was 'all the traffic and the rate-making power as it was in the public utilities, was made an insupportable burden and oppress the people.'

In the 1890s, the railroad's blatant attempts to escape debts owed to the federal government for grants received under the Railroad Acts of 1862 and 1864 so enraged the public that it called for the government to take over the railroad. Groups apart on the political spectrum, the San Francisco Chamber of Commerce and the California Farmers' Alliance favored government takeover, but the railroad managed to duck this battle.

The railroad's power was curtailed in October of 1911. Californians passed three constitutional amendments authorized the legislature to broaden the power of the Railroad Commission in setting railroad rates, and extending its authority over other public utilities as well.

Two months later, the legislature duly adopted the Utilities Act. As defined in the act, "public utility" was taken to mean the production, generation, transmission, and delivery of water or power.

Central Pacific Railroad Ruled California...



The *Governor Stanford*, the first Central Pacific locomotive, as it appeared in 1863, shortly after going into service.

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Working people were deeply resentful of the Big Four's power. In 1877, the short-lived Workingmen's Party of California gave voice to this resentment in the Party's constitution:

"The rights of the people, their comfort and happiness are wholly ignored, and the vested rights of capital are alone considered and regarded, both in the state and the nation; the land is fast passing into the hands of the rich few; great money monopolies control Congress, purchase the state legislature, rule the courts, influence all public offices, and have perverted the great republic of our fathers into a den of dishonest manipulators."

In 1878, mainly for the purpose of bringing the Central Pacific/Sierra Pacific monopoly under some form of public control, Californians convened a constitutional conven-

tion. The new constitution, adopted in 1879, established the California Railroad Commission.

It was a futile gesture. The Railroad Commission had the authority of law, but the Central Pacific had the power of money. And money proved infinitely more persuasive in the corridors of the California state legislature.

Between 1875 and 1885, the Central Pacific handed out as much as \$500,000 annually to Congressmen and state legislators. The railroad monopoly remained the single most important force in California politics throughout the rest of the century.

'An Instrument to Burden and Oppress'

What were the consequences of Central Pacific's monopolistic control of essential transportation services? Conditions prevailing in Central Pacific's hey-day (which continued up to 1910) are described in the 1920 annual report of the Railroad Commission:

"In those early days the public had no supervision at all, either over rates or over the quality of service rendered by the corporations supplying these essential services. In those unhappy days the rule of rate-

making was 'all the traffic will bear' and the rate-making power, vested as it was in the public utility corporations, was made an instrument to burden and oppress the people..."

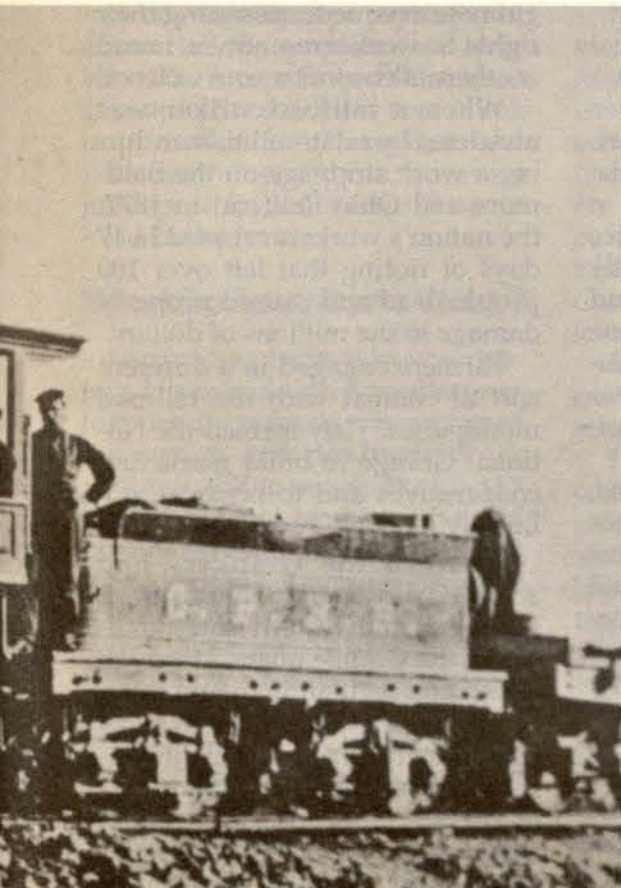
In the 1890s, the railroad made blatant attempts to escape paying debts owed to the federal government for grants received under the Railroad Acts of 1862 and 1864. This so enraged the public that many called for the government to take over the railroad. Groups as far apart on the political spectrum as the San Francisco Chamber of Commerce and the California Farmers' Alliance favored a government takeover, but the railroad managed to duck this bullet.

The railroad's power was finally curtailed in October of 1911, when Californians passed three new constitutional amendments. Those amendments authorized the legislature to broaden the powers of the Railroad Commission in setting railroad rates, and extending its authority over other public utilities as well.

Two months later, the California legislature duly adopted the Public Utilities Act. As defined by this act, "public utility" was taken to include the production, generation, transmission, and delivery of heat, light, water or power.

Collis Huntington, the Central Pacific's chief engineer, showed cynical good--and die. Congressmen said that he dis-

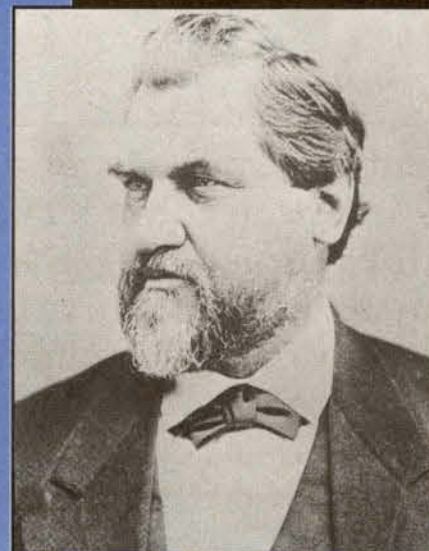
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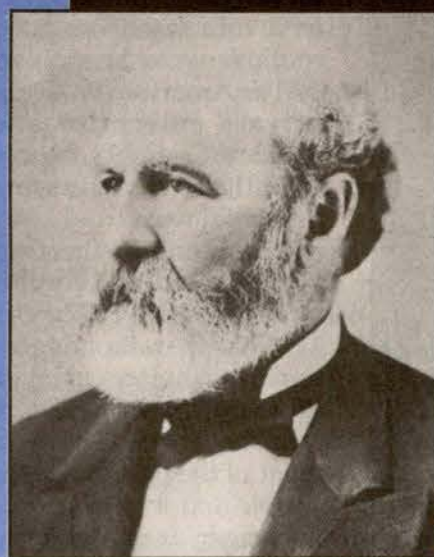
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Leland Stanford, president of Central Pacific Railroad, became fabulously wealthy by exploiting low-wage labor and plundering the public treasury.

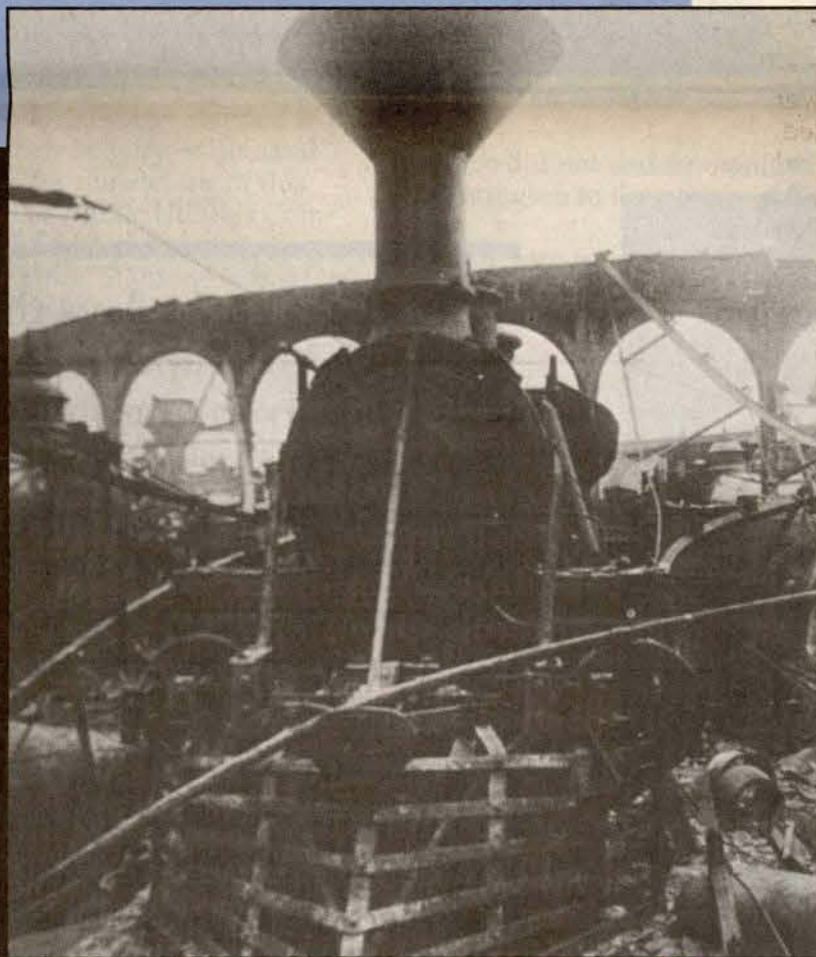


Collis Huntington, one of the Big Four of the Central Pacific railroad monopoly, showed cynical disregard for the public good--and did not hesitate to bribe Congressmen to achieve his ends. It is said that he disliked manual labor.

"In those early days the public had no supervision at all, either over rates or over the quality of service rendered by the corporations supplying these essential services. In those unhappy days the rule of rate-making was 'all the traffic will bear' and the rate-making power, vested as it was in the public utility corporations, was made an instrument to burden and oppress the people..."

*California Railroad Commission
Annual Report, 1920-21*

Commitment to democratic principles runs deep in American culture. Popular resistance to the railroads began to gather strength in the 1870s. The source of that resistance came from the customers the railroads overcharged, and from the workers the railroads underpaid.



WORKERS FIGHT BACK

Denied the right to organize, railroad workers anger boiled over in 1877. This stereograph photo by S. V. Albee shows the interior of the Pennsylvania Railroad's upper roundhouse after a battle between the Philadelphia militia and Pittsburgh strikers during the national railroad strike of 1877.

From PAGE SEVEN

Unregulated competition didn't just destroy enormous amounts of America's capital and human resources, *unregulated competition destroyed competition itself.*

Basic Contradiction

The railroads presented American society with a basic contradiction.

In many cases, railroad service could be provided most efficiently as a monopoly. As with gas and electric service or water service, one system was generally all a community required, and one system was the most efficient utilization of capital.

Like gas and electric systems, railroads tended to be natural monopolies. But this was the contradiction: if railroads were permitted to operate as unregulated monopolies, they could and did establish tyrannical control over the economy, and thus coercive powers over the public.

The railroads' tyranny had real consequences. Small businesses, farmers and workers suffered terribly at the hands of unregulated railroad monopolies. They experienced firsthand a very bitter truth: Democratic rights mean very little if a few rich people holding supreme economic power can deny you the ability to feed your family or put a roof over your head.

The American values of private enterprise and democratic rights, by the 1870s, had collided in a fundamental way.

President Rutherford Hayes stated this conflict quite clearly in 1877:

"Shall the railroads govern the country, or shall the people govern the railroads? ... This is a government of the people, by the people and for the people no longer. It is a government of corporations, by corporations, and for corporations."

Popular Resistance

However, commitment to democratic principles runs deep in American culture. Popular resistance to the railroads began to gather strength in the 1870s. The source of that resistance came from the customers the railroads overcharged, and from the workers the railroads underpaid.

Miserable wages and dangerous

working conditions bred deep resentment among railroad workers. Railroad owners routinely crushed attempts by employees to organize unions, denying workers any legitimate avenue for asserting their rights. So worker resentment found another outlet: spontaneous violence.

When a railroad striker was murdered by a state militiaman during a work stoppage on the Baltimore and Ohio Railroad in 1877, the nation's workers erupted in 17 days of rioting that left over 100 people dead and caused property damage in the millions of dollars.

Farmers engaged in a different sort of combat with the railroad monopolies. They formed the National Grange to build marketing cooperatives and to organize politically.

By 1876 the Grangers had achieved substantial political power in several midwestern states. In Illinois, the Grange pushed through legislation regulating freight rates.

This legislation proved to be an important turning point in the conflict between the competing values of private enterprise and democratic rights. In 1877 the US Supreme Court upheld the right of states to regulate railroads in the decision known as *Munn v. Illinois*.

Railroad Commission

In California, the growing movement for railroad regulation led to the convening of a constitutional convention in 1878.

Delegates to the convention adopted measures to end manipulation of stocks and bonds and to exert some measure of public control over Central Pacific Railroad, which at that time controlled 85% of the state's rail mileage and dominated the state politically.

To carry out these constitutional measures, the delegates established the California Railroad Commission and gave it the authority to determine maximum rates.

However, authority based on law was no match for the authority of the railroads, which was based on money. The Railroad Commission, like similar regulatory initiatives on the federal level, proved to be an ineffective counterweight to the power of the railroads.

But monopolies were not viewed as a problem by everyone.

As capitalists continued to consolidate their power through cut-throat competition and financial manipulation, some people suggested that control of the economy by all-powerful monopolies would be preferable to permanent industrial warfare.

When J.P. Morgan bought out Andrew Carnegie's steel empire in 1900 and established the nation's first billion-dollar trust--United States Steel Corp.--Cosmopolitan magazine enthusiastically proclaimed:

"The old competitive system, with its ruinous methods, its countless duplications, its wastefulness of human effort, and its relentless business warfare, is hereby abolished."

Indeed, monopoly control offered one possible solution to the problems of duplication and waste.

But monopoly control did not address a more basic problem. Monopoly pricing concentrated wealth at the top, depriving everyone else of purchasing power. When people have no money to spend, businesses lose customers and must cut back production and lay off workers, who then have even less purchasing power.

This structural flaw in the capitalist system produced repeated economic depressions in the 19th Century.

The chief victims of these economic depressions--farmers and workers--refused to go along with Cosmopolitan's view that the solution to capitalism was more capitalism.

As Americans, they wanted some form of democratic control over the economy.

Farmers, Workers Unite

In the early 1890s, farmers and workers mounted an historic effort to rein in the power of the corporations: they organized the People's Party.

These Americans didn't deny that monopoly control was sometimes the most efficient means of delivering a service. They just thought it made no sense to leave such awesome economic power in the hands of robber barons.

When farmers and workers launched the People's Party (Populists) in 1892, their goal was to bring basic sectors of the economy under public control.

"Transportation being a means of exchange and a public necessity," the Populists' platform proclaimed, "the government should own and operate the railroads in the interest of the people."

Likewise, they called for public control of such public "necessities" as banking, telegraph, and telephone services.

Capitalists, viewing Populism as an assault on the American system of private enterprise, fought back. The Populists, after achieving significant political victories in 1894,

suffered major defeats in the elections of 1896 and soon disintegrated as a political force.

But there was growing awareness in the public at large that unbridled capitalism carried too many costs. Private enterprise would self-destruct unless it was tempered by the other primary American value: democratic rights.

Electric Power

If electric power had been in widespread use at that time, the Populists would almost certainly have called for public control of that industry as well. Like the railroad, electric power was destined to transform the American economy in fundamental ways.

When America began electrifying in earnest at the turn of the century, the People's Party was already dead. But the American people were ready to experiment with the proposition that public "necessities" should be controlled by the public.

Between 1902 and 1922, the number of municipally-owned power plants in the United States tripled, while privately-owned central power stations increased just 34%. In some cases, municipal plants were the only way that small communities could obtain the benefits of electricity because private companies offered electric service on very unfavorable terms or not at all.

It was an American movement in the truest sense: people taking control of their own destiny by banding together to improve their community. Organizing to build a public power plant was a source of local pride, like building a public school or library.

However, private utilities captured the major markets, and control of this "public necessity" was steadily concentrated in the hands of fewer and fewer individual capitalists.

Large industrial customers had the power to protect themselves against the power of the private utility: they could threaten to build their own power plants unless the utility cut them a special rate.

Residential and small business customers had no such power--at least not in the marketplace. But they did have the power to band together as citizens and demand that the utility monopolies be regulated in the public interest.

In California, three constitutional amendments enacted in 1911 finally

See NEXT PAGE



A San Francisco lineman in the early 1900s.

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Residential and small business customers had no such power--at least not in the marketplace. But they did have the power to band together as citizens and demand that the utility monopolies be regulated in the public interest.



Public regulation made the utility industry more secure for all the major players:

- Reasonable profits for shareholders were now virtually guaranteed, although outrageous profits were no longer possible;
- All energy consumers could confidently expect reliable service and reasonable rates;
- Residential and small business consumers were shielded to some extent from the economic clout of large industrial users; and
- Energy workers faced fewer obstacles in organizing unions to make sure that those who performed the work enjoyed a fair share of the financial return in the form of wages and benefits.

In utility regulation, an effective balance had been achieved between the American values of private enterprise and democratic rights. Regulation had created a stable industry providing an essential service to the people of America.

From PAGE ELEVEN

succeeded in giving the Railroad Commission real power over the railroads, and authorized the Commission for the first time to regulate other public utilities as well, including gas and electric companies.

However, regulating the utility holding companies was much easier said than done. One observer of the power industry in that era wrote in 1928 that state commissions were little more than "training schools from which the utilities hire[d] off the best men."

Control over the nation's power supply continued to be concentrated into fewer and fewer hands throughout the 1920s. Energy workers were a principal victim of this concentration of power.

Early Days at PG&E

PG&E provides a good example of what happened to workers in the years before energy utilities were finally brought under control by the public.

When electric utilities were first getting off the ground at the turn of the century, workers had some success at organizing unions. The IBEW had already organized seven separate locals on California Gas and Electric when that company merged with San Francisco Gas and Electric in 1905 to form PG&E.

But as utilities grew more powerful, they became more effective in fighting the union. By 1921, PG&E was strong enough to cancel its agreements with the IBEW.

For the next 12 years, workers made no progress in unionizing PG&E, a fact that was reflected in the living standards of workers. In the middle of the "roaring '20s", when the captains of industry and stock market manipulators were amassing great fortunes, workers had to settle for whatever the boss wanted to pay.

Wages for linemen were frozen in 1927 and stayed that way for several years.

Overcharged Customers, Underpaid Workers

Resistance to the utility holding companies in the 1930s resembled the resistance to railroad monopolies several decades earlier. This resistance came from customers who were overcharged and from workers who were underpaid.

President Roosevelt's "New Deal" administration provided crucial support for both centers of popular resistance.

The Public Utilities Holding Company Act of 1935 placed important new restraints on the activities of utility holding compa-

nies. This enabled the public to exert more effective controls at the state level through regulatory bodies like the California Railroad Commission (later renamed the California Public Utilities Commission).

That same year, the National Labor Relations Act gave workers new leverage in organizing unions. It is no accident that union organizing at PG&E picked up steam in the late 1930s and began to score important victories after a federal court in 1941 ordered PG&E to quit violating the NLRA. Federal labor law and federal wage and price controls during World War II decisively strengthened the hand of working people.

It was truly the threshold of a new era.

In the decades that followed, investor-owned utilities like PG&E could still earn profits for their shareholders. But those profits were now regulated by agencies accountable to the public.

Public regulation, in fact, made the utility industry more secure for all the major players:

- Reasonable profits for shareholders were now virtually guaranteed, although outrageous profits were no longer possible;
- All energy consumers could confidently expect reliable service and reasonable rates;
- Residential and small business consumers were shielded to some extent from the economic clout of large industrial users; and
- Energy workers faced fewer obstacles in organizing unions to make sure that those who performed the work enjoyed a fair share of the financial return in the form of wages and benefits.

In utility regulation, an effective balance had been achieved between the American values of private enterprise and democratic rights. Regulation had created a stable industry providing an essential service to the people of America.

That was no small achievement. Certainly not one to be discarded lightly.

However, as we will explore in future articles in this series, new forces came into play in the 1970s: Oil embargoes. Environmental concerns. The decline of unionism. And the rise of a corporate-backed political movement that attacked the value of public regulation.

A new era was beginning, and with it a new challenge to American society to find an appropriate balance between private enterprise and democratic rights.

(Next month: The consequences of deregulation in the trucking, telephone, and airline industries.)

8th Annual

Western Workers Labor Heritage Festival

Friday, Jan. 14

Opening Night Swap: sharing stories, songs

Saturday, Jan. 15

Workshops throughout the Day

1:00 pm: Tribute to Cesar Chavez

7:00 pm: Song & Poetry Exchange

8:00 pm: Comedian & Puppeteers

Sunday, Jan. 16

Morning Workshops

1:00 pm: Tribute to Dr. Martin Luther King, Jr.

7:00 pm: Benefit Concert honoring Martin King
(\$10 admission - proceeds to United for Justice)

January 14-16, 1994

Machinists, Plumbers &
Transport Workers Union Halls
1511 Rollins Rd., Burlingame, Ca.

Conferences sharpen skills

Many Local 1245 stewards took advantage of union-sponsored training conferences to sharpen their skills during the second half of 1993. Among those attending were:

Stockton

Oct. 23

James Clifton
Domenick Dicce
Grover Day
Ronald Ruse
Wayne Fippin
Gary Outlaw
Judie Szostak
James Clemons
Allen Detrick
Eric Helmle
Ray Morales
Mike Johnson
Tom Jones
Olivia Merdado
Anna Bayless
Stanley Teausant
Randy Greer

Vida Anderson
Mark McLean
Clark Dotson
Dave Mackley
Vincent Whitmer

Sacramento

Nov. 20

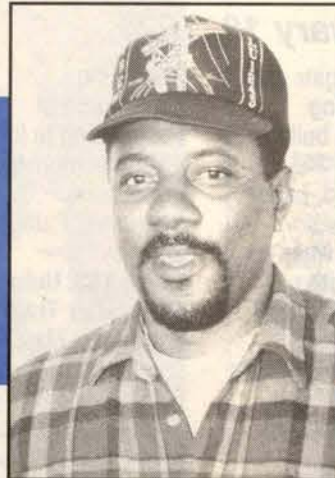
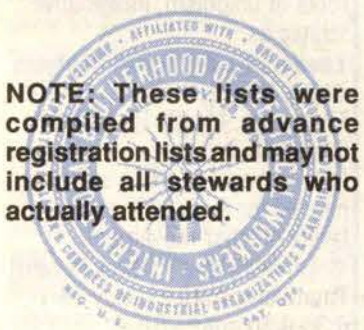
D.L. Parmenter
Bill Wallace
Arturo Escobedo
Mike Joy
Steve Amaral
Kit Stice
Marie Graham
Fred Espersen
Christine Lay
Alvina Sobers
Danny Jackson
Paul Flecklin
Terri Ferguson
Oliver Yaws
Frank Elliott

San Jose

Oct. 30

Noel DeGroot
Gerald Roza
Joe Fradin
George Pfeffer
Karen Russell
Rebecca Marquez
Daniel Melaneph
Paul Shirley
S. Guerriero
Mary Davis
Pamela Stevens
Robin Morrison
Magdalena Munoz

NOTE: These lists were compiled from advance registration lists and may not include all stewards who actually attended.



Steward's Story

Glenn Hurdle
Sacramento Municipal
Utility District

If you want to make things better, you must put the first foot forward

There was a time, Glenn Hurdle says, when he didn't much care for the way things were going on the job. He was, well, a complainer.

"I had some concerns. I didn't quite like the way things were being done," says Hurdle, a line subforeman and 21-year union member. "Like the majority, I sat back at the meetings—did a whole bunch of complaining."

But Hurdle wasn't content to be just a complainer. He remembers the business rep telling him that "the best way to get change was participation."

"And he said you can't find a better way to participate than being a steward. If you want any changes made," the rep told him, "put the first foot forward and let's go for it."

It's been a lengthy journey for Hurdle, a steward now for over a decade.

The biggest problem in the days when he first started as a steward was inconsistent discipline.

"We started working on getting a more consistent form of discipline. I had no problem with a guy being disciplined if he was aware of what type of disciplinary action" would be taken for any particular offense, says Hurdle.

In those days, grieving was the main way to achieve some type of consistency in discipline. Hurdle says it was not uncommon to do 20 grievances a year, and to deal with some form of discipline action at least twice a week.

"It was almost a fulltime job. It got so I was spending more time in the office than in the field."

However, that situation changed dramatically when David Freeman became General Manager in 1990.

"He wanted to meet all the stewards," Hurdle recalls. "He wanted to

know what the problems are and there's no better way to find out than dealing with the stewards."

Hurdle says Freeman created an environment in which it was expected that problems would be settled between the steward, the superintendent and the employee involved. The result: Hurdle has filed zero grievances during Freeman's four years at SMUD.

Freeman "wanted the supervisor to be a people's person, not standing on that pedestal saying, 'you're my subordinate.' No dictatorship," Hurdle says.

With Freeman's resignation, SMUD employees will soon be facing a new General Manager. But Hurdle thinks that union members and the new boss will be able "to work it out" if management continues to encourage the resolution of disputes directly by stewards and superintendents.

In any case, stewards at SMUD have been through management changes in the past and will respond as the situation warrants.

Meanwhile, Hurdle's formal steward duties consist mainly of dealing with relatively minor disputes concerning overtime, meal provisions and the like.

But there are always plenty of informal duties. For example, occasionally a member who's been out drinking may suddenly want to talk about a job problem and give Hurdle a call—at one o'clock in the morning.

"Some younger members think a steward gets paid for his duties," Hurdle says with a laugh.

The reality, of course, is different. The only pay a steward gets is the satisfaction of knowing that he or she has contributed to creating justice on the job.

And for people like Glenn Hurdle, that seems to be pay enough.

LABOR STUDIES CLASSES

City College of San Francisco Labor Studies Program

Spring Semester, 1994

(415) 267-6550

Classes begin January 18, 1994

All classes are at Downtown Campus, 800 Mission St. (at 4th St.), in San Francisco unless otherwise noted. Fees are \$13/unit for undergraduates, \$50/unit for people with BA degrees. **Tuition assistance is available.**

Labor 70: American Labor Movement (3 units)

Tuesdays, 7:00-9:50 pm
What it is, how it got that way, how it works.

Instructor: Joe Berry, AFT 1493

Labor 72: Labor Law (3 units)

Wednesdays, 7:00-9:50 pm
State and federal labor legislation; legal framework for union organizing.

Labor 73: Collective Bargaining (3 units)

Tuesdays, 7-9:50 pm
Nuts and bolts of negotiations; simulated negotiations exercises.

Instructor: Al Lannon, AFT 2121

Labor 74: Economics for Workers (3 units)

Mondays, 7:00-9:50 pm
How the American economy affects workers and organized labor--in plain language.

Instructor: Peter Donohue, AFT 2121

Labor 76A: Communications for Labor & Community Leadership (3 units)

Wednesdays, 7:00-9:50 pm
Speaking and writing skills; speaking out at meetings, writing for newsletters.

Instructor: Deborah Moy, AFL-CIO Community Services

Labor 77: Grievance Handling and Arbitration (3 units)

Thursdays, 7-9:50 pm

How to identify, investigate and resolve grievances. Using grievance procedure to build solidarity.

Instructor: Barbara Byrd, Labor Studies Coordinator

Labor 78C: Women in Non-Traditional Jobs (1 unit)

Wednesdays, March 2-April 13, 7-9:50 pm

Issues facing women in a "man's world" of work.

Instructor: Tanya Russell, AFT 2121

Labor 81: Union and Community Organizing (3 units)

Thursdays, 7:00-9:50 pm
Strategy and tactics for labor and community organizing drives.

Instructor: Karega Hart, UTU 1741

Labor 90A: Steward Training (1 unit)

Saturdays, Jan. 29-Feb. 12, 9:30 am-3:30 pm

209 Golden Gate Ave.
Steward's role in grievance handling and building member solidarity.

Instructor: Barbara Byrd, Labor Studies Coordinator

Advanced Steward and Leadership Training (1 unit)

3 Saturdays, April 9, 16, 30, 9:30 am-3:30 pm

209 Golden Gate Ave.
For experienced stewards and reps. How to handle more difficult situations with members and supervisors; complex grievances.

Instructor: Linda Gregory, AFSCME DC 57

Labor 91D: Workplace Issues for Gay and Lesbian Workers (1 unit)

Mondays, Jan. 24-Feb. 28,

7-9:50 pm
450 Church St.
Responding to job discrimination and using union protections.

Instructor: Patti Roberts, labor attorney

Labor 103: Union and Peer Counsellor Training (1 unit)

Saturdays, March 12 & 19, 9 am-5pm

600 Howard St.
Training for stewards, business reps and all those wanting to counsel workers on the job. Focus on family and life problems.

Instructor: Deborah Moy, AFL-CIO Community Services

Assertiveness Training (Free, non-credit)

Saturdays, Feb. 26, 9 am-5 pm or April 30, 9 am-5 pm

240 Second St., 2nd floor
How to communicate clearly and stand up for your rights in the workplace and in life.

Effective Meeting Techniques (Is There Life After Parliamentary Procedure?) (non-credit)

Saturday, March 5, 9 am-5 pm
660 Howard

For a more efficient and "human" approach to running and participating in meetings.

Labor Performance and Writing Workshop (non-credit)

Mondays, Jan. 24-Feb. 28, 7-10pm

Six-week workshop on developing and performing dramatic pieces based on oral histories and current workplace struggles.

Instructor: Bill Shileds, HERE 2

Laney College Labor Studies

Spring Semester, 1994 (510) 464-3210

Classes begin January 18, 1994

All classes are at Laney College, 10th & Fallon Streets, Oakland (one block from Lake Merritt BART Station). Fees are \$13/unit for undergraduates, \$50/unit for people with BA degrees, plus a \$2 Student Center Fee. Tuition assistance may be available.

Collective Bargaining (3 units)

Mondays, 7-10 pm

How negotiations work and why, with cost analysis, organizing and bargaining strategies, and simulated negotiating sessions.

Instructor: Albert Lannon, Labor Studies Coordinator

Rights and Discrimination in the Workplace (3 units)

Tuesdays, 7-10 pm

Comprehensive guide to employee legal protections in the workplace.

Instructor: Tanya Russell, attny

Economics for Labor and Community Leadership (3 units)

Wednesdays, 7-10 pm

Worker's eye view of how the economy does and doesn't work.

Instructor: Ellen Starbird, organizer

Pink Collar: The Hazards of Office Work (1 unit)

Thursdays, Jan. 20-Feb. 24, 7:00-10:00 pm

Identifying and correcting health and safety hazards in the office workplace.

Instructor: Elaine Askari, UC Berkeley

Women, Minorities and Labor (1 unit)

Thursdays, March 3-April 14, 7-10 pm

Building bridges to the unorganized.

Instructor: Ellen Starbird, organizer

Labor Relations in the Building Trades (1 unit)

Thursdays, April 21-June 2, 7-10 pm

How unions operate in the building and construction trades.

Instructor: Will Flynn, attorney

Film Focus on Labor (3 units)

Saturdays, 1-4 pm

How movies shape attitudes towards workers and unions.

Features from Hollywood, documentaries, plus shorts.

Cheaper than renting videos! Instructor: Albert Lannon, Labor Studies Coordinator

Assertiveness Training (1/2 unit)

Saturday, Feb. 5, 9 am-4 pm

Standing up for your rights effectively--on and off the job.

Instructor: Aliyah Stein, therapist

Steward Training (1 unit)

Saturdays, March 5, 12, 19, 9 am-4 pm

Intensive workshop on grievance handling, organizing, running meetings.

Instructor: Joanne Jung

Telling Our Stories: A Theatre Workshop for Workers (1 unit)

Saturdays, April 16-May 21

A chance to explore the humor and drama in our working lives and learning how to present it to an audience. No theatre experience necessary.

Instructor: Albert Lannon

San Francisco State Labor Studies Program

Spring Semester, 1994

(415) 338-2885

Classes begin January 27, 1994

Labor 251: Know Your Work Rights (3 units)

Tues/Thurs, 9:35-10:50 am
Basic statutory protections covering wage and hour, safety and health, worker's comp., etc.

Labor 300: Researching Labor Issues (3 units)

Saturdays, Feb. 5, Feb. 26, March 19, April 9 & 30, May 21

9 am-5 pm
Archival research, survey research, government documents, corporate research

Labor 343: Women and Work (3 units)

Tuesdays, 7-9:50 pm
Historical and current examination of women in the workplace.

Labor 474: Labor History (3 units)

Thursdays, 7-9:50 pm
Historical development of organized labor in the US. Characteristics of labor organizations at different times in history.

Labor 511: Collective Bargaining (3 units)

Wednesdays, 7-9:50 pm
Law, preparation, structure, process and theories of bargaining, including hands-on simulation.

Labor 570: Urban Health Policy (3 units)

Tues/Thurs, 2:10-3:25 pm
Political economy of urban health. Special role of women and minorities in health care systems.

Knowledge = Power

San Jose City Coll. Labor Studies

Spring Semester, 1994 (415) 288-3734

Classes begin Feb., 3, 1994

Fees are \$13/unit for undergraduates, \$50/unit for people with BA degrees

Labor Values & Traditions (1 unit)

Thursdays, Feb. 3-March 3

6:30-9:30 pm
Underlying principles of the American labor movement, roots of unionism, imaginative strategies.

Leadership & Communications Skills (1 unit)

Thursdays, March 10-April 14

6:30-9:30 pm
Interpersonal & group skills needed for leadership at all levels of labor movement.

Organizing and Politics (1 unit)

Thursdays, April 21-May 19

6:30-9:30 pm

New approaches to workers' power.

Labor Studies Work Experience (1-4 units)

Scheduled by arrangement with Jim Potterton (phone # above)
Earn credit for work as a steward, officer or on a special project.

Directed Study in Social Science (1-9 units)

Scheduled by arrangement with Jim Potterton (phone # above)
Explore topics in the field of labor studies under the direction of a faculty member. Examples of topics include readings in labor history, collective bargaining, labor law.

East Bay retirees cover much ground in December

Members of the East Bay Chapter of the Local 1245 Retirees Club covered a lot of ground at their Dec. 8 meeting.

As reported last month, the East Bay Chapter decided to organize a collection of food and money to aid the striking Diamond Walnut workers in Stockton.

"We collected about \$50 and some sacks of canned goods and packaged food," reported Don Hardie.

The food and money, along with other contributions from throughout the region, were scheduled to be delivered to the strikers on Dec. 18 by Alameda County FORUM, a retirees group affiliated with the Alameda Central Labor Council.

RX Express

Wendy Mitchell, Local 1245 benefits specialist, explained the expanded access to mail-order prescription drugs under the new PG&E contract that takes effect Jan. 1.

Since 1991, Mitchell said, members at PG&E (including

retirees) who are enrolled in the Prudential plan have been able to order maintenance prescription drugs in bulk by mail at discounted prices through a program called RX Express. Under the 1994 contract, effective Jan. 1, RX Express is being expanded to include PG&E members (including retirees) who are enrolled in HMOs.

Under RX Express, the member or retired member can obtain up to a 90-day supply

of a prescription medication. The member or retired member is required to make a 15% co-payment, while the insurer picks up the remaining 85%.

"Everybody appreciated Wendy coming to speak with us," noted Hardie.

Another subject touched on at the December meeting is the problem of financing long-term and short-term custodial care. Hardie said health care providers can create serious problems for re-

tirees by dismissing from the hospital people who are unable to care for themselves.

If the person lives alone, or the spouse is unable to give the kind of care that is needed, the situation can become unworkable.

Hardie said Mitchell had agreed to look into the issue and would meet with the retirees in early 1994 to discuss the problem in more detail and perhaps come up with some options for retirees facing such problems.

Oregon union retirees get organized

Retired union members in Oregon are on the move.

The Northwest Oregon Local Retiree Council, AFL-CIO, was organized in November at a meeting in Portland, according to a report in the Northwest Labor Press. More than 50 retirees representing 18 retiree clubs or locals attended the founding conference.

"Labor has been short-sighted by not involving re-

tirees more," Brad Witt, secretary-treasurer of the Oregon AFL-CIO, told the group.

"You are our heritage, our history. You are what we stand for," Witt said.

Jesse Stranahan of the International Longshoremen's and Warehousemen's Union Pensioners told the retirees that more and more union retirees and their clubs are banding together in pro-labor coalitions, such as the National Council of Senior

Citizens.

"More important," said Stranahan, "in the last decade more union retiree clubs have participated in election-time events such as phone banks and in other AFL-CIO legislative and political action programs."

According to the Northwest Labor Press, Washington retirees from Pierce, King and Spokane counties are in various stages of forming similar retiree councils.

IBEW
Local
1245



Retirees Corner

Insurers liable for pensions

The Supreme Court ruled on Dec. 13 that insurance companies must avoid risky investments when managing accounts for certain kinds of pension funds.

The Court's decision could apply to as much as \$565 billion that insurers have in their general investment accounts for group annuities purchased by employers.

Many pensioners derive their pension income from monies invested in such group annuities.

The Court ruled that the 1974 federal Employee Retirement Income Security Act (ERISA) would apply to investments made for these pensions. That law imposes a fiduciary responsibility on managers of those investments. It requires them to make only very low risk investments, to avoid any conflicts of interest and to follow other requirements.

Lawrence Kill, attorney for the winning plaintiff in the case, called the ruling an important addition to "the arsenal of protections that our retirees are entitled to," according to a Washington Post report.

Had these standards been in place during the 1980s, Kill said, "it is unlikely we would have had Executive Life or Mutual Benefit Life," referring to two giant insurance companies that failed while holding thousands of annuity contracts for pensioners.

Remember When...



Maude Farmer (above, left) and Ruth Donley get into the spirit of things during Dress Up Day at Lynch Communications in 1976. At left: An IBEW pin award dinner in Sparks, Nevada in the early 1980s honors Lynch employees, including Maude Farmer, Johanna Garcia, Irene Lamotte, Lorraine Kundsén, Sue Davidson, Leigh Ramacciotti, Ruth Donley, Beverley Turner, Joan Sullivan and Patty Gray. Lynch has since moved its operations out of the state. (Photos courtesy of Maude Farmer)

SCHOLARSHIP OPPORTUNITIES

Local 1245

Trade and Vocational School Grant

The purpose of these grants is to provide aid to the children of members to attain a trade or technical education.

- The grants will be as follows:
\$500 per year, for up to two years for two candidates, as long as a passing grade is maintained, and a parent maintains membership in good standing in Local Union 1245.
- In order to be a candidate in this contest, you must be a daughter or son, natural, legally adopted or a legal ward of a member of Local Union 1245. You must be a high school student who has graduated or is graduating in 1993. A copy of your diploma or a letter from your high school stating that you will graduate in 1993 must be attached to your application. Additionally, a letter of recommendation from your vocational teacher, department head, or school principal must accompany the application.
- Applications may be secured by addressing the Recording Secretary of Local Union 1245, by calling the Union office, or by using the form printed in the Utility Reporter.
- The grant will be made only to a candidate who intends to enroll full time in any industrial, technical or trade school, other than correspondence schools, which are accredited by the national Association of Trade and Technical Schools or the Association of Independent Colleges and Schools.
- Applications must be mailed to IBEW, Local Union 1245, PO Box 4790, Walnut Creek, CA 94596, by registered mail or certified mail only, and be **postmarked no later than the first Monday of April each year (April 4, 1994).**
- Two names will be drawn by the Judge of the Competitive Scholarship Contest from those submitting applications. These two will be recipients of the grants.
- Checks will be paid directly to the school upon presentation of tuition bills to the Local Union.
- Presentation of awards will be made to recipients at the unit meeting nearest his/her residence following the drawing.

Application for the Local 1245 Trade & Vocational School Grant for Members' Children Enrolling in Technical, Industrial, or Trade Schools

Sponsored by Local Union 1245
International Brotherhood of
Electrical Workers, AFL-CIO

PO Box 4790
Walnut Creek, CA 94596
(510) 933-6060

Candidate Information

Candidate's Name _____ Birthdate _____
Address _____ City _____
State _____ Zip _____ Phone _____
High School _____ Graduation Date _____
Address of High School _____
What school do you expect to attend? _____
Where is it located? _____
What trade or craft will you be studying? _____
Why this particular skill? _____
Candidate's signature _____ Date _____

Statement of Member/Parent

Name of Member/Parent _____
Employer _____ Location _____
I certify that I am a member in good standing of IBEW Local Union 1245, that the Candidate named above, _____, is my _____, and that the Candidate will graduate from high school during the term ending _____, 1994.
Signature of Member/Parent _____
Union Card No. _____
This is to certify that the above named Candidate is currently enrolled as a student at _____ and has or will be graduating in _____, 1994.
Official's Signature and Position _____

Local 1245

Al Sandoval Memorial Competitive Scholarship

The purpose of this contest is to provide a grant in aid for scholarships to colleges and junior colleges, thereby making financial assistance toward the attainment of a higher education.

- The grant will be as follows:
\$500 per year, up to four (4) years, as long as a "C" (2.0) average is maintained, and a parent maintains membership in good standing in Local Union 1245.
- In order to be a candidate in this contest, you must be a son or daughter, natural, legally adopted, or a legal ward of a member of Local Union 1245. You must also be a high school student who has graduated or is graduating in 1993. A copy of your diploma or a letter from your high school stating that you will graduate in 1993 must be attached to your scholarship application.
- The scholarship grant will be made only to that candidate who intends to enroll full time in any college certified by their State Department of Education and accredited by the local accrediting association.
- Application may be secured by addressing the Recording Secretary of Local Union 1245, by calling the Union office, or by using the form printed in the Utility Reporter.
- Checks will be paid directly to the college upon presentation of tuition bills to the Local Union.
- All applications shall be accompanied by a written essay, not to exceed five hundred (500) words, on the subject designated by the Executive Board.
- Essays should be submitted on 8-1/2" by 11" paper, on one side, preferably typed and double spaced, with applicant's written signature at the conclusion of the essay.
- Applications and essays must be mailed to IBEW, Local Union 1245, PO Box 4790, Walnut Creek, CA 94596, by registered or certified mail only, and be **postmarked no later than the first Monday in March of each year (March 7, 1994).**
- Each year the scholarship shall be presented at the Advisory Council meeting in May; the judge and a guest and the recipient and parents shall be invited, at Local Union expense, to present and receive the scholarship award.
- A suitable trophy or plaque shall be purchased by the Local Union, at a cost not to exceed \$75, to be presented to the scholarship recipient.

The topic for the 1994 Al Sandoval Memorial Competitive Scholarship Essay is:
"A NATIONAL HEALTH CARE PLAN: WILL IT WORK?"

Application for the Al Sandoval Memorial Competitive Scholarship

Sponsored by Local Union 1245
International Brotherhood of
Electrical Workers, AFL-CIO

PO Box 4790
Walnut Creek, CA 94596
(510) 933-6060

Candidate's Name _____ Birthdate _____
Address _____ City _____
State _____ Zip _____ Phone _____
High School _____ Graduation Date _____
Address of High School _____
What college or school do you expect to attend? _____
Where is it located? _____
Candidate's Signature _____ Date _____

Statement of Member/Parent

Name of Member/Parent _____
Employer _____ Location _____
I certify that I am a member in good standing of IBEW Local Union 1245, that the Candidate named above, _____, is my _____, and that the Candidate will graduate from high school during the term ending _____, 1994.
Signature of Member/Parent _____
Union Card No. _____
This is to certify that the above named Candidate is currently enrolled as a student at _____ and has or will be graduating in _____, 1994.
Official's Signature and Position _____