The shadowy world of the union buster

Meet the management consultant. It's not easy, because he plies his trade in the recesses of the anti-union structure, invading the workplace under management's cloak. You can feel his presence with the disension and fear he creates. But you seldom know who he is. He wants it that way.

Typical is Alfred T. DeMaria, a high-priced specialist in contriving union certification elections. Profiled recently in the Washington Post, DeMaria prefers that unions don't know he's on the scene.

"I don't want the union to have the political advantage," he is quoted as saying. "They will tell the workers, 'Look, the company hired this guy from New York City.' I try not to let the union take that potshot at me. I don't think it's fair."

Yet DeMaria and the legion of 1,500 practicing union-busters think it's fair to advise employers on how to sidestep, circumvent and stretch the labor law to prevent workers from exercising their free choice of union representation. Employer violations of worker rights continue to soar.

There are no ground rules for union-busting campaigns. They're tailor-made for employers, whether in fighting union organizing, resisting a contract agreement or in fomenting union certifications.

Common elements

But they have three common elements, according to the House Subcommittee on Labor-Management Relations which investigated management consultant activities some years ago:

- Their principal agent is the "frontline" supervisor who carries out consultant strategies. In day-to-day contact with employees, the supervisor pushes the campaign while ferreting out employee sentiments to relay to management.
- Under the guiding hand of the consultant, the supervisor controls workplace communications, spreading management's message while keeping employees from hearing the union side.
- Behind the scenes, the consultant manipulates the campaign through delays and discharges to keep workers from exercising their rights through representation elections or collective bargaining agreements, despite the fact the federal law encourages these processes.

Supervisor's role

The frontline supervisor "is probably the most important aspect of the workplace-led campaign," the panel found.

From the supervisor, the consultant develops a "detailed, in-depth picture of just how each and every employee...

(Continued on Page 2)

Mayor attends ceremony at Todd Shipyard

San Francisco Mayor Dianne Feinstein (bottom photo) kicked off an "appreciation" ceremony for Todd Shipyards Corporation this month, following the company's takeover of the ailing Bethlehem operation.

With the signing of a 30-year lease, Todd committed itself to a multi-million dollar capital improvement program which will make the newly acquired 50-acre San Francisco yard an integral part of Todd's tri-coast facilities.

The San Francisco shipyard has one of the nation's largest floating drydocks, which makes it capable of servicing the world's largest tankers. ***

Local 3 fights classic union bust at Quinn Company

The onset of union-busters into the workplace is not something that is happening only to "the other guy." For the past four months, Local 3 has been battling a classic union busting operation at Quinn Company.

A Caterpillar repair shop employing about 110 Local 3 members in Fresno and Salinas, Quinn has been signatory to a Local 3 agreement for nearly 20 years. During most of this time, the company was generally what could be considered a "fair" union contractor.

But last November the atmosphere changed dramatically. At a captive audience meeting management presented a profit sharing plan to the employees that on the surface looked very appealing. It was no coincidence that a management generated petition for decertification was also passed around at the meeting.

The implication was clear. Vote the union out and you can have a profit sharing plan that will supposedly give you thousands of dollars. The petition was then filed with the NLRB and Local 3 notified of a pending election.

In the ensuing days, Local 3 obtained authorization cards from a majority of the Local 3 members working at Quinn recognizing the union as their bargaining representative. A letter was sent to Quinn attorneys requesting a card count, which would have eliminated the need for an NLRB Election.

Quinn initially agreed to a card count, but when they realized that a majority of the employees wanted to be represented by the union, they backed off and tried to stall as long as they could.

It was at this point that the election campaign began to take on a darker tinge. One-one-one confrontations increased. Letters on the election began to pour out of Quinn's office almost daily.

More captive audience meetings were held. Promises were allegedly made to union supporters of management positions if Local 3 was voted out. Strange individuals were spotted going through company personnel records.

Upon further investigation, Local 3 discovered that Quinn had hired Modern Management Inc., one of the biggest union-busting operations in the nation (see front-page article). It was clear that Quinn was willing to pay a very high price to get rid of the union.

As Engineers News goes to press, the battle wages on. Charges of unfair labor practices filed by Local 3 against Quinn have been upheld by the NLRB and a complaint is being prepared against the company.
The world of union-busting (Continued from Page 2)

is likely to vote. The data, which can be updated frequently, is invaluable in designing and orchestrating the anti-union campaign.

With this information, the subcommittee report explains, the consultant "develops issues designed to capitalize on the employees' greatest concerns... weaknesses in the union's position are exploited and strengths attacked."

By this time, the consultant has transformed "the work environment into one of great anxiety and pressure which workers associate with the presence of a union."

When workers persist in their determination, the consultant tries to manipulate the law to avoid unfair elections. Union supporters are fired, and each legal decision against the employer is appealed.

Justice delayed is justice denied, and the remedies of the National Labor Relations Act are insufficient to prevent this from happening.

The subcommittee found that consultants "lead" employers into violation after violation "since the monetary cost of any possible legal liability is less than it might be if they had to deal with an organized workforce."

Each management consultant firm has its own techniques and strategies. Some are less subtle than others, but typical are these examples of several of the more notorious consultant firms:

'Bigest in the business'

Modern Management (MM), based in Deerfield, Illinois, is a nationwide consulting firm best known for working with hospitals but with a broad clientele in insurance, manufacturing, retailing, banking and among universities. MM describes itself as "the biggest firm in the business."

It is also one of the most flagrant in giving advice to employers who end up violating the law. MM's campaign for St. Elizabeth's Hospital in Boston several years ago was typical, 38 unfair labor practice charges against the employer, including threats, intimidation, interrogation, surveillance, and discharges for union activity.

Periodically, MM outlines its strategy for employers in management seminars, as it did in coast-to-coast sessions presented by Professional Sales Associates on "Avoiding Unions."

When facing an organizing campaign, MM warns employers that "the union is undertrained for victories in terms of membership and member rights groups."

MM drafts a letter over the signatures of the chief executive, explaining the company position in an effort to "impede, and if possible, defeat union organizing efforts to obtain a showing of interest."

The point, according to MM, is to "spar aggressively and exploit opportunities without creating more interest in the subject than the situation requires."

MM tells management that workers should not be expected actually to withdraw union support as a result of these tactics. Rather, "the impression can be created that some employees actually want to withdraw, then doubts in the minds of others may be raised about the solidarity of existing union support."

Hand-carried messages

To create certain the messages reach the employees, MM advises they should be "personally hand carried by the supervisor to employees on work time, at their work stations."

When it finally comes to an election, MM tells management to seek as large a unit as possible, aiming at a ratio as low as one supervisor for each ten employees. And then the stall begins. The NLRB processes begin:

"As a rule of thumb, go to a hearing... don't consent to an election." MM advises. "Time works on your behalf. Let them take their time."

"However, if you get the time you want and the unit you want, then go for a stipulated election."

West Coast Industrial Relations Association (WCIRA) favors "petition meetings," described in Los Angeles Times article a few years back:

"They were captive-audience meetings in which the building contractors refused to allow employees to work during working hours, off the job, and they went into a room where they met one of the representatives of the West Coast Industrial Relations Association. In the first round they took people in groups of eight on Oct 12-15 at a time and meetings lasted from an hour to two hours. They took them a week or an average of all the 800 employees through these sorts of meetings."

Mostly, the sessions elicited employee complaints of "no fun" and "no satisfaction." MM's strategy of "shaking down" those who indicated they might support the union is a "nuclear" with the WCIRA representatives indicating nothing could be done about it because of a pending union election.

(Continued on Page 3)
Utah approves $65 million bond package

Thanks to Governor Matheson the Utah Legislature approved a $65 million bond package in January for the Moon Lake Power Project. The package will start unionization efforts, and will be used to build the new dam located on the Triad Center in downtown Salt Lake City. This is the first of a $410 million complex, which includes 20 office buildings, shopping, condominiums, theaters and recreational facilities to be built over a ten-year period. Culp Construction, with $25 million and the eight story structure should be completed in January 1984. Culp is working a ten hour shift and considering a double shift when the weather warms up. Cannon Construction has started their project on the Triad Center consisting of a 3 story underground parking garage and a ten story office tower called the North Plaza Complex. Cannon has installed a 3908C Leiber tower crane for this job. The crane is one of six existing in the United States at this time. It is a freestanding tower crane which is 200 feet tall with a 200 foot boom. The crane has a lifting capacity of 600 pounds at the tip and 35,000 at the base. The crane can reach all areas of the job with no problem.

Business Representative Jim Bogle reports that W. W. Clyde's railroad job for the Moon Lake Power Project has wound down because of the cold weather. They have only a finishing crew and one mechanic. The Tutor-Saliba-Mitty job on Rock Creek Dam has been shut down for the winter. J. F. Shea's job at the Yat Tunnel have about 2,000 feet of cement lining to be done according to Ed Marcus, Project Manager. It will be completed by the end of February.

Ohbayashi-Gumi on the Strawberry Tunnel will be shut down for four to six months to wait for new cement lining forms.

Credit Union Report

Here is some important information for your credit union:

Stop Withholding — Starting July 1, 1983, banks, savings and loan associations, money market funds, credit unions and others holding interest are required to withhold 10% of the interest on dividends and interest are required, under the provisions of the Tax Equity and Fiscal Responsibility Act of 1982 (TEFRA), to withhold 10% of the income you earn on your accounts.

There are exemptions to the 10% withholding for people of modest income. Members of the military who qualify for the exemption are required to file an exemption certificate with each financial institution in which they have savings.

Other institutions will have to withhold dividends or interest if, even if the account owner qualified for an exemption.

This is not an additional tax. It is more like an "early tax payment" since you are required to pay income taxes on the income you receive from your savings unless you do not earn enough to report that income.

Write your Congressman and Senators — There is still time to try and stop withholding. Please contact your Congressman and both your United States Senators, urging their assistance in repealing this act. Try to have the every registered voter in your household write their Congressmen and Senators. Send the letters, with the appropriate names to:

The Honorable
House of Representatives
Front Office Building
Washington, D.C. 20515

The Honorable
United States Senate
Senate Office Building
Washington, D.C. 20510

Escheat Law — Every state now has an escheat law that requires financial institutions to transfer dormant savings accounts to the states do not.

The laws generally read that after a "fixed period" of time has passed, the savings are scheduled for transfer. The "fixed period" generally ranges from seven to 14 years.

The "no activity" may vary from state to state but usually means that the account owner has not made a deposit, withdrawal or expressed an interest in the account during the defined "fixed period."

You should therefore, keep us aware of your current address.

We will notify you in writing at the address you have given us if your savings are scheduled for transfer.

You should also let your account go without some type of activity for more than seven years. Make regular deposits or periodic deposits. Make a withdrawal or express an interest in the account.

Or write us a letter expressing an interest in your account. You should do this with every savings institution you have deposits

The world of the union-buster

(Continued from Page 2)

Management promises

"They left it," the article said, "with a very strongly implied promise that if the people voted against the union the company was going to make improvements and changes concerning the problems that he heard employees raise."

In promoting decertification, another union-busting firm — Industrial Research Center — favors probing deeply into employee sentiments: "To uncover employee thinking re workers' participation in union interviews and remedial reac-..." It has been a systematic and continuous and handled with care.

This is also the basic method used by the American Management Association. Among those identified with courses on how to defeat or decertify unions are the University of Denver Law School, the Delaware Law School, the University of California at Berkeley, Harvard Law School, the University of Oregon School of Law, the University of Wisconsin Extension School. The seminars give the participants only a taste of what they might expect if the unions themselves of the more complete services of the seminar leader," the subcommittee report states, "This is the impression that the impulsive and safest and best means of avoiding unionization is to hire the consultant."

Here are some of the standard seminars and sponsoring consultants:


Ties to academia

To give greater legitimacy to their activity during the "fixed period."

The laws generally read that after a "fixed period" of time has passed, the savings are scheduled for transfer. The "fixed period" generally ranges from seven to 14 years.

The "no activity" may vary from state to state but usually means that the account owner has not made a deposit, withdrawal or expressed an interest in the account during the defined "fixed period."

Though the Credit Union's principal place of business is in California, other state governments could require your savings to be transferred to them if your account does not show some activity during the "fixed period.

How can you prevent your money from being transferred to any state?

First, your Credit Union will make every effort to keep your account. That may be required to transfer your account. Your Credit Union will keep us aware of your current address.

We will notify you in writing at the address you have given us if your savings are scheduled for transfer.

You should also let your account go without some type of activity for more than seven years. Make regular deposits or periodic deposits. Make a withdrawal or express an interest in the account.

Or write us a letter expressing an interest in your account. You should do this with every savings institution you have deposits.
First, please let me say "Thank You" to the 465 brother and sister engineers who attended the Semi-Annual Meeting held in San Francisco on January 8th. We appreciate your interest and support and we are pleased to report that our joint work as a team will enable us to meet our goals.

The round of District Meetings and Retiree Association Meetings were well attended in each district. We have established a special fee arrangement for retirees and other health care providers generally will not assist retirees in completing Medicare forms; however, they do provide itemized billings. Some retirees find Medicare forms confusing and filing procedures complicated. Medicare is most often slow in settling claims and responding to inquiries.

There are over 5,000 retirees eligible for Medicare who could be affected (70%). Claims statistics show that retirees file approximately 7,000 claims monthly. Of that, 5,000 claims were filed with Medicare and sent to the Trust Fund Office after they had been settled.

The Officers of Locals are pleased to announce a new simpler claims filing procedure for retirees and their wives. We will now file your medical claims with Medicare for you.

Effective March 1, 1983, retirees who want to use the new service may just send their claims directly to the Trust Fund Office without having to submit them first to Medicare. The staff at the Trust Fund will review all claims for completeness and accuracy, the processing will be made a little easier and somewhat faster. We do feel that the program will save some time in getting your claims processed because the Trust Fund can get the information needed directly from Medicare and will already have some of the other information it needs to complete the claims.

Our main purpose is to help you achieve the maximum benefit from your plan with the least amount of effort. As always, if you want help in filing your claims, or need information on any of your benefits, be sure to call or write the Operating Engineers District Office nearest you or the Fringe Benefit Center at the Trust Fund Office. We would particularly appreciate your contacting me or any of the Officers should you have any problems with the new procedures. The assistance is being tried on a trial basis. We need to know how it is working for you.

As I stated in my last months article, I would appreciate your help in getting your claims through to Medicare. I do not want to be a burden on society.

The following rules were posted in 1872 by an employer of a Boston carriage works as a guide to his white-collar workers:

- Office employees will daily sweep the floors, dust the furniture, shelves and showcases.
- Each day fill lamps, clean chimneys and trim wicks.
- Wash the windows once a week.
- Each clerk will bring a bucket of water and a scuttle of coal for the day's business.
- Keep your hands clean. You may whistle the ribs to your individual taste.
- The office will open at 7 a.m. and close at 9 p.m. Morning employees will be given an hour off each week for courting purposes, or two if they go to church regularly.
- After an employee has spent 13 hours in the office, he should spend the remaining time reading the Bible and other good books.
- Every employee should lay aside from each paycheck a good part of his earnings for his benefit during his declining years, so that he will not become a burden on society.
- An employee who smokes cigars, or uses liquor in any frequents pool halls or public halls, or gets shaved in a barber shop will give us good reason to suspect his worth, intentions and integrity.
- The employee who has performed his labors faithfully and without a fault for five years will be given an increase of five cents per day in his pay, providing profits from business permit.
- We have had several contract grievance over the past few months which we have had to take all the way to arbitration. I am happy to report we have won these arbitration cases and have been paid several of our brother engineers several thousand dollars of back pay in wages and fringe benefits.
- We appreciate your 100% cooperation throughout the grievance hearings and arbitrations.

Some jobs opening up in Reno area

As spring approaches, a few jobs are beginning to open up in the Reno area, the majority of it being overlay work, reports Ed Jones, Business Representative.

Jobs recently awarded include G. P. Construction who was low bidder at $1 million for a resurfacing job in Winnemucca on U.S. 95 from S.R. 289 (Winnemucca Blvd.) to 10 miles north. Also consolidated into this job will be the U.S. 40, 0.2 to 1.7 miles north of the east Winnemucca Interchange.

Helt Construction was awarded a project in Elko by the Esmeralda County on U.S. 6 from 7.3 miles east to Coolade Junction to 0.6 miles west, approximately 7,465 miles. Their bid was $881,755.

Helt also got a $1.8 million dirt work job at the Fallon Indian Reservation in Churchill County. The job involves constructing and open drains with all associated structures and crossing with headwalls.

Fleisher Construction out of North Las Vegas will do an overlay job in Mineral County on U.S. 95 between 3.9 miles south of Mina and 0.4 miles north of Mina, consisting of 4.8 miles. Frehner came in at $792,293.

The immediate future we can look forward to these jobs coming up for bid.

- 11.5 miles of overlay located on U.S. 93 from 50 miles in re to McGill, going north from February and estimated at $1,632,000; consisting of 14.12 miles on U.S. 95 from Silver Springs to Fernley, estimated at $2 million.
- Also coming up for bid in March is an estimated $6.2 million of blacktop work on I-80 from ten miles east of Battle Mountain to three miles east of the Lander/Eureka County line and will be processed without any hitches you are welcome to paper clipping at their last meeting, I thought it would be of interest to you, so I'm putting it in my news article, hope you enjoy it.

WHAT A JOB

The following office rules were posted in 1872 by the owner of a Boston carriage works as a guide to his white-collar workers:

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Plombio Company low bidder on I-580 project

Oakland Business Representative Tom Butterfield reports that Plombio Construction is low bidder on a new stretch of highway 580 in the Castro Valley for $28 million. There are 870,000 yards to move and eleven bridges to be completed in 1986.

They still have 1 million yards to move and four more bridges to build on their highway 380 job now under way. This job should be completed in late 1985.

Oliver de Silva will spend another $15 million this year at the Hacienda Business Park job in Pleasanton with two railroad undercrossings and a freeway interchange at Hacienda Dr. and highway 580.

Nine building sites are now under construction and should be finished within the next two years.
JOBS: THE AGENDA FOR RECOVERY

Introduction

SINCE JULY 1981, the American economy has been in a nosedive: Unemployment has reached post-depression depths, human suffering has spread across the land and growing numbers of plants and factories have been idled.

Twelve million American workers are now officially jobless. Almost half the labor force is feeling the impact of the Reagan recession-depression with lost jobs, reduced worktime and earnings, and lost opportunities. And the Administration's programs offer no hope for the jobless in 1983.

Early last year, the AFL-CIO pointed out the need for large-scale anti-recession job-creation measures to put America back to work. This February the AFL-CIO Executive Council will carefully review the economic situation and present a detailed program to end the recession, protect its victims, and deal with fundamental problems that are adversely affecting living standards and the basic strength of the nation. An effective and permanent end to the tragedy, waste and hardship of unemployment is our goal. This issue of the Federationist contains an outline of the AFL-CIO agenda as prepared by the Department of Economic Research.

Today's recession-depression is further complicated by a major turndown in the world economy. Further aggravating the economic downturn are unfair trade practices and an overvalued dollar.

Technology is also changing the structure of the U.S. economy, the mix of industries, the location of industries and jobs, occupations and education and skill requirements, often displacing workers with a long history of regular employment. Robots in the factory, word processors in the office, scanners at the check-out counter, push-button banking, gene-splicing in the laboratory, and computers in the home—all of these are hitting white-collar and blue-collar workers, workers in goods-producing industries and workers in service-producing industries.

Many minority and disadvantaged workers still suffer from discrimination and inadequate education, little work experience, and few job skills.

Public investments have fallen far behind in providing basic support facilities critical to private-sector jobs, investment and productivity like roads, bridges, water and sewer systems, transportation and port facilities. America's infrastructure is rapidly deteriorating and seriously holding back economic progress.

The misallocation of money and capital is exemplified by the merger mania of big corporations, big banks, and other financial institutions and the speculative fever of the stock and commodity markets. Without any effective control big business mergers soak up credit and along with the tight money policy of the Federal Reserve bid up interest
rates. The result is a loss of capital for productive private and public enterprise, and housing. Conglomerate mergers increase the concentration of wealth while the power of workers and other taxpayers to maintain a healthy, pluralistic, democratic society is weakened.

The gaps and disparities in income between families have widened considerably and poverty is on the rise. A two-tier economy at home and an energy cartel abroad have inflated prices for limited supplies of scarce resources, including necessities, such as fuel and food. Traditional weapons of monetary policy to fight inflation, with high interest rates as the cutting edge, have been counterproductive. Short-term gains on the price front have been bought at a huge cost of unemployment, with high interest rates as the cutting edge, have been counterproductive. Short-term gains on the price front have been bought at a huge cost of unemployment and loss of national product and income.

New economic policies are needed to cope with the recession-depression.

An Anti-Recession Program

First of all, America must have a dramatic expansion of job opportunities. The job situation is a catastrophe and large-scale direct job generating programs must be the first priority of governmental economic policy.

Job creation is a moral, social, political, and economic imperative. Unemployment generates tremendous social losses which include physical and mental illness, family disorganization, social alienation and crime.

For every one million jobless workers, America foregoes the production of $100 billion in goods and services and the federal treasury loses $30 billion.

Job opportunities must be made available to unemployed men and women who cannot find jobs in the private sector. This means there must be direct, targeted and adequately funded large-scale public employment programs. It also means quick action to get essential public works under way immediately.

When the private sector cannot provide enough jobs, the federal government must step in. That is the mandate of the Employment Act of 1946, reaffirmed in 1978 by the Humphrey-Hawkins Full Employment and Balanced Growth Act.

The Reagan Administration's response to joblessness is essentially a hands-off approach — let the market take care of the problem. Supposedly, people will find jobs by relocating or by looking harder. Mismatches in skills and location are indeed problems, however, it must be recognized that the number of unemployed persons far exceeds job opportunities now available or likely to become available under the policies of this Administration.

Public works jobs can be generated through renewing the urban infrastructure of sewers, water systems, streets and bridges and upgrading the nation's transportation network so people and goods can move efficiently. Railroads, highways, port facilities, and airports are in desperate need of rehabilitation. Urban mass transit systems need support and modernization.

Housing is essential to the anti-recession job-creation effort. More government support will increase the supply of housing for low and middle-income families. Expansion of existing housing programs will create jobs in the construction industry where one in five workers are unemployed and help reduce inflation in housing by expanding the supply of affordable homes.

Inflation must be fought through attacking directly the key sectors of inflationary pressures, and this includes specifically an attack on high interest rates.

Lower interest rates are essential. Congress must press the Federal Reserve to ease the money supply and lower interest rates. Legislation should be enacted to assure availability of existing credit and to selectively allocate credit. Lower borrowing costs are necessary to stimulate the housing, automobile and other hard-hit industries, investment in productive plant and equipment, state and local public investment.

Unemployment insurance and trade adjustment assistance are essential to alleviate the suffering of the unemployed and other victims of the Reagan recession-depression. Congress should improve and extend unemployment insurance benefits and restore trade adjustment assistance for workers who lose jobs because of imports.

Health insurance protection for the unemployed must be secured through congressional action. And Congress should reverse the Reagan Administration's attack on the nation's system of Medicaid and welfare, food stamps, and human services.

These basic programs help people who are unemployed, weak, or helpless. They maintain income and the consumer buying power which gives stability and resilience to the economy.

The stimulus and support of those programs for the economy would be timely. Record overall unemployment and record construction industry joblessness now prevail. High unemployment and slow real growth in GNP are expected to remain for many years even under the most optimistic assumptions and economic projections. Overall unemployment and construction unemployment will decline very slowly as new entrants into the job market seek jobs while record numbers are presently jobless. Any recovery in the economy is expected to be slow and weak. The recent declines in interest rates though welcome will not translate into a boom not generate high levels of employment.

To meet longer-term fundamental issues, a comprehensive reindustrialization program should be undertaken to bolster the nation's growth and productivity. Business, labor, and government, working together, can strengthen America by helping to generate and channel private and public investment to modernize basic and essential industries, public infrastructure, and lagging geographic areas. This long-run reindustrialization program would include effective employment and training programs.

All these programs — those for quick anti-recession job-creation and alleviation of human suffering and those to deal with long-term fundamental problems — are aimed at social justice and economic progress.
Public Works

Investments in public works provide jobs and an enabling environment for economic growth and a critical complement to private sector investment and productivity. For years this nation short-changed investments in public facilities related to health, education, energy, safety, solid waste removal, water supply, parks, highways, bridges, ports, railroads, and urban transit. The result is a huge backlog of public capital needs and a major impediment to growth and the attainment of the nation's productive potential.

An efficient public transportation system significantly enhances private sector productivity. Conversely, the current state of disrepair in our highways, bridges and transit system causes delays which in turn limit growth and raise costs. The job of rebuilding the nation's transportation network has begun with the highway and mass transit program enacted last year. It is expected to provide about $5.5 billion in dollars in 1983 and over five years some $33 billion dollars for repair and improvement of highways, bridges and mass transit facilities.

While a step in the right direction, it falls far short of needs. Over the next ten years, one trillion dollars are required to rehabilitate highways and bridges, and another forty billion dollars are required for urban transit systems. Obviously, the transportation program could be expanded to fill a basic public need as well as provide needed jobs.

The crucial role of public capital formation and public investment is all too frequently forgotten. The Reagan Administration's 1981 tax cut is, of course, a prime example of a one-sided attempt to promote private capital investment and ignore needed public investments. The effect was a diversion of huge amounts of money that could have been channeled and directed to public investments essential to jobs and revitalizing and rebuilding the nation's cities, industries and distressed areas. The huge revenue drain also drove the construction unemployment rate to a level that sharply restrained private investment and public sector improvements.

Well-known analysts of the sources of productivity growth have tried to highlight the often overlooked but crucial role that public capital formation plays in increasing the nation's output. They have pointed out that the role of private capital formation is far less important in fostering growth than is popularly believed. In his major study of the sources of economic growth, Edward F. Denison found that private investment accounted for only 15 percent of the nation's long-term growth. At 40 percent, the largest single source of growth was the general advance of knowledge, much of which is a product of public investment in research and education. More recently Denison has observed that the revised GNP data should help policymakers recognize the ineffectiveness of tax cuts designed to stimulate productivity growth. He adds "that government support for investment in human capital, infrastructure, and research and development, are currently receiving short shrift" (Business Week, September 13, 1982, p. 22).

The deterioration in highways, bridges, and transit systems is not unique. Serious inadequacies exist in every other type of public capital stock. Waste-water treatment facilities are so overburdened that a large number of communities cannot allow firms to build new plants or expand existing plants. A recent Joint Economic Committee study points out that cities like Newark are on a sewer replacement cycle that would result in new facilities in 300 to 500 years.

Water supply systems are slowly decaying. In many older cities like Philadelphia, Boston and Chicago, more than 15 percent of the water supply simply leaks out of the system due to corroded pipes. This worsens water shortages, raises water bills, and can even cause street cave-ins.

A study conducted a few years ago by the Interior Department found that extensive rehabilitation of recreational facilities is needed in older cities and suburbs. In eight of 21 core cities surveyed, the cities' rehabilitation costs were greater than their annual park and recreation expenditures.

Over one-half of the nation's 3,500 jails are more than 30 years old, and it is estimated that between 1,300 and 3,000 of these must be either totally rebuilt or substantially rehabilitated during the 1980s. In addition, resources will be needed to expand these facilities.

Not only has this neglect of public construction reduced the services that flow directly from public facilities, as well as the private output these facilities support, but it has contributed to the underutilization of human resources, particularly in construction. The 1982 trough in public construction expenditures coincided with a peak for total construction unemployment at 23 percent. The construction unemployment rate is normally higher than the rate for all industries. The only years during the past two decades in which construction unemployment did not exceed eight percent were the four years from 1966 through 1969. Not coincidentally, those were the only years in which total public investment in structures and equipment exceeded $300 per person, measured in 1972 dollars. It is evident, therefore, that public investment creates jobs as well as an environment conducive to economic growth.

The experience in the 1960s and 1970s demonstrates that accelerated public works programs can be effective in providing jobs and restoring economic growth. An evaluation of the 1976 Public Works Act clearly illustrates the potential of these programs. The program was a large success in aiding the recovery from the deep 1974-1975 recession. The $6 billion spent as part of the Local Public Works Program generated 110,000 direct onsite jobs and 66,000 jobs in firms supplying building materials. The added income of these workers resulted in additional sales and production, and is estimated to have generated an additional 249,000 jobs throughout the economy. The total—425,000

The AFL-CIO Agenda for Progress through Jobs

Public Investments to Create Jobs and:
- Renew and rebuild the nation's infrastructure.
- Expand and improve local community services.
- Train workers in skills that are in short supply.
- Increase the supply of housing for low- and middle-income families.
- Begin restructuring and revitalizing the nation's industrial base.
- Protect the unemployed and boost consumer purchasing power with extended unemployment insurance benefits and health care coverage.

Monetary Policies to Create Jobs and:
- Lower interest rates to stimulate the economy.
- Channel available credit to job-creating, economy-building, productivity-increasing investments.

International Trade Policies to Create Jobs and:
- Advance U.S. interests in fair international trade and investment.
- Stop job-destroying, economy-damaging outflows of U.S. technology, capital and productivity advantages.
- Restrict imports that are adding to recession, joblessness and erosion of U.S. industrial base and set auto domestic content requirements.
- Carefully manage foreign grant, insurance and loan programs to safeguard U.S. interests.
- Enforce existing trade laws which promote fair trade.

Anti-Inflation Policies to Create Jobs and:
- Attack the specific causes of inflation.
- Prevent tight-money, high-interest rates which place the anti-inflation burden on workers and the poor.
- Meet revenue needs through a healthy economy and a fairer and more productive tax structure.

PAGE 7
job years—represents an average cost of $14,000 per person year of employment. This experience also refutes the claim that such programs are "procyclical"—that is, by the time public works projects get started, the recession is over and they then cause inflation. In the 1976 programs, except for isolated incidents, decisions on applications were made within 60 days and construction started within 90 days. Projects can also be small and of short duration. The average project funded under Round II of the program was under $500,000 and the average project duration was only 10.4 months. Finally, funds were successfully targeted to the areas that were most in need. The average unemployment rate for areas receiving Round II funds was 9.4%, substantially higher than the national average.

Within the framework of an ongoing program of public capital formation, projects specifically designed to be brought on stream quickly to generate jobs and counteract recession, could be easily identified without in any way detracting from the long-term continuing program to revitalize the nation's private capital.

The expense of these jobs would, of course, be offset to some degree by the resultant reduction in welfare benefits and unemployment insurance payments. In addition, the government would gain tax revenues both from the direct and indirect jobs and economic activity generated by the projects. Equally important is that these projects are investments—they produce the facilities that are of continuing value to society with payoffs far into the future.

**Housing**

The nation is in the midst of a deep and prolonged slump in housing production. This has worsened the underlying problems of housing inadequacy and affordability. The immediate crisis is the direct result of the Reagan Administration's tight money policy, budget cuts, and recession. In 1982, housing production has fallen to half of the 1978 building rate. Construction industry unemployment was 23 percent in November 1982, a record high level for these figures which have been collected since the 1940s. Industries which depend on housing, such as forestry and mining, and manufacturers and suppliers have been adversely affected by the housing slump as well.

The housing shortfall, which has grown as housing production declined from a level of 2 million units in 1978, has created shortages in many areas and rising housing prices. Over the year ended October 1982, for example, residential rents rose faster than general price levels. The result has been unaffordable homes, a near-record low national rental vacancy rate, a bidding up of rents, families forced to double up and a rising number of homeless people. The recession has devastated many communities and whole states, leading to rising defaults and foreclosures as people who are laid off are unable to keep up the payments on their homes.

A combination of pent-up demand, and a decline of mortgage interest rates to a 12-13 percent range, caused the seasonally adjusted annual housing starts rate to rise to 1.4 million in November. However, this rate is still far below national housing requirements and reflects only the upper income layer of the home sales market and the tail end of the government-assisted program pipeline in the rental segment. More positive action will be needed to achieve a sustained higher level of housing construction.

In past recessions, housing was revitalized through such programs as below-market interest rate subsidies and rental assistance for low-income households. The Reagan Administration is moving in the opposite direction, however, calling for cutbacks or elimination of such basic supports.

In early 1982, the Administration set a 1983 budget with sharply reduced government support for home building and has advocated replacing direct housing programs with a voucher system. This would add nothing to the supply of available housing, and at the same time add to the inflationary demand pressures in the many local communities where housing is in short supply.

The number of additional new and rehabilitated housing units built with government assistance was reduced to a trickle under the fiscal 1983 continuing resolution enacted into law in December 1982. Under the stopgap funding law, the Congress provided funds for 1983 mainly to support existing units, including units already assisted but shifted from one program to another. Meanwhile, no funds went for new construction under the low-rent public housing program, while there were only 14,000 units of new housing for the elderly and a couple thousand units for Indians.

Funds for public housing were left out with the understanding that there would be an agency speedup to bring already funded projects in the processing pipeline to construction and that added funds for public housing new construction would be considered for the next fiscal year.

A good start can be made on catching up with housing needs while at the same time contributing to a broader anti-recessionary economic program.

A program which provided 250,000 new assisted housing units annually, which was about the level of assisted housing starts prevailing in the 1970s, could make a significant contribution to closing the gap. The assistance for 250,000 units annually would be for rental and homeowner units for lower income families in urban and rural areas. It would include assistance under already authorized programs in addition to activity under a modified homeownership assistance program, a new rental housing production program, and a new initiative for the expansion of housing and related facilities for the elderly.
In addition, we oppose legislation that would completely "privatize" the Federal National Mortgage Association and the Federal Home Loan Mortgage Corporation.

Each of the rental programs could have limited authorizations, so that the number of units could be allocated, in projects not to exceed 100 units each, among local housing authorities and other agencies with know-how for present programs and for the new rental housing production program. HUD might also give priority for rental housing projects to those sponsors who already have a locally approved site.

In addition, funds should be provided for a much needed, large public housing modernization effort, which could serve the purpose of preserving and upgrading low-rent public housing projects which need refurbishing to extend their economic life, and have an immediate jobs impact.

The new construction would provide thousands of man-years of work in construction and supplier industries. Public housing modernization would provide about 37,000 jobs per $1 billion in outlays. The multiplier effects, as wages and profits from construction and materials production are spent on other products and services, would almost double the number of jobs initially generated.

### Monetary Policy and Interest Rates

The tight money policies pursued by the Federal Reserve Board pushed interest rates to record 20th Century levels in the 1980s. The result was the major curtailment in economic activity, pushing the economy into the recession. The impact was felt, first and most severely, in residential and local public construction. The automobile and farming sectors were also depressed. The high unemployment and reduced income generated in these sectors spred their effects upon sales, incomes and output in other parts of the economy.

The harmful effects of persistent, prolonged tight money and high interest rates have been amply demonstrated during the past two years. Business bankruptcies numbered 44 percent more in 1981 than in 1980, and in 1982

<table>
<thead>
<tr>
<th>Type of Assistance</th>
<th>Units</th>
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</thead>
<tbody>
<tr>
<td>Homeownership Assistance</td>
<td>50,000</td>
</tr>
<tr>
<td>Rental Housing Assistance for Elderly</td>
<td>20,000</td>
</tr>
<tr>
<td>Low Rent Public Housing</td>
<td>55,000</td>
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<tr>
<td>Rental Housing Production Program</td>
<td>40,000</td>
</tr>
<tr>
<td>Rural Housing</td>
<td>65,000</td>
</tr>
<tr>
<td>Elderly Housing Initiative</td>
<td>20,000</td>
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</tbody>
</table>

Funds to begin a mortgage foreclosure relief program for conventionally financed homes is a needed element of a housing stimulus program. This program is needed to protect people and to assure that home values and the market for housing does not collapse under an avalanche of foreclosures. Similarly, rental emergency funds should be available to forestall evictions.

The harmful effects of persistent, prolonged tight money and high interest rates have been amply demonstrated during the past two years. Business bankruptcies numbered 44 percent more in 1981 than in 1980, and in 1982
they are 49 percent above 1981. The unem-

ployment rate rose from 7.4 to 10.8 percent,Leaving a deficit of 12 percent. Manufacturing

capacity utilization was reduced from 80 percent to 68 percent. And, as the high interest rates took their toll, men and machines were idled in manufacturing, in construction, in extractive industries, and in farming. The effects have spread to other eco-
nomic activities.

In March 1980, under authority of the Credit Control Act of 1969, there was a de-

parture from the overall tight-money policy by way of a brief implementation of credit

controls. This was helpful in bringing down interest rates and pulling the economy out of the

short recession which began in January 1980.

The downturn in aggregate economic activity in 1980 had been preceded by a decline in

the interest rate-sensitive housing sector, as interest rates kept rising. However, after credit

controls were instituted, interest rates on new mortgages for which loan commit-
mates were made rose one more month to a peak of over 16 percent in April and then de-
nounced to about 12½ percent in July. The annual housing starts fell from the May low of

938,000 to about 1,550,000 toward the end of 1980. The prime rate charged by banks declined from 19½ percent in April to 11 percent in July when the decline in industrial production was reversed and the economy began to pick up.

Authority for credit control implementa-
tion, which expired this past June 30, is essen-
tial to have as an alternative or supplement to monetary policy. It is needed, so that it can be used to help restore economic recovery with stability and help the country become more productive and internationally competi-
tive. The President should have the authority, and legislation to reestablish it should be en-
acted.

In addition, there is a need to reconstitute the Board of Governors of the Federal Re-
serve System, so that there will be a broader representation of economic interests. Four of
the present seven governors were employees or officials in the Federal Reserve Bank sys-
tem during their careers; one had been a com-
mercial bank officer; one had been in private
finance and also Chairman of the Federal
Home Loan Bank Board, and one had been an economics professor. These members can-
not adequately share the perspective or repre-
sent the interests of labor, agriculture and small business which are subject to the risks and hardships brought on by prolonged pe-
niods of high interest rates. Legislation should be enacted to reconstitute the Board of Gov-
ernors, so that a wider spectrum of interests and concerns will be represented.

Trade

Unfair trade practices and an overvalued U.S. dollar have added to the recession's se-
verity and sharply clouded the outlook for recovery.

In 1982, imports will exceed exports by over $40 billion and for 1983 a deficit al-
most double that amount is expected.

In manufactured products, the U.S. trade surplus in 1981's first 9 months shifted to a
$7.7 billion deficit of more imports than ex-
ports during the first nine months of 1982.

Exports have fallen off in the industries which were America's pride: Capital equipment—
industrial machinery, computers, communication., autos and aerospace, showed a drop in the
trade surplus of $10.4 billion—a 50 per-
cent fall-off in a single year. Imports have been growing in all of these categories. There
was for example, a doubling of semi-conduc-

A high and rising dollar (up 30 percent against major trading partners' currencies) has spurred imports of manufactured prod-

ucts and made it even more difficult for the U.S. to sell abroad. The Japanese yen has declined by about 15 percent against the German mark by 22 percent against the dollar between January 1981 and November 1982.

Fair trade must become a reality. A first step toward achieving that reality requires a recon-

ciliation of misguiding U.S. international trade, monetary and investment policies have

been key factors contributing to the destruction of basic U.S. industries.

A clear relationship between growth of imports and job displacement is evident in a number of industries. For example, imports of automobiles rose 41.5 percent between 1979 and 1982, while employment dropped 46.9 percent. Imports of apparel rose 25.9 percent, while employment dropped 23.3 percent. Footwear imports rose 12.8 percent and employment went down 23.9 percent.

A loss of almost 3 million jobs in manu-
ufacturing from July 1979 to November 1982 included hundreds of thousands of jobs re-
lated to these trade facts of life. They cannot be ignored.

In rich countries and poor, the U.S. ability to export is retarded and imports to the U.S.
encouraged as the combination of other na-

tions' trade barriers and the nation's open markets squeezes the U.S. economy.

Industrialized nations have cut back on imports as a result of the recession and de-
veloping countries have cut back on their imports to meet their financial problems. The result is fewer American exports and fewer export-related jobs.

Unless the government takes action, how-
ever, the chance to "Buy American" may fade entirely. A new "Buy American" pro-
blem is a major goal because it is fair and be-
cause it tries to assure that Americans will have a chance to benefit from the U.S. auto
industries, as workers, as consumers, and as business suppliers. For every one job in autos, for example, there are over two jobs in supplier industries.

The Administration must also recognize that trade-related job losses are rapidly spreading beyond manufacturing and into service industries. Exports of jobs in services have already begun through the runaway shop, the runaway ship, the runaway film and computer service. Imports of services have cost construction jobs and theatrical jobs, while other types of service jobs also have eroded. But as important, this na-

tion's economy and industries are interrelated, and for every deindustrializing plant there is a set of service jobs, and each affects the other.

These are not old problems, but new ones in a changing world. What is old is the sim-
plicity of "free trade" vs. "protec-
tionism." Governments of other nations often regulate imports as a matter of course. The U.S. needs clear limits on certain imports until the nation's future is assured.

Other issues arise from U.S. laws that are geared to encourage investment abroad and technology outflows. At a time when the nation must rebuild its industrial base and improve its "competitiveness" the newest processes are up for sale to the closed econo-

dies of the world. Brand new technological processes invented in the U.S. are sold or licensed for production and use abroad. Em-

ployment is often created for foreign workers who make products such as steel and auto parts that compete in the U.S. markets with firms and industries that can no longer afford to invest in new production here.

Pressure to have the U.S. dollar stay high is still the highest in the world, but other nations are rapidly catching up. Technology outflows and capital outflows are swift and in most econ-

cies subject to a variety of controls, moni-
toring and regulation. Closed economies abroad invite producers and investors who build the jobs of tomorrow. The U.S. market is now flooded with the result as today's jobs and those of the future are constantly being exported.

Because of these factors, fair trade accom-
pnied by efforts to slow down the outflow of technology and capital are essential elements in an anti-recession program. Both tax and trade provisions are needed to accomplish this goal, including:
- Placement of temporary restrictions on harmful imports during periods of recession and high unemployment to prevent increased joblessness, added generation of U.S. mar-

kets by foreign producers and a further weakening of the U.S. industrial base.
- Enactment of an auto domestic content law to protect the continued U.S. capability to produce autos. Buy American must be more than a slogan. It must be an achievable result.
- Action to assure that a portion of U.S. raw material exports, including grain, logs and other commodities, is processed in this country.
- Establishment of bilateral shipping agreements and adherence to cargo prefer-
ence laws.
- Commitment that foreign grant, insur-
ance and loan programs, such as the Export
Import Bank, are carefully managed to safe-
guard U.S. interests at home and abroad. De-
spite the fact that the Ex-Im Bank's funds must not be slashed until other countries cut or eliminate their subsidy programs, Ex-Im Bank funds and guarantees must not be extended to any communist countries.
- Vigorous enforcement of reciprocity pro-
visions of the Trade Act.

Unemployment

Insurance Benefits

Millions of jobless workers are in disasterous circumstances because they are without the protection of the unemployment insurance system. Only 45 percent of the 12 million workers officially counted as unemployed are receiving unemployment compensation bene-

fits. In contrast, during the 1974-1975 reces-

sion 75 percent of unemployed workers re-
ceived benefits. Since July 1981, over 5 million workers have exhausted their regular benefits and another 1 million long-term jobless workers have lost their extended benefits. Of the 900,000 unemployed workers receiv-

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ing federal supplemental benefits, 135,000 have already exhausted or will exhaust these benefits soon. The remaining 765,000 will run out of benefits in the coming weeks.

Since the program of federal supplemental benefits is temporary, hundreds of thousands of additional unemployed workers will receive either no benefits or benefits of reduced duration under the program.

Congress must restore immediately the protections of the extended benefit program that have been eliminated so that all unemployed workers have the benefits to which they are entitled. The extended benefits program provides income protection for long-term jobless workers and is an effective countercyclical mechanism in blunting some of the adverse effects of recession.

Inflation-fighting policies should be directed toward the basic causal factors—particularly "supply shocks" in basic commodities, such as energy and food, and sectoral problems in housing and health. Such specific actions would contribute to maintaining an orderly supply of goods and services needed for industries to grow and people to prosper.

The inflation deceleration of the past two years was partly fortuitous and mostly the result of the recession. Food price increases slowed dramatically as bumper crops in 1981 and 1982 replaced the shortfalls of 1979 and 1980 and energy price increases slowed to 11.7 percent in 1981 and to only 1.9 percent increase rate in the 12 months ended October 1982. The crucial elements were the emergence of a world glut in petroleum supply early in 1981 followed by falling demand as a worldwide economic recession took hold.

Shelter price increases also slowed with a virtual halt of house price increases in 1981 as sales fell off. Under the burden of high interest costs, sales of new and existing housing slumped almost 20 percent from 1980 levels, and the number of new private housing starts dropped to the lowest figure in 35 years. In the year ended October 1982, the increase in shelter prices slowed to 5.2 percent.

Medical care prices, however, have not responded to recessionary influences. They were still running at a 10.7 percent increase rate in October 1982.

Most of the drop in the consumer price inflation rate—nearly 93 percent—arises from the very factors that caused the original run-up. About 22 percent of the decline results from abatement of food price increases and about 31 percent from the drop in energy prices. A very large portion—nearly 40 percent—comes from the sharp drop in shelter cost increases. These were occasioned by the falloff in price increases for houses which accompanied the deepening recession. Towards the end of the period, mortgage interest rates declined, from close to 16 percent at mid-1982 to about 12-13 percent in the last quarter.

Wages have had little to do with the runup in prices or in the subsequent abrupt price deceleration. In 1979 and 1980, average hourly earnings rose 8.0 percent and 8.8 percent respectively—far below the rate of inflation. Wage increases have trended downward in 1981 and 1982, again in response to recessionary developments. In the year ended December 1981, average hourly earnings rose 7.3 percent, and average weekly earnings 6.1 percent. In the year ended October 1982, average hourly earnings were up 4.9 percent while average weekly earnings—reflecting a recessionary contraction in weekly hours of work—were up only 3.7 percent, well below the diminished consumer price inflation rate of 5.0 percent. The downward movement of real wages does, however, feed into the general reduction in purchasing power which deepens the recession and prolongs economic stagnation.

The tight money, high interest rate solution of the Administration has been largely irrelevant to the nature of the inflation and has had disastrous consequences for the economy.

The AFL-CIO anti-inflation proposals are based upon the experience of recent years which conclusively demonstrates the need for programs that will avoid possible commodity supply shocks in the future.

Energy inflation must be dealt with through conservation and stockpiling as well as the development of alternative types of energy. Natural gas prices should continue to be controlled. A standby energy program including provisions for allocation, rationing and energy price controls, if needed, should be enacted to deal with possible future emergencies.

Food inflation should be moderated by pursuing supply-and-demand policies that mitigate inflation and overcome the violent swings in farm commodity prices with their "boom and bust" results for American farmers. With so much of agricultural production destined for export, the nation should restrain agricultural exports in times of inflationary shortage and stockpile in times of abundance.

The establishment of a National Grain Board is needed to protect the interest of the United States in foreign markets and to provide price and supply stability in U.S. markets.

Housing inflation should be fought by expanding the supply of housing and allocating more money specifically to finance mortgages. Government programs to promote increased housing construction, particularly for low- and moderate-income families, should be expanded rather than curtailed.

Medical care inflation would most effec-
tively be dealt with by enactment of a universal and comprehensive national health insurance system. Pending such reform, health care cost containment legislation, properly structured, should be enacted as an important interim step. The expansion of preventive health care—thereby reducing pressures on hospital usage—should be encouraged through further development of “health maintenance organizations” (HMOs).

Looking toward the future, the matter of specific price pressures which may be generated by the national defense buildup must be accompanied by appropriate economic policies. The defense sector can drain capital away from civilian industries and away from other government programs. It can bid away maintenance organizations” (HMOs).

The need for a national industrial policy in the United States is becoming more and more evident. The American economy is experiencing the highest and most extended period of unemployment since the Great Depression. The growth of the economy has stopped in the 1980s and the U.S. position in world trade has deteriorated dramatically. In both the private and public sectors, the modernization of physical capital has been inadequate. The industrial base of the American economy is eroding and, there is no coherent national policy to reverse the trend.

Current levels of unemployment and idle capacity are causing the loss of hundreds of billions of dollars in product and income that can never be recovered. To carry forward a rational national industrial policy, a tripartite National Reindustrialization Board should be created which would include representatives of labor, business, and the government. The Board would develop a balanced economic program to insulate the revitalization of the nation’s sick industries and decaying communities, while at the same time encouraging the development of new industries with promise for the future. The Board would encourage productivity growth, dissemination of research and development findings, and a balanced use of the nation’s resources. It would target industrial sectors and regions that particularly need help. The National Reindustrialization Board would also be directed to consult with, and be consulted by, the Administration and the Federal Reserve Board. The composition of the Reindustrialization Board should automatically provide Congress with a liaison with labor and industry.

This Board would also provide policy and priority guidance for the activities of a financing agency, patterned after the Reconstruction Finance Corporation of the 1930s and 1940s. It would be authorized to make and guarantee loans to finance approved reindustrialization ventures. Private pension funds could be encouraged to make investments in such financing arrangements to support and expand industrial employment in the United States.

The Reindustrialization Board would bring together all the elements in economic society. It would insure that the interests of workers, industry, consumers—all the people—are an integral part of the economic decision-making process.

The AFL-CIO has recognized for some time that both private and public capital facilities are deteriorating. The proposed new RFC would make, participate in, or guarantee loans to private business and local governments in the industrial sectors and geographic regions designated by the Reindustrialization Board. The actual lending and other financing functions carried on by the RFC would be under the Reindustrialization Board.

The RFC could handle loans to private business and to state and local governments. Each of the two lending “windows” could be operated under an executive officer appointed by the Board of Directors. The Board of Directors would also be required to see that there was coordination between the two lending units to maximize economic development in areas where new construction or improvement of public facilities is needed to enhance the efficiency of the private business activities being assisted. Public facility loans should also be available to other areas in need of such loans to renew or expand public facilities required in the local economy. The issuance of capital stock to be subscribed by the Secretary of the Treasury for the RFC would be authorized by legislation, with authority for the RFC to issue bonds.

Pension funds should be used for reindustrialization and expansion that provides employment, as long as there are adequate protections for the pension funds. The legislation should provide that all obligations of the Corporation which are purchased by employee pension benefits plans shall be guaranteed—backed by the full faith and credit of the U.S.

Conclusion

The policies that AFL-CIO is calling for are ambitious. They add up to a repudiation and a dramatic reversal of the policies of the Reagan Administration. We firmly believe, however, that such action is the key to progress. We also recognize that many of the job creating programs we call for will cost money and in the near term would enlarge the budget deficit even further. Deficit increases, however, could be blunted or avoided through tax policies that prevent some of the more inequitable and costly provisions of the Reagan Administration’s tax cut from taking effect and by plugging some of the long-standing loopholes that hurt the economy and destroy jobs.

America needs jobs. There is no higher economic priority and no more urgent economic agenda.
Prospects look good in Santa Rosa

Work in the Santa Rosa area is pretty slow right now, according to Repre- sentative Chuck Smith, however, the prospects look very promising for the coming season. O.C. Jones has several million dollars worth of work to start, weather permitting, as does Arthur B. Siri, Inc. The Laguna Sewer Pond, in Santa Rosa, should be awarded about the time you receive this issue of the Engineers News.

The Fountain Grove Ranch is coming along and they look forward to a lot more work to be done on the project this year such as streets, utilities, and new subdivisions, etc. This will keep quite a few Brothers busy and also keep the Brothers busy at the rock and asphalt plants producing the needed materials.

Don't forget to put this date on your calendar, March 10, 1983, the date of the next regular, quarterly District Meeting which will be held at 8:00 p.m. in the Veteran's Building in Santa Rosa. Sincerely hope to see you all there.

A contract has been awarded to Townsend and Bottom, out of Salt Lake City, for the South Geysers Power Plant, reports Business Representative Bill Burns, and as soon as Pete Barrette

Lassen Park pipeline job down for winter

District Representative Don Dover reports that A & H Construction's - Lassen Park pipeline job is down for the Winter. Cal-Ore Constructors are busy working on Hiway 44 and Victor Avenue bridge, in between rain storms. Sure looks good to have some of the Brothers working.

District Representative Dan Carpenter reports that home building in the Sacramento area has picked up considerably in the last quarter and is being put on record as being the best one in several years.

Building permits issued in Sacramento County's city and county building departments reflect what happened. In the last quarter of 1982, city council permits passed 1,036 or more than double the 485 that were recorded during February 15, 1983, for about the same period in 1982.

District Representative Harvey Pahel reports that the work in the Sacramento area has come to a standstill now that winter has arrived. "I know from talking with a lot of the Brothers that this last year has not been a very good year for most of them," Pahel said. "This year should be a lot better as many contractors have said that they are bookings for the future and with the interest coming down there should be quite a lot of housing developments forthcoming.

"Many of you Brothers know someone or have a neighbor that is working for some non-union company, and if you know of anyone who is working with one of the agents and we could talk with them, this would be one of the ways that we could help as we could work to organize some of the non-union companies," Pahel added. "This would help every member of Local #3 as it would make more money for some of the workers and we are working together, we can do much more together than with everyone just looking out for themselves, may your best month in 1983 be the month to come.

Homebuilding picking up

Business Representative Dan Carpenter reports that home building in the Sacramento area has picked up considerably in the last quarter and is being put on record as being the best one in several years.

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In the dirt moving industry, it has been a busy time due to the heavy rains. Underground work has continued at a slow pace with Teichert working on the Old Sacramento Museum construction contract with S.F.M. Corporation.

S.F.M.'s building job at Sixth and J Streets is coming along fast since all the iron has been put in place. This project has kept at least one engineers working almost all year, and he is Brother Jan Wood, one of our Grieve Committee members.

SOFAR jobs looks good

Business Representative Hugh Ragan reports that, "The SOFAR Project is almost in our grasp." We have been awarded the Water Rights. None of the opponents have appealed for a reconsideration of the Water Rights decision up to now. I understand that the Bureau of Reclamation will appeal the decision but that is a matter of form. Meantime, negotiations go on with the Bureau of Reclamation, and it is expected or hoped that this can be settled.

If there is an appeal to the Water Rights Board, it is sure to be denied. Then, the opponents will have the right to take it to court. Everything possible is being done to prevent that from happening.

Many of you Brothers know someone or have a neighbor that is working for some non-union company, and if you know of anyone who is working with one of the agents and we could talk with them, this would be one of the ways that we could help as we could work to organize some of the non-union companies," Pahel added. "This would help every member of Local #3 as it would make more money for some of the workers and we are working together, we can do much more together than with everyone just looking out for themselves, may your best month in 1983 be the month to come.

Meantime, back in the community there still seems to be basic misunderstandings about SOFAR. As a SOFAR supporter, you can continue to spread the word and correct with the FACTS:

- No dams on the river. The Forni diversion structure will not be visible from Highway 50.
- There will be 10 times more water in the South Fork during summer and decrease from 1927. The County isn't "trading off" its beauty!
- The bond market is in a healthy condition, and we have no power to bond the costs to raise the money for construction.
- Lower interest rates and construction costs are making the project less expensive than originally estimated.
- EIF will not manage construction of the project. That will be the responsibility of EBASCO and the SOFAR Management Authority.

SOFAR's 120-month guarantee feature works this way. If a retiree dies before receiving 60 months of pension payments, the monthly benefit is continued to the spouse in the event of death. But if the retiree lives longer than 60 months, the 120-month guarantee continues to the spouse in the event of death. (The Level Income option provides a reduced minimum guarantee.

The 60-month guarantee feature works this way. If a retiree dies before receiving 60 months of pension payments, the monthly benefit is continued to the beneficiary until a total of 60 payments have been issued. If the retiree lives longer than 60 months, no further benefits are payable after his death.

Winter weather brings standstill to work in Sacramento district

District Representative Harvey Pahel reports that the work in the Sacramento area has come to a standstill now that winter has arrived. "I know from talking with a lot of the Brothers that this last year has not been a very good year for most of them," Pahel said. "This year should be a lot better as many contractors have said that they are bookings for the future and with the interest coming down there should be quite a lot of housing developments forthcoming.

Many of you Brothers know someone or have a neighbor that is working for some non-union company, and if you know of anyone who is working with one of the agents and we could talk with them, this would be one of the ways that we could help as we could work to organize some of the non-union companies," Pahel added. "This would help every member of Local #3 as it would make more money for some of the workers and we are working together, we can do much more together than with everyone just looking out for themselves, may your best month in 1983 be the month to come.

Fringe Benefits Forum

The Fringe Benefits Forum was held on October 12, 1982, to discuss the benefits that would be available to the retiring members. The forum was well attended and many questions were asked. The forum was well attended and many questions were asked.

The fringe benefits that were discussed included:

- Retirement benefits
- Health care
- Life insurance
- Disability benefits
- Pension benefits
- Social Security

The forum was a great success and many of the members were able to ask questions and learn about the benefits that would be available to them. The forum was a great success and many of the members were able to ask questions and learn about the benefits that would be available to them.

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Talking to Techs

By Frank Morales, Wally Schissler and Jerry Steele

The Tech Department is happy to report that in talking to various Engineering firms in Local #3’s jurisdiction, the work picture is looking better. The San Ramon-Livermore Valley area has had a large number of firms going on now, mostly business and commercial parks. These businesses are going to generate a tremendous number of jobs, not only in the construction phase, but upon completion as well. This will, in turn, bring a demand for living facilities—homes—townhouses—condos and apartment complexes. This type of surveying will create much more work for the Techs, as opposed to business and commercial parks.

In talking to questions regarding the Industrial Subdivision on Santa Teresa and Monterey Highway in South San Jose, the Tandem Corporation has been out there for twenty years which would have created approximately four hundred and fifty jobs. The projects, together, would have consisted of 6.5 million square feet of building area and would have taken about six years to complete. Unfortunately, the City Council voted it down.

We would like to extend congratulations to the following members for thirty-plus years membership in Local #3:

James Jackman SS# 559-26-4279
Dayton Byrd 364-22-8700
Donald Davis 443-26-1198
Owen Snyder 772-16-9377
Dave Lyndall 564-05-3712

Testing and Inspection work has slowed down due to the rain throughout the Bay Area. This slow-down is only temporary, as all indications are very good for a strong and productive 1983.

Teaching Techs

By Gene Machado, Administrator, Surveyors JAC

The Rodman/Chainman working for Non-Signatory Employers had pay ranges from $4.00 per hour to $11.00 per hour with the average Chainman receiving $7.00 per hour. No figures were run on fringe benefits and we will not venture a guess.

With Apprentice wages starting over $10.00 per hour, the Non-Signatory Employers are in a competitive position only if you take into account the fringe benefits offered by the NCSJAC. Reduced more than any other factor, has brought home the need of our surveyors to be as highly trained as possible. The Employers have cut their work forces drastically and in doing so have had to take a hard look at the experience and proficiency of each employee, for the cuts that were necessary. Work will improve but at such a slow rate that the selection process will continue. The Employer is interested in production and profit.

If you yourself want to protect and enhance your job and your work by enrolling in an Apprentice class or a Journeyman Upgrading Program now, we can help you do so.

The NCSJAC is in the process of upgrading its curricula from the 1st through 8th steps, and as new programs are available, you will be notified via this article.

The concept of co-alcoholism is relatively new concept

By Nate Davidson, Director Alcoholism Recovery Program

Co-alcoholics are people who have ongoing, "helping," "reacting" relationships with alcoholics. Many people may be co-alcoholics: spouses, parents, lovers, children, doctors, nurses, psychiatrists, ministers, social workers, bosses, fellow employees and friends. Many co-alcoholics are married to or living with alcoholics. Many are not. They have a need to be needed and that need is supplied in the relationship or in thinking about the relationship. People are "co-alcoholically" when they take responsibility for something that is the drinking person's responsibility. Co-alcoholics intervene so that the consequences of drinking behavior do not fall on the drinker. These interventions help both the alcoholic and the co-alcoholic by making the drinking behavior less expensive. The co-alcoholic's anxiety, but they result in stress and further crises which are life-threatening to both the alcoholic and the co-alcoholic.

The concept of co-alcoholism is a relatively new one. The idea of reacting self-destructively to someone else's drinking is a concept many people find difficult to grasp. Unfortunately, our society denies the extent of the problem of alcoholism and asking for help is stigmatized. So the overwhelming human suffering and terrible expense of co-alcoholism is largely unrecognized.

On the job, co-alcoholics may be extremely responsible. However, they may also have poor relationships with a boss or co-worker due to their need to be in control of all situations. Many co-alcoholics also work at jobs greatly beneath their abilities, although their supervisors rate their performance as satisfactory. Like alcoholic employees, they may be in poor health, are frequently late for work or absent on Mondays.

In relationships, they typically feel helpless and hopeless. Since the self-esteem is low, they are desperately trying to control other people and circumstances, while worrying about the expressions of fear, guilt and anxiety. Like the alcoholic, they deny what is really going on; their feelings and thoughts, the extent of someone else's drinking, the crises, or that anything is wrong at all. Many of them grew up in alcoholic families, but carry the traumas from that experience into adulthood and play out co-alcoholic patterns everywhere in their lives, not just with an alcoholic. Life is very serious to them and relaxing, doing nothing, or planning and having fun is usually not in their repertoire.

Co-alcoholics are not made the way they are by the drinker. Co-alcoholic recovery means the transformation of life-living habits of thinking and feeling and has little to do with the drinking person or whether drinking continues or not. Some of the major areas to be explored in co-alcoholic recovery are self-esteem, control, self-responsibility, dependability, creativity and giving and receiving emotions, and their expression, self-composition, obsessive thinking expectations, and those forming life-long habits of thinking and feeling which continue over a long period of time. One aspect of co-alcoholism is that it is an addition to or obsession with alcoholics.

(Continued on Page 15)
District 17 Election

On April 27, 1983 at 7:00 p.m., at the regular quarterly District 17 membership meeting there will be an election of the District 17 Board of Directors. The California Redistricting Board Member to fill the balance of an unexpired term left vacant by the resignation of a Director. The meeting will be held at the Washington Intermediate School, 1633 S. King Street, Honolulu, Hawaii.

Signs of co-alcoholism

(Continued from Page 14)

For persons who are recovering

Alcoholsics or Co-Alcoholics to come forward on a voluntary basis to help our program grow. We need help in Hawaii, California, Nevada and Utah. Please come forward from all states. Our Staff Coordinators need your assistance.

Alcoholics Recovery Program Coordinators

San Francisco: - 415/1431-1568
Nate Davidson - 415/573-1330
Archie Headley - 415/626-7855
Ignacio/Santa Rosa - 707/545-1724
John Smith - 707/538-3840
San Mateo - 415/348-7557
Joe Oxendine - 415/967-4544
Oakland/Fieldair - 415/348-2727
Archie Headley - 415/668-1900
Steven Strongman - 415/364-1303
Stockton/Ceres - 209/594-5006
Norby Flanagan - 209/275-6944
Marysville/Redding - 916/743-7321
Sacramento - 916/743-7326
Larry Unde - 916/383-8893
Bill Marshall - 916/608-4233
San Jose - 415/967-4544
Joe Oxendine - 415/672-1019
Real - 415/739-1604
Mike Bailey - 707/249-1792
Salt Lake City - 801/323-8193
Dick Tracy - 801/465-3166
Ricky Bryan - 801/465-3166
John Thornton - 801/465-3166
Honolulu - 808/594-5523
Allen Souza - 808/486-1436
Rahama Meall Training Center - 808/354-2099
Dick McGill - 808/354-2099

FREE WANT ADS for Engineers

See Classified or call

Free Want Ads for Engineers

FEBRUARY 1983 PAGE 15
ATTEND YOUR UNION MEETINGS

All District Meetings convene at 8:00 p.m. with the exception of Honolulu, Hilo and Maui, which convene at 7:00 p.m.

March
2nd Salt Lake City: Engineers Bldg., 1958 W. Temple
3rd Reno: Musicians Hall, 124 W. Taylor
10th Santa Rosa: Veterans Bldg., 1351 Maple St.

April
5th Eureka: Engineers Bldg., 2806 Broadway
6th Redding: Engineers Bldg., 100 Lake Blvd.
7th Yuba City: Yuba-Sutter Fairgrounds, Expo Hall or Arts/Crafts Bldg., 442 Franklin Rd.
14th San Mateo: Electricians Hall, 300-8th Ave.
27th Helena: Washington Intermediate School, 1633 S. King St.
28th Kilauea: Kapiolani School, 966 Kilauea Ave.
29th Maui: Kahului Elementary School, 410 S. Hina Ave., Kahului

May
3rd Stockton: Engineers Bldg., 1916 N. Broadway
5th Richmond: Point Marina Inn, 915 W. Outing Blvd.
10th Fresno: Laborer's Hall, 5431 E. Hedges
17th Auburn: Auburn Rec. Ctr., 123 Recreation Dr.

Dues Schedule 10/1/82-9/30/83

Local 3 $141 (Per Qtr.)
Local 3A $144 (Per Qtr.)
Local 3B $144 (Per Qtr.)
Local 3C $141 (Per Qtr.)
Local 3E $141 (Per Qtr.)
Local 3R $141 (Per Qtr.)
Local 3D... Variable by Unit

The dues rate for the periods indicated above apply regardless of when payment is made.

*Due to the variation in the wage structures of the 3D and Industrial Units, the members will be notified of applicable dues for their respective units.

WORKING AT THE MOBILE UNIT FOR THE BLOOD DRIVE ARE (LEFT TO RIGHT): DENNIS AND CATHERINE MCCARTHY, RALPH REED (DISPATCHER), JANE LEA, PAUL GALLAGHER AND DON JONES (BUSINESS AGENT).

Ignacio office sponsors blood drive

Operating Engineers from as far away as the Sierra foothills came to a Local 3 sponsored blood drive held at the Ignacio office last month. It is the first of several blood drives to be held throughout the union's jurisdiction.

Organized with the help of the Ignacio Memorial Blood Bank and the Marin Blood Center, Business Agent Don Jones and Dispatcher Ralph Reed were able to solicit 28 donations for Local 3's account.

According to a spokesperson from the Marin Blood Center, organized drives are especially welcomed during January and February, because of a normal downturn in the number of volunteers after the holidays.

In spite of the lack of donations, the need for blood remains high. The Marin Memorial Bank supplies 43 hospitals in eight northern California counties with over 120,000 pints each year. Because donated blood has a "shelf life" of only 35 days, solicitation is a year-around effort.

The Marin drive came about because of a call for help from a Local 3 retiree. In checking with the blood bank, the Ignacio dispatcher Ralph Reed learned that there were only five to six units in Local 3's account.

Reed said that the members who were contacted were eager to get involved in the effort. One volunteer, Greg Malone, said that it "seemed like a good cause. This is my first time I have donated and to my surprise, it really doesn't hurt."

Special thanks, according to Reed, go to long time Local 3 member and former Marin business agent Jim Jennings, who helped to plan the event.

GRIEVANCE COMMITTEE ELECTIONS

Recording- Corresponding Secretary James "Red" Ivy has announced that in accordance with Local 3 By-Laws, Article X, Section 10, the election of a Grievance Committee delegate shall take place at the first regular quarterly district or sub-district meeting of 1983. The schedule of such meetings at which the Grievance Committee members will be elected is as follows:

March
2nd Salt Lake City: Engineers Bldg., 1958 W. Temple, Salt Lake City
3rd Reno: Musicians Hall, 124 W. Taylor, Reno
10th Santa Rosa: Veterans Bldg., 1351 Maple St., Santa Rosa
17th San Jose: Labor Temple, 2102 Almaden Rd., San Jose

Pertinent excerpts from Article X of the Local Union By-Laws, Grievance Committees

Section 1 District or Sub-district Grievance Committee
(a) There shall be a Grievance Committee in each District or Sub-district. It shall consist of five (5) Members-
   - one (1) District Executive Board Member, or Sub-district Adviser, if a Sub-District
   - one (1) District Representative or Sub-district Representative, and
   three (3) Delegates, who shall be registered voters in the District or Sub-district, elected by the Members.

Section 2 No member shall be eligible for election, be elected or hold the position of Grievance Committee Delegate.

(a) unless he is a Member in good standing in the Parent Local Union and a registered voter in the District or Sub-district in which he is a candidate when nominated.
(b) unless he was continuously a Member of the Parent Local Union for not less than two (2) years next preceding his nomination.
(c) if he is an Officer of, or is on the full-time payroll of the Local Union and
(d) if he is an owner-operator or a contractor.

No member shall be nominated unless he is present at the meeting, or unless he has filed with the Recording- Corresponding Secretary a statement in writing, signed by him, to the effect that he is eligible to be a Grievance Committee Delegate and will accept the nomination if nominated.

Section 10 The term of office for the three (3) Delegates of the Grievance Committee shall be for one (1) year, and the election shall take place at the first District or Sub-district Meeting of the year in each respective District of Sub-district.