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Announcing a New Publication:

MATHEMATICS TO FIGHT INFLATION: DEVELOPING EFFECTIVE COLA CLAUSES

The Center for Labor Research and Education at U.C. Berkeley has just published a new workbook for union negotiators, officials, and members on bargaining for cost-of-living adjustment clauses. The workbook explains the concepts, arithmetic, strategies, and policy implications involved in bargaining for COLAs. Its title is MATHEMATICS TO FIGHT INFLATION: DEVELOPING EFFECTIVE COLA CLAUSES and an order form is included on the back of this page.

Written by Paul Chown, Bruce Poyer and Teresa Ghilarducci of the Labor Center staff, the workbook is based on materials and teaching approaches used in the 'authors' classes in Practical Economics for Trade Unionists. Since many union people haven't the time or resources to attend such classes, the authors have created a teaching manual designed for self-study and reference. The book takes the reader step by step through the basic calculations needed to develop even the most sophisticated kind of COLA clauses.

Content and Approach of the Workbook

The book begins with a review of basic arithmetic: computing percentage changes in numbers (especially prices and wages), calculating weighted averages, figuring rates of inflation and real buying power, and understanding how to use the Consumer Price Index (CPI). The main types of COLA formulas, including the point system and the percentage system, as well as the major COLA add-ons, such as caps, corridors and maximums, are considered in detail. COLA clauses from nineteen major labor contracts are fully analyzed for their content and effectiveness. These include clauses from contracts of the UAW, Steelworkers, Machinists, and the famous SEIU-BART clause, which was a key factor in the long 1979-80 strike. The book ends with model clause language which equips the union with ways to construct good original clauses to meet their special needs. Self tests permit the interested reader to track progress at each step (answers are given).

Another different approach has been developed in the new COLA publication. It is organized so that those who already know the basic arithmetic can skip the early chapters and go directly to the chapter analyzing sample clauses. They can thus immediately get into the key bargaining issues, while others will have more homework to do first.

The authors also give careful attention to the kinds of objections and stumbling blocks and counter arguments which unions can expect from employers on the subject of COLA clauses. The chapter on developing a COLA clause explains at each step of the bargaining process how employers have attempted to compromise each part of any clause that is proposed by the union to give workers more effective protection against inflation.

"Mathematics to Fight Inflation" is Part I of a series of similar publications which the Labor Center is working on concerning "Practical Economics for Trade Unionists." The series is based on courses taught in the Labor Studies programs of community colleges in the Bay Area. Some other topics in the series include

"Fringe Benefits in Collective Bargaining," "Economics of Pension Bargaining," "Special Economic Factors in Public Sector Collective Bargaining," and "Wage Factors in Collective Bargaining." The latter will include an explanation of comparative wage data, profit data, budget data, and the economics of labor costs and productivity.

Order Your COLA Manual Now

Union leaders and staff, and those active and informed members who are the backbone of most local unions, cannot afford to be without the informative and easy-to-understand "Mathematics to Fight Inflation." It is useful not only as a training manual and a reference, but also as a guide for collective bargaining negotiations on COLAs. A COLA clause can help protect workers from the impact of inflation only when their union has the knowledge and the data and the technique necessary to challenge the employer effectively at the bargaining table. So order your copy of this important manual now. The price is just \$6.00. Use the form below or call or write the Center for Labor Research and Education, U.C. Berkeley. For prompt delivery please enclose payment with your order.

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MATHEMATICS TO FIGHT INFLATION: DEVELOPING EFFECTIVE COLA CLAUSES
by Paul Chown, Bruce Poyer, and Teresa Ghilarducci
Center for Labor Research and Education
U.C. Berkeley

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