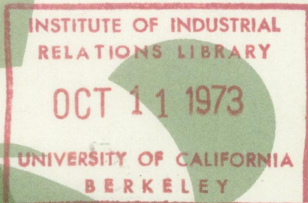


Labor unions - Members and membership
(1973 folder) ✓

UNION STATUS & BENEFITS OF RETIREES

U. S. DEPARTMENT OF LABOR
Labor-Management Services Administration

U.S. Office of Labor-Management Policy Development



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PREFACE

The tremendous increase over the past two decades in the number of workers covered by private pension plans has posed numerous problems for all parties to this development.

For the retirees, there is the problem of the adequacy of their benefits in periods of rising prices. For the employers, there is the problem of pressure from the unions to increase benefits for those who will retire in the future and, in various instances, for those already retired.

For the unions there are a number of problems revolving around the nature of the relationship between the union and the workers who, at the time of retirement, were full-fledged members. Should they be allowed to continue to hold their membership in the union at all? and if so, under what conditions in respect to their participation in internal union affairs and collective bargaining?

Some of the issues referred to above have been the subject of court decisions and administrative positions taken by the Department of Labor in its enforcement of the sections of the Labor-Management Reporting and Disclosure Act of 1959 relating to the election of union officers.

The material in this study, insofar as it relates to administrative positions taken by the Department, relates to the particular circumstances involved and should not be taken as binding the Department in future situations. Similarly, the accounts of what the courts have done should not be taken as the legal interpretation of those cases by the Department.

This study was prepared by Vincent A. Cicconi, under the supervision of Elsie G. Hoexter, and under the general direction of Herbert J. Lahne, Chief of the Division of Research and Analysis.

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I. INTRODUCTION

In the past two decades, the number of workers covered by private pension plans has risen sharply. The coverage of private pension plans went from 9.8 million in 1950 to 29.3 million in 1969, an increase of nearly 200 percent. 1/ Over the same period, the number of persons drawing benefits from private pension plans rose even more drastically. In 1950, 450,000 persons were drawing benefits from such plans. 2/ By the end of 1969, this figure had risen to 4.2 million, an increase of 833 percent. 3/

The tremendous increases in the number of workers covered by private pension plans and the ever increasing number of retirees drawing benefits from such plans has created a growing concern over the continuing adequacy of pension benefits. An inflationary period, or even a low annual increase in the cost of living extending over many years, will erode the value of the retiree's benefit in terms of purchasing power unless the benefit is increased in the years succeeding retirement.

In order to combat this loss of purchasing power, public pension plans (public employee and social security) and private pension plans

1/ Walter W. Kolodrubetz, "Trends in Employee-Benefit Plans in the Sixties," Social Security Bulletin, April 1971, p. 27, table 7.

2/ Idem.

3/ Idem.

have, to some extent, increased the benefits for those who have retired in the past.

In public retirement plans, the most widely known and pervasive changes have occurred in the social security system. From 1950 to 1971, social security benefits for retirees were increased on 8 occasions. 4/ Public employment retirement plans at the Federal and state levels have also increased the benefits of those who have retired under such plans. In the Federal Government's retirement system, for example,

"an automatic cost of living provision covering all present and future retirees of the federal civil service retirement system was enacted by Congress in 1962." 5/

Of the 50 state employment retirement systems, 41 have increased the benefits of retirees since 1960. 6/

Data on increases in the pension benefits of retirees under private pension plans are not as extensive as in public pension plans. There is some evidence, however, that collectively bargained and non-collectively bargained pension plans have granted increases in the pension benefits of retirees. The Wall Street Journal has pointed out that although comprehensive statistics on the number of private pension plans which have increased the benefits of retirees were not available,

4/ Daniel N. Price and Robert O. Brunner, "Automatic Adjustment of OASDHI Cash Benefits," Social Security Bulletin, May 1970, p. 3; and "Social Security in Review," Social Security Bulletin, May 1971, p. 1.

5/ John P. Mackin, Protecting Purchasing Power in Retirement (New York: Fleet Academic Editions, 1971), p. 137.

6/ Ibid., p. 96.

"management consultants and others count at least 200 companies that have recently raised their pensions. Among them are IBM, Eastman Kodak, GE and Campbell Soup." 7/

Such increases, according to the article, were generally initiated by the employer, however,

"some are being brought about by union pressure. In recent years, both the Steelworkers and the Mine Workers unions have several times persuaded employers to liberalize pensions for members who already were retired." 8/

Since that time, however, Garry Mathiason has observed that "there has been a growing trend toward bargaining over changes in the retirement programs of retired workers." 9/

The potential impact of the role of the union in negotiating increases in benefits is extremely significant for retirees under private pension plans because of the large number of participants covered by collectively bargained pension plans. In 1968, it was estimated that 50 percent of all workers covered by private pension plans were in plans which were negotiated by labor unions. 10/ Thus, the collective

7/ Richard J. Howe, "Fatter Pensions," Wall Street Journal, March 4, 1970.

8/ Idem.

9/ Garry G. Mathiason, "Retirees in the Collective Bargaining Process: A Critical Review of Pittsburgh Plate Glass Co. v. NLRB," Stanford Law Review, February 1971, pp. 519-20.

10/ James H. Schultz, Pension Aspects of the Economics of Aging: Present and Future Roles of Private Pensions, Special Committee on Aging, U.S. Senate, 91st Cong., 2d Sess., January 1970, p. 9.

bargaining policies of the union, insofar as bargaining over changes in benefits for retirees is concerned, has a significant effect on all retirees.

Retirees who were union members at the time of their retirement will thus have an interest in the collective bargaining policy of the union. One way in which they could exert an influence on collective bargaining policy would be through retaining membership in the union, if such retention is allowed, and by playing an active role in the union to the extent that this is permitted. If retirees are allowed to retain an active union membership, and if they do avail themselves of the opportunity, they could exert pressure within the union; or if they lack sufficient strength in numbers or activity to exert effective pressure, they could, at a minimum, make the rest of the membership aware of the need for obtaining increases in pension benefits.

There are no complete data on the total number of retirees who hold union membership. Data is available, however, for 30 national unions as of 1970. These 30 unions had a total membership of 5.1 million, of which 400,000 or 8 percent were retirees. 11/ In 8 of the 30 unions, retirees comprised less than 5 percent of the membership. In 9 unions, the retirees hold 10 percent or more of the membership,

11/ Total membership for these 30 unions is based on the Directory of National Unions and Employee Associations 1971, Bureau of Labor Statistics, Bulletin No. 1750, 1972. Retired membership for 29 of the 30 unions is based on Appendix C of Bulletin No. 1750. Retired membership for one of the 30 unions (the Auto Workers, Ind.) is based on membership figures reported at that union's 1972 convention. See Daily Labor Reporter, April 28, 1972, p. A-20.

and in 2 of these 9 the proportion went over 20 percent.

Thus, on the basis of data on retired membership in 30 unions, it would appear that a substantial number of retirees do retain their union membership when given the opportunity to do so. It would also appear that retirees may comprise a significant proportion of the membership in many of the unions which permit retirees to retain membership.

In this study we will examine the role of retirees within the union in terms of their retention of membership and what rights, if any, accompany this membership. We will also explore the changes in benefits in the situations in which such benefits have been the subject of collective bargaining, the imposition of service fees as a condition of receiving pension benefits, and the rights and obligations of retirees and the unions under Federal labor laws.

II. RETIREES AND UNIONS UNDER FEDERAL LABOR LAWS

The issue of union membership and rights of retirees is an internal union matter coming under the purview of the Labor-Management Reporting and Disclosure Act (LMRDA), which is administered in part by the Department of Labor. The subjects of bargaining over changes in retiree benefits and the imposition of a union service fee on retirees as a condition of benefit eligibility under collectively bargained pension plans come under the jurisdiction of the Taft-Hartley Act, which is administered by the National Labor Relations Board. In this chapter court cases, NLRB decisions, and administrative positions on union membership rights of retirees, bargaining over retiree benefits and the imposition of a union service fee on retirees will be discussed.

RETIREES AS UNION MEMBERS

The initial issue to be considered in regard to the union membership of retirees is whether or not retirees are guaranteed the right to union membership by Federal labor laws. Under section 8(b)(1) of the Taft-Hartley Act, a labor union is given the right "to prescribe its own rules with respect to the acquisition and retention of membership" The LMRDA, which governs internal union affairs and guarantees members of a labor union certain rights, does not limit the

right of a union to prescribe standards for the acquisition and retention of membership. 1/ Thus, insofar as retirees are concerned, a union could probably exclude them from membership in the union by adopting an appropriate constitutional provision. 2/ However, if retirees are not excluded from membership, are they guaranteed the same rights as all other union members by the LMRDA?

The LMRDA does not distinguish between classes of membership, such as employed or retired. Section 3(o) of the Act provides that:

" 'Member' or 'member in good standing', when used in reference to a labor organization, includes any person who has fulfilled the requirements of membership in such organization, and who neither has voluntarily withdrawn from membership nor has been expelled or been suspended from membership after appropriate proceedings consistent with lawful provisions of the constitution and bylaws of such organization."

Sections 101(a) and 401(e) of the Act guarantee members, as defined by section 3(o), certain rights to participate in union affairs, subject to certain limitations which may be imposed by the union's constitution and bylaws. Section 101(a)(1) provides that:

"Every member of a labor organization shall have equal rights and privileges within such organization to nominate candidates, to vote in elections or referendums of the labor organization, to attend membership meetings and to participate in the deliberations and voting upon the business of such meetings, subject to reasonable rules and regulations in such organization's constitution and bylaws."

1/ Moynahan v. Pari-Mutuel Employees, 51 LRRM 2234, 46 L.C. Para. 18,063 (S.D. Calif., 1962), aff'd, 317 F.2d 209, 53 LRRM 2154, 47 L.C. Para. 18,255 (C.A. 9, 1963), cert den, 375 U.S. 911, 84 S.Ct. 207, 54 LRRM 2611, 48 L.C. Para. 18,576 (1963).

2/ Mathiason, op. cit., p. 542.

Section 401(e) of the Act provides that in elections required by title IV which are to be held by secret ballot 3/

"every member in good standing shall be eligible to be a candidate and to hold office (subject to section 504 and to reasonable qualifications uniformly imposed) Each member in good standing shall be entitled to one vote."

A retired member who has not "voluntarily withdrawn from membership" would meet the Act's definition of a member of the labor organization, and he would be entitled to all rights and privileges guaranteed by the Act provided he was not otherwise restricted by "reasonable" qualifications and rules and regulations in the union's constitution and bylaws. The Act does not define what constitutes reasonable qualifications and rules and regulations. Determinations regarding the reasonableness of qualifications under title IV of the Act are initially made by the Secretary of Labor and ultimately by the courts in suits brought by the Secretary. Section 101(a)(1) is interpreted by the courts alone in private suits. Therefore, in order to determine what would constitute reasonable qualifications or reasonable rules or regulations as to the rights of retired union members, court decisions and administrative positions taken by the Department must be examined.

3/ Title IV requires local labor organizations to elect officers by secret ballot of the members in good standing; national and intermediate labor organizations are given the option of electing officers by secret ballot of the members in good standing, or by delegates elected by secret ballot of the membership.

Administrative Positions

The Department of Labor has taken administrative positions on the reasonableness of constitutional provisions relating explicitly or implicitly to the rights of retired members to vote in union elections and run for union office. The issues involved in these areas were: the right of retirees to vote in union elections; active employment in the trade jurisdiction of the union as a qualification for union office; and compulsory retirement age for union officers.

In regard to the right of retirees to vote in union elections, the Department has taken the position that: "The right of retirees to vote may be restricted to the extent provided by the constitution and bylaws of the labor organization." 4/

The Department has not taken any position dealing specifically with the right of retirees to run for union office; however, it has taken a position on the reasonableness of qualifications which would affect the right of such members to run for office. On the question of active employment in the trade jurisdiction of the union as a qualification for union office, the Department has held that:

"It would ordinarily be reasonable for a union to require candidates to be employed at the trade or even to have been so employed for a reasonable period. In applying such a rule an unemployed member is considered to be working at the trade if he is actively seeking such employment. Such a requirement should not be so inflexible as to disqualify those members who are familiar with the trade but who because of illness, economic conditions, or other good reasons are temporarily not working." 5/

4/ 29 CFR 452.93.

5/ Ibid., 452.41(a).

Another position taken by the Department with respect to qualifications for office which would affect retirees involves the issue of compulsory retirement age for union officers. The Department's position on this issue is that:

"Where personal characteristics have a direct bearing on fitness for office, a labor organization may establish certain restrictions on the right to be a candidate. For example, it may require a minimum age for candidacy or it may establish a compulsory retirement age for officers." 6/

Court Cases

There have been no court cases under title IV in which the rights of retired members were at issue. However, there have been two cases under title IV in which the courts have ruled on the reasonableness of active employment over an extended period of time in the trade jurisdiction of the union as a qualification for union office. 7/ In addition, there has been a title I court decision on the reasonableness of a union regulation providing for different membership classifications for members employed at the trade, and members no longer employed at the trade. Although these cases did not involve retirees, they are noteworthy because union regulations which base a member's rights or membership classification on his current employment status would appear to affect all members, employed as well as retired.

6/ Ibid., 452.46.

7/ As noted above on p. 10, active employment at the trade for a reasonable period has been accepted by the Department as a qualification for holding office. The two title IV cases discussed in this section were based, therefore, upon the Department's position that the period required was unreasonable.

Active employment as a requirement for union office was one of the issues in a title IV case involving the 1966 election for national officers in the Maritime union. 8/ In this case, the Department of Labor alleged, among other things, that the requirement that a member have Group 1 shipping status for each of the 5 years preceding nominations was an unreasonable qualification for office. The court ruled that certain of the other qualifications were unreasonable and ordered a rerun election under the supervision of the Secretary of Labor, but on the issue of Group 1 shipping status, the court stated:

"The requirement guarantees that one who becomes a member of NMU and one who seeks office therein is a person who earns his livelihood in the maritime industry or has a substantial attachment to that industry. This court, therefore, finds and holds that the Group 1 shipping status requirement, per se, is not an unreasonable precondition to elective office." 9/

In another title IV case, this one involving a local of the Oil Workers Union, Ind., the Department challenged, among other things, the reasonableness of a provision in the union's bylaws requiring that a candidate for local office must have been actively employed and in continuous good standing for the 5 years immediately preceding the election. 10/ The court found for the Department on certain of the alleged violations and ordered a rerun election. The court, however,

8/ See Appendix A for short form and full titles of national union names.

Wirtz v. National Maritime Union of America, 284 F.Supp. 47, 67 LRRM 3010, 57 L.C. Para. 12,634 (S.D. N.Y., 1968), aff'd, 399 F.2d 544. 68 LRRM 3017, 58 L.C. Para. 12,857 (C.A. 2, 1968).

9/ Ibid., 67 LRRM 3010, at 3021.

10/ Wirtz v. Independent Petroleum Workers of America, Inc., Independent Oil Workers Union, 75 LRRM 2340, 63 L.C. Para. 11,190 (N.D. Ind., 1970).

ruled that the active employment and continuous good standing requirement, which had been reduced from 5 to 3 years shortly before the case came to trial, was not unreasonable:

"Defendant's three-year requirement is one which would appear to be reasonable on its face The restriction does not have the effect of disqualifying from office 'all but a handful' of the union's members. The plaintiff has failed to show that the effect of the union's three-year qualification would in any way be inharmonious with the intent of the Act's election provisions. It is the opinion of this Court that the three-year continuous membership and employment requirement for candidacy is not, by itself, unreasonable." 11/

In the title I case, a member of the Typographical union, who was employed outside of the trade jurisdiction of the union, filed suit alleging that a regulation in the national and local union constitutions requiring that active members working outside of the printing trade, or no longer seeking work at the printing trade, be classified as "not at the trade" members, constituted disciplinary action. 12/ Furthermore, the member alleged that the change in membership classification violated section 101(a) of the LMRDA because it resulted in the loss of membership and voting rights in the chapel, and denial of the right to vote on wage scales. 13/

11/ Ibid., 75 LRRM 2340, at 2341.

12/ Williams v. Typographical Union, 293 F.Supp. 1346, 70 LRRM 2326, 59 L.C. Para. 13,258 (D. Colo., 1969), aff'd, 423 F.2d 1295, 73 LRRM 2849, 62 L.C. Para. 10,751 (C.A. 10, 1970).

13/ In the Typographical union, as in some other printing trades unions, the local is usually composed of members working in different shops. In the Typographical union, each shop with three or more members employed, must have a shop organization (termed a "chapel") consisting of an elected chapel chairman and such other chapel officers as the members choose.

The Court of Appeals for the Tenth Circuit, in affirming the decision of the district court, ruled that the reclassification was reasonable and did not constitute disciplinary action:

"In our opinion the provision requiring the classification of those with other full-time employment as 'not at the trade' is a reasonable one.

* * * * *

"The classification regulation was fairly applied to plaintiff. No showing is made of any improper motivation, of any discrimination, or any intent to punish the plaintiff by depriving him of privileges. The Unions simply enforced their rule pertaining to members having full-time employment outside the printing trade." 14/

In regard to the denial of the right of members "not at the trade" to vote on wage scales, the court stated that although it considered voting on wage scales to fall within the purview of section 101(a), that this right was, nevertheless, subject to reasonable rules and regulations in the unions' constitutions. 15/ The issue, in the view of the court, was whether the restriction was reasonable:

"The evidence for the Unions was that those not primarily dependent on the printing business for their livelihood, a characteristic found in the not-at-the-trade classification, do not have the vital interest in wage scales which is present in those who are first and foremost printers. We believe that the regulation is reasonable and does not violate the Act." 16/

As to the loss of membership and voting rights in the chapel, the court ruled that such organizations within the local were not labor

14/ Williams v. Typographical Union, op. cit., 73 LRRM 2849, at 2850-2851.

15/ Ibid., at 2851.

16/ Ibid., at 2851-2852.

organizations under the Act and that "the deprivation of rights which pertain thereto do not violate the Act." 17/

On the basis of the administrative positions and court decisions under title IV, it would appear that retirees may be denied the right to vote in union elections if the constitution so provides, and they may also be denied the right to run for union office in instances in which the constitution requires that members be actively employed within the trade jurisdiction of the union, or specifies a compulsory retirement age for union officers and retirees have attained that age.

The one title I case examined has shown that a union does not violate the rights of members who are no longer working at the trade, by placing them in a special membership category, even though this action may result in the loss of some privileges of membership.

BARGAINING OVER RETIREE BENEFITS

The role of the retiree in the collective bargaining process had received "very little judicial or legislative attention" prior to 1969.18/ Neither the Taft-Hartley Act nor its predecessor, the Wagner Act, made specific reference to the participation of retirees in the collective

17/ Ibid., at 2852.

18/ Mathiason, op. cit., p. 521.

bargaining process. 19/ This issue first came before the NLRB in the mid-1940's in three cases involving the eligibility of retirees to vote in representation elections. 20/ In these cases, the Board ruled that retirees were not eligible to vote in representation elections. In the Public Services Corp. case, the Board stated:

"We have considerable doubt as to whether or not pensioners are employees within the meaning of Section 2(3) of the Act, since they no longer perform any work for the Employers, and have little expectancy of resuming their former employment. In any event, even if pensioners were to be considered as employees, we believe that they lack a substantial community of interest with the employees who are presently in the active service of the Employers. Accordingly, we find that pensioners are ineligible to vote in the /representation/ election." 21/

In 1948, in Inland Steel, when the Board ruled that pension benefits for current employees were a mandatory subject of bargaining, the issue

19/ Section 8(a)(5) of the Taft-Hartley Act, which established the duty of the employer to bargain, provides that it shall be an unfair labor practice for an employer "to refuse to bargain collectively with the representatives of his employees"

Section 2(3) of the Taft-Hartley Act defines an employee in the following terms:

"The term 'employee' shall include any employee, and shall not be limited to the employees of a particular employer, unless the Act explicitly states otherwise, and shall include any individual whose work has ceased as a consequence of, or in connection with, any current labor dispute or because of any unfair labor practice, and who has not obtained any other regular and substantially equivalent employment"

Section 2(3) then goes on to list individuals who are not included in the term employee under the Act, such as agricultural workers, supervisors, workers covered by the Railway Labor Act, etc.

20/ W.D. Byron & Sons, 55 NLRB 172, 14 LRRM 25 (1944); J.S. Young Co., 55 NLRB 1174 (1944); Public Services Corp., 72 NLRB 224, 19 LRRM 1151 (1947).

21/ Public Services Corp., ibid., 72 NLRB 224, at 229-230.

of whether the benefits of previously retired workers were a mandatory subject of bargaining was not raised and so was not considered. 22/

In 1969, over 20 years after it had ruled that pension benefits for active employees were a mandatory subject of bargaining, the Board was faced with the question of whether or not benefits for previously retired workers were a mandatory subject of bargaining. This issue was raised in Pittsburgh Plate Glass Co. 23/ This case involved Local Union 1 of the Allied Chemical & Alkali Workers, Ind., and the Pittsburgh Plate Glass Company. The union and the employer had for some time negotiated over changes in health benefits for retired workers. However, in 1965 the company refused to bargain with the union over changes in health benefits for retired employees, and instead, instituted a unilateral modification of the health plan in regard to retired employees. The union then filed charges with the NLRB claiming that the company had violated sections 8(a)(1) and 8(a)(5) of the Taft-Hartley Act. 24/

22/ Inland Steel Co., 77 NLRB 1, 21 LRRM 1310 (1948), enf'd, 170 F.2d 247, 22 LRRM 2506, 15 L.C. Para. 64,737 (C.A. 7, 1948), cert den, 336 U.S. 960, 69 S.Ct. 887, 24 LRRM 2019 (1949).

23/ Pittsburgh Plate Glass Co., 177 NLRB 911, 71 LRRM 1433, 1969 CCH NLRB Para. 21,111 (1969), enf den, 427 F.2d 936, 74 LRRM 2425 63 L.C. Para. 10,945 (C.A. 6, 1970), 404 U.S. 157, 92 S.Ct. 383, 78 LRRM 2974, 66 L.C. Para. 12,254 (1971), aff'g 427 F.2d 936.

24/ Section 8(a)(1) makes it an unfair labor practice for an employer "to interfere with, restrain, or coerce employees in the exercise of the rights guaranteed under section 7." Section 7, among other things, gives employees the right "to bargain collectively through representatives of their own choosing" - cont'd. -

Decision of the Board in Pittsburgh Plate Glass Co.

The Board's trial examiner ruled that the employer was under no statutory duty to bargain over changes in benefits for retirees because they were not employees under Taft-Hartley. The Board reversed the decision of the trial examiner and ruled that the employer had violated the law by its refusal to bargain over retiree benefits. The Board based its decision on four grounds. First of all, the Board ruled that retirees were employees under section 8(a)(5) for the purpose of bargaining over changes in benefits. 25/ In reaching this conclusion,

Section 8(a)(5) makes it an unfair labor practice for an employer "to refuse to bargain collectively with the representatives of his employees" This provision enforces the good faith bargaining requirement of section 8(d), which provides:

"For the purposes of this section, to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, or the negotiation of an agreement, or any question arising thereunder, and the execution of a written contract incorporating any agreement reached if requested by either party, but such obligation does not compel either party to agree to a proposal or require the making of a concession"

25/ The Board, unlike the trial examiner, saw no conflict in its finding that retirees were employees for the purposes of bargaining over changes in benefits and its earlier rulings that pensioners were not eligible to vote in representation elections. The Board stated that in the representation cases in which it was held that retirees were not eligible to vote,

"the Board decided only eligibility issues, intimating no opinion on the broader question involved here. Nevertheless, the Trial Examiner reasons that 'if retired persons are excluded from a unit for the purpose of voting for a representative of that unit, manifestly they should be eliminated from the unit for purposes of collective bargaining relating to employees in that unit.' This conclusion fails to consider the nature of eligibility determinations which are not intended to be definitive rulings on employee status for all purposes." Pittsburgh Plate Glass Co., op. cit., 71 LRRM 1433, at 1436.

the Board stated that the term employee was not limited solely to those individuals who were currently employed by an employer. The Board pointed out that "applicants for employment and registrants at hiring halls . . . as well as persons who have quit or whose employers have gone out of business" have been considered to be employees covered by the Act. 26/ Thus, the Board noted that:

"If one can be an 'employee' before he had been hired, or after his employer has gone out of business . . . we cannot agree that one who has spent his productive years in the bargaining unit is beyond the protective ambit of 'employee' rights." 27/

Secondly, after finding that retirees were employees for the purpose of bargaining over benefits, the Board went on to assert that the issue of changes in benefits for retirees would be a mandatory subject of bargaining even if retirees were not considered to be employees because the issue vitally affected bargaining for current employees. To illustrate the effect that changes in retirement benefits for retirees have on current employees, the Board stated that such changes "affect the availability of employer funds for active employees. Therefore, the impact of decisions on such matters on active employees is direct and immediate." 28/

Thirdly, the Board maintained that bargaining over changes in retiree benefits was a desirable means of adapting benefit plans to changing conditions.

26/ Idem.
27/ Idem.
28/ Ibid., at 1438.

"Forced reliance on fixed, preretirement formulas has shortcomings which may lead to disappointing results in the operation of a plan. There may be a variety of changes in the experience of the covered group or in the operation or administration of the plan itself which the parties cannot foresee. The changing value of the dollar, rising medical costs, and other economic developments might alter the real level of benefits envisaged by the original formula." 29/

Collective bargaining, in the view of the Board, "is not only a suitable method . . . but it is probably the most rational and effective method" for adapting benefit plans to changing conditions. 30/

Finally, the Board stated that current trends and practices in industrial relations dictate whether or not an issue is a mandatory subject of bargaining. In regard to benefits for retired workers, the Board stated that:

"Bargaining on benefits for workers already retired is an established aspect of current labor-management relations. The United Auto Workers, the United Steelworkers, and the Amalgamated Transit Union, amici curiae, have cited many instances in which increases in benefits have been obtained for retired workers." 31/

Decisions of the Courts in Pittsburgh Plate Glass Co.

The Board's decision was appealed to the Court of Appeals for the Sixth Circuit. 32/ The court refused to enforce the Board's decision, holding that retirees were not employees for the purpose of bargaining

29/ Ibid., at 1439.

30/ Idem.

31/ Idem.

32/ Pittsburgh Plate Glass Co. v. NLRB, 427 F.2d 936, 74 LRRM 2425, 63 L.C. Para. 10,945 (C.A. 6, 1970).

over changes in benefits, and that, therefore, an employer was under no statutory duty to bargain over benefits for retirees. This decision was subsequently upheld by the Supreme Court. 33/

The Supreme Court, in its decision issued December 8, 1971, stated that the Board had given too broad a definition to the term employee:

" . . . the legislative history of section 2(3) itself indicates that the term 'employee' is not to be stretched beyond its plain meaning embracing only those who work for another for hire." 34/

Furthermore, the Court stated that the decisions which the Board had relied on in finding that the term employee included more than those who were currently employed by an employer were not applicable to retirees:

"The Board enumerated 'unfair labor practice situations where the statute has been applied to persons who have not been initially hired by an employer or whose employment has terminated. Illustrative are cases in which the Board has held that applicants for employment and registrants at hiring halls -- who have never been hired in the first place -- as well as persons who have quit or whose employers have gone out of business are 'employees' embraced by the policies of the Act.' . . . Yet all of these cases involved people who, unlike the pensioners here, were members of the active work force available for hire and at least in that sense could be identified as 'employees.'" 35/

In view of the Supreme Court's decision, employers are not under a statutory duty to bargain over changes in benefits for retirees.

33/ Allied Chemical & Alkali Workers of America, Local Union No.1 v. Pittsburgh Plate Glass Co., 404 U.S. 157, 92 S.Ct. 383, 78 LRRM 2974, 66 L.C. Para. 12,254 (1971).

34/ Ibid., 78 LRRM 2974, at 2977.

35/ Ibid., at 2978.

However, employers may voluntarily agree to bargain on such changes. Thus, as noted by Edward Miller, Chairman of the NLRB, the Court's decision on bargaining on changes in retiree benefits may not have a great impact:

"I would simply caution against any overreading of the Supreme Court opinion in that case. In the first place, it does not mean that an employer is prohibited from bargaining about benefits for retired employees, but only that such bargaining is not required. Many companies do bargain about such matters and doubtless will continue to, even in the face of this decision." 36/

Miller also pointed out that, in his opinion, there may be situations in which changes in the benefits of retirees may be a mandatory subject of bargaining, notwithstanding the Court's decision in the Pittsburgh Plate Glass Co. case:

"I can think of fact situations in which the limited holding of the Court in the Pittsburgh Plate Glass case may not necessarily result in a total exclusion from the area of compulsory bargaining of benefits for retired employees. What if, for example, a company has traditionally bargained, not on a benefit level basis, but on a cents-per-hour basis, and it makes a firm commitment in negotiations to contribute an additional five cents per hour over the term of the new agreement to provide improved pension benefits? Then after the contract is signed, the parties get together to decide how that five cents an hour shall be spent. Having once made the broad commitment to spend five cents an hour for improved 'pension benefits,' there would be reason to doubt whether the Supreme Court ruling would now exclude from mandatory bargaining a union demand for applying a certain percentage of the pot to improved benefits for those already retired. Again I

36/ Edward B. Miller, "Pensions, Profit-Sharing and the Labor Board," Address before the Midwest Pension Conference, Chicago, Ill., March 15, 1972.

express no clear view about the law, but simply point out that the Supreme Court decision is limited and should not be read too broadly by anyone." 37/

Even before the Supreme Court decision, and the above-quoted opinion of Chairman Miller, one management official put the realities of collective bargaining succinctly in the following terms: "If the Steelworkers put the demand on the table, and if you need it to make a deal, you'll pick it up." 38/

PAYMENT OF UNION SERVICE FEES AS A CONDITION
OF BENEFIT ELIGIBILITY

The issue of the imposition of a union service fee on pensioners as a condition of eligibility for benefits under an employer benefit plan was brought before the NLRB in 1967 in Coal Producers Assn. of Illinois. 39/ In this case, an employer association and District 1 of the Progressive Mine Workers, Ind. had established a jointly administered pension and welfare benefit plan which provided that pensioners and workers who had left the bargaining unit would have to pay dues to the union in order to maintain their eligibility for benefits. Four retired workers who were drawing pension benefits and

37/ Idem.

38/ Quoted in Howe, op. cit.

39/ Coal Producers Assn. of Illinois, 165 NLRB 337, 65 LRRM 1304, 1967 CCH NLRB Para. 21,465 (1967).

three workers who had left the bargaining unit for other employment filed charges with the Board claiming that the requirement that they continue to pay dues to the union violated sections 8(a)(2), 8(a)(3) and 8(b)(2) of the Taft-Hartley Act. 40/

The Board ruled that the dues requirement for benefit eligibility in this case was not an unfair labor practice. In reaching this decision, the Board took the view that the dues required of retirees and others who had left the bargaining unit, which were less than the amount required of currently employed workers, were in the nature of a service fee for representation and administrative expenses incurred by the union in representing such persons:

"The Union contends that the dues required to maintain Union membership during periods which an employee is not working at a mine within the bargaining unit are actually in the nature of a service fee for the handling of benefits payable pursuant to the plan, and justifiable as such. It urges that the dues scale, which reflects work-status in the industry, is indicative of a service arrangement. Employees working in mines covered by the plan pay 75 cents monthly dues, plus 2 percent of their gross earnings, while members working outside the coal industry pay \$1.45 monthly, and retired, disabled, or other employees eligible for benefits pay 1 percent of the benefits being received by the plan, with \$1.00 monthly being the minimum

"We find merit in the Union's analysis of its dues structure as applied to those not working in the unit, and conclude that such payments can, as revealed by this record,

40/ Section 8(a)(2) provides that "it shall be an unfair labor practice for an employer to dominate or interfere with the formation or administration of any labor organization or contribute financial or other support to it"

Section 8(a)(3) makes it an unfair labor practice for an employer "by discrimination in regard to hire or tenure of employment or any term or condition of employment to encourage or discourage membership in any labor organization"

Section 8(b)(2) prohibits unions from causing or attempting to cause "an employer to discriminate against an employee in violation of subsection (a)(3)"

be considered to be a service fee. Fees for job referral services by a union have been approved by the Board and the Courts. Other similar charges by unions have received tacit approval, subject to appropriate safeguards. An important proviso running through the service charge concept has been that such fees be reasonably related to the value of the services rendered by the union. The services rendered here, as we view them, tend to make the fees set forth above seem reasonable. The services rendered include the Union's assistance in perpetuating the plan itself as well as its sustaining fund through periodic bargaining negotiations." 41/

The Board further stated that:

". . . the Union, in its bargaining, is called upon to represent the interests not only of employees currently engaged in mining coal, with respect to their wages, hours, and other terms and conditions of employment, but also the interests of eligible participants in the plan who are no longer mining coal. These eligible participants have an economic interest in the perpetuation of a plan of this sort and the fund which makes it possible. In view of this interest, we do not believe it unreasonable that the Union require employees covered by the plan to continue making payments varying according to their employment status and income, to support the Union and its efforts on their behalf with respect to the plan. It seems to us that the Union's endeavors in this connection are a valuable service to employees no longer working in the unit, much as a job referral is to prospective employees." 42/

While the Board thus held that an employer and a union may require the payment of a "reasonable service fee" to the union as a condition of benefit eligibility, a recent court decision held that a union could not require or lead workers to believe that the payment of dues was required for benefit eligibility where there was no such requirement

41/ Coal Producers Assn. of Illinois, op. cit., 65 LRRM 1304, at 1305-1306.

42/ Ibid., at 1306.

in the plan. 43/ In this case, a suit was brought against the trustees of the United Mine Workers Welfare and Retirement Fund (Bituminous Fund) by participants charging that the trustees had committed breaches of trust. Among other things, the plaintiffs alleged that the trustees had allowed the union, acting through its locals, to require the payment of dues as a condition of benefit eligibility even though there was no such requirement in the plan. In regard to this charge, the court held that:

"The trustees sponsored an application form which incorrectly implies that Union membership and Union approval is necessary before an application will be processed. The Application for Pension, for example, carries at its foot a space for certification by the local and by the district that the applicant 'is currently a member of Local Union No. ' and 'is a member of District No. .' There is ample documentary and testimonial evidence that applicants were improperly led by this form and by the locals to believe that Union membership was a prerequisite for eligibility, and were often forced to make substantial payments, sometimes running into hundreds of dollars, as 'back dues' to reinstate their Union membership. The full extent of illegal collection of back dues by the Union through this device is unknown.

"There is no proof that the trustees had actual knowledge of these improper practices by Union locals. In delegating certain functions to the Union local and district offices, however, they should have recognized the potential for abuse of the benefit application process where non-Union member beneficiaries were concerned. In continuing to use patently misleading forms which encouraged applicants to believe that a paid-up Union membership was a prerequisite to receiving benefits, the trustees were grossly negligent, to an extent that constitutes breach of trust." 44/

The court refused to award damages against the union because the union was not a defendant on the issue of fraud in the collection of

43/ Blankenship v. Boyle, 329 F.Supp. 1089, 77 LRRM 2140, 65 L.C. Para. 11,771 (D.C. D. of C., 1971).

44/ Ibid., 77 LRRM 2140, at 2153.

dues. The court noted, however, that such damages could be recovered by suits by individual beneficiaries, and enjoined the trustees from using the improper application forms. 45/

The last court case on the issue of service fees involved the Maritime-NMU Pension Trust. In January 1968, the trustees of this jointly administered plan adopted an amendment to the trust documents requiring pensioners to pay a service fee to the union as a condition of receipt of benefits. A pensioner sought a declaratory judgment in a New York State court as to the legality of the amendment. Prior to trial, the trustees rescinded the amendment and moved that the case be dismissed as moot. The court, however, denied the motion, basing its denial on the fact that the union in a letter informing pensioners of the revocation had stated that:

" ' . . . [the financial situation] has improved and the pensioner service fee will not be put into effect at this time. ' "

The court felt that:

"It is thus apparent that respondents, while they no longer threaten imminent measures, have not conclusively acknowledged that they have no right to reinstitute the service fees.

45/ Idem. In another case involving the United Mine Workers Welfare and Retirement Fund, the Alabama Supreme Court upheld a lower court's award of \$50,000 in damages to a disabled miner who had been denied a pension because he did not meet the work requirements of the plan, but who had been advised some years earlier by a district officer that he would be eligible for a pension when he reached age 60, even though he was no longer employed, if he continued to pay dues to the union. See United Mine Workers of America, District 20 v. Sams, 6 NBPC 182 (Ala. Sup. Ct., 1971).

"They annulled them 'at this time' as a matter of policy, not as a matter of legal enlightenment, and appear to recognize no barrier to reinstitute the challenged idea at a future time."

The court then ruled on the merits of the case. It examined the trust instrument of the plan and found that the trustees were given wide powers, including the authority to amend or modify the trust instrument. However, the trust instrument contained the following provision:

"It is further provided, however, 'that benefits payable to persons retired hereunder prior to amendment shall not in any event be reduced so long as funds are available for payment of such benefits'"

On the basis of this provision, the court ordered that the amendment requiring the payment of a service fee by pensioners be null and void, and enjoined the trustees from requiring the payment of any fee by persons already receiving pensions as a condition of receipt of benefits. 46/

46/ Puette v. Hickey, (Sup. Ct., N.Y.C., 1968) unreported.

III. RETIRED UNION MEMBERS: THEIR MEMBERSHIP STATUS AND ELIGIBILITY TO PARTICIPATE IN UNION AFFAIRS

What effect does retirement from employment within the trade jurisdiction of the union have on the membership of a union member? Is he allowed to continue as an active member, with the same rights and privileges of membership that he enjoyed prior to retirement? Is he only allowed to continue his membership as an "honorary" member, with little or no rights and privileges in the union? Or does retirement mean that the member is no longer eligible to retain any form of membership within the union? In order to answer these questions, the constitutions of all national unions with over 40,000 membership listed in the U. S. Bureau of Labor Statistics, Directory of National and International Labor Unions in the United States, 1969, that were reporting to the Department of Labor under the LMRDA as of July 1970 were analyzed. There was a total of 68 national unions meeting these criteria, and these 68 national unions account for 89 percent of the membership of all national unions listed in the BLS Directory.

The national constitutions studied were those in effect in December 1970, according to reports filed with the Department of Labor. The analysis of the national union constitutions covered the following areas: (1) provisions for retention of membership by retirees, and types of membership for which retirees are eligible; (2) requirements for the payment of dues by retirees; (3) right of

retirees to participate in internal union affairs by attending local union meetings, speaking and voting at local union meetings, voting in elections for local union officers, running for local union office, voting in elections for convention delegates, running for convention delegate, voting in elections for national union officers and running for national union office; (4) right of retirees to participate in the collective bargaining process by voting on union contract proposals, ratification of contracts, and strikes; (5) right of retirees to participate in union administered membership benefit plans; and (6) the formation by the union of organizations composed solely of retired members. 1/

PROVISION FOR RETIREE MEMBERSHIP AND TYPE OF RETIREE MEMBERSHIP

In examining the role of the retiree in labor unions, the first and foremost consideration is to determine whether or not members are eligible to retain membership in the union upon retirement. In this section, data on the number of unions which provide for retention of membership by retirees, the types of membership available to retirees and the qualifications, if any, for retiree membership will be presented.

1/ All data presented in this chapter are based on union constitutions and information supplied by the unions. When the words "provision" or "provide" are used, it means that the data are based on the union constitution. When other terms are used to describe data (such as "require," "allow," "permit," "grant," "deny," etc.) it means that the data were supplied by the union or represents a combination of constitutional provisions and data supplied by the union.

For the purpose of this study, a retiree is defined as one who ceases working in the employment jurisdiction of the union because of reasons such as age, length of employment, or eligibility for pension benefits, but not because of reasons such as disability, incapacity, inability to secure employment, or to seek employment outside of the jurisdiction of the union. The terms used in the unions to designate such retirees are "retired members," "honorary members," "life members," etc. These are included in the definition of retiree used in this study only to the extent that such persons were previously regular union members, thus excluding such classes as "honorary membership" which may be conferred only upon public dignitaries or long-term members who continue to be active in the trade.

Of the 68 national constitutions analyzed, 48 were designated as providing for the retention of membership by retirees, and 20 were classified as not providing for the retention of membership by retirees.^{2/} The 48 national unions whose constitutions provide for retiree membership had a total membership of 13.6 million in 1968. These 48 unions account for 76 percent of the membership of the 68 unions studied, and 67 percent of the membership of all national unions listed in the BLS Directory.

Unions Providing for Retiree Membership

In general, the constitutions of the 48 unions which provide for retiree membership specifically state that all retired members, or

^{2/} See Appendix B, Table 1.

retired members who meet certain qualifications (usually a length of membership qualification) are eligible to retain some form of membership in the union. The Auto Workers, Ind., for example, provides that:

"Any member in good standing who is retired, shall be entitled to a 'retired membership status'" 3/

In the Transportation Union, the constitution provides that members who have a specified length of membership prior to retirement are eligible to retain membership in the union:

"Members . . . having twenty (20) years' continuous membership . . . and are retired from transportation service will be given a gold embossed card indicating life membership in the United Transportation Union." 4/

This constitution, however, makes no reference to retention of membership by those who do not satisfy the length of membership requirement prior to retirement.

There are a number of unions among the 48 whose constitutions do not specifically provide that a member is eligible to retain membership in the union upon retirement, but which do refer to retired members, usually in reference to participation in some aspect of internal union affairs. For example, in the Shoe Workers constitution, the only reference to retired members is in regard to qualifications for local union office. The constitution states that:

"Any member who has retired shall not be eligible to be a candidate for local office." 5/

3/ Auto Workers, Ind., 1970 Constitution, Art. 6, Sec. 19, p. 8.
4/ Transportation Union, 1969 Constitution, Art. 43, p. 43.
5/ Shoe Workers, 1970 Constitution, Art. XI, Sec. 1, p. 35.

Type of Membership Available to Retirees

In the 48 unions which provide for the continuation of membership by retirees, what type of membership is available to retirees? Do retirees continue in the same membership class that they were in prior to retirement or its equivalent (active membership), or are they placed in a special class of membership (retirement membership)?

All of the 48 unions provide for a special retirement membership class. ^{6/} These 48 unions fall into 3 categories in regard to the type of membership available to retirees: unions whose constitutions provide that retirees are eligible to retain membership in the retirement membership class, but are silent regarding the eligibility of retirees to retain active membership; unions whose constitutions provide that retirees are only eligible to retain membership in the retirement membership class; and unions whose constitutions give retirees the option of continuing their membership as active members or in the retirement membership class. The distribution

^{6/} For the purposes of this study, the term "retirement membership class" is used to refer to a membership classification established by the union for retired members (e.g., associate, honorary, life, retired, superannuated, etc.). This membership classification may be one which is limited to retirees, or one which includes retirees and other members, such as long-term members.

The term "retirement membership" is used for convenience only, and as is apparent from the text, not meant to indicate that such members are necessarily barred from being active in the union in various ways which will be discussed below.

below shows the types of membership available to retirees in these 48 unions.

| <u>Type of retiree membership</u> | <u>Total unions</u> |
|---|---------------------|
| Total----- | <u>48</u> |
| Retirement membership, no provision for active membership----- | 27 |
| Retirement membership only----- | 15 |
| Active or retirement membership optional----- | 6 |

A total of 27 unions provide that retirees are eligible for retirement membership, but are silent regarding the eligibility of retirees for active membership. These 27 unions generally specify that any retiree, or any retiree who meets certain qualifications, shall be granted retirement membership status upon application. In the Chemical Workers, for example, the constitution states that:

"Any member in good standing who is permanently leaving the jurisdiction due to retirement, pension, or permanent disability, shall, upon application, be given a free honorary lifetime membership in the International Chemical Workers Union and shall be issued an honorary lifetime membership card as evidence of his status." 7/

The Oil, Chemical & Atomic Workers, on the other hand, provides for the granting of retired membership status, upon application, to members with a specified period of membership prior to retirement:

"Any member who has been in continuous good standing with the International Union for ten (10) years, and who is retiring from active duty, may apply and be issued an honorary membership card" 8/

7/ Chemical Workers, 1968 Constitution, Art. XVI, Sec. 39, p. 44.

8/ Oil, Chemical & Atomic Workers, 1969 Constitution, Art. X, Sec. 17, p. 39.

Fifteen of the 48 unions were classified as granting retirees the right to continue in the retirement membership class, but as denying retirees the right to continue active or full membership. 9/ The constitutions of these 15 unions generally contain provisions which state that a retired member shall lose his eligibility for active or full membership, or provisions which specify that a member shall be reclassified upon retirement. In the State County Municipal Employees, for example, the constitution provides that:

"Any member who retires may, unless specifically prohibited by provisions of the local union constitution, continue his membership in his local union, subject to the following conditions:

"A. If he is an incumbent officer of a local, council or the International Union, he may, by the payment of the full amount of dues, retain full membership status until the end of his term of office. At the end of said term, he shall be eligible to become and to remain a retired member and shall lose his eligibility for full membership status.

"B. If he is not an incumbent officer of a local, council, or the International Union, he shall be eligible to become and to remain a retired member and shall lose his eligibility for full membership status." 10/

The Railway Clerks, in contrast, does not state in so many words that retirees are ineligible for active membership. Its constitution, however, does specify that such members shall be reclassified upon retirement:

9/ These 15 unions are: the Brewery Workers, the Electrical Workers - IBEW, the Ladies Garment Workers, the Glass Bottle Blowers, the Glass & Ceramic Workers, the Iron Workers, the Maritime, the Pulp, Sulphite & Paper Mill Workers, the Railway Clerks, the Retail Clerks, the State County Municipal Employees, the Teamsters, Ind., the Textile Workers - TWU, the Transit Union, and the Transportation Union.

10/ State County Municipal Employees, 1970 Constitution, Art. III, Sec. 2, p. 6.

"Members who have retired because of age and who perform no compensated service on a position in industry over which the Brotherhood claims jurisdiction will be classified as associate members" 11/

In 6 of the 48 unions with a retirement membership class, retirees are given the option of continuing their active membership, or of assuming retired membership status. 12/ The Communications Workers, for example, specifies that:

"Members of a Local who are or may be retired by reasons of age or disability or who are, or who may be on leaves of absence, may elect to continue to be active members or to assume the status of associate members." 13/

The Maintenance of Way Employees, similarly, specifies that any member who is retired may,

"if he desires to become an attached member in the Brotherhood, apply for and receive a Grand Lodge Attached Membership Card . . .; or

"If he desires to continue full membership in the Brotherhood, he may do so upon continuing to comply with all provisions of the Constitution and By-Laws applicable to full membership including payment of full dues and assessments." 14/

11/ Railway Clerks, 1967 Constitution, Art. 27, Sec. 2(a), p. 72.
12/ These 6 unions are: the Communications Workers, the Firemen & Oilers, the Machinists, the Maintenance of Way Employees, the Teachers, and the Transport Workers.
13/ Communications Workers, 1967 Constitution, Art. V, Sec. 3(e), p. 5.
14/ Maintenance of Way Employees, 1970 Constitution, Art. XVIII, Sec. 5(b), p. 63.

Qualifications for Retiree Membership

As previously indicated, some unions with retirement membership provide that all retired members are eligible to retain membership, while other unions do not provide for the retention of membership by all retirees, but specifically provide that retirees who meet certain qualifications shall be eligible to retain membership. Of the 48 unions with retirement membership, 25 provide that any retiree is eligible to retain membership in the union, while 23 provide that retirees who meet certain qualifications shall be eligible.

The 23 unions which provide for the retention of membership by retirees who meet certain qualifications most often require a minimum length of membership prior to retirement. Of these 23 unions, 13 provide that members with a specified period of membership prior to retirement are eligible to retain membership, 7 provide that members who are receiving pension benefits are eligible, and 3 provide that members with a specified period of membership prior to retirement and who are receiving a pension are eligible. 15/

15/ The 13 unions in which length of membership is the requirement for retention of membership are: the Laborers, the Lithographers & Photoengravers, the Longshoremens, the Molders, the Oil, Chemical & Atomic Workers, the Painters, the Plasterers, the Plumbers, the Printing Pressmen, the Retail Clerks, the Sheet Metal Workers, the Stage Moving Picture Operators, and the Transportation Union.

The 7 unions in which receipt of pension benefits is the requirement for retention of membership are: the Operating Engineers, the Ladies Garment Workers, the Glass Bottle Blowers, the Glass & Ceramic Workers, the Maritime, the Railway Carmen, and the Transit Union.

The 3 unions in which length of membership and receipt of pension benefits are required are: the Boilermakers, the Electrical Workers - IBEW, and the Iron Workers.

Unions Not Providing for Retiree Membership

Of the 68 national unions studied, 20 were classified as not providing for retention of membership by retirees. In general, the constitutions of these unions neither provide for the retention of membership by retirees nor exclude retirees from continued membership in the union. 16/ This is the case in all of the unions classified as not providing for the retention membership by retirees, with the exception of 2 unions (the Retail Wholesale and the Upholsterers). Both of these unions appear to require withdrawal from the union when the member is no longer working in the trade jurisdiction of the union. Thus, Retail Wholesale provides that:

"Any member desiring to leave the trade may withdraw from membership on giving written notice of such withdrawal and paying all dues, assessments, fines and other charges against him up to the date of his withdrawal and surrendering his membership book or card. A member who leaves the trade must withdraw from his local union upon request of his local union or the International Executive Board. If a member shall fail to voluntarily withdraw within ten (10) days after the mailing of such request he shall stand automatically suspended." 17/

16/ The fact that a constitution does not specifically provide for the retention of membership by retirees would not necessarily mean that they are ineligible for continued membership in the union. For example, the Steelworkers constitution is completely silent on retired members, however, in practice, members who retire from employment are granted honorary membership in the union. See Steelworkers, Older and Retired Workers' Plans, Programs and Services in the Field of the Aging (Washington: Steelworkers, undated),

17/ Retail Wholesale, 1966 Constitution, Art. VII, Sec. 12, pp. 31-32.

In the Upholsterers, the general executive board or a local union

"shall have the authority, after a due and proper hearing, to revoke the membership of any member/who . . . retires from active employment in /Upholsterers'/ industries, trades, professions or services." 18/

On the other hand, the constitutions of the other 18 unions which were classified as not providing for the retention of membership by retirees are either completely silent regarding retirees or provide for the issuance of withdrawal cards upon application by members no longer employed in the trade jurisdiction of the union. In the Actors & Artists, for instance, the sole mention of retirees is in regard to withdrawal cards:

"Any member who retires from his professional work or enters any other trade or calling may apply to the Branch of which he is a member for an honorable withdrawal card, which card shall be granted in the discretion of his Branch." 19/

Similarly, in the Laundry Workers, Ind.,

"Any member desiring to retire from the trade, or securing employment in any other craft, or leaving the trade for any other reason, shall, upon application to the Secretary-Treasurer of their Local Union and payment of dues and other indebtedness to their Local Union to date, be granted a withdrawal card for fifty (50) cents." 20/

18/ Upholsterers, 1970 Constitution, Art. XXXVII, Sec. 22(b), p. 107.

19/ Actors & Artists, 1965 Constitution, Art. X, Sec. 13, p. 11.

20/ Laundry Workers, Ind., 1965 Constitution, Art. X, Sec. 1, p. 31.

DUES REQUIREMENTS FOR RETIRED MEMBERS

When a union member retires from active employment two things generally occur. First of all, the member's retirement income would usually be less than his pre-retirement income. Secondly, the union's expenditures on behalf of the retired member are usually reduced. Given these occurrences, it might be expected that a retired member would either be exempt from dues, or pay dues at a reduced rate. In this section, the 48 unions with retiree membership will be examined first of all to determine whether retired members are required to pay dues, or are exempt from dues; and second of all to determine whether retirees who are required to pay dues do so at the same rate as other members, or at a reduced rate.

For the purposes of this study, dues are defined as the regular periodic payments required to maintain membership in the union, excluding any amounts paid by members for participation in union administered welfare and pension plans. Thus, if retired members are required to make payments only to participate in these plans, the union was classified as not requiring retirees to pay dues.

Requirements for National and Local Union Dues

The 48 unions with retiree membership fall into 3 general categories with respect to requirements for the payment of dues by retirees: unions in which all retired members are required to pay national and/or local union dues; unions in which retired members with a specified type of membership are required to pay dues, while other retired members are exempt from the payment of dues; and unions

which do not require the payment of dues by retired members. 21/ The number of unions falling into each of these categories is shown in the following distribution.

| <u>Retired member dues requirement</u> | <u>Number of unions</u> |
|---|-----------------------------|
| Unions with retiree membership----- | <u>48</u> |
| National and/or local union dues required from all retired members----- | <u>20</u> |
| National and/or local union dues required only from retirees with a specified type of member- ship----- | <u>5</u> |
| Retired members not required to pay dues----- | <u>23</u> |

Of the 48 unions with retiree membership, 20 provide for the payment of dues (national or local dues, or both) by all retirees who retain membership in the union. 22/ There are 5 other unions in which the requirement to pay dues is a function of the type of membership held by the retiree. In 3 of these 5 unions (the Communications Workers, the Machinists, and the Transport Workers) retirees are given the option of retaining active membership, or of

21/ The term "national dues" is used to denote payments made to, and retained by, the national union. It is most commonly designated as "per capita."

22/ Two of these 20 unions, however, provide for certain limited exceptions on the payment of dues by retirees. One of these unions (the Carpenters) provides that retirees who are receiving a union pension and government aid shall be exempt from dues if the amount of government aid is reduced by the amount of the union pension. The other union (the Stage Moving Picture Operators) requires retirees to pay dues until they reach age 75.

assuming retired membership status. Each of these 3 unions provides that retirees retaining active membership are required to pay dues, but that other retired members are exempt from dues. In the other 2 of the 5 unions, there are 2 types of retirement membership status, based on length of membership prior to retirement. One of these unions (the Molders) provides that retirees with less than 45 years of membership prior to retirement are required to pay national and local dues, but that retirees with 45 years of membership are exempt from dues. The other union (the Retail Clerks) exempts all retirees from national dues, but requires retirees with less than 15 years membership to pay local dues.

A total of 23 of the 48 unions do not require retired members to pay dues. In general, in these 23 unions, the national specifically exempts retired members from all dues. For example, the Textile Workers - TWU provides that: "A member who retires from employment because of age or disability shall cease to pay dues" ^{23/} In 4 of the 23 unions, although the national does not require retirees to pay dues, there are circumstances under which such members would be required to pay dues. Three of these 4 unions (the Glass & Ceramic Workers, the Plasterers, and the Printing Pressmen) give local unions the authority to adopt bylaw provisions on the payment of local dues by retirees; and in 1 union (the Shoe Workers), retirees who desire to retain eligibility for death benefits are required to pay national dues, otherwise retirees are exempt from all dues.

^{23/} Textile Workers - TWU, 1970 Constitution, Art. XI, Sec. 1(c), p. 21.

Unions with a Dues Requirement for Retired Members

The type of dues required of retired members in the 20 unions in which all retired members are required to pay dues and the 5 unions in which only certain retired members are required to pay dues is shown in the following distribution.

| <u>Type of dues</u> | <u>Number of unions</u> |
|---|-----------------------------|
| Total unions with a dues requirement----- | <u>25</u> |
| Unions requiring all retired members to pay national and/or local union dues----- | <u>20</u> |
| National and local union dues required of all retired members----- | 9 |
| National union dues only required----- | 7 |
| Local union dues only required----- | 2 |
| National and local union dues required of retired members who retain active member- ship, national union dues only required of other retirees----- | 2 |
| Unions requiring dues only of retired members with a specified type of membership----- | <u>5</u> |
| National and local union dues required----- | 4 |
| Local union dues only required----- | 1 |

Nine of the 20 unions which require the payment of dues by all retired members provide that such members are required to pay both national and local dues. 24/ These 9 unions account for 36 percent of the 25 unions with a dues requirement for retired members, but only 19 percent of all unions with retiree membership.

Seven of the 20 unions which require the payment of dues by all retired members provide that retired members are obligated to pay

24/ These 9 unions are: the Barbers, the Carpenters, the Laborers, the United Mine Workers, Ind., the Railway Clerks, the Service Employees, the State County Municipal Employees, the Teachers, and the Typographical.

national dues only. In 3 of these 7 unions (District 50, Ind., the Iron Workers, and the Sheet Metal Workers), retired members are specifically exempt from local dues. For example, the Iron Workers specifies that honorary members (the retired membership classification in the union)

"shall be exempt from all local dues and assessments, but shall pay per capita tax . . . and all International assessments to the International Association through their local union" 25/

The issue of local union dues payments by retirees in 1 of the 7 unions (the Maritime) is not applicable, because the constitution does not provide for local unions. In the remaining 3 unions (the Operating Engineers, the Stage Moving Picture Operators, and the Transit Union), the national constitution is either silent on the obligation of retirees to pay local dues, or provides that such payments are a matter to be determined by local unions.

Two of the 20 unions which require all retired members to pay dues provide that such members are obligated to pay local dues, but are exempt from national dues. These 2 unions are the Longshoremen and the Office & Professional Employees. The constitution of the Office & Professional Employees, for example, provides that "retired members shall be required to pay local dues of one dollar (\$1.00) per month", but that local unions "shall not be obligated to pay per capita tax for retired members." 26/

25/ Iron Workers, 1968 Constitution, Art. XIX, Sec. 12, p. 54.

26/ Office & Professional Employees, 1968 Constitution, Art. XX, Sec. 6, p. 46.

In 2 other of the 20 unions which require all retired members to pay dues, the type of dues required depends on the type of membership held. These 2 unions (the Firemen & Oilers and the Maintenance of Way Employees) require all retired members to pay dues to the national union; however, only retired members who retain active membership are required to pay local dues.

Dues Based on Type of Retiree Membership

While the previously discussed 20 unions require that all retired members pay national and/or local union dues as a condition of membership, there are 5 unions which provide for the payment of dues by retirees with a specified form of membership, but exempt other retirees from all dues. Of these 5 unions, 4 require both national and local dues from certain retirees, but exempt other retirees from all dues; and 1 (the Retail Clerks) exempts all retirees from national dues, but requires that certain retirees (those with less than 15 years membership) pay local dues. Three of the 4 unions which require dues from certain retirees, and exempt others from all dues are ones which give retirees the option of continuing active membership or of assuming retirement membership status. These 3 unions are the Communications Workers, the Machinists, and the Transport Workers. The other union (the Molders) has two types of retirement membership, based on the length of membership prior to retirement. In this union retirees with less than 45 years membership are required to pay both national and local dues, while those with 45 years membership are exempt from all dues.

Amount of National and Local Union Dues Required of Retired Members

In general, the amount of dues required of retired members is less than the dues required of other members, except in those unions in which retired members retain active membership status. In such unions, retired members who continue as active members pay full national and local union dues. The dues payable by retired members as a percent of regular dues for each of the 25 unions with provisions for retired members' dues is shown on table 1 below. The unions are listed on the table by type of dues required of retired members.

National and Local Union Dues Required

A total of 9 unions require all retired members to pay both national and local union dues. Of these 9 unions, 3 provide for reduced national and local dues, and 3 require retirees to pay full national dues, but reduced local dues. In the remaining 3 unions, the Carpenters requires retirees to pay full national and local dues; the Typographical requires full national dues and local dues in an unspecified amount; and the Teachers, which is one of the unions granting retirees the option of continuing as active or retired members, provides for the payment of full national and local dues by retirees retaining active membership, and the payment of national dues at one-half the regular rate and local dues in an unspecified amount by retirees in the retirement membership group.

Table 1. Retired Members' Dues as a Percent of Regular Dues,
by Type of Dues Required

| Union | Percent of national union dues | Percent of local union dues <u>1/</u> |
|--|--------------------------------------|---|
| Total with provision for retired members' dues ----- 25 | | |
| National and local union dues required of all retired members | | |
| Barbers ----- | 100 | 11 |
| Carpenters ----- | 100 | 100 |
| Laborers ----- | 100 | 27 |
| Mine Workers, United, Ind. ----- | 50 | 14 |
| Railway Clerks ----- | 21 | 19 |
| Service Employees ----- | 100 | 62 |
| State County Municipal Employees ----- | 33 | 33 |
| Teachers ----- | 50, 100 | <u>2/</u> 100 |
| Typographical ----- | 100 | <u>3/</u> |
| National union dues only required of all retired members | | |
| District 50, Ind. ----- | 31 | - |
| Engineers, Operating ----- | 100 | - |
| Iron Workers ----- | 100 | - |
| Maritime ----- <u>4/</u> | 25 | <u>4/</u> |
| Sheet Metal Workers ----- | 33 | - |
| Stage Moving Picture Operators ----- | 63 | - |
| Transit Union ----- | 54 | - |
| National and local union dues required of retired members who retain active membership, national dues only required of other retired members | | |
| Firemen & Oilers ----- <u>5/</u> | 56, 100 | <u>5/</u> |
| Maintenance of Way Employees ----- | 37, 100 | 100 |

Continued on next page

Table 1. Retired Members' Dues as a Percent of Regular Dues,
by Type of Dues Required - Continued

| Union | Percent of national union dues | Percent of local union dues ^{1/} |
|--|--------------------------------------|---|
| Local union dues only required | | |
| Longshoremen ----- | - | <u>6/</u> |
| Office & Professional Employees ----- | - | 38 |
| Dues required only of retirees with a specified type of membership | | |
| Communications Workers ----- | 100 | 100 |
| Machinists ----- | 100 | 100 |
| Molders ----- | 28 | 36 |
| Retail Clerks ----- | - | 100 |
| Transport Workers ----- | 100 | 100 |

NOTE: In those unions in which 2 figures appear in the column "percent of national dues," the first figure applies to retirees who assume retired membership status, and the second figure applies to retirees who retain active membership.

^{1/} In a number of unions, local union dues are expressed in terms of minimum and maximum amounts. In calculating the percent of local dues paid by retirees, the minimum amount was used.

^{2/} Retirees who elect to continue active membership pay full local dues; retirees who assume retired membership status pay local dues in the amount established by the local for such members.

^{3/} The constitution does not specify the amount of local dues for active or retired members.

^{4/} The constitution provides for 2 types of retirement membership, "honorary" and "pensioner." Honorary members pay national dues of \$20 per year, and pensioner members pay national dues in an amount equal to 25 percent of the national dues paid by active members in the division (e.g., deep sea, lakes and rivers, etc.) from which they retired. Because the dues of active members depend upon the division in which they hold membership, the percentage of regular dues paid by honorary members is indeterminate.

The constitution does not provide for local unions; thus, there is no provision for local dues for active or retired members.

^{5/} Retirees who retain active membership are required to pay local dues in the amount established by the local union for retired members.

^{6/} The constitution does not specify the amount of local union dues required of retired members.

In the 3 unions which provide for reduced national and local union dues, the dues of retired members are one-half or less than the regular rate. The percentage of national dues payable by retirees in these 3 unions ranges from a low of 21 percent in the Railway Clerks to a high of 50 percent in the United Mine Workers, Ind. The percentage of local dues payable by retirees ranges from a low of 14 percent in the United Mine Workers, Ind. to a high of 33 percent in the State County Municipal Employees.

Three of the 9 unions which require retired members to pay national and local dues provide that retirees shall pay full national dues and reduced local dues. The percentage of local union dues payable by retirees in these 3 unions is 11 percent in the Barbers, 27 percent in the Laborers and 62 percent in the Service Employees.

National Union Dues Only Required

The constitutions of 7 of the unions with a provision for retired member dues require all retired members to pay national dues in some amount, but do not require the payment of local dues by retirees. Of these 7 unions, retired members pay reduced national dues in 5, and full national dues in 2.

In 3 of the 5 unions which provide for reduced national dues, the dues required of retirees are less than 50 percent of the dues required of other members. In 2 of the 5 unions, in contrast, the amount of national dues payable by retired members is over 50 percent

of the regular rate. In 1 of the 2 unions (the Stage Moving Picture Operators) retired members' national dues are 63 percent of the regular rate, while in the other union (the Transit Union) they are 54 percent of the regular rate.

Type of Dues Based on Type of Membership

There are 7 unions among the 25 with a dues requirement for retirees in which the type and amount of dues required of retirees are determined by the type of membership held. In 5 of these 7 unions, only retirees who hold a certain type of membership are required to pay dues; and in 2 of the unions, all retirees are required to pay national dues, but only retirees who hold a certain type of membership are required to pay local dues.

Three of the 5 unions which require dues from certain retirees, but exempt other retirees from all dues are ones which grant retirees the option of continuing as active or retired members. In each of these 3 unions (the Communications Workers, the Machinists, and the Transport Workers) retirees who retain active membership are required to pay full national and local dues, while retirees who assume retirement status are exempt from all dues. Two of the 5 unions (the Molders and the Retail Clerks) provide for 2 types of retirement membership, with retirees in one type being exempt from dues, and retirees in the other type being required to pay dues. In the Molders, members with 45 or more years of membership are exempt from dues, but

members for less than 45 years are required to pay national and local dues in amounts equal to 28 and 36 percent, respectively, of the regular rates. The Retail Clerks exempts members with 15 or more years of membership from all dues. Members for less than 15 years are exempt from national dues, but are required to pay full local dues.

In 2 of the 7 unions which base dues on the type of membership, all retired members are required to pay national dues, but only retired members who retain active status are obligated to pay local dues. One of these unions (the Maintenance of Way Employees) requires retirees who retain active status to pay full national and local dues. Retirees who assume retirement status pay national dues in an amount equal to about three-eighths the regular rate, but are exempt from local dues. In the other union (the Firemen & Oilers), retirees who retain active status pay full national dues, and local dues in an unspecified amount. Retirees who assume retirement status pay national dues in an amount equal to 56 percent of the regular rate, but are exempt from local dues.

Local Union Dues Only Required

Only 2 of the 25 unions with a dues requirement provide that retirees are obligated to pay local dues but not national dues. These 2 unions are the Longshoremen and the Office & Professional Employees. In the Office & Professional Employees, the amount of local dues required of retirees is 38 percent of the regular rate; in the Longshoremen, there is no specification as to the amount of local dues required of retirees.

PARTICIPATION IN INTERNAL UNION AFFAIRS BY RETIRED MEMBERS

The granting of continued union membership to a member who retires from employment in the trade jurisdiction of the union may be of significance to both the union and the retiree. The significance of the right to retain membership to a retiree may be great or small, depending upon the role that he is allowed to play in the union. If the retired member is allowed to take an active role in the union, such retention of membership may be very significant for both parties. If retired members are not allowed to take an active role in the union, the right to continue membership may be of sentimental value to the retiree, but of little or no consequence to the union. In this section, the role of retired members in unions will be examined in terms of the right of retired members to participate in the following 9 areas of internal union affairs: (1) attend local union meetings; (2) have voice at local union meetings; (3) vote at local union meetings; (4) vote in elections for local union officers; (5) run for local union office; (6) vote in elections for convention delegates; (7) run for convention delegate; (8) vote in elections for national union officers; and (9) run for national union office.

In examining the rights of retirees in the 9 areas of internal union affairs, the focus will be primarily on the 48 unions which were classified as providing for the retention of membership by retirees. Some attention will also be given to those 20 unions which were classified as not providing for the retention of membership by retirees. These 20 unions will be considered because it would be important to

know whether such unions have provisions in their constitutions which would restrict retired members from participating in internal union affairs, if in fact, retirees are allowed to retain membership even though the constitution does not specifically provide for retention of membership.

Unions with Retiree Membership

This section will be devoted almost entirely to a discussion of the right of retirees to participate in the 9 areas of internal affairs in 43 of the 48 unions with retiree membership. 27/ Five of the 48 unions will be treated briefly in the first portion of this section and then will be omitted from the discussion in the remaining portions.

The 5 unions to be discussed apart from the other unions with retiree membership are District 50, Ind., the Operating Engineers, the Maritime, the United Mine Workers, Ind., and the Plumbers. Two

27/ The right of retirees to participate in the areas of internal union affairs in each of the unions with retiree membership is shown in Appendix B, Table 2.

In this study, a union was classified as granting retirees the right to participate in a particular area of internal union affairs if its constitution specifically provides that all or certain retirees are eligible; or if the union stated that retirees are eligible. A union was classified as denying retirees the right to participate in a particular area of internal union affairs if its constitution specifically provides that retirees in each of the membership classifications in which they are eligible to retain membership are ineligible; or provides that only members who are employed or actively seeking employment in the trade jurisdiction of the union are eligible; or if the union stated that retirees in each of the membership classifications in which they are eligible to retain membership are ineligible.

of these unions (the United Mine Workers, Ind. and the Plumbers) are completely silent on the right of retirees to participate in all of the 9 areas of internal union affairs analyzed. Two other unions (District 50, Ind. and the Operating Engineers) are silent on the right of retirees to participate in most of the areas. In District 50, Ind., the constitution has provisions which restrict retirees from running for local and national office and convention delegate, but it is silent on the right of retirees in all other areas. The Operating Engineers states that retirees are eligible to attend local meetings with voice and vote; however, the union is silent on the right of retirees in all other areas. The fifth union (the Maritime) does not provide for local unions in its constitution. In this union, all retirees are ineligible to vote in elections for convention delegates, and run for convention delegate and national office; however, certain retirees (pensioner members) are eligible to vote in elections for national officers.

The other 43 unions with retiree membership fall into 3 categories with respect to national union constitutional provisions or policies on the right of retirees to participate in the 9 areas of internal union affairs examined: unions which provide that all or certain retirees shall be eligible; unions which provide that retirees shall not be eligible; and unions in which the national union constitution is silent on the eligibility of retirees, or in which the issue of retiree eligibility is a local union matter. For the 9 areas of internal union affairs, the number of unions falling into each of the categories is shown on table 2.

Table 2. Distribution of Unions with Retiree Membership, by Areas of Participation in Internal Union Affairs 1/

| Areas of participation in internal union affairs | Total unions | Number granting all or certain retirees the right to | Number denying all re- tirees the right to | Number with no provision or policy on the right of retirees to <u>2/</u> |
|---|-----------------|--|--|--|
| Attend local union meetings----- | 43 | 38 | - | 5 |
| Have voice at local union meetings----- | 43 | 28 | 9 | 6 |
| Have vote at local union meetings----- | 43 | 17 | 23 | 3 |
| Vote in elections for local union officers----- | 43 | 15 | 23 | 5 |
| Run for local union office----- | 43 | 8 | 31 | 4 |
| Vote in elections for convention delegates----- | 43 | 16 | 22 | 5 |
| Run for convention delegate----- | 43 | 10 | 30 | 3 |
| Vote in elections for national officers----- | <u>3/</u> 6 | 3 | 3 | - |
| Run for national office----- | 43 | 7 | 35 | 1 |

1/ This table includes 43 of the 48 unions with retiree membership. Five unions which are either silent on the right of retirees to participate in all or nearly all of the areas of internal affairs, or which do not provide for local unions are excluded (District 50, Ind., the Operating Engineers, the Maritime, the United Mine Workers, Ind., and the Plumbers).

2/ This category includes unions in which the issue of participation is left to local unions.

3/ Only 6 of the 43 unions provide for the election of national officers by direct vote of the membership.

Of the 9 areas of internal union affairs, the areas which retirees are most often eligible to participate in are attending local union meetings and having a voice at local union meetings. A total of 38 of the 43 unions grant retirees the right to attend local union meetings; and 28 of the 43 unions grant retirees a voice at such meetings. The areas which retirees are most often ineligible to participate in are running for national union office, running for local union office, and running for convention delegate. Of the 43 unions, retirees are ineligible to run for national union office in 35; they are ineligible for local union office in 31; and they are ineligible for convention delegate in 30.

In general, in the unions in which retirees were classified as being eligible to participate in an area of internal affairs, all retired members are eligible. However, there are unions in which only retirees with a specified type of membership, active membership or its equivalent, are eligible to participate. These latter unions are classified as granting retired members the right to participate because some such members are eligible. In the following discussion of each of the areas of internal affairs, distinctions will be drawn between those unions in which all retirees are eligible and those in which only certain retirees are eligible.

Attend Local Union Meetings

The area of internal affairs in which retirees are more often eligible to participate than any other area is attending local union

meetings. Of the 43 unions, 38 provide that all or certain retirees are eligible to attend local meetings. In 36 of these 38 unions, all retired members are eligible to attend meetings. The right to attend meetings in 2 of the 38 unions, however, applies only to retirees who retain active membership. These 2 unions are the Teachers and the Transport Workers. In the Teachers, local unions determine whether other retired members shall be eligible to attend meetings; while in the Transport Workers, other retired members are specifically denied the right to attend meetings.

The remaining 5 of the 48 unions were classified as having no provision granting or denying the right of retirees to attend local meetings. In each of the 5 unions, local unions determine whether retirees shall be eligible to attend local union meetings (the Electrical Workers - UE, Ind., the Glass Bottle Blowers, the Glass & Ceramic Workers, the Allied Industrial Workers, and the Longshoremen).

Have Voice at Local Union Meetings

The right of retirees to have a voice at local union meetings is the most frequently granted right after attending local union meetings. A total of 28 of the 43 unions grant all or certain retirees a voice at meetings. Of the 28 unions granting retirees a voice at meetings, 24 specify that all retirees are eligible. In 4 of the 28 unions, however, only retired members who retain active membership or its equivalent are eligible. In 3 of these 4 unions (the Firemen & Oilers, the Maintenance of Way Employees, and the Transport Workers), other retired

members are specifically denied a voice at meetings; in 1 of the 4 unions (the Teachers), local unions determine whether other retirees shall have a voice at meetings.

In 9 of the 43 unions, retirees are specifically denied the right to a voice at local union meetings. However, 1 of these 9 unions (the Glass & Ceramic Workers) gives local unions the authority to provide for retiree participation in their bylaws.

Six of the 43 unions were classified as having no provision granting or denying the right of retirees to have a voice at local union meetings. In all 6 of these unions, local unions determine whether retirees shall be eligible to have a voice at meetings (the Electrical Workers - UE, Ind., the Glass Bottle Blowers, the Allied Industrial Workers, the Longshoremen, the Printing Pressmen, and the Teamsters, Ind.).

Vote at Local Union Meetings

Of the 43 unions, 17 grant all or certain retirees the right to vote at local union meetings. Twelve of the 17 unions extend the right to vote at meetings to all retired members. In 5 of the 17 unions, on the other hand, only retirees who retain active membership or its equivalent are eligible. Four of these 5 unions specify that other retired members are ineligible to vote at meetings (the Communications Workers, the Firemen & Oilers, the Maintenance of Way Employees, and the Transport Workers); in 1 of the 5 unions (the Teachers), local unions determine whether other retired members shall have a vote at local meetings.

A total of 23 of the 43 unions specify that retired members are not eligible to vote at local union meetings. Among these 23 are 4 unions which provide that retirees shall not be eligible to vote at meetings unless local unions grant retirees the right to vote in their bylaws. These unions are the Brewery Workers, the Glass & Ceramic Workers, the Office & Professional Employees, and the Transit Union.

There are 3 unions which were designated as having no provision granting or denying retirees the right to vote at local union meetings. These 3 unions (the Electrical Workers - UE, Ind., the Longshoremen, and the Printing Pressmen) allow local unions to determine whether retirees shall be eligible.

Vote for Local Union Officers

A total of 15 of the 43 unions grant all or certain retirees the right to vote in elections for local union officers. Of these 15 unions, in 10 all retirees are eligible, while in 5 only those retirees who retain active membership or its equivalent are eligible. In 4 of the 5 unions in which retiree eligibility depends on the type of membership that the retiree holds, retirees holding other than the specified type of membership are ineligible (the Communications Workers, the Firemen & Oilers, the Maintenance of Way Employees, and the Transport Workers). In the other union (the Teachers), the eligibility of retirees who hold other than active membership to vote is a matter to be determined by local unions.

Retirees are denied the right to vote in elections for local union officers in 23 of the 43 unions. Three of the 23 unions which otherwise deny retirees the right to vote, however, specify that local unions, in their bylaws, may provide that retirees shall be eligible. These 3 unions are the Brewery Workers, the Glass & Ceramic Workers, and the Office & Professional Employees.

Five of the 43 unions have no provision granting or denying retirees the right to vote in elections for local union officers. Included among these 5 unions are 4 which allow local unions to determine whether retirees shall be eligible to vote in local union elections (the Electrical Workers - UE, Ind., the Longshoremen, the Plasterers, and the Printing Pressmen).

Run for Local Union Office

The 43 unions rarely provide that retirees are eligible to run for local union office. Only 8 of the 43 unions grant all or certain retirees the right to run for local union office. Five of the 8 unions which allow retired members to run for local union office grant this right to all retired members. In the other 3 unions, only retirees who retain active membership are eligible. Two of these 3 unions (the Communications Workers and the Transport Workers) specify that other retired members are not eligible; in 1 union (the Teachers), the eligibility of other retired members to run for local office is a matter to be determined by local unions.

In 31 of the 43 unions, retirees are specifically denied the right to run for local union office. One of these 31 unions (the Glass & Ceramic Workers), however, gives local unions the authority to provide in their bylaws that retirees shall be eligible.

Four of the 43 unions have no provision granting or denying the right of retirees to run for local union office. In these 4 unions, local unions determine whether retirees shall be eligible to run for local office (the Electrical Workers - UE, Ind., the Longshoremen, the Plasterers, and the Printing Pressmen).

Vote in Elections for Convention Delegates

Of the 43 unions, 16 allow all or certain retirees to vote in elections for convention delegates. In 11 of these 16 unions, all retirees are eligible. Five of the 16 unions, in contrast, specify that retirees who retain active membership or its equivalent are eligible, but that other retirees are ineligible. These 5 unions are the Communications Workers, the Firemen & Oilers, the Maintenance of Way Employees, the Teachers, and the Transport Workers.

A total of 22 of the 43 unions specify that retirees are not eligible to vote in elections for convention delegates. Two of these 22 unions (the Brewery Workers and the Office & Professional Employees), however, allow local unions to grant retirees the right to vote in their bylaws.

Five of the 43 unions were designated as having no provision granting or denying the right of retirees to vote in elections for convention delegates. Of these 5 unions, 3 (the Electrical Workers - UE, Ind., the Plasterers, and the Printing Pressmen) allow local unions to determine whether retirees shall be eligible to vote for delegates.

Run for Convention Delegate

Only 10 of the 43 unions with retiree membership grant all or certain retirees the right to run for convention delegate. Of the 10 unions which allow retirees to run for convention delegate, 5 permit all retirees to run. In the other 5 unions, retirees who retain active membership are eligible, while other retired members are ineligible. These 5 unions are the Communications Workers, the Machinists, the Maintenance of Way Employees, the Teachers, and the Transport Workers.

Of the remaining 33 unions, 30 specify that retirees are ineligible to run for convention delegate, and 3 were classified as having no provision granting or denying the right of retirees to run for convention delegate. Two of these 3 unions (the Electrical Workers - UE, Ind. and the Plasterers) allow local unions to determine whether retirees shall be eligible to run.

Vote in Elections for National Officers

Of the 43 unions, only 6 provide for the election of national officers by direct vote of the membership. In these 6 unions, 3 (the Lithographers & Photoengravers, the Machinists, and the Typographical) grant all retirees the right to vote in national officer elections; and 3 (the Glass & Ceramic Workers, the Printing Pressmen, and the Retail Clerks) deny retirees the right to vote in such elections.

Run for National Union Office

Of the 9 areas of internal union affairs, retirees are least often granted the right to run for national union office. Of the 43 unions, only 7 grant all or certain retirees the right to run for national office. In 4 of the 7 unions which permit retirees to run, all retirees are eligible. Three of the 7 unions, however, allow retirees who retain active membership to run, but other retirees are ineligible. These 3 unions are the Communications Workers, the Teachers, and the Transport Workers.

In the other 36 unions, 35 deny retirees the right to run for national office. One union (the Service Employees) has no provision granting or denying retirees the right to run for national office.

Rights of Retirees in Individual Unions

The 43 unions discussed in the foregoing section fall into 2 general categories with regard to the right of retirees to participate

in the areas of internal union affairs analyzed: unions in which retirees are specifically granted none of the rights studied; and unions in which retired members are specifically granted at least 1 of the rights. Of the 43 unions, there are 5 in which retired members are specifically granted none of the rights. In contrast, a total of 38 of the unions grant retirees the right to participate in at least 1 of the areas of internal union affairs considered.

Unions Not Granting Any of the Rights

In each of the 5 unions which do not specifically grant retirees the right to participate in any of the areas of internal affairs studied, retirees are ineligible to participate in certain areas, but local unions may allow them to participate in other areas. These 5 unions are the Electrical Workers - UE, Ind., the Glass Bottle Blowers, the Glass & Ceramic Workers, the Allied Industrial Workers, and the Longshoremen. In the Longshoremen, for example, retired members are not eligible to run for national office, or

"participate in any contract ratification votes or the election of delegates to any International or District convention, and shall not be counted in measuring a Local's convention strength, but, if the Local By-Laws so provide, such members may enjoy all the other privileges of membership." 28/

28/ Longshoremen, 1967 Constitution, Art. XVI, Sec. 1(b), p. 32.

Unions Granting Retirees the Right to Participate in Internal Union Affairs

A total of 38 of the 43 unions specifically grant retirees the right to participate in at least 1 of the 9 areas of internal union affairs included in this analysis. In general, retirees in these 38 unions are not granted the same rights as other members. In more than one-half of the unions, in fact, retirees are specifically granted very limited rights (e.g., the right to attend meetings only, or the right to attend meetings with voice only). Six of the unions, in contrast, grant retirees the same rights, in terms of the areas analyzed, as any other member. Between these 2 extremes are 12 unions in which there is a great diversity in the rights of retirees.

In 20 of the 38 unions, retiree participation in internal union affairs is limited to the local union meeting. There are 11 unions in which the only right specifically granted to retirees is the right to attend local meetings. 29/ Nine other unions additionally grant retirees a voice at local meetings, but do not specifically grant such members any other rights. 30/

29/ These 11 unions are: the Boilermakers, the Chemical Workers, the Electrical Workers - IBEW, the Ladies Garment Workers, the Oil, Chemical & Atomic Workers, the Printing Pressmen, the Pulp, Sulphite & Paper Mill Workers, the Railway Carmen, the Retail Clerks, the Sheet Metal Workers, and the Teamsters, Ind.

30/ These 9 unions are: the Barbers, the Brewery Workers, the Iron Workers, the Molders, the Office & Professional Employees, the Rubber Workers, the Stage Moving Picture Operators, the Textile Workers - TWU, and the Transportation Union.

A total of 6 of the 38 unions grant retirees the same rights to participate in the areas of internal union affairs as any other member. Of these 6 unions, 3 are ones which give retirees the option of continuing as active members or in a retirement membership category. These 3 unions are the Communications Workers, the Teachers, and the Transport Workers, and in each of these unions the rights of retirees vary by the type of membership held. In 3 of the 6 unions (the Auto Workers, Ind., the Painters, and the Typographical), all retirees have the same rights as any other member in terms of the areas of internal union affairs studied.

In the remaining 12 of the 38 unions, there is a wide diversity in the rights granted to retirees. In general, retirees in these 12 unions are usually granted the right to attend and participate in local meetings, and vote in all elections; however, they are usually denied the right to be candidates in all, or in certain elections. 31/

Unions in which Retiree Rights Are Contingent upon Type of Membership. In most of the 38 unions which grant retirees the right to participate in at least 1 of the areas of internal union affairs

31/ These 12 unions are: the Carpenters, the Firemen & Oilers, the Laborers, the Lithographers & Photoengravers, the Machinists, the Maintenance of Way Employees, the Plasterers, the Railway Clerks, the Service Employees, the Shoe Workers, the State County Municipal Employees, and the Transit Union.

analyzed, all retirees are eligible for the same rights. This is the case in 32 of the 38 unions. In 6 of the 38 unions, on the other hand, the type of membership that the retiree holds determines what rights he will have. Each of these 6 unions provide that retirees may elect to retain active membership or its equivalent, or assume retired membership status.

Typically, the 6 unions which give retirees the option of retaining active membership or its equivalent, or of assuming retired membership, state that retirees who retain active status are eligible for all or most of the rights of membership, while retirees who assume retired membership are specifically granted few or no rights of membership. Five of the 6 unions follow this procedure (the Communications Workers, the Firemen & Oilers, the Maintenance of Way Employees, the Teachers, and the Transport Workers). In 1 of the 6 unions (the Machinists), there is little difference in the rights of retirees. This union allows all retirees to attend and participate in local union meetings, vote in elections for local and national officers and convention delegates, and run for local office; however, only retirees who retain active membership are eligible to run for convention delegate.

Unions Not Providing for Retiree Membership

A total of 20 of the 68 national unions studied were classified as not providing for the retention of membership by retirees. In general, the constitutions of these unions are completely silent in regard to the eligibility or ineligibility of retirees to maintain membership in the union. Two of the 20 unions (the Retail Wholesale

and the Upholsterers), however, do contain provisions which would appear to exclude retirees from retaining their membership in the union. 32/ Since the other 18 unions classified as not providing for the retention of membership by retirees do not exclude retirees from continued membership, it would be important to know whether these unions contain provisions in their constitutions which would act to restrict the participation by retired members in the internal affairs of the union in the event that retirees are, in fact, allowed to continue their membership.

Of these 18 unions, only 6 have provisions in their constitutions which would act to restrict the participation by retired members in the internal affairs of the union; the remaining 12 unions have no such provisions. In each of these 6 unions, the restriction is that a member must be actively employed in the trade jurisdiction of the union in order to be eligible for 1 or more of the rights studied. In 5 of the 6 unions, this status is a requirement for one or several of the rights studied, while in 1 union (the Laundry Workers, Ind.) it is applied to all of the rights studied.

In 1 of the 6 unions (the Clothing Workers), active employed status is a requirement for running for local office, convention delegate, and national office. The Steelworkers requires active employment for local union office and convention delegate, while in the Utility Workers this status is required for convention delegate and national

32/ See p. 38 above.

office. Two other unions (the Bookbinders and the Woodworkers) require active employment for only 1 of the rights. In the Bookbinders, active employment is a requirement for national union office; in the Woodworkers, it is a requirement for local office. In the Laundry Workers, Ind., participation in all aspects of internal union affairs is limited to members who are actively employed:

"A member to be eligible to hold office in or attend meetings of a Local Union or to have a vote in International or Local Union affairs must be actively employed in the work coming within the jurisdiction of the International Union" 33/

PARTICIPATION IN THE COLLECTIVE BARGAINING PROCESS BY RETIRED MEMBERS

The role of retired members in internal union affairs is only one aspect of the participation of retired members in the union. Another aspect relates to the collective bargaining process. That is to say, to what extent are retired members permitted to play an active role in the collective bargaining process by voting on union contract proposals, contract ratification and strike actions? In this section, as in the previous section, the primary focus will be on those unions which provide for retirement membership, and the unions which were classified as not providing for retirement membership will be discussed briefly.

33/ Laundry Workers, Ind., op. cit., Art. XVIII, Sec. 5, p. 65.

Unions with Retiree Membership

In the 48 unions with retired membership, the participation by retirees in union contract proposals and ratification will be examined separately from the right of retirees to vote on strikes.

Union Contract Proposals and Ratification

Before discussing the right of retired members to vote on union contract proposals or contract ratification, it is first necessary to determine which unions provide for membership voting on contract proposals and ratification. ^{34/} Of the 48 unions with retired membership, 25 have constitutional provisions regarding membership voting on union contract proposals or ratification, and 23 do not have any such provisions. ^{35/}

Of the 25 unions providing for membership voting on union contract proposals or ratification, 17 either explicitly or implicitly deny retirees the right to vote, 4 specify that retirees are eligible, and 4 allow local unions to determine whether retirees shall be eligible.

In 9 of the 17 unions which were classified as denying retirees the right to vote on union contract proposals or ratification, the union has explicitly ruled that retirees are ineligible. For example,

^{34/} For a complete treatment of this subject, see Herbert J. Lahne, "Union Contract Ratification Procedures," Monthly Labor Review, May 1968, pp. 7-10.

^{35/} See Appendix B, Table 3.

Two of the 23 unions without a constitutional provision for membership voting on union contract proposals or ratification (the Laborers and the Machinists), however, do not allow retired members to vote on such matters.

in the Transport Workers, the constitution provides that: "A retired member who continues his good standing membership shall have neither voice nor vote in any collective bargaining issue." 36/ Eight of the 17 unions have not explicitly ruled that retirees are ineligible to vote. However, in each of the 8 unions only members who are affected, covered, employed or involved under the contract are eligible. The Pulp, Sulphite & Paper Mill Workers, for example, provides that:

"A collective bargaining agreement must be ratified and approved by a majority of the members covered by said agreement present and voting . . . by secret ballot" 37/

One of the 17 unions which deny retirees the right to vote on contract proposals or ratification is unique among this group of unions because it is the only union which appears to provide for the representation of members after they retire. This union is the Allied Industrial Workers, and its constitution states that retired members shall continue to be represented by the local "in matters relating to contractual benefits and retirement problems." 38/

A total of 4 of the 25 unions providing for membership voting on union contract proposals or ratification grant retirees the right to vote. In 2 of these 4 unions (the Carpenters and the Operating Engineers), however, local unions may restrict voting by such members.

36/ Transport Workers, 1969 Constitution, Article XIII, Sec. 9(b), p. 36.

37/ Pulp, Sulphite & Paper Mill Workers, 1968 Constitution, Art. XVII, Sec. 1, pp. 48-49.

38/ Allied Industrial Workers, 1969 Constitution, Art. 22.12, p. 64.

The Operating Engineers, for example, states that participation in contract ratification

"may, if so voted by a majority of the membership of a local union voting, be limited to those members who have not retired under any negotiated pension plan, employer-financed employee plan, the general pension fund, or headquarters staff plan. Each such retired member shall, however, be entitled to have a voice at any such meeting." 39/

In the remaining 2 unions which grant retirees the right to vote, 1 (the Communications Workers) grants this right to only those retirees who retain active membership status, while the other union (the Typographical) allows all retired members to vote.

In 4 of the 25 unions, the national neither grants nor denies retirees the right to vote on union contract proposals or ratification. Each of these unions allows the local unions to determine whether retirees shall be eligible to vote. These 4 unions are the Lithographers & Photoengravers, the Painters, the Plasterers, and the Printing Pressmen.

Voting on Strikes

A total of 33 of the 48 unions with retiree membership provide for membership voting on strikes. 40/ Fifteen of the 48 unions have no provision for strike votes. 41/

39/ Operating Engineers, 1968 Constitution, Art. XXIII, Sub. 11(f), pp. 113-114.

40/ See Appendix B, Table 3.

41/ One of these 15 unions (the Laborers), however, does not allow retired members to vote on strikes.

Of the 33 unions which provide for strike votes, 26 were classified as denying retirees the right to vote on strikes. Only 3 of the 33 unions grant retirees the right to vote on strikes; and 4 unions are either silent on this issue or permit local unions to determine whether retirees shall be eligible to vote.

Of the 26 unions which were classified as denying retired members the right to vote on strikes, 11 have explicitly ruled that retirees are ineligible to vote. The Brewery Workers, for example, provides that retired members

"are eligible to attend meetings of the Local Union where they shall have voice but no vote unless otherwise provided in the Local Union bylaws; provided, however, that under no circumstances shall such retired members be permitted to vote on any action involving contract proposals, contract ratification, or strike action" 42/

Fifteen of the 26 unions, in contrast, are not as explicit. However, in these 15 unions, voting on strikes is usually restricted to members who are affected, covered, employed or involved in the bargaining situation. For example, District 50, Ind. provides that:

"No strike action shall be taken which does not comply with existing laws and before it has been approved by a majority of the workers involved" 43/

Only 3 of the 33 unions providing for strike votes grant retirees the right to vote on strikes. In 2 of these 3 unions (the Painters and the Typographical), all retired members are granted the right to vote on

42/ Brewery Workers, 1968 Constitution, p. 80.

43/ District 50, Ind., 1970 Constitution, Art. XIV, Sec. 1, p. 62.

strikes. One of the 3 unions (the Communications Workers) grants this right only to retirees who retain active membership.

Of the remaining 4 of the 33 unions providing for strike votes, 3 grant local unions the authority to determine whether retirees shall be eligible to vote on strikes, and 1 (the Plumbers) has no provision on the eligibility of retirees in this area. The 3 unions in which retiree eligibility is a local union matter are the Lithographers & Photo-engravers, the Plasterers, and the Printing Pressmen.

Unions Not Providing for Retiree Membership

As was done in the section on participation in internal union affairs, the unions not providing for retirement membership will be examined briefly in terms of possible restrictions placed on retirees voting on contract proposals or ratification, and strike action. Of the 18 unions which were classified as not providing for retirement membership, and which did not contain provisions which would appear to exclude retirees from continued membership, 6 provide for membership voting on contract proposals or ratification, and 12 do not contain provisions for membership voting in this area. 44/ In regard to voting on strikes, 11 of the 18 unions provide for strike votes, and 7 do not.

The 6 unions which provide for membership voting on union contract proposals or ratification do not specifically restrict voting to members who are affected, covered, employed or involved under the agreement. 45/

44/ See p. 38 above.

45/ These 6 unions are: the Longshoremen & Warehousemen, Ind., the Meat Cutters, the Musicians, the Papermakers and Paperworkers, the Utility Workers, and the Woodworkers.

These 6 unions merely provide that the membership of the local shall vote on contracts.

A total of 11 of the 18 unions provide for membership voting on strike action. Most of these 11 unions do not contain any restrictions on eligibility to vote on strikes. 46/ In most instances, the constitutions merely provide that strikes shall be voted on by the membership. There are 3 unions, however, which do contain some restrictions. Two of these 3 unions (the Bakery Workers and the Meat Cutters) provide that only members who are affected or involved shall vote on strikes. One of the 3 unions (the Laundry Workers, Ind.) does not specifically limit voting on strikes to certain members, however, it does provide that in order to vote on any union matter a member must be actively employed in the trade jurisdiction of the union.

46/ These 11 unions are: the Bakery Workers, the Bookbinders, the Bricklayers, the Hotel & Restaurant Employees, the Laundry Workers, Ind., the Longshoremen & Warehousemen, Ind., the Meat Cutters, the Papermakers and Paperworkers, the Textile Workers - UTW, the Utility Workers, and the Woodworkers.

UNION ADMINISTERED MEMBERSHIP BENEFIT PLANS AND RETIREE ORGANIZATIONS

So far, the analysis of retired union members has dealt solely with the role of the retiree as an active participant in internal union affairs and the collective bargaining process. There are other aspects of union membership, however, which, while not as significant for the purposes of this study as participation in internal union affairs and the collective bargaining process, would be of importance to retired members. Two such aspects of union membership are the right of retired members to participate in union administered membership benefit plans, and the formation by the union of organizations of retired members.

Union Administered Membership Benefit Plans

A total of 26 of the 48 unions with provisions for the retention of membership by retirees have union administered membership benefit plans. These 26 unions and the type of benefits provided are shown on table 3 below. All of the 26 unions have death benefit plans. Six unions provide retirement benefits in addition to death benefits, and 2 of the 6 also provide for the maintenance of certain retired members at a union home.

Of the 26 unions with benefit plans, 25 permit retirees to maintain their participation, while 1 union (the Plumbers) is silent in regard to participation in the benefit plan by retired members. In most instances, the unions in which retirees are allowed to participate in the benefit plan require retirees to continue to make contributions

to the benefit plan, or in the event the benefit plan is unfunded, pay the national dues required of retired members. This is the case in 19 of the 25 unions. Three of these 19 unions (the Carpenters, the Molders, and the Plasterers), however, exempt certain retired members from continued payments.

In 6 of the 25 unions, retired members are not required to make any further contributions. Four of the 6 unions exempt retired members from contributing to all or at least 1 of the plans maintained by the union (the Electrical Workers - IBEW, the Lithographers & Photoengravers, the Painters, and the Printing Pressmen). In 2 unions (the Machinists and the Retail Clerks), the death benefit plan has been frozen and active and retired members are no longer required to contribute to the plan in order to maintain benefit eligibility.

Before leaving the subject of union benefit plans, it should be noted that in several unions the primary purpose of providing for the retention of membership by retirees is to allow them to continue to participate in the benefit plan or plans maintained by the union. For example, in the Sheet Metal Workers, the constitution states that the purpose of retirement membership, which is termed limited membership,

"is to afford a continued right to participate in the funeral benefits provided for in this Constitution and to attend meetings, but Limited Members shall not be eligible to actively participate in any meeting of a local union or council of this Association, nor shall they be eligible to nomination, election or appointment or be permitted to serve as officers, representatives, delegates, business manager, business representatives, or committeemen." 47/

47/ Sheet Metal Workers, 1970 Constitution, Art. 16, Sec. 7(c), pp. 72-73.

Table 3. Participation in Union Administered Benefit Plans by Retired Members, as Provided by National Union Constitutions and Bylaws, December 1970 1/

| National union | Type of benefit | Constitutional provision for retired members to continue participation | National union | Type of benefit | Constitutional provision for retired members to continue participation |
|--------------------------------------|-----------------|--|--------------------------------------|-----------------|--|
| Total unions 26 ----- | - | <u>25</u> | Molders ----- | D | X |
| Barbers ----- | | | Painters ----- | D | X |
| Boilermakers ----- | D, R | X | Plasterers ----- | D | X |
| Carpenters ----- | D | X | Plumbers ----- | D | - |
| Electrical Workers - IBEW ----- | D, R, H | X | Printing Pressmen ----- | D | X |
| Engineers, Operating ----- | D, R | X | | | |
| | D | <u>2/ X</u> | Railway Carmen ----- | D | X |
| Firemen & Oilers ----- | | | Railway Clerks ----- | D | X |
| Garment Workers, Ladies ----- | D | X | Retail Clerks ----- | D | X |
| Iron Workers ----- | D | X | Service Employees ----- | D | <u>2/ X</u> |
| Laborers ----- | D, R | X | Sheet Metal Workers ----- | D | X |
| Lithographers & Photoengravers ----- | D | <u>2/ X</u> | | | |
| | D, R | X | Shoe Workers ----- | D | X |
| Machinists ----- | | | Transit Union ----- | D | X |
| Maintenance of Way Employees ----- | D | X | Transportation Union <u>3/</u> ----- | D | X |
| | D | X | Typographical ----- | D, R, H | X |

NOTE: In the column showing type of benefits, the letter "D" denotes death benefits, "R" denotes retirement benefits and "M" denotes maintenance of members at a union home.

1/ This table includes all national unions classified as providing for the retention of membership by retirees, and which provide for union administered membership benefit plans.

Entries are based on the constitutions in effect on December 31, 1970, according to reports on file with the Department of Labor, and on information supplied by the unions.

2/ The constitution does not specifically provide for the continued participation in the benefit plan by retired members; however, such members are required to pay per capita tax, and maintenance of good standing is the sole requirement for continued participation in the benefit plan.

3/ The Transportation Union was formed in 1969 by the merger of 4 unions: the Locomotive Firemen, the Railroad Trainmen, the Railway Conductors, Ind., and the Switchmen. Each of the 4 unions had its own benefit plan, primarily death benefits, although the Railroad Trainmen also provided unemployment and tuberculosis benefits) prior to the merger. The constitution of the Transportation Union is silent in regard to these plans, except for providing that the plans will continue to exist as constituted prior to the merger until details can be worked out to combine the various plans. The 4 unions, according to the latest pre-merger constitution, provided for continued participation by retirees in certain of their plans.

Retiree Organizations

Constitutional provisions on the formation by the union of retiree organizations, such as retired member clubs and chapters, are infrequent in the 48 unions with retiree membership. Of the 48 unions, only 3 provide for retiree organizations in their constitutions. 48/ These 3 unions are the Auto Workers, Ind., the Rubber Workers, and the State County Municipal Employees. 49/ The types of retiree organizations, dues requirements for membership and the purpose or function of retiree organizations in the 3 unions will be discussed below.

48/ The number of national unions which have established retiree organizations is probably much greater than the study of constitutional provisions indicates. At least 7 unions, in addition to the 3 noted, have established retiree organizations. Four of the 7 unions have published pamphlets describing their retiree organizations. These 4 unions and the name of the pamphlets are: the Ladies Garment Workers: After a Life of Labor (May 1971); the Machinists: Guide for Older Workers and Retired Members' Programs (undated); the Retail Clerks: Retirees' Clubs in Action (1970); and the Steelworkers: Older and Retired Workers: Plans, Programs & Services in the Field of the Aging (undated). In addition, a recent publication described the union activities and organizations for retirees in the Communications Workers, the Clothing Workers, and the Electrical Workers - IUE. See Ewan Clague, Balraj Palli, and Leo Kramer, The Aging Worker and the Union (New York: Praeger Publishers, 1971).

49/ The extent to which the 3 unions have actually established retiree organizations is known only for the Auto Workers, Ind. At its 1972 convention, it was reported that a total of 476 retired member chapters had been formed. See Daily Labor Reporter, op. cit.

In both the Auto Workers, Ind. and the Rubber Workers, there are provisions for the formation of local union retiree organizations. The Rubber Workers specifies that the national union shall issue a charter for a local retirement club upon application by 10 retired members of a local union. 50/ In the Auto Workers, Ind., the constitution states that:

"A Local Union having twenty-five (25) retired members or more shall establish a Local Union Retired Worker Chapter which shall hold a regular membership meeting at least once a month." 51/

The Auto Workers, Ind. also provides for retiree organizations at the area, regional and national levels. In the State County Municipal Employees, the constitution provides for the formation of retiree organizations on a joint local or state-wide basis. 52/

Of the 3 unions with retiree organizations, 2 (the Auto Workers, Ind. and the Rubber Workers) have provisions on retiree organization dues. The Auto Workers, Ind. provides for retired member dues of \$1.00 per month, but specifies that such dues are voluntary and that retirees shall be allowed to join the retiree organizations without paying the dues. 53/ The Rubber Workers gives the retirement clubs the authority to establish monthly dues, which shall not exceed 25 cents. 54/

50/ Rubber Workers, 1970 Constitution, Art. XII, Secs. 2-3, p. 105.

51/ Auto Workers, Ind., op. cit., Art. 54, Sec. 1(a), p. 88.

52/ State County Municipal Employees, op. cit., Art. IX, Sec. 17, p. 53.

53/ Auto Workers, Ind., op. cit., Art. 54, Sec. 5, p. 90.

Although retired member dues are voluntary, a large number of retired members have elected to pay such dues. At the 1972 convention, the union reported that a total of 113,915 retirees were paying the voluntary dues. See Daily Labor Reporter, op. cit.

54/ Rubber Workers, op. cit., Art. XII, Sec. 4, p. 106.

Perhaps the most important issue to be discussed on retiree organizations is their purpose or function. The retiree organizations in the 3 unions which provide for their formation appear to have a different purpose or function. In the Auto Workers, Ind., the retiree organization, at least at the national level, acts as an advisory body on retiree issues. The constitution provides that:

"The International Executive Board shall consult with representatives of the International Retired Worker Advisory Council concerning retired worker programs and policies and such other matters as affect the welfare of retired members." 55/

The State County Municipal Employees constitution merely states that the retiree organization shall develop programs of interest to retired members. 56/ In the Rubber Workers, the purpose of the retiree organization is stated in the following terms:

"Retirement clubs shall be established to add to the strength of the International and Local Unions, recognizing that these men and women can assist greatly in advancing, maintaining and protecting the interests of the United Rubber Workers." 57/

55/ Auto Workers, Ind., op. cit., Art. 54, Sec. 4(e), p. 90.
56/ State County Municipal Employees, op. cit., Art. IX, Sec. 17,
p. 53.
57/ Rubber Workers, op. cit., Art. XII, Sec. 1, p. 105.

IV. INCREASES IN PENSION BENEFITS FOR RETIREES IN PENSION PLANS UNDER COLLECTIVE BARGAINING

In general, when a participant of a pension plan meets the requirements for normal retirement established by the plan, usually an age and a length of credited service requirement, he would be eligible to retire and receive a monthly pension benefit computed in accordance with the benefit formula for normal retirement in effect at that time. The value of the retiree's initial pension benefit in real dollars, subsequent to retirement, is determined by rises and falls in the level of prices. If the price level increases, the value of the initial pension in real dollars will fall. Conversely, if the price level falls, the value of the initial pension in real dollars will increase.

During the past 2 decades, the price level, as measured by the Bureau of Labor Statistics' Consumer Price Index (1967=100), has increased in nearly every year. From 1949 through 1970, the CPI increased in all but 2 years, 1949 and 1955. ^{1/} Over this period, the

^{1/} Bureau of Labor Statistics' Consumer Price Index (1967=100), 1949-1970:

| Year | Index | Percent change | Year | Index | Percent change | Year | Index | Percent change |
|------|-------|-------------------|------|-------|-------------------|------|-------|-------------------|
| 1949 | 71.4 | -1.0 | 1957 | 84.3 | 3.6 | 1965 | 94.5 | 1.7 |
| 1950 | 72.1 | 1.0 | 1958 | 86.6 | 2.7 | 1966 | 97.2 | 2.9 |
| 1951 | 77.8 | 7.9 | 1959 | 87.3 | 0.8 | 1967 | 100.0 | 2.9 |
| 1952 | 79.5 | 2.2 | 1960 | 88.7 | 1.6 | 1968 | 104.2 | 4.2 |
| 1953 | 80.1 | 0.8 | 1961 | 89.6 | 1.0 | 1969 | 109.8 | 5.4 |
| 1954 | 80.5 | 0.5 | 1962 | 90.6 | 1.1 | 1970 | 116.3 | 5.9 |
| 1955 | 80.2 | -0.4 | 1963 | 91.7 | 1.2 | | | |
| 1956 | 81.4 | 1.5 | 1964 | 92.9 | 1.3 | | | |

average annual increase in the CPI was 2.2 percent. Since 1964, however, the rate of increase has been much higher, 3.8 percent per year.

The effect of the increases in the price level on the pension benefits of already retired workers has been to reduce the value of such benefits in real dollars. To illustrate, a worker who retired in 1960 with a benefit of \$100 would have found in 1970 that his pension benefit was worth about \$76 in terms of 1960 dollars. In order for the retiree to have maintained his economic position from 1960 through 1970, his original pension would have had to have been increased to \$131.

Research into the extent to which pension plans, programs and systems have granted increases in pension benefits to already retired workers, heretofore, has been almost exclusively limited to public retirement plans -- federal and state employee retirement systems and social security. Little or no research has been devoted to private pension plans in the area of increases in pension benefits for already retired workers. In this study, one segment of private pension plans, those under collective bargaining, will be examined to determine the extent to which such plans have granted increases in pension benefits to already retired workers, and whether the increases, where granted, have been sufficient to offset increases in the price level. In order to make these determinations, a small sample of large pension plans under collective bargaining was selected for analysis. The provisions

of these plans filed with the Department of Labor pursuant to the Welfare and Pension Plans Disclosure Act (WPPDA) as of the summer of 1971 were then analyzed to determine whether or not such plans had granted increases in benefits to already retired workers from the inception of the plan through 1970.

SCOPE AND EXTENT OF ANALYSIS

For the purposes of this study, a pension plan under collective bargaining is defined as one which was originally established by a collective bargaining agreement, or was originally established by an employer or union but has since come within the scope of the collective bargaining agreement, at least to the extent that the plan description on file with the Department of Labor pursuant to the provisions of the WPPDA states that the plan is mentioned in a collective bargaining agreement.

Pension plans under collective bargaining, as defined above, were selected for analysis on the basis of the number of participants covered and the national union affiliation of the union party to the agreement, which established or mentioned the plan. The sample included only pension plans covering 5,000 or more participants in which the union party to the agreement was a national union with over 40,000 members, or an affiliate of such a national union, as shown in the BLS

Directory of National and International Labor Unions in the United States, 1969, and which was reporting to the Department of Labor pursuant to the LMRDA as of July 1970. 2/

2/ The primary source used to identify pension plans under collective bargaining with the desired characteristics was a BLS listing of collective bargaining agreements covering 5,000 or more workers. This listing, which identified the employer and union parties to the agreement, noted whether the agreement provides for a pension plan. The Office of Labor-Management Welfare Pension Reports (OLMWP) index file was used to determine the Department of Labor identification number (WP file number) of the plan provided by the agreement. For a number of the agreements, it was not possible to identify the plan provided by the agreement. The plans which could be identified were selected in proportion to the total number of plans for that union affiliation.

A number of unions with over 40,000 membership were not included in the listing of agreements with over 5,000 workers providing for a pension plan. In order to increase the scope of the sample, a BLS listing of pension plans, by number of participants and national affiliation of the union party to the agreement, which established or mentioned the plan, was used. At least one plan in which the indicated coverage was 5,000 or more was selected for each of the unions not included in the listing of collective bargaining agreements.

A number of unions did not appear on either listing, and no plans involving these unions were selected for the sample. Also excluded from the sample were several unions in which the only plan on file with the Department covering 5,000 or more participants contained incomplete, or outdated information.

Due to the fact that this study was limited to pension plans under collective bargaining with certain characteristics, a random sample design was not feasible. Despite the lack of randomness, it is felt, nevertheless, that the sample is representative of large pension plans under collective bargaining. This assertion is based on the fact that the number of plans selected (78) represents about 19 percent of all pension plans under collective bargaining covering 5,000 or more participants.

A total of 78 plans were selected for analysis. 3/ These 78 plans involve 49 of the 68 national unions with over 40,000 members each. The 49 unions and the number of plans in which they are involved are shown on table 4 below.

The majority of the 49 unions which are party to pension plans included in the analysis are party to only one plan. This is the case in 38 of the 49 unions. Eleven of the unions, however, are party to more than one plan. The unions with the greatest number of plans analyzed are the Auto Workers, Ind., the Carpenters and the Steelworkers. The Auto Workers, Ind., and the Steelworkers are each party to 8 of the plans, while the Carpenters is party to 6 of the plans.

Characteristics of Pension Plans under Collective Bargaining

The 78 pension plans analyzed represent only a very small proportion of all private plans providing retirement benefits. In 1969,

3/ The 78 plans are listed in Appendix C according to the union party to the agreement. The fact that the plans are listed by union does not necessarily mean that the plans cover only bargaining unit employees represented by the union noted. A number of plans cover both bargaining unit and nonbargaining unit employees. Furthermore, there are plans which cover employees represented by more than one union. In these instances, the plan is listed under the union which is party to an agreement with the employer covering 5,000 or more workers, which provides for the pension plan, or is designated as the union party to the agreement establishing or mentioning the plan. In cases in which more than one union is party to an agreement with the employer covering 5,000 or more workers, which provides for a pension plan, the plan is listed as a multi-union plan. None of these plans are union administered membership plans. Participation is based upon employment rather than union membership. Identification of plans by union name is for convenience only.

Table 4. Distribution of Pension Plans under Collective Bargaining,
by National Union Affiliation, 1970

| National union | Number of plans | National union | Number of plans |
|---|-----------------------|---|-----------------------|
| Total----- | <u>1/</u> 78 | | |
| Actors & Artists----- | 1 | Oil, Chemical & Atomic Workers----- | 1 |
| Auto Workers, Ind.----- | <u>2/</u> 8 | Painters----- | 1 |
| Bakery Workers----- | 1 | Papermakers and Paper- workers----- | <u>2/</u> 2 |
| Boilermakers----- | 1 | Plumbers----- | 1 |
| Bricklayers----- | 1 | Printing Pressmen----- | 1 |
| Carpenters----- | 6 | Pulp, Sulphite & Paper Mill Workers----- | <u>4/</u> 1 |
| Chemical Workers----- | 1 | Retail Clerks----- | 1 |
| Clothing Workers----- | 1 | Retail Wholesale----- | 1 |
| Communications Workers----- | 1 | Rubber Workers----- | <u>2/</u> 2 |
| District 50, Ind.----- | 1 | Seafarers----- | 1 |
| Electrical Workers - IBEW----- | <u>2/</u> 4 | Service Employees----- | 1 |
| Electrical Workers - IUE----- | <u>3/</u> 3 | Sheet Metal Workers--- | 1 |
| Electrical Workers - UE, Ind.- | 1 | Shoe Workers----- | 1 |
| Engineers, Operating----- | 1 | Stage Moving Picture Operators----- | 1 |
| Garment Workers, Ladies----- | 1 | Steelworkers----- | 8 |
| Glass & Ceramic Workers----- | 1 | Teamsters, Ind.----- | 3 |
| Hotel & Restaurant Employees-- | 3 | Telephone Unions Alli- ance, Ind.----- | 1 |
| Industrial Workers, Allied---- | 1 | Textile Workers - TWU- | 1 |
| Laborers----- | 3 | Textile Workers - UTW- | 1 |
| Longshoremen----- | 1 | Transit Union----- | 1 |
| Longshoremen & Warehousemen, Ind.----- | 1 | Typographical----- | 1 |
| Machinists----- | 2 | Upholsterers----- | 1 |
| Maritime----- | 1 | Utility Workers----- | 1 |
| Meat Cutters----- | 1 | Woodworkers----- | 1 |
| Mine Workers, United, Ind.---- | 1 | | |

1/ There are 75 single union plans, and 3 multi-union plans covering 7 unions; thus the entries total 82, although the total number of plans analyzed is 78.

2/ Includes 1 multi-union plan.

3/ Includes 2 multi-union plans.

4/ The only plan studied involving this union is a multi-union plan.

there were approximately 40,000 plans providing retirement benefits on file with the Department of Labor. 4/ Thus, the 78 plans included in this study account for about two-tenths of 1 percent of plans providing retirement benefits on file with the Department of Labor. Although the 78 plans represent only a small proportion of all pension plans, in 1969 they held about one-twelfth of the total assets, paid out about one-seventh of the total benefits, and covered about one-eighth of the total number of participants of all private retirement plans. 5/

The 78 plans covered over 3.9 million participants in 1969. The median number of participants covered was 21,000. Over one-fifth of the plans covered 50,000 or more participants. Less than one-fifth of the plans covered less than 10,000 participants.

4/ Estimate, based on data reported in Characteristics of 157,700 Plans on File April 1, 1968 under the Welfare and Pension Plans Disclosure Act and Characteristics of 174,560 Plans on File January 1, 1971 under the Welfare and Pension Plans Disclosure Act, Labor-Management Services Administration. There were no data available on the number of plans reporting to the Department which were mentioned in a collective bargaining agreement.

5/ Data on assets, benefits paid and coverage for the 78 plans are shown in Appendix C. See Walter W. Kolodrubetz, op. cit., for 1969 assets, benefits and coverage of all private retirement plans.

| <u>Participant size category</u> | <u>Number of plans</u> | <u>Percent of plans</u> |
|----------------------------------|----------------------------|-----------------------------|
| Total | <u>78</u> | <u>100.0</u> |
| 5,000 but less than 10,000 | 15 | 19.2 |
| 10,000 but less than 15,000 | 18 | 23.1 |
| 15,000 but less than 25,000 | 10 | 12.8 |
| 25,000 but less than 50,000 | 17 | 21.8 |
| 50,000 but less than 100,000 | 10 | 12.8 |
| 100,000 and over | 8 | 10.3 |

CHANGES IN NORMAL PENSION BENEFITS AND POST-RETIREMENT INCREASES IN BENEFITS

How have pension plans under collective bargaining responded to increases in the price level? Have benefit levels increased? Where increases have occurred, have the increases been limited to newly retired workers or workers who will retire in the future? Or have increases also been granted to those who have already retired? In this section of the study, data will be presented, first of all, on the changes in benefit levels under the 78 pension plans for newly retired workers or those who will retire in the future, and secondly, on increases in benefits for already retired workers. 6/

6/ Although all of these plans are subject to collective bargaining, no inference should be drawn from this data that the changes were a result of collective bargaining. This can only be determined by a detailed examination of the bargaining situation and the circumstances surrounding each change. See pp. 2-3 above.

Changes in Normal Pension Benefits

At the end of 1970, all of the pension plans studied had been in existence for at least 4 years. 7/ Of the 78 plans, 70 had been in existence since 1960 or earlier, with 53 having gone into effect in 1955 or earlier. The analysis of plan changes will cover the period 1955 to 1970 inclusive. It will not, however, detail the year-to-year changes, but will be expressed in terms of the benefit status at the end of each 5-year interval, namely, 1955, 1960, 1965, and 1970.

Retirement Benefit Formulas

Based upon reports filed with the Department of Labor, the normal retirement benefit formulas of the 78 plans are of 4 types, with each plan having tended to utilize the same type of formula over the years that it has existed. The 4 types of normal benefit formulas are: (1) formulas that provide the same benefit for all qualified retirees varied by years of service; (2) formulas that base benefits on career or terminal earnings; (3) formulas that provide the same benefit for all qualified retirees; and (4) formulas that base benefits on the amount of employer or employee contributions. The most common types of benefit formulas used by the plans are ones which provide the same benefit for all qualified retirees varied by years of service, or which base benefits

7/ The effective dates of the plans are shown in Appendix C.

on career or terminal earnings. The type of formula least commonly used is the one which bases benefits on the amount of employer or employee contributions.

While the plans have tended to retain the same type of benefit formula over the years that they have been in effect, they have generally liberalized the formulas on at least one occasion between 1955 and 1970. This was the case in 75 of the 78 plans studied. Only 3 of the plans, 2 of which base benefits on career or terminal earnings and 1 on employer contributions, had not liberalized the benefit formula over the period studied. Illustrations of the ways in which benefit formulas have been liberalized are presented below.

Same Benefit Varied by Service. Plans utilizing this type of benefit formula generally provide that a retiree at normal retirement shall be entitled to a benefit equal to a benefit factor, expressed in monetary units, multiplied by years of service. Plans which use this type of benefit formula have tended to increase the benefit factor over the period of years that they have been in effect. For example, the Glass & Ceramic Workers-Libbey-Owens-Ford plan in effect in 1955 provided a normal monthly benefit equal to \$2 multiplied by years of service. By 1970, this plan was providing a normal benefit equal to \$5.25 multiplied by years of service.

Benefits Based on Earnings. Plans which base benefits on earnings usually provide that the normal pension shall be equal to a specified percentage of average earnings -- either career or terminal -- multiplied by years of service. A large number of these plans also provide for minimum pension amounts, either a flat sum or a benefit factor multiplied by years of service.

An important feature of the benefit plans which base benefits on earnings is that benefit levels automatically increase as the level of earnings increase. Therefore, over the period that a plan has been in existence, if the average earnings of participants have increased, as was likely to have happened, benefit levels would have also increased. Despite this built-in mechanism for increasing benefit levels, such plans have also tended to liberalize their benefit formula. In most instances, the plans have not altered the basic formula, but they have increased minimum pension amounts, or reduced or deleted the social security offset which is included in some of these plans. The various Steelworkers plans, and the Bell System plans, for example, initially provided that benefits would be reduced by a portion of the social security benefits payable to the retiree. The amount of the social security offset was subsequently reduced, and by 1970 it had been deleted entirely.

Same Benefit for All Retirees. These are plans which do not use a formula as such to compute normal retirement benefits, but

instead pay a flat benefit to all retirees qualifying for normal retirement. The flat benefit amounts provided by these plans have generally increased over the years that the plans have been in existence. In some cases, the benefit has been increased drastically. In the Maritime-NMU Pension Trust plan, the normal benefit in 1955 was \$55 per month. By 1970, the normal benefit had risen to \$250 per month.

Benefits Based on Contributions. Plans which base benefits on employer or employee contributions usually provide that the normal retirement benefit shall be equal to a percentage of employer or employee contributions. Liberalizations in the benefit formula in these plans usually resulted from increases in the percentage applied to contributions in calculating benefits. The changes in the normal retirement formula of the Boilermakers National Pension Trust plan illustrate how plans utilizing contributions have increased benefit levels. In 1965, this plan provided a normal monthly benefit equal to 1.5 percent of total employer contributions. In 1970, the benefit was equal to 2.08 percent of contributions.

Benefit Levels 1955-1970

As a result of the improvements made in the normal retirement benefit formulas of the 78 plans studied, the level of benefits

provided by the plans would have increased over the years that such plans have been in existence. In order to determine the extent to which benefit levels have increased, normal retirement benefits for each of the 78 plans were calculated in accordance with the benefit formula in effect in 1955, 1960, 1965 and 1970. Benefits were computed on the basis of 25 years of credited service under the plan, and assumed average annual career or terminal earnings equal to the average maximum earnings subject to social security taxation. 8/

Benefit levels increased over one or more of the 5-year periods for 75 of the 78 plans. There are 3 plans which did not show any increase in benefit levels. In 2 of these plans, a Laborers and a Typographical union, this was due to the periods chosen and date of inception of the plan. 9/ The third plan which did not show an increase in benefit levels is a Bakery Workers plan. In this multi-employer plan, the minimum payable had not been modified over the

8/ To derive the assumed average earnings, the maximum annual earnings subject to social security taxation over the specified period (career or in a specified number of years preceding retirement) were averaged. For example, to compute the benefits for 1965 of a plan which bases normal benefits on average annual earnings in the 10 years immediately preceding retirement, annual earnings for the years 1955 through 1958 were assumed to be \$4,200, and annual earnings for the years 1959 through 1964 were assumed to be \$4,800. Thus, in this example, the average annual earnings in the 10 years immediately preceding retirement were \$4,560.

9/ The Laborers plan started in 1963 and increased benefits in 1965, but this increase is not included because the plan was not in effect in 1960, and there was no increase between 1965 and 1970. The Typographical union plan started in 1966 and increased benefits in 1970, but this increase is not included because the plan was not in effect in 1965. As noted above on p. 91, the computations were based not on year-to-year changes, but the status at the end of each 5-year interval.

years, but individual employers and local unions could negotiate for benefits above the minimum by increasing the rate of employer contributions. Under these circumstances, the increase in benefits could not be computed except by analyzing the contribution rate for each employer.

Table 5 below shows the percent increases in the benefit levels over successive 5-year periods from 1955 to 1970. The successive 5-year periods shown include only plans which were in effect at the beginning of the period, were paying benefits, and for which plan provisions were on file with the Department for that date.

In each of the periods shown, the benefit levels provided by the plans analyzed tended to increase. A large majority of the plans in each period showed increases in benefits, with the largest proportion of plans showing increases occurring in the latest period, when about 94 percent of the plans showed increases in benefit levels.

The greatest increases in benefit levels occurred in the period from 1965 to 1970. The median increase from 1955 to 1960 was 28 percent; from 1960 to 1965 it was 20 percent; and from 1965 to 1970 it was 54 percent. The percentage of plans showing increases of 100 percent or more also was far greater in 1965 to 1970 than in the earlier years.

Table 5. Percent Increases in Monthly Pension Benefit Levels for
Newly Retired Workers in Three Periods

| Percent increase | Period | | | | | |
|-------------------|--|--------------|--|--------------|--|--------------|
| | December 31, 1955 to December 31, 1960 | | December 31, 1960 to December 31, 1965 | | December 31, 1965 to December 31, 1970 | |
| | Number of plans | Percent | Number of plans | Percent | Number of plans | Percent |
| Total----- | <u>1/</u> 34 | <u>100.0</u> | <u>1/</u> 67 | <u>100.0</u> | <u>1/</u> 77 | <u>100.0</u> |
| 0----- | 5 | 14.7 | 14 | 20.9 | 5 | 6.5 |
| 1-9----- | 5 | 14.7 | 6 | 9.0 | - | - |
| 10-19----- | 3 | 8.8 | 14 | 20.9 | 4 | 5.2 |
| 20-29----- | 5 | 14.7 | 1 | 1.5 | 6 | 7.8 |
| 30-49----- | 11 | 32.4 | 10 | 14.9 | 14 | 18.2 |
| 50-99----- | 4 | 11.8 | 19 | 28.4 | 22 | 28.6 |
| 100-199----- | 1 | 2.9 | 3 | 4.4 | 24 | 31.1 |
| 200 and over----- | - | - | - | - | 2 | 2.6 |

1/ Includes only those plans which were in effect at the beginning of the period, and which had filed plan provisions in effect as of the beginning of the period and were paying benefits as of that date. A total of 53 of the 78 plans studied were in effect on December 31, 1955; however, only 34 of these 53 plans were paying benefits as of that date and had filed plan provisions which were in effect as of that date. On December 31, 1960, 70 of the 78 plans were in effect. Three of these 70 plans, however, had not filed plan provisions in effect as of that date, or were not paying benefits at that time. A total of 77 of the 78 plans were in effect as of December 31, 1965. Thus, the period from December 31, 1955 to December 31, 1960 covers 34 plans; the period from December 31, 1960 to December 31, 1965 covers 67 plans; and the period from December 31, 1965 to December 31, 1970 covers 77 plans.

Increases in Benefits to Already Retired Participants

As has been shown, the level of benefits for newly retired workers in the pension plans studied has characteristically increased over the years that the plans have filed information with the Department of Labor. How have these plans treated previously retired participants? In the remainder of this chapter, data will be presented on the extent to which these plans have granted increases in benefits to previously retired participants, and whether such increases have been sufficient to keep pace with the rise in the level of prices.

Plans Granting Increases and Procedure Followed

Increases in benefits to previously retired participants were fairly prevalent in the 78 plans studied. Over the years for which plan provision data were available for the 78 plans, 54 or 69 percent increased the benefits of previously retired workers on at least one occasion. A total of 42 of the plans granted increases in benefits for previously retired workers on 2 or more occasions.

When the plans increased the benefits of previously retired participants they tended to either recalculate such benefits in accordance with a revised benefit formula, or simply increase the benefits by a fixed dollar amount or by a percentage of the participant's previous pension amount. In most of the instances in which benefits were increased, the benefit of a retiree was recalculated in accordance with a revised benefit formula, but usually this revision

still provided a lower benefit level than that which applied to participants who retire subsequently. To illustrate, the Auto Workers, Ind. - Ford Co. plan provided a normal benefit of \$2.25 multiplied by years of service for participants retiring under the plan in effect in 1955. In 1958, the plan was amended to provide a normal benefit of \$2.35 times years of service for participants who retired prior to September 1, 1958. For participants who retired on or after September 1, 1958, the benefit formula was somewhat more liberal. Such participants were entitled to a benefit equal to \$2.40 times years of service prior to January 1, 1958, plus \$2.43 for service in 1958, and \$2.50 times years of service subsequent to 1958. This plan was amended on several occasions after 1958 and, for the most part, the plan followed this pattern of revising the benefit formula for retired participants and for currently active participants in such a manner that the benefits provided for retirees would be at a lower level than for those retiring after the change.

In contrast to the pattern noted just above, there are several plans, most notably the Maritime union and the United Mine Workers, Ind. plans, in which the benefits of retirees have been increased to the same level as for currently active participants. Both of these plans provide a flat benefit to all qualified participants at normal retirement. Over the years for which information was on file with the Department for these plans, the flat benefit amount has been increased on several occasions, and each time the increased benefit amount applied to both retirees and active participants. In the Maritime union plan, for

example, in 1954 the normal benefit was \$55 per month. In 1970, the plan was providing a normal benefit of \$250 per month to all retirees, regardless of the date of their retirement.

While most of the plans which granted increases in benefits to retirees revised the benefit formula used to calculate the benefits of such participants, a number of plans simply increased the benefit by a flat dollar amount or by a percentage of the previous pension amount. All of the plans listed under the Steelworkers, for example, followed the procedure of granting increases in fixed dollar amounts. One of these plans, the Steelworkers-Colorado Fuel & Iron plan, for instance, granted retirees a \$5 per month increase in benefits in 1960, and a \$15 per month increase in 1966.

Maintenance of Purchasing Power of Pension Benefits

As a result of the increases in the level of prices during the decades of the 50's and 60's, the purchasing power of a pension benefit has been subject to erosion. In instances in which pension plans have not granted increases in benefits to previously retired workers, pensioners have borne the full brunt of the rise in the level of prices. Where increases in benefits have been granted, however, the rise in the level of prices since retirement may have been entirely or partially offset by the increases in pension benefits. The table below shows the increases that would have been required in the original pension benefit of a participant retiring at various dates to maintain parity with prices over a 5-, 10-, and 15-year interval.

Table 6. Percent Increase in Initial Pension Benefit Required to Maintain Parity with Prices from Date of Retirement 1/

| Date of retirement | To | | |
|--------------------|----------------------|----------------------|----------------------|
| | December 31, 1960 | December 31, 1965 | December 31, 1970 |
| December 31, 1955 | 10.6 | 17.8 | 45.0 |
| December 31, 1960 | - | 6.5 | 31.1 |
| December 31, 1965 | - | - | 23.1 |

1/ The percent increase required to maintain parity with prices is the percent increase in the BLS Consumer Price Index (1967=100) from the date of retirement to the end of the period shown. The Consumer Price Index from 1949 through 1970 is shown in footnote 1, p. 83 above.

Rather substantial increases in pension benefits were required to maintain parity with prices over the periods shown in the above table. The original pension benefit of a December 31, 1955, retiree, for example, would have had to have increased by nearly 11 percent by the end of 1960; a 45 percent increase in the original benefit would have been needed in order for the December 31, 1955, retiree to have the same purchasing power by the end of 1970 that he had when he retired.

Thus in order to determine if the benefits of retirees in the plans studied have kept pace with rises in the level of prices, the actual benefit (the original retirement benefit plus any increases in benefits) that a retiree is receiving at some point in time after retirement must be compared to the benefit amount needed to maintain parity with prices (the original retirement benefit increased by the percent change in the CPI). If the actual benefit is equal to, or greater than, the amount needed to maintain parity with prices, then

the benefits of retirees have kept pace with, or surpassed, increases in the level of prices. Conversely, if the actual benefit is less than the amount needed to maintain parity with prices, the benefits of retirees have not kept pace with rises in the level of prices.

For the plans studied, the 1955, 1960 and 1965 benefit levels were first adjusted by increases, if any, in the benefits of retirees over 5-, 10- and 15-year intervals through 1970 in order to determine the actual benefit of retirees at the end of the intervals. 10/ The 1955, 1960 and 1965 benefit levels were then increased by the percent changes in the CPI over 5-, 10- and 15-year intervals through 1970 to determine the amount needed to maintain parity with prices at the end of the intervals. At the end of each interval, the actual benefit and the amount needed to maintain parity with prices were compared in order to determine if the benefits of retirees had increased in an amount sufficient to keep pace with the rise in the level of prices since retirement. 11/ Table 7 below presents data on the increases in benefits, and the extent to which such increases were equal to, or greater than, the increases in the level of prices in the plans studied.

10/ See p. 95 above for method of computing benefit levels.

11/ In each interval chosen there was an increase in the CPI. Therefore, in order for the benefits to have kept pace with the level of prices, benefits would have had to have increased in an amount equal to the rise in the CPI.

Table 7. Increases in Pension Benefits of December 31, 1955, December 31, 1960, and December 31, 1965, Retirees through 1970

| Type of increase | December 31, 1955, retiree through | | | | | | December 31, 1960, retiree through | | | December 31, 1965, retiree through | | | December 31, 1970, retiree through | | |
|------------------------------------|------------------------------------|---------------------|----------------------------------|---------------------|----------------------------------|---------------------|------------------------------------|---------------------|----------------------------------|------------------------------------|----------------------------------|---------------------|------------------------------------|---------------------|----------------------------------|
| | 1960 | | | 1965 | | | 1970 | | | 1965 | | | 1970 | | |
| | Num- ber of plans 1/ | Percent of plans | Num- ber of plans 1/ | Percent of plans | Num- ber of plans 1/ | Percent of plans | Num- ber of plans 1/ | Percent of plans | Num- ber of plans 1/ | Percent of plans | Num- ber of plans 1/ | Percent of plans | Num- ber of plans 1/ | Percent of plans | Num- ber of plans 1/ |
| Total ----- | 24 | 100.0 | 24 | 100.0 | 34 | 100.0 | 34 | 100.0 | 67 | 100.0 | 67 | 100.0 | 77 | 100.0 | 77 |
| No increase granted-- | 13 | 38.2 | 8 | 23.5 | 5 | 14.7 | 5 | 14.7 | 42 | 62.7 | 42 | 62.7 | 32 | 41.6 | 32 |
| Increase granted --- | 21 | 61.8 | 26 | 76.5 | 29 | 85.3 | 29 | 85.3 | 25 | 37.3 | 25 | 37.3 | 45 | 58.4 | 45 |
| Less than increase in CPI ----- | 6 | 17.7 | 3 | 8.8 | 6 | 17.7 | 6 | 17.7 | 2 | 3.0 | 2 | 3.0 | 10 | 13.0 | 10 |
| Equal to increase in CPI ----- | - | - | 1 | 2.9 | - | - | - | - | - | - | - | - | - | - | - |
| Greater than increase in CPI-- | 15 | 44.1 | 22 | 64.7 | 23 | 67.6 | 23 | 67.6 | 23 | 34.3 | 23 | 34.3 | 35 | 45.4 | 35 |

NOTE: Because of rounding, sum of percents may not equal total.

1/ Includes only plans which were in effect at the beginning of the period, which had filed plan provisions in effect at that time with the Department, and were paying benefits as of the beginning of the period. See footnote 1, table 5, p. 97 above.

In nearly all of the intervals a majority of the plans increased the benefits of retirees. In the plans which granted increases in the benefits of retirees during an interval, the increases were usually greater than the rise in the level of prices. In the following sections, a discussion of the increases in benefits and the extent to which such increases offset the rise in the level of prices will be presented for each group of retirees.

December 31, 1955, Retirees. A total of 34 plans were in effect on December 31, 1955, and were paying benefits as of that date. At the end of 1960, 1965 and 1970, the 1955 retirees generally were receiving a higher benefit than they received at the time of retirement. By the end of 1970, 29 of the 34 plans had increased the benefits of 1955 retirees; only 5 of the 34 plans had not increased the benefits of such retirees.

The benefits of 1955 retirees tended not to keep pace with the rise in the level of prices by the end of 1960; however, by the end of 1965 and 1970, the benefits of 1955 retirees more than kept pace. During the 5-year period ending in 1960, 15 of the 34 plans had granted increases in benefits which were greater than the rise in the level of prices. In contrast, by the end of 1965, 22 of the 34 plans had granted increases which were greater than the rise in the level of prices, and 1 plan had granted increases equal to the rise in prices. Thus, in 23 of the 34 plans, the benefits of 1955 retirees had at least kept pace with prices by the end of 1965. At the end of 1970, 23 of the 34 plans had increased the benefits of 1965 retirees in an

amount which was greater than that needed to maintain parity with prices.

December 31, 1960, Retirees. A total of 67 plans were in effect on December 31, 1960 and were paying benefits as of that date. From 1961 through 1965, a minority of these plans had increased the benefits of 1960 retirees. By the end of 1970, the situation had reversed. For the whole 10-year period, 46 of the 67 plans had granted increases in benefits, while 21 had not.

In a majority of the 67 plans, the benefits of 1960 retirees did not keep pace with the rise in the level of prices through 1965 and 1970. However, in a significant proportion of the plans, the benefits more than kept pace. At the end of 1965, 23 of the 67 plans had granted increases in the benefits of 1960 retirees which were greater than the rise in prices. By the end of 1970, a total of 31 of the 67 plans had granted such increases in the benefits of 1970 retirees.

December 31, 1965, Retirees. A total of 77 of the 78 plans were in effect on December 31, 1965, and were paying benefits as of that date. A total of 45 of the 77 plans increased the benefits of 1965 retirees by the end of 1970; 32 of the plans had not increased the benefits of such retirees.

In 42 of the 77 plans, the benefits of 1965 retirees did not keep pace with the rise in the level of prices through 1970 because of no increases in benefits or increases which were less than the rise in prices. On the other hand, 35 of the 77 plans had granted increases which exceeded the rise in prices.

In connection with the increases in pensions negotiated through collective bargaining, it is of interest to note that few retirees have the right to vote on such increases through the union contract proposals and ratification procedures. 12/

12/ See pp. 70-72 above.

V. UNION SERVICE FEES AS A CONDITION OF BENEFIT ELIGIBILITY
UNDER COLLECTIVELY BARGAINED PENSION PLANS

In Coal Producers Assn. of Illinois, the NLRB ruled that the imposition of a service fee by a union on retired participants as a condition of continued eligibility for benefits from an employer-financed employee benefit plan was not an unfair labor practice. 1/ In this case, which was decided in 1967, the Board ruled that the fee imposed by the union on retired participants, which appeared to be considerably less than the dues required of active participants, was reasonably related to the services provided by the union in administering the plan and in negotiating changes which affected both active and retired participants.

The Board's decision in this case was extremely significant in terms of its potential impact on pensioners receiving benefits under union-negotiated pension plans. As one writer has pointed out,

"The Coal Producers decision has opened the door to unions instituting service fees for the activities which they perform in negotiating and servicing pension programs It, therefore, can be expected that other unions will venture into this field." 2/

1/ Coal Producers Assn. of Illinois, op. cit.
2/ Charles Sovel, "Service Fees for Union Benefits," Proceedings of New York University Twenty-First Annual Conference on Labor /1968/ (New York: Matthew Bender, 1969), p. 417.

However, while it might be expected that unions will negotiate pension plans which provide for payments of service fees to the union by pensioners as a result of the Coal Producers case, has this actually occurred?

PROVISION FOR THE PAYMENT
OF SERVICE FEES BY PENSIONERS

Prior to the Coal Producers decision, none of the 78 plans studied with respect to increases in pension benefits for retirees required pensioners to pay a fee to the union in order to retain eligibility for benefits. Subsequent to the Board's decision, only 1 of the 78 plans studied adopted a provision requiring pensioners to pay a service fee to the union, and this provision was deleted from the plan shortly after it was adopted. The plan which adopted a service fee requirement was the Maritime-NMU Pension Trust plan, a multiemployer plan, administered jointly by representatives of the union and the employers. In January 1968, the trustees of the plan amended the plan's governing document, the Regulations of the NMU Pension Trust, to provide that:

"Notwithstanding any other provisions of these regulations, effective January 1, 1968, each pensioner shall pay to the Union a service fee in accordance with the schedule herein set forth, payable in advance, and due on January 1 and July 1 of each year. The payment of this service fee shall be a condition precedent to the continued receipt of pension benefits. Upon notification from the union that a pensioner is in default in payment of his service fee, the Trustees shall withhold further payment of pension benefits to said pensioner until the service fee is paid." 3/

3/ Regulations of the NMU Pension Trust, Art. II, Sec. 17.

The amount of the service fee that a pensioner was required to pay was determined by the monthly pension benefit. The service fee ranged from \$100 per year for pensions of \$200 or more per month down to \$20 per year for pensions of less than \$100 per month. 4/ On March 4, 1968, only 3 months after its adoption, the trustees of the plan deleted this provision from the plan. 5/

Thus, under the provisions of the plan in effect on December 31, 1970, none of the 78 pension plans under collective bargaining require pensioners to pay a service fee to the union as a condition of continued benefit eligibility. 6/ On the basis of these 78 plans, it would appear that the Coal Producers decision has had little or no effect on pensioners under union-negotiated pension plans.

4/ The normal pension benefit being paid by the plan in 1968 was \$250 per month. Thus, the \$100 per year amount probably would have applied to the majority of pensioners. It is of interest to note that the regular dues in the Maritime in 1968 were \$30 per quarter, or \$120 per year.

5/ As noted above on pp. 27-28, in Puette v. Hickey, a New York State court had enjoined the trustees from implementing the service fee requirement. However, the trustees had deleted this requirement from the plan prior to the decision. The reason given by the union for rescinding the service fee was that because the employers had agreed to make contributions to the union to help defray the costs of hiring halls and other services, "there is no longer any need for pensioners' service fees." See NMU Pilot, March 1968, p. 16.

6/ However, there are at least two pension plans under collective bargaining not included in the sample which, as of December 31, 1970, required that pensioners pay a service fee or dues to the union in order to maintain benefit eligibility. These two plans, the Welfare and Retirement Fund, Progressive Mine Workers of America-District 1, and the Anthracite Health and Welfare Fund, were not included in the sample because either the union had less than 40,000 members, or the collective bargaining agreement establishing or mentioning the plan covered less than 5,000 workers. See footnote 2, p. 86 above. - cont'd. -

Voluntary Dues

While none of the plans studied had provisions in 1970 requiring the payment of a service fee to the union as a condition of benefit eligibility, 5 of the plans did provide for the withholding of retired members' union dues from pension benefits pursuant to the execution of a voluntary authorization by the pensioner. Four of these 5 plans involve the Auto Workers, Ind., and 1 involves the Maritime union. The plans involving the Auto Workers, Ind., are the Chrysler, Dana, Ford and General Motors plans. In each of these plans, the collective bargaining agreement covering employees represented by the Auto Workers, Ind. provides for the withholding of retired members' dues from pension benefits. For example, the union's agreement with Ford provides:

"Notwithstanding any other provisions of the Plan, the Trustee, upon authorization by the Board of Administration for the month of August 1966, and thereafter . . . shall deduct Union dues in the amount of \$1.00 from any monthly retirement benefit otherwise payable to any retired employee who shall have duly executed a 'Retired Employee's Authorization for Check-Off of Dues'" 7/

The Progressive Mine Workers, Ind. plan, which was the subject of the Coal Producers case which was discussed on pp. 23-25 above, requires that pensioners pay a service fee to the union. The Anthracite Health and Welfare Fund, which provides pension benefits and was established by a collective bargaining agreement between various anthracite mine operators and Districts 1, 7 and 9 of the United Mine Workers, Ind., requires that a pensioner retain his good standing membership in the union in order to maintain his eligibility for pension benefits.

7/ Benefit Plans and Agreements: Ford Motor Co. and the UAW,
October 25, 1967-September 14, 1970, Art. V, Sec. 11, p. 49.

The voluntary authorization of dues deductions from pension payments was ruled to be not prohibited by title III of Taft-Hartley and not required to be reported under section 203 of the LMRDA by the Department of Justice in a letter from Assistant Attorney General Fred M. Vinson, Jr., to Charles Donahue, Solicitor of the Department of Labor, dated July 7, 1965.

Payment of Dues by Pensioners under Union Administered Membership Pension Plans

While union-negotiated pension plans appear to rarely require pensioners to make payments to the union, what is the situation in union administered membership pension plans? Do the unions which administer membership pension plans exempt members retiring under such plans from the payment of dues, or do they require that the retiree continue to pay dues in order to receive pension benefits? In order to determine whether or not union administered membership benefit plans require pensioners to pay dues as a condition of benefit eligibility, all such plans which were filing with the Department of Labor in 1967 and were in effect as of the summer of 1971 were analyzed.

The term union administered membership pension plan as used herein means a plan administered by the union which is financed by union members and provides benefits for retirement only to members of the union. The term does not include union administered plans to provide benefits only to union officers or employees, or plans administered by the union which are financed by employer contributions.

There was a total of 28 union administered membership pension plans which were filing with the Department in 1967 and were in effect in the summer of 1971. Of these 28 plans, 8 are national union plans, 2 are intermediate union plans, and 18 are local union plans.

The union administered pension plans studied do not generally require members who retire to continue to pay dues as a condition of

pension benefit eligibility. As shown by table 8, of the 28 plans, only 9 require pensioners to pay dues, while 12 exempt pensioners from the payment of dues and 7 are silent on this point.

Table 8. Dues as a Condition of Benefit Eligibility under Union Administered Membership Pension Plans

| Type of labor organization administering the plan | Total | Dues payments by pensioners | | |
|---|-----------|-----------------------------|--------------|--------------|
| | | Required | Not required | No provision |
| Total----- | <u>28</u> | <u>9</u> | <u>12</u> | <u>7</u> |
| National----- | 8 | 5 | 3 | - |
| Intermediate----- | 2 | 1 | 1 | - |
| Local----- | 18 | 3 | 8 | 7 |

Whether or not a pensioner is required to pay dues in order to maintain eligibility for pension benefits varies by the type of labor organization which administers the plan. The national plans tend to require pensioners to pay dues, while the local plans tend to either exempt pensioners or to contain no provision on the payment of dues as a condition of continued benefit eligibility. Of the 8 national plans, 5 require the payment of dues by pensioners, 8/ while 3 exempt pensioners. 9/

8/ These 5 national unions are: the Barbers, the Carpenters, the Iron Workers, the Lithographers & Photoengravers, and the Typographical. In the Lithographers & Photoengravers, however, pensioners who qualify for retirement membership status (i.e., age 60 and 20 years membership) are exempt from dues.

9/ The 3 national unions administering plans which exempt pensioners from the payment of dues are: the Electrical Workers - IBEW, the Machine Printers & Engravers, Ind., and the Newspaper & Mail Deliverers Union of New York & Vicinity, Ind.

In the case of local union administered plans, only 3 of the 18 plans require pensioners to pay dues, 10/ 8 exempt pensioners from dues, 11/ and 7 are silent on the payment of dues by pensioners. 12/

10/ The 3 local unions which administer plans which require the payment of dues by pensioners are: Electrical Workers - IBEW, Local 743; Meat Cutters, Local 3; and Typographical, Local 33.

11/ The 8 local unions which administer plans which exempt pensioners from the payment of dues are: Plumbers, Local 107; Printing Pressmen, Local 2; Stage Moving Picture Operators, Local 1; Stereotypers & Electrotypers, Local 2; Teamsters, Ind., Local 426; Typographical, Local 1; Typographical, Local 7; Typographical, Local 47.

12/ The 7 local unions which administer plans which contain no provision on the payment of dues by pensioners are: Bookbinders, Local 55; Electrical Workers - UE, Ind., Local 259; Meat Cutters, Local 598; Printing Pressmen, Local 225; Stage Moving Picture Operators, Local 22; Stage Moving Picture Operators, Local 230; and Stereotypers & Electrotypers, Local 7.

VI. SUMMARY

This study has examined union membership rights and obligations of retirees under Federal labor laws, the membership status and rights of retirees in unions, changes in pension benefits of retirees in pension plans under collective bargaining, and the obligation of retirees to pay union service fees in pension plans under collective bargaining.

RETIREES AND UNIONS UNDER FEDERAL LABOR LAWS

The Labor-Management Reporting and Disclosure Act (LMRDA), which is administered in part by the Department of Labor, guarantees every member of a labor union certain rights within the union, subject to reasonable rules and regulations in the union's constitution and by-laws. There have been court decisions and administrative positions taken by the Department of Labor on the reasonableness of rules and regulations which explicitly or implicitly restrict the rights of retired members. On the basis of these court decisions and administrative positions the following may be concluded:

- (1) It is not unreasonable for a union to change the membership classification of a member who is no longer working in the trade jurisdiction of the union, even though such reclassification results in the loss of some privileges of membership;
- (2) The union may restrict the membership rights of retirees to vote in union elections; and

- (3) Retirees may be denied the right to run for office in the event the union specifies a mandatory retirement age for officers, or requires that a candidate be actively employed within the trade jurisdiction of the union.

The rights and obligations of employees and unions in the collective bargaining process are governed by the Taft-Hartley Act, which is administered by the National Labor Relations Board. The Act is silent on the role of retirees in the collective bargaining process; however, there have been two notable decisions under the Act on the rights of retirees in negotiated employee benefit plans. In the Pittsburgh Plate Glass Co. case, the United States Supreme Court ruled that retirees were not employees under the Act; thus employers were not obligated to bargain with the union over changes in the benefits of retired workers. The NLRB, in Coal Producers Assn. of Illinois, held that it was not an unfair labor practice for a union and an employer to require retirees and others who have left the bargaining unit to pay a service fee to the union as a condition of receiving benefits under a negotiated employer-financed benefit plan.

RETIRED UNION MEMBERS: THEIR MEMBERSHIP
STATUS AND ELIGIBILITY TO PARTICIPATE
IN UNION AFFAIRS

The membership status and eligibility of retirees to participate in internal union affairs were studied in 68 national unions, all of which had over 40,000 members in 1968 and were reporting to the Department of Labor under the LMRDA as of July 1970. The analysis covered the following areas: (1) constitutional provisions on the retention of membership

by retirees, and types of membership available to retirees; (2) requirements for the payment of dues by retirees; (3) the right of retirees to participate in internal union affairs; (4) the right of retirees to participate in the collective bargaining process by voting on union contract proposals, ratification of contracts and strikes; (5) the right of retirees to participate in union administered membership benefit plans; and (6) the formation by the union of organizations composed solely of retired members.

Provision for Retiree Membership and Type of Retiree Membership

A total of 48 of the 68 unions provide in their constitutions that retirees are eligible to retain membership in the union, and 20 do not provide for such retention of membership. Each of the 48 unions which provide for the retention of membership by retirees established a special membership classification for retired members. In 42 of the 48 unions this is the only membership classification for which retirees are specifically eligible; in 6 of the 48 unions, however, retirees are given the option of continuing as active members or in the retirement membership classification.

Dues Requirements for Retired Members

Of the 48 unions providing for retiree membership, 23 do not require retirees to pay dues, 20 require all retirees to pay dues, and 5 require the payment of dues by retirees with a certain type of retiree membership, but exempt other retirees from paying dues. In 9 of the 20 unions requiring the payment of dues by all retirees, such members pay both national

and local dues. Seven of the 20 require national dues only; 2 require local dues only; and 2 require both national and local dues from retirees holding active membership, but national dues only from retirees holding retirement membership.

In the 20 unions which require all retirees to pay dues, retirees (except those who retain active membership) generally pay reduced dues. Only 1 union requires retirees to pay full national and local dues. There are 6 other unions in which retirees are required to pay full national dues, and reduced, or no local dues.

Participation in Internal Union Affairs by Retired Members

The analysis of the right of retirees to participate in internal union affairs centered on 9 areas: (1) attending local union meetings; (2) having a voice at local union meetings; (3) voting at local union meetings; (4) voting in elections for local union officers; (5) running for local union office; (6) voting in elections for convention delegates; (7) running for convention delegate; (8) voting in elections for national officers; and (9) running for national office.

Typically, retirees are granted limited rights to participate in internal union affairs in the 48 unions with retiree membership. Of the 9 areas of internal union affairs, there are only 2 areas (attending local union meetings, and having a voice at local union meetings) in which retirees are permitted to participate in a majority of the unions. The rights most often denied retirees are: running for national and local office, and convention delegate.

There are 6 unions among the 48, however, which grant retirees the same rights as any other member. In 3 of these unions, only retirees who retain active membership are granted these rights, while other retired members have only limited rights. Three unions, in contrast, grant all retired members the same rights as any other member.

Participation in the Collective Bargaining Process by Retired Members

Of the 48 unions with retiree membership, 25 have constitutional provisions for membership voting on union contract proposals or ratification, and 23 do not. In 17 of the 25 unions with provisions for membership voting, retirees are denied the right to vote on union contract proposals or ratification. Four of the 25 unions grant all or certain retirees the right to vote; and 4 give local unions the authority to determine whether retirees shall be permitted to vote.

In the area of voting on strikes, 33 of the 48 unions provide for a membership vote on strikes, and 15 do not. Of these 33 unions, 26 deny retirees a vote on strikes, 3 permit all or certain retirees to vote on strikes, and 4 give local unions the authority to determine whether retirees shall be permitted to vote on strikes.

Union Administered Membership Benefit Plans

A total of 26 of the 48 unions providing for retiree membership have membership benefit plans. All 26 of the unions have death benefit plans; several of the unions have retirement and other benefit plans in addition. Of the 26 unions with benefit plans, 25 permit retirees to continue to participate, usually requiring that such members pay the benefit fund

assessment, and 1 is silent on the eligibility of retirees to maintain their participation.

Retiree Organizations

Only 3 of the 48 unions with retiree membership have constitutional provisions on retiree organizations. These 3 unions are the Auto Workers, Ind., the Rubber Workers, and the State County Municipal Employees. The Auto Workers, Ind. provides for local, area, regional and national retiree organizations. The Rubber Workers provides for retiree organizations at the local level, and the State County Municipal Employees provides for such organizations on a joint local or state-wide basis.

In the Auto Workers, Ind., the national retiree organization acts as an advisory body on retiree issues. The retiree organization in the State County Municipal Employees exists for the purpose of developing programs of interest to retirees.

INCREASES IN PENSION BENEFITS FOR RETIREES IN PENSION PLANS UNDER COLLECTIVE BARGAINING

A total of 78 pension plans under collective bargaining were analyzed to determine the extent to which such plans have changed the pension benefits of retirees. These 78 plans were selected on the basis of the number of participants covered and the national union affiliation of the union party to the agreement. Only pension plans covering 5,000 or more participants in which the union party to the agreement was a national union with over 40,000 members or an affiliate of such a national union were included in the analysis.

Of these 78 plans, a total of 54 or 69 percent had increased the benefits of retired workers on at least one occasion between 1955 and 1970. In 42 of the plans, increases had been granted on two or more occasions.

Increases in benefits granted by these plans have acted to moderate the effect of rises in the level of prices on the pension benefits of retirees. In a significant number of plans, in fact, the increases have exceeded the rise in the level of prices over a period of years. By the end of 1970, for example, the pension benefit of a 1955 retiree had been increased by an amount in excess of the rise in the level of prices in 23 of the 34 plans which were in effect and paying benefits in 1955. For the 1960 retirees, 31 of the 67 plans which were in effect and paying benefits in 1960 had increased benefits by the end of 1970 in an amount which exceeded the rise in the level of prices. A total of 35 of the 77 plans which were in effect and paying benefits in 1965 increased the benefits of 1965 retirees by the end of 1970 in excess of the rise in the level of prices.

UNION SERVICE FEES AS A CONDITION OF BENEFIT ELIGIBILITY UNDER COLLECTIVELY BARGAINED PENSION PLANS

The 78 pension plans selected for analysis on changes in pension benefits were also analyzed to determine the extent to which retirees are required to pay a service fee to the union as a condition of benefit eligibility. On the basis of plan provisions in effect at the end of 1970, none of the 78 plans require pensioners to pay a service fee to

the union as a condition of benefit eligibility. One of the 78 had such a provision in effect prior to 1970, however, it had been deleted in 1968, only 3 months after it had gone into effect.

There are 5 plans among the 78 which have provisions for the withholding of retired members' union dues from pension benefits. In each instance, the dues are not a condition of benefit eligibility and may only be withheld pursuant to a voluntary authorization executed by the pensioner.

APPENDIX A

SHORT FORM TITLES AND FULL NAMES OF NATIONAL UNIONS INCLUDED IN THE STUDY 1/

| <u>Short form</u> | <u>Full name</u> |
|--------------------|---|
| Actors & Artists | Actors and Artists of America; Associated (AFL-CIO) |
| Auto Workers, Ind. | Automobile, Aerospace and Agricultural Implement Workers of America; International Union, United (Ind.) |
| Bakery Workers | Bakery and Confectionery Workers' International Union of America (AFL-CIO) |
| Barbers | Barbers, Hairdressers, Cosmetologists, and Proprietors' International Union of America; Journeymen (AFL-CIO) |
| Boilermakers | Boilermakers, Iron Shipbuilders, Blacksmiths, Forgers and Helpers; International Brotherhood of (AFL-CIO) |
| Bookbinders | Bookbinders; International Brotherhood of (AFL-CIO) |
| Brewery Workers | Brewery, Flour, Cereal, Soft Drink and Distillery Workers of America; Inter- national Union of United (AFL-CIO) |
| Bricklayers | Bricklayers, Masons and Plasterers' International Union of America (AFL-CIO) |
| Carpenters | Carpenters and Joiners of America; United Brotherhood of (AFL-CIO) |

1/ Short form union titles were taken from the Register of Reporting Labor Organizations, 1971, Labor-Management Services Administration. The full union names were taken from the Directory of National and International Labor Unions in the United States, 1969, Bureau of Labor Statistics, Bulletin No. 1665, 1970, and Register of Reporting Labor Organizations, 1971. National unions are affiliated with the AFL-CIO, unless identified as Independent (Ind.).

(continued)

| <u>Short form</u> | <u>Full name</u> |
|-------------------------------|--|
| Chemical Workers | Chemical Workers Union; International (AFL-CIO) |
| Clothing Workers | Clothing Workers of America; Amalgamated (AFL-CIO) |
| Communications Workers | Communications Workers of America (AFL-CIO) |
| District 50, Ind. | District 50, Allied and Technical Workers of the United States and Canada; International Union of (Ind.) |
| Electrical Workers - IBEW | Electrical Workers; International Brotherhood of (AFL-CIO) |
| Electrical Workers - IUE | Electrical, Radio and Machine Workers; International Union of (AFL-CIO) |
| Electrical Workers - UE, Ind. | Electrical, Radio and Machine Workers of America; United (Ind.) |
| Engineers, Operating | Engineers; International Union of Operating (AFL-CIO) |
| Firemen & Oilers | Firemen and Oilers; International Brotherhood of (AFL-CIO) |
| Garment Workers, Ladies | Garment Workers' Union; International Ladies' (AFL-CIO) |
| Glass Bottle Blowers | Glass Bottle Blowers Association of the United States and Canada (AFL-CIO) |
| Glass & Ceramic Workers | Glass and Ceramic Workers of North America; United (AFL-CIO) |
| Hotel & Restaurant Employees | Hotel and Restaurant Employees and Bartenders International Union (AFL-CIO) |
| Industrial Workers, Allied | Industrial Workers of America; International Union, Allied (AFL-CIO) |
| Iron Workers | Iron Workers; International Association of Bridge, Structural and Ornamental (AFL-CIO) |

(continued)

| <u>Short form</u> | <u>Full name</u> |
|--|--|
| Laborers | Laborers' International Union of North America (AFL-CIO) |
| Laundry Workers, Ind. | Laundry, Dry Cleaning and Dye House Workers International Union (Ind.) |
| Lithographers & Photoengravers | Lithographers and Photoengravers International Union (AFL-CIO) |
| Longshoremen | Longshoremen's Association; International (AFL-CIO) |
| Longshoremen & Warehousemen, Ind. | Longshoremen's and Warehousemen's Union; International (Ind.) |
| Machine Printers & Engravers, Ind. | Machine Printers and Engravers Association of the United States (Ind.) |
| Machinists | Machinists and Aerospace Workers; International Association of (AFL-CIO) |
| Maintenance of Way Employees | Maintenance of Way Employees; Brotherhood of (AFL-CIO) |
| Maritime | Maritime Union of America; National (AFL-CIO) |
| Meat Cutters | Meat Cutters and Butcher Workmen of North America; Amalgamated (AFL-CIO) |
| Mine Workers, Progressive, Ind. | Mine Workers of America; Progressive (Ind.) |
| Mine Workers, United, Ind. | Mine Workers of America; United (Ind.) |
| Molders | Molders' and Allied Workers' Union; International (AFL-CIO) |
| Musicians | Musicians; American Federation of (AFL-CIO) |
| Newspaper & Mail Deliverers Union of New York & Vicinity, Ind. | Newspaper and Mail Deliverers' Union of New York and Vicinity (Ind.) |
| Office & Professional Employees | Office and Professional Employees International Union (AFL-CIO) |

(continued)

| <u>Short form</u> | <u>Full name</u> |
|-------------------------------------|---|
| Oil. Chemical & Atomic Workers | Oil, Chemical and Atomic Workers International Union (AFL-CIO) |
| Oil Workers Union, Ind. | Oil Workers Union (Ind.) |
| Painters | Painters and Allied Trades; International Brotherhood of (AFL-CIO) |
| Papermakers and Paperworkers | Papermakers and Paperworkers; United (AFL-CIO) |
| Plasterers | Plasterers' and Cement Masons' International Association of the United States and Canada; Operative (AFL-CIO) |
| Plumbers | Plumbing and Pipe Fitting Industry of the United States and Canada; United Association of Journeymen and Apprentices of the (AFL-CIO) |
| Printing Pressmen | Printing Pressmen and Assistants Union of North America; International (AFL-CIO) |
| Pulp, Sulphite & Paper Mill Workers | Pulp, Sulphite and Paper Mill Workers; International Brotherhood of (AFL-CIO) |
| Railway Carmen | Railway Carmen of the United States and Canada; Brotherhood (AFL-CIO) |
| Railway Clerks | Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees; Brotherhood of (AFL-CIO) |
| Retail Clerks | Retail Clerks International Association (AFL-CIO) |
| Retail Wholesale | Retail, Wholesale and Department Store Union (AFL-CIO) |
| Rubber Workers | Rubber, Cork, Linoleum and Plastic Workers of America; United (AFL-CIO) |
| Seafarers | Seafarers' International Union of North America (AFL-CIO) |

(continued)

| <u>Short form</u> | <u>Full name</u> |
|----------------------------------|--|
| Service Employees | Service Employees' International Union (AFL-CIO) |
| Sheet Metal Workers | Sheet Metal Workers' International Association (AFL-CIO) |
| Shoe Workers | Shoe Workers of America; United (AFL-CIO) |
| Stage Moving Picture Operators | Stage Employees and Moving Picture Operators of the United States and Canada; International Alliance of Theatrical (AFL-CIO) |
| State County Municipal Employees | State, County and Municipal Employees; American Federation of (AFL-CIO) |
| Steelworkers | Steelworkers of America; United (AFL-CIO) |
| Stereotypers & Electrotypers | Stereotypers' and Electrotypers' Union of North America; International (AFL-CIO) |
| Teachers | Teachers; American Federation of (AFL-CIO) |
| Teamsters, Ind. | Teamsters, Chauffeurs, Warehousemen and Helpers of America; International Brotherhood of (Ind.) |
| Telephone Unions Alliance, Ind. | Telephone Unions; Alliance of Independent (Ind.) |
| Textile Workers - TWU | Textile Workers Union of America (AFL-CIO) |
| Textile Workers - UTW | Textile Workers of America; United (AFL-CIO) |
| Transit Union | Transit Union; Amalgamated (AFL-CIO) |
| Transport Workers | Transport Workers Union of America (AFL-CIO) |
| Transportation Union | Transportation Union; United (AFL-CIO) |

(continued)

| <u>Short form</u> | <u>Full name</u> |
|-------------------|---|
| Typographical | Typographical Union; International (AFL-CIO) |
| Upholsterers | Upholsterers' International Union of North America (AFL-CIO) |
| Utility Workers | Utility Workers Union of America (AFL-CIO) |
| Woodworkers | Woodworkers of America; International (AFL-CIO) |

APPENDIX B

Table 1. Retiree Membership: Type of Membership and Dues Required, as Provided by National Union Constitutions and Bylaws, December 1970 1/

| National union 2/ | 1968 membership (000) 3/ | Provision for retention of membership by retirees 4/ | Type of membership | | Provision for the payment of dues by retirees 7/ | |
|------------------------------------|--------------------------|--|--------------------|---------------|--|--------------|
| | | | Active 5/ | Retirement 6/ | Dues required | Exempt |
| Total Unions ----- 68 | <u>17,939</u> | <u>48</u> | <u>8/ 6</u> | <u>8/ 48</u> | <u>9/ 25</u> | <u>9/ 35</u> |
| Actors & Artists 10/ ----- | 65 | - | - | - | - | - |
| Auto Workers, Ind. ----- | 1,473 | X | - | X | - | 11/ NL |
| Bakery Workers 10/ ----- | 150 | - | - | - | - | - |
| Barbers ----- | 67 | X | - | X | NL | - |
| Boilermakers ----- | 140 | X | - | X | - | NL |
| Bookbinders 10/ ----- | 64 | - | - | - | - | - |
| Brewery Workers ----- | 50 | X | - | X | - | NL |
| Bricklayers ----- | 160 | - | - | - | - | - |
| Carpenters ----- | 793 | X | - | X | NL | - |
| Chemical Workers ----- | 104 | X | - | X | - | NL |
| Clothing Workers ----- | 386 | - | - | - | - | - |
| Communications Workers ----- | 358 | X | 12/ X | 12/ X | 13/ NL | 13/ NL |
| District 50, Ind. ----- | 232 | X | - | X | N | L |
| Electrical Workers - IBEW ----- | 897 | X | - | X | - | NL |
| Electrical Workers - IUE 10/ ----- | 324 | - | - | - | - | - |

| | | | | | | | | |
|---|-----|---|-------|-------|---|--------|--------|--------|
| Electrical Workers - UF, Ind. ----- | 167 | X | - | X | - | - | - | NL |
| Engineers, Operating ----- | 350 | X | - | X | - | - | - | - |
| Firemen & Oilers ----- | 43 | X | 12/ X | 12/ X | - | 14/ NL | 14/ L | 14/ L |
| Garment Workers, Ladies ----- | 455 | X | - | X | - | - | - | NL |
| Glass Bottle Blowers ----- | 72 | X | - | X | - | - | - | NL |
| Glass & Ceramic Workers ----- | 45 | X | - | X | - | 15/ | 15/ NL | 15/ NL |
| Hotel & Restaurant Employees 10/ ----- | 459 | - | - | - | - | - | - | - |
| Industrial Workers, Allied ----- | 86 | X | - | X | - | - | - | NL |
| Iron Workers ----- | 168 | X | - | X | - | N | L | L |
| Laborers ----- | 553 | X | - | X | - | NL | - | - |
| Laundry Workers, Ind. 10/ ----- | 48 | - | - | - | - | - | - | - |
| Lithographers & Photoengravers ----- | 56 | X | - | X | - | - | - | NL |
| Longshoremen ----- | 50 | X | - | X | - | L | N | N |
| Longshoremen & Warehousemen, Ind. ----- | 60 | - | - | - | - | - | - | - |
| Machinists ----- | 903 | X | 12/ X | 12/ X | - | 13/ NL | 13/ NL | 13/ NL |
| Maintenance of Way Employees ----- | 125 | X | 12/ X | 12/ X | - | 16/ NL | 16/ L | 16/ L |
| Maritime ----- | 50 | X | - | 17/ X | - | 17/ N | 17/ | 17/ |
| Meat Cutters 10/ ----- | 500 | - | - | - | - | - | - | - |
| Mine Workers, United, Ind. ----- | 245 | X | - | X | - | NL | - | - |
| Molders ----- | 72 | X | - | X | - | 18/ NL | 18/ NL | 18/ NL |
| Musicians ----- | 283 | - | - | - | - | - | - | - |
| Office & Professional Employees ----- | 76 | X | - | X | - | L | N | N |
| Oil, Chemical & Atomic Workers ----- | 173 | X | - | X | - | - | NL | NL |
| Painters ----- | 200 | X | - | X | - | - | NL | NL |
| Papermakers and Paperworkers ----- | 145 | - | - | - | - | - | - | - |
| Plasterers ----- | 68 | X | - | X | - | 19/ | 19/ NL | 19/ NL |
| Plumbers ----- | 297 | X | - | X | - | - | NL | NL |
| Printing Pressmen ----- | 126 | X | - | X | - | - | N | N |
| Pulp, Sulphite & Paper Mill Workers ----- | 183 | X | - | X | - | - | NL | NL |
| Railway Carmen ----- | 117 | X | - | X | - | - | NL | NL |

Continued on next page

APPENDIX B

Table 1. Retiree Membership: Type of Membership and Dues Required, as Provided by National Union Constitutions and Bylaws, December 1970 1/ -- Continued

| National union 2/ | 1968 membership (000) 3/ | Provision for retention of membership by retirees 4/ | Type of membership | | Provision for the payment of dues by retirees 7/ | |
|--|--------------------------|--|--------------------|---------------|--|--------|
| | | | Active 5/ | Retirement 6/ | Dues required | Exempt |
| Railway Clerks ----- | 320 | X | - | X | NL | - |
| Retail Clerks ----- | 552 | X | - | X | 20/ L | 20/ NL |
| Retail Wholesale 10/ ----- | 175 | - | - | - | - | - |
| Rubber Workers ----- | 204 | X | - | X | - | 21/ NL |
| Seafarers ----- | 85 | - | - | - | - | - |
| Service Employees ----- | 389 | X | - | X | NL | - |
| Sheet Metal Workers ----- | 140 | X | - | X | N | L |
| Shoe Workers ----- | 44 | X | - | X | 22/ NL | 22/ NL |
| Stage Moving Picture Operators ----- | 60 | X | - | X | 23/ N | - |
| State County Municipal Employees ----- | 364 | X | - | X | NL | - |
| Steelworkers ----- | 1,120 | - | - | - | - | - |
| Teachers ----- | 165 | X | 12/ X | 12/ X | 24/ NL | - |
| Teamsters, Ind. ----- | 1,755 | X | - | X | - | NL |
| Telephone Unions Alliance, Ind. ----- | 53 | - | - | - | - | - |
| Textile Workers - TWU ----- | 183 | X | - | X | - | NL |

| | | | | | | | |
|-----------------------------|-----|---|-------|-------|--------|--------|---|
| Textile Workers - UTW ----- | 52 | - | - | - | - | - | - |
| Transit Union ----- | 134 | X | - | X | N | - | - |
| Transport Workers ----- | 98 | X | 12/ X | 12/ X | 13/ NL | 13/ NL | - |
| Transportation Union ----- | 255 | X | - | X | - | NL | - |
| Typographical ----- | 123 | X | - | X | NL | - | - |
| Upholsterers 10/ ----- | 60 | - | - | - | - | - | - |
| Utility Workers ----- | 74 | - | - | - | - | - | - |
| Woodworkers 10/ ----- | 96 | - | - | - | - | - | - |

NOTE: An "X" entry denotes the existence of a provision; a dash denotes the absence of a provision; and the letters "N" and "L" are used to denote provisions relating to the payment of national and local dues, respectively. In those unions in which an "N" or an "L" do not appear, it means that the national union has no constitutional provision or policy requiring the payment of such dues by retirees, or exempting them from payments.

1/ This table includes all national unions covered by the Labor-Management Reporting and Disclosure Act (LMRDA), as of July 1970, having more than 40,000 members as listed in the Directory of National and International Labor Unions in the United States, 1969, Bureau of Labor Statistics, Bulletin No. 1665, 1970. The constitutions analyzed were those in effect on December 31, 1970, according to reports filed with the Department of Labor.

Data on provisions for retention of membership by retirees and type of membership available to retirees are based solely on the constitutions. Data on retirees' dues are based on two sources: the constitutions and information supplied by the unions.

2/ National unions are identified by short form titles as used in the Register of Reporting Labor Organizations, 1971, Labor-Management Services Administration; complete titles are shown on pp. vii-xiv of that publication. National unions are affiliated with the AFL-CIO, unless identified as Independent (Ind.).

3/ Source: Directory of National and International Labor Unions in the United States, 1969, Bureau of Labor Statistics, Bulletin No. 1665. Bulletin No. 1665 does not report membership for the United Mine Workers, Ind., and the Transportation Union; the membership figures for these 2 unions were taken from earlier Bulletins. The 68 national unions included on the table account for 89 percent of the membership of all national unions listed in the Directory.

Footnotes continued on next page

- 4/ A retiree, for the purposes of this study, is defined as a member of the union who retires from employment in the trade jurisdiction of the union due to age, length of employment or eligibility for retirement benefits, but not due to disability, incapacity, inability to secure employment or to seek employment in other industries. Unions were classified as providing for retention of membership if the constitution specifically provides that any retiree, or retirees meeting certain qualifications, are eligible to retain some form of membership in the union.
- 5/ For the purposes of this study, the term active membership, when used to refer to the type of membership available to a retiree, means that a retiree is eligible to retain the same membership status (or its equivalent), although not necessarily the same membership rights, that he held prior to retirement.
- 6/ For the purposes of this study, the term retirement membership, when used to refer to the types of membership available to a retiree, refers to a special membership classification established by the union for retired members (e.g., associate, honorary, life, retired, superannuated, etc.). This membership classification may be one which is limited to retirees, or one which includes retirees and other members, such as long-term members.
- The term retirement membership is used for convenience only. It does not necessarily mean that such members are inactive members, ineligible for any of the rights and privileges of membership.
- 7/ For the purposes of this table, dues include all payments to the union, except any payments for the purpose of providing retirement or welfare benefits. Thus, if a retired member is only required to contribute to a benefit fund maintained by the union, the union was classified as exempting the retiree from dues. The term "national dues," which is symbolized herein by the letter "N," is used to denote payments made to and retained by the national union. It is most commonly designated as "per capita."
- 8/ There are 6 unions which give retirees the option of assuming retired membership status or of continuing as active members.
- 9/ The sum of the unions requiring dues and exempting dues is greater than the number of unions providing for retention of membership by retirees because 12 unions fall into both categories.
- 10/ The constitution provides that members who retire or cease working in the employment jurisdiction of the union will be eligible to receive a withdrawal card.
- 11/ Retirees are exempt from the payment of dues; however, such members may pay voluntary retired membership dues of \$1.00 per month.
- 12/ Retirees may elect to continue their active membership status (or an equivalent membership status), or to assume retired membership status.
- 13/ Retirees who elect to continue active membership pay full national and local dues; retirees who elect to assume retired membership status are exempt from dues.

14/ Retirees who elect to continue active membership pay full national dues, and local dues in the amount established by the local for retired members; retirees who assume retired membership status pay reduced national dues, but are exempt from local dues.

15/ The constitution provides that retired members shall not be required to pay dues unless a local union adopts regulations concerning the payment of dues and participation in local union affairs.

16/ Retirees who continue active membership pay full national and local dues; retirees who assume retired membership status pay reduced national dues, but are exempt from local dues.

17/ Retirees may continue as "honorary" or "pensioner" members. Honorary members pay national dues of \$20 per year; the national dues of pensioner members are based on a percentage of the dues paid by active members in the division (e.g., deep sea, lakes and rivers, etc.) from which they retired.

The constitution does not provide for local unions; thus, the question of local union dues payments by retirees would not apply to this union.

18/ Retired members with 15 years continuous membership prior to retirement (beneficial honorary) pay reduced national and local dues; retired members with 45 years continuous membership prior to retirement (life members) are exempt from all dues.

19/ Retirees with 30 years membership may be required by the local to pay local dues; retirees with 40 years membership are exempt from all dues.

20/ Retirees with 15 years membership prior to retirement (paid-up life) are exempt from all dues; retirees with 5 years membership prior to retirement (associate) are exempt from national dues, but are required to pay local dues.

21/ If a local establishes a retirement club, it may charge retirement club dues of not more than \$.25 per month.

22/ In order to maintain eligibility for death benefits, a retiree must pay full national dues.

23/ Retired members pay reduced national dues until they reach age 75, after which time they are exempt from national dues.

24/ Retirees who elect to continue active membership pay full national and local dues; retirees who assume retired membership status pay reduced national dues and local dues in the amount established by the local for retired members.

APPENDIX B

Table 2. Participation in Union Affairs by Retired Members, as Provided by National Union Constitutions and Bylaws, December 1970 1/

| National union 2/ | Participation in local union meetings 3/ | | | Participation in local union officer elections 3/ | | Participation in elections for convention delegates 3/ | | Participation in elections for national officers 3/ | |
|---|--|------------|-----------|---|----------------|--|------------------|---|----------------|
| | Attend | Have voice | Have vote | Vote | Run for office | Vote | Run for delegate | Vote | Run for office |
| Total unions ----- 48 | | | | | | | | 4/ 9 | |
| Number granting retirees the right to ----- | 39 | 29 | 18 | 15 | 8 | 16 | 10 | 4 | 7 |
| Number denying retirees the right to ----- | | 9 | 23 | 23 | 32 | 23 | 32 | 3 | 37 |
| Number with no provision on the eligibility of retirees, or which leave retiree eligibility to local unions ----- | 9 | 10 | 7 | 10 | 8 | 9 | 6 | 2 | 4 |
| Auto Workers, Ind. ----- | Yes | Yes | Yes | 5/ Yes | 5/ Yes | Yes | Yes | - | 6/ Yes |
| Barbers ----- | Yes | Yes | No | No | No | No | No | - | No |
| Boilermakers 7/ ----- | Yes | No | No | No | No | No | No | - | No |
| Brewery Workers ----- | Yes | Yes | 8/ No | 8/ No | No | 8/ No | 9/ No | - | No |
| Carpenters ----- | Yes | Yes | Yes | Yes | 9/ No | Yes | Yes | - | 9/ No |

| | | | | | | | | | | |
|--|------------|------------|-----|-----|-----|-----|-----|-----|-----|--------|
| Chemical Workers ----- | Yes | No | No | No | No | No | No | No | No | No |
| Communications Workers <u>10/</u> ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| District 50, Ind. ----- | - | - | - | - | - | - | - | - | - | 9/ No |
| Electrical Workers - IBEW ----- | Yes | No | No | No | No | No | No | No | No | No |
| Electrical Workers - UE, Ind. <u>12/</u> ----- | - | - | - | - | - | - | - | - | - | - |
| Engineers, Operating ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | - |
| Firemen & Oilers <u>13/</u> ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No |
| Garment Workers, Ladies ----- | Yes | No | No | No | No | No | No | No | No | 14/ No |
| Glass Bottle Blowers ----- | <u>15/</u> | <u>15/</u> | No | No | No | No | No | No | No | 9/ No |
| Glass & Ceramic Workers <u>16/</u> ----- | - | No | No | No | No | No | No | No | No | No |
| Industrial Workers, Allied ----- | <u>15/</u> | <u>15/</u> | No | No | No | No | No | No | No | 9/ No |
| Iron Workers ----- | Yes | Yes | No | No | No | No | No | No | No | 14/ No |
| Laborers ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 14/ No |
| Lithographers & Photoengravers ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 9/ No |
| Longshoremen <u>17/</u> ----- | - | - | - | - | - | - | - | - | - | No |
| Machinists <u>18/</u> ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 9/ No |
| Maintenance of Way Employees <u>13/</u> ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | No |
| Maritime <u>19/</u> ----- | - | - | - | - | - | - | - | - | - | 9/ No |
| Mine Workers, United, Ind. ----- | - | - | - | - | - | - | - | - | - | 11/ |
| Molders ----- | Yes | Yes | No | No | No | No | No | No | No | - |
| Office & Professional Employees ----- | Yes | Yes | 9/ | 9/ | 9/ | 9/ | 9/ | 9/ | 9/ | No |
| Oil, Chemical & Atomic Workers ----- | Yes | No | No | No | No | No | No | No | No | No |
| Painters ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Plasterers <u>20/</u> ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |
| Plumbers ----- | - | - | - | - | - | - | - | - | - | - |
| Printing Pressmen <u>20/</u> ----- | Yes | - | - | - | - | - | - | - | - | 9/ No |
| Pulp, Sulphite & Paper Mill Workers ----- | Yes | No | No | No | No | No | No | No | No | No |
| Railway Carmen ----- | Yes | Yes | No | No | No | No | No | No | No | 9/ No |
| Railway Clerks ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | 9/ No |
| Retail Clerks ----- | Yes | No | No | No | No | No | No | No | No | 9/ No |

Continued on next page

APPENDIX B

Table 2. Participation in Union Affairs by Retired Members, as Provided by National Union
Constitutions and Bylaws, December 1970 1/ -- Continued

| National union 2/ | Participation in local union meetings 3/ | | | Participation in local union officer elections 3/ | | Participation in elections for convention delegates 3/ | | Participation in elections for national officers 3/ | |
|--|--|------------|-----------|---|----------------|--|------------------|---|----------------|
| | Attend | Have voice | Have vote | Vote | Run for office | Vote | Run for delegate | Vote | Run for office |
| Rubber Workers ----- | Yes | Yes | No | No | No | No | No | - | No |
| Service Employees 21/ ----- | Yes | Yes | Yes | Yes | Yes | Yes | No | - | - |
| Sheet Metal Workers ----- | Yes | No | No | No | No | No | No | - | 2/ No |
| Shoe Workers ----- | Yes | Yes | Yes | Yes | 2/ No | Yes | No | - | No |
| Stage Moving Picture Operators ----- | Yes | Yes | No | - | No | - | - | - | 2/ No |
| State County Municipal Employees ----- | Yes | Yes | Yes | No | No | - | Yes | - | No |
| Teachers 22/ ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | - | Yes |
| Teamsters, Ind. ----- | Yes | 15/ | No | No | No | No | No | - | No |
| Textile Workers - TWU ----- | Yes | Yes | No | No | No | No | No | - | No |
| Transit Union ----- | Yes | Yes | 8/ No | Yes | 2/ No | Yes | 2/ No | - | 2/ No |
| Transport Workers 23/ ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | - | Yes |
| Transportation Union ----- | Yes | Yes | No | No | No | No | No | - | No |
| Typographical ----- | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes | Yes |

NOTE: A dash is used to denote the absence of a provision with respect to the eligibility of retirees for all columns, except the column relating to the eligibility of retirees to vote in elections for national officers.

1/ This table includes the 48 unions which provide for the retention of membership by retirees, as noted in Appendix B, Table 1.

Data on the eligibility of retirees to participate in the areas of union affairs listed are based on provisions in the constitutions in effect on December 31, 1970, according to reports on file with the Department of Labor, and on information supplied by the unions.

2/ National unions are identified by short form titles as used in the Register of Reporting Labor Organizations, 1971, Labor-Management Services Administration; complete titles are shown on pp. vii-xiv of that publication. National unions are affiliated with the AFL-CIO, unless identified as Independent (Ind.).

3/ Except as otherwise noted, entries on the eligibility of retirees refer only to retirees in the membership classifications in which the constitution specifically provides that they shall be eligible to retain membership. (See Appendix B, Table 1.)

A union was classified as granting retirees a particular right if its constitution specifically provides that all or certain retirees are eligible; or if the constitution is silent, the union stated that retirees are eligible. A union was classified as denying retirees a particular right if its constitution specifically provides that retirees are ineligible; or provides that only members who are employed or actively seeking employment in the trade jurisdiction of the union are eligible; or if the union stated that retirees are ineligible.

4/ Only 9 of the 48 unions provide for the election of national officers by direct vote of the membership. The remaining 39 unions provide for the election of national officers by delegates.

5/ Retired members are eligible to vote and run in all local elections, except in elections for shop stewards and bargaining committeemen.

6/ No member of the union who has attained age 65 shall be eligible to run for national office.

7/ The constitution provides that only members who are employed or seeking employment in the trade jurisdiction of the union shall be eligible to have voice and vote at local meetings, vote in elections for local office and convention delegate, and run for local office and convention delegate. In order to run for national office, a member must be a delegate to the convention; thus, only members who are employed or seeking employment would be eligible.

8/ Local bylaws, however, may provide that retirees shall be eligible.

9/ The constitution provides that only members who are employed or actively seeking employment in the trade jurisdiction of the union shall be eligible.

10/ Retirees who retain active membership by payment of full dues are eligible to participate in all areas noted by a "yes" entry. The only restriction placed on such retirees is that they, as well as any other active member, may not run for local or national office after attaining age 65. Retirees who assume retired membership status are eligible to attend local meetings with a voice, but they are not eligible to participate in any of the other areas listed.

Footnotes continued on next page

- 11/ National officers are elected by direct vote of the membership; however, there is no provision in the constitution on the eligibility of retirees to vote in such elections.
- 12/ Retired members are not eligible to run for national office; the eligibility of such members with respect to the other areas is a local union matter.
- 13/ Retirees who continue active membership or its equivalent are eligible to participate in all areas noted by a "yes" entry; retirees who assume retired membership status are eligible to attend local meetings only.
- 14/ The constitution provides that only delegates to the convention are eligible. In order to be a delegate, a member must be employed or actively seeking employment in the trade jurisdiction of the union.
- 15/ Participation by retired members is a local union matter.
- 16/ A retired member may be permitted to attend local meetings; such a member is specifically ineligible for all other rights, unless a local union adopts a regulation, which must be approved by the international executive board, concerning the payment of fees and participation in local union affairs by retired members.
- 17/ Retired members are prohibited from voting in elections for convention delegate, and running for convention delegate and national office; local union bylaws, however, may provide that such members shall enjoy all other privileges of membership.
- 18/ Retirees who retain active membership by paying full dues are eligible to run for convention delegate; retirees who assume retired membership status are ineligible. Otherwise, all retirees have the same rights and are subject to the same restrictions. Retirees are not eligible to run for shop steward or committeeman, and local unions may restrict their right to vote and run in elections for local office.
- 19/ The constitution does not provide for local unions; thus, the categories of union affairs pertaining to local unions are not applicable in this union.
- The constitution provides for 2 classes of retirement membership, "honorary" and "pensioner." Honorary members have no rights and privileges of membership, while pensioner members are given the right to vote in elections for national officers and in other referendums.
- 20/ Participation by retirees in all areas noted by a dash is a local union matter.
- 21/ Under the 1968 Constitution, retirees paying reduced dues (the retired membership category in this union) were eligible to participate in each area noted by a "yes" entry, unless otherwise restricted by the local union. The 1972 Constitution, however, specifically prohibits these retirees from running for local union office.
- 22/ Retirees who retain active membership by paying full dues are eligible to participate in each area noted by a "yes" entry; retirees who assume retired membership status are specifically prohibited from voting in elections for convention delegates, and running for convention delegate and national office. The rights of these retirees in the other areas are a local union matter.
- 23/ Retirees who retain active membership by paying full dues are eligible to participate in all areas noted by a "yes" entry. Retirees who assume retired membership status are not eligible to participate in any of the areas.

APPENDIX B

Table 3. Participation in the Collective Bargaining Process by Retired Members, as Provided by National Union Constitutions and Bylaws, December 1970 1/

| National union <u>2/</u> | Union contract proposals and contract ratification | | Strike actions | |
|---|--|--|--|--|
| | Provision for voting by membership <u>3/</u> | Retired members eligible to vote <u>4/</u> | Provision for voting by membership <u>3/</u> | Retired members eligible to vote <u>4/</u> |
| Total unions ----- | 48 | | | |
| Total with provision for voting by membership ----- | | | | |
| Number in which retired members are eligible ----- | 25 | 25 | 33 | 33 |
| Number in which retired members are not eligible ----- | | 4 | | 3 |
| Number with no provision for voting by retirees, or which leave retiree eligibility to local unions ----- | | 17 | | 26 |
| Total with no provision for voting by membership ----- | 23 | 4 | 15 | 4 |
| | | 23 | | 15 |

Auto Workers, Ind. -----
 Barbers -----
 Boilermakers -----
 Brewery Workers -----
 Carpenters -----
 Chemical Workers -----
 Communications Workers -----
 District 50, Ind. -----
 Electrical Workers - IBEW -----
 Electrical Workers - UE, Ind. -----
 Engineers, Operating -----
 Firemen & Oilers -----
 Garment Workers, Ladies -----
 Glass Bottle Blowers -----
 Glass & Ceramic Workers -----
 Industrial Workers, Allied -----
 Iron Workers -----
 Laborers -----
 Lithographers & Photoengravers -----
 Longshoremen -----
 Machinists -----
 Maintenance of Way Employees -----
 Maritime -----
 Mine Workers, United, Ind. -----
 Molders -----
 Office & Professional Employees -----
 Oil, Chemical & Atomic Workers -----
 Painters -----
 Plasterers -----
 Plumbers -----

| | | | |
|---|--------|---|--------|
| X | No | X | No |
| X | 5/ No | - | - |
| - | - | X | 5/ No |
| X | No | X | No |
| X | 6/ Yes | X | 5/ No |
| - | - | X | No |
| X | 7/ Yes | X | 7/ Yes |
| - | - | X | 5/ No |
| X | No | X | No |
| - | - | - | - |
| X | 8/ Yes | - | - |
| - | - | - | - |
| X | No | - | - |
| - | - | X | No |
| X | 9/ No | X | No |
| - | - | - | - |
| - | 10/ | - | 10/ |
| X | 11/ | X | 11/ |
| X | No | X | No |
| - | 10/ | X | 5/ No |
| - | - | X | 5/ No |
| - | 12/ | X | No |
| - | - | - | - |
| X | 5/ No | X | 5/ No |
| - | - | X | 5/ No |
| X | 5/ No | X | 5/ No |
| X | 11/ | X | Yes |
| X | 11/ | X | 11/ |
| - | - | X | - |

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APPENDIX B

Table 3. Participation in the Collective Bargaining Process by Retired Members, as Provided by National Union Constitutions and Bylaws, December 1970 1/ -- Continued

| National union 2/ | Union contract proposals and contract ratification | | Strike actions | |
|--|--|-------------------------------------|---------------------------------------|-------------------------------------|
| | Provision for voting by membership 3/ | Retired members eligible to vote 4/ | Provision for voting by membership 3/ | Retired members eligible to vote 4/ |
| Printing Pressmen ----- | X | 11/ | X | 11/ |
| Pulp, Sulphite & Paper Mill Workers -- | X | 5/ No | X | 5/ No |
| Railway Carmen ----- | - | - | X | 5/ No |
| Railway Clerks ----- | X | No | - | - |
| Retail Clerks ----- | X | 5/ No | X | 5/ No |
| Rubber Workers ----- | X | 5/ No | X | No |
| Service Employees ----- | - | - | - | - |
| Sheet Metal Workers ----- | - | - | X | No |
| Shoe Workers ----- | - | - | X | 5/ No |
| Stage Moving Picture Operators ----- | - | - | X | 13/ No |
| State County Municipal Employees ----- | X | No | - | - |
| Teachers ----- | - | - | - | - |
| Teamsters, Ind. ----- | X | 5/ No | X | 5/ No |
| Textile Workers - TWU ----- | - | - | - | - |
| Transit Union ----- | X | 5/ No | X | 14/ No |

| | | | | |
|----------------------------|---|-----|---|-----|
| Transport Workers ----- | X | No | X | No |
| Transportation Union ----- | - | - | - | - |
| Typographical ----- | X | Yes | X | Yes |

NOTE: An "X" entry denotes the existence of a provision; a dash denotes the absence of a provision.

1/ This table includes the 48 unions which provide for the retention of membership by retirees, as noted in Appendix B, Table 1.

Data on the eligibility of retirees to participate in the collective bargaining process are based on provisions in the constitutions in effect on December 31, 1970, according to reports on file with the Department of Labor, and on information supplied by the unions.

2/ National unions are identified by short form titles as used in the Register of Reporting Labor Organizations, 1971, Labor-Management Services Administration; complete titles are shown on pp. vii-xiv of that publication. National unions are affiliated with the AFL-CIO, unless identified as Independent (Ind.).

3/ Voting by membership, as used herein, refers to situations in which the entire membership, or a specified segment vote on union contract proposals or ratification, or strikes.

4/ Except as otherwise noted, entries on the eligibility of retirees to vote refer only to retirees in the membership classifications in which the constitution specifically provides that they shall be eligible to retain membership. (See Appendix B, Table 1.)

5/ The constitution does not specifically deny retirees the right to vote on this issue; however, it provides that this issue shall be voted on by members who are affected, covered, employed, or involved.

6/ The right to vote, in appropriate situations, may be restricted to members employed under the collective bargaining agreement at issue.

7/ Retirees who retain active membership by paying full dues are eligible; retirees who assume retired membership status are not eligible to vote.

8/ A local union, by a majority vote of the members voting, may restrict voting to members who have not retired under a pension plan.

9/ The constitution, however, provides that retired members shall continue to be represented by the local union in "matters relating to contractual benefits and retirement problems."

Footnotes continued on next page

- 10/ There is no provision in the constitution for voting by the membership; however, retired members are not allowed to vote.
- 11/ Local unions have the authority to determine whether retirees shall be eligible to vote.
- 12/ There is no provision in the constitution for voting by the membership; however, the constitution provides that retired members are not eligible to vote on economic matters.
- 13/ The constitution does not specifically deny retired members the right to vote on strikes; however, strikes are voted on at meetings, and such members are not eligible to vote at local union meetings.
- 14/ The constitution does not specifically prohibit retirees from voting on strikes; however, it provides that retired members shall not have a vote on any matter affecting the local or international, except that such members shall be allowed to vote in elections for local officers and convention delegates.

APPENDIX C

Characteristics of Selected Pension Plans under Collective Bargaining, 1969 1/

| Department of Labor identification number | National union affiliation of union party to plan and employer <u>2/</u> | Date plan went into effect | Assets <u>3/</u> (000) | Benefits paid <u>3/</u> (000) | Coverage <u>3/</u> | | |
|---|---|----------------------------|------------------------|-------------------------------|--------------------|------------------|----------------|
| | | | | | Total | Active | Retired |
| | Total ----- | | <u>\$10,418,194</u> | <u>\$823,490</u> | <u>3,951,135</u> | <u>3,466,747</u> | <u>484,388</u> |
| | Total plans ----- <u>78</u> | | | | | | |
| 159958 | Actors & Artists, Screen Actors Guild: Association of Motion Picture and Television Producers ----- | 1-1-62 | 30,604 | 714 | 12,038 | 11,740 | 298 |
| 009484 | Auto Workers, Ind.: Bendix Aviation Corp. ----- | 10-1-50 | 107,475 | 4,354 | 33,489 | 29,440 | 4,049 |
| 044486 | Boeing Co. - Vertol Division ----- | 1-1-57 | 6,630 | 275 | 8,099 | 8,024 | 75 |
| 103654 | Chrysler Corp. ----- | 9-1-50 | 419,899 | 50,482 | 151,638 | 128,737 | 22,901 |
| 037479 | Dana Corp. ----- | 1-25-51 | 7,886 | 4,306 | 11,893 | 9,974 | 1,919 |
| 086810 | Ford Motor Co. ----- | 3-1-50 | 811,727 | <u>4/</u> 60,380 | 217,284 | 186,509 | 30,775 |
| 101672 | Kaiser Jeep Corp. ----- | 9-18-50 | 27,987 | 3,103 | 10,339 | 8,376 | 1,963 |
| 022476 | North American Rockwell ----- | 4-1-55 | 107,672 | 2,261 | 24,831 | 22,218 | 2,613 |

| | | | | | | | |
|--------|--|---------|---------|----------|---------|--------|-------|
| 033781 | Bakery Workers: National Pension Plan (multi- employer) ----- | 1-12-58 | 89,465 | 5,522 | 51,533 | 46,250 | 5,283 |
| 146699 | Boilermakers: National Pension Plan (multi- employer) ----- | 6-2-60 | 80,707 | 2,288 | 64,500 | 61,500 | 3,000 |
| 102139 | Bricklayers: Building Contractors & Mason Build- ers Exchange of New York City & Others ----- | 5-29-52 | 30,532 | 5/ 1,831 | 22,449 | 20,769 | 1,680 |
| 109216 | Carpenters: Associated General Contractors of North and Central California & Others ----- | 8-19-58 | 89,212 | 8,265 | 35,811 | 31,076 | 4,735 |
| 138222 | Associated General Contractors of San Diego & Others ----- | 9-1-59 | 10,329 | 408 | 11,290 | 10,710 | 580 |
| 130913 | Associated General Contractors of Southern California & Others ----- | 1-1-59 | 64,555 | 6,232 | 43,575 | 39,244 | 4,331 |
| 150559 | Associated General Contractors of Washington & Others ----- | 1-1-60 | 155 | 493 | 17,748 | 16,948 | 800 |
| 035742 | Builders Association of Chicago --- Construction Contractors Council of Washington, D.C. ----- | 5-31-57 | 41,294 | 3,472 | 17,581 | 15,385 | 2,196 |
| 161594 | Chemical Workers: American Cyanamid Co. ----- | 9-15-61 | 7,941 | 230 | 7,530 | 7,299 | 231 |
| 033306 | Clothing Workers: Cotton Garment & Allied Industries Fund (multi-employer) ----- | 1-1-44 | 186,973 | 4,915 | 23,118 | 19,130 | 3,988 |
| 027164 | | 5-1-50 | 75,638 | 5,863 | 100,000 | 93,000 | 7,000 |

Continued on next page

APPENDIX C

Characteristics of Selected Pension Plans under Collective Bargaining, 1969 1/ - Continued

| Department of Labor identification number | National union affiliation of union party to plan and employer 2/ | Date plan went into effect | Assets 3/ (000) | Benefits paid 3/ (000) | Coverage 2/ | | |
|---|--|----------------------------|-----------------|------------------------|-------------|---------|---------|
| | | | | | Total | Active | Retired |
| 070387 | Communications Workers: Southern Bell Telephone & Telegraph Co. ----- | 1-1-13 | \$ 270,515 | \$ 6,878 | 65,357 | 62,207 | 3,150 |
| 057310 | District 50, Ind.: Dow Chemical Co. ----- | 6-1-47 | 276,207 | 6,365 | 21,749 | 18,743 | 3,006 |
| 085723 | Electrical Workers - IBEW: Illinois Bell Telephone Co. ----- | 1-1-13 | 413,521 | 21,384 | 53,016 | 43,479 | 9,537 |
| 087017 | New Jersey Bell Telephone Co. ----- | 1-1-13 | 215,903 | 11,640 | 35,027 | 30,211 | 4,816 |
| 048786 | Niagara Mohawk Power Corp. ----- | 1-1-55 | 72,688 | 7,101 | 11,775 | 8,978 | 2,797 |
| 090299 | Electrical Workers - IUE: Whirlpool Corp. ----- | 7-1-50 | 10,693 | 241 | 7,428 | 7,065 | 363 |
| 085025 | Electrical Workers - UE, Ind.: Allen-Bradley Co. ----- | 12-1-48 | 42,573 | 503 | 7,096 | 6,805 | 291 |
| 155299 | Engineers, Operating: Central Pension Fund (multi-employer) ----- | 10-1-60 | 52,120 | 2,121 | 125,000 | 122,619 | 2,381 |

| | | | | | | | |
|--------|--|----------|------------|-----------|------------|------------|-----------|
| 097623 | Garment Workers, Ladies: National Retirement Fund (multi- employer) ----- | 12-5-52 | 4/ 293,857 | 4/ 43,424 | 4/ 468,638 | 4/ 417,194 | 4/ 51,444 |
| 157539 | Glass & Ceramic Workers: Libbey-Owens-Ford ----- | 1-14-50 | 53,465 | 3,603 | 11,150 | 9,546 | 1,604 |
| 086107 | Hotel & Restaurant Employees: East Bay Restaurant Association & Others ----- | 7-1-57 | 4,296 | 116 | 6,914 | 6,594 | 320 |
| 024943 | Golden Gate Restaurant Association & Others ----- | 1-1-56 | 16,788 | 1,819 | 24,069 | 21,716 | 2,353 |
| 025284 | Hotel Association of New York City- ----- | 6-1-52 | 25,745 | 2,988 | 34,525 | 27,990 | 6,535 |
| 068623 | Industrial Workers, Allied: Briggs & Stratton ----- | 1-1-47 | 36,437 | 541 | 8,407 | 8,092 | 315 |
| 168017 | Laborers: Associated General Contractors of Southern California & Others ----- | 6-15-62 | 5/ 41,728 | 5/ 3,778 | 5/ 42,600 | 5/ 41,200 | 5/ 1,400 |
| 183123 | Builders Association of Chicago --- Massachusetts Laborers Pension Fund (multi-employer) ----- | 6-1-63 | 22,370 | 1,325 | 12,615 | 11,776 | 839 |
| 165310 | ----- | 12-1-61 | 14,690 | 522 | 12,452 | 11,852 | 600 |
| 077561 | Longshoremen: New York Shipping Association ----- | 1-1-50 | 103,309 | 15,349 | 33,214 | 27,434 | 5,780 |
| 041879 | Longshoremen & Warehousemen, Ind.: Distributors Association of Northern California ----- | 6-21-56 | 13,145 | 1,343 | 12,367 | 11,000 | 1,367 |
| 009894 | Machinists: Boeing Co. ----- | 1-1-55 | 390,933 | 3,334 | 111,605 | 105,922 | 5,683 |
| 063919 | Lockheed Aircraft Corp. ----- | 12-16-57 | 141,539 | 3,205 | 58,794 | 55,535 | 3,259 |

Continued on next page

APPENDIX C

Characteristics of Selected Pension Plans under Collective Bargaining, 1969 1/ - Continued

| Department of Labor identification number | National union affiliation of union party to plan and employer <u>2/</u> | Date plan went into effect | Assets <u>3/</u> (000) | Benefits paid <u>3/</u> (000) | Coverage <u>3/</u> | | |
|---|---|----------------------------|------------------------|-------------------------------|--------------------|-----------------|-----------------|
| | | | | | Total | Active | Retired |
| 014059 | Maritime: National Maritime Union Pension Trust (multi-employer) ----- | 8-27-53 | \$ 177,302 | \$ 28,266 | 42,000 | 31,000 | 11,000 |
| 091823 | Meat Cutters: Associated Fur Manufacturers, Inc. - | 2-7-50 | <u>5/</u> 10,936 | <u>5/</u> 1,144 | <u>5/</u> 7,500 | <u>5/</u> 6,100 | <u>5/</u> 1,400 |
| 092855 | Mine Workers, United, Ind.: Bituminous Coal Industry ----- | 1950 | 179,467 | 103,508 | 173,150 | 104,770 | 68,380 |
| 017530 | Oil, Chemical & Atomic Workers: Texaco ----- | 2-1-57 | 117,175 | 32,812 | 39,645 | 31,913 | 7,732 |
| 023226 | Painters: Master Painters & Decorators of New York City ----- | 7-1-50 | 8,085 | 2,013 | 8,350 | 6,500 | 1,850 |
| 066942 | Papermakers and Paperworkers: Crown Zellerbach ----- | 9-1-45 | 119,897 | 5,017 | 14,985 | 12,212 | 2,773 |

| | | | | | | | |
|--------|--|----------|---------|-------|--------|--------|-------|
| 000492 | Plumbers: Plumbing Contractors Association of Chicago ----- | 6-1-53 | 15,270 | 671 | 6,320 | 5,693 | 627 |
| 003548 | Printing Pressmen: Employer Retirement Fund (multi- employer) ----- | 10-1-55 | 35,166 | 1,857 | 34,500 | 32,000 | 2,500 |
| 147372 | Retail Clerks: District Council #11, Tri-State Pension Fund (multi-employer) ----- | 10-13-58 | 9,654 | 498 | 9,275 | 8,724 | 551 |
| 003429 | Retail Wholesale: Local #1199, Drug Pension Fund (multi-employer) ----- | 10-1-51 | 14,805 | 442 | 7,532 | 6,827 | 705 |
| 058966 | Rubber Workers: Firestone Tire & Rubber ----- | 5-1-50 | 287,604 | 9,362 | 59,163 | 53,090 | 6,073 |
| 158707 | Seafarers: Seafarers Pension Fund (multi- employer) ----- | 9-20-61 | 43,886 | 4,365 | 32,510 | 30,868 | 1,642 |
| 016735 | Service Employees: Service Employees Pension Trust (multi-employer) ----- | 10-1-53 | 29,633 | 1,997 | 25,481 | 23,363 | 2,118 |
| 004939 | Sheet Metal Workers: Northern California Sheet Metal Workers Pension Plan (multi- employer) ----- | 1-1-58 | 18,380 | 401 | 7,179 | 6,794 | 385 |
| 038099 | Shoe Workers: Pension Trust Fund of Joint Coun- cil #13 (multi-employer) ----- | 9-1-55 | 7,062 | 567 | 6,963 | 5,657 | 1,306 |

Continued on next page

APPENDIX C

Characteristics of Selected Pension Plans under Collective Bargaining, 1969 1/ - Continued

| Department of Labor identification number | National union affiliation of union party to plan and employer 2/ | Date plan went into effect | Assets 3/ (000) | Benefits paid 3/ (000) | Coverage 3/ | | |
|---|---|----------------------------|-----------------|------------------------|-------------|---------|---------|
| | | | | | Total | Active | Retired |
| 004540 | Stage Moving Picture Operators: Association of Motion Picture & Television Producers, Inc. ----- | 10-24-54 | \$ 90,736 | \$ 8,964 | 33,397 | 29,146 | 4,251 |
| 048410 | Steelworkers: Aluminum Company of America ----- | 4-1-50 | 157,794 | 11,812 | 37,970 | 31,333 | 6,637 |
| 018971 | Colorado Fuel & Iron Steel Corp. -- | 3-1-50 | 49,245 | 5,068 | 12,342 | 9,665 | 2,677 |
| 093454 | Inland Steel Co. ----- | - | 261,937 | 6,208 | 34,107 | 30,193 | 3,914 |
| 109902 | National Steel Corp. ----- | 1949 | 63,403 | 2,381 | 14,360 | 12,749 | 1,611 |
| 075338 | Republic Steel Corp. ----- | 3-1-50 | 308,839 | 19,302 | 65,045 | 53,493 | 11,552 |
| 070412 | Timken Co. ----- | 12-12-49 | 66,581 | 2,533 | 11,730 | 9,901 | 1,829 |
| 084119 | Wheeling-Pittsburgh Steel Corp. ---- | 3-1-50 | 16,252 | 4,204 | 12,245 | 9,638 | 2,607 |
| 070640 | Youngstown Sheet & Tube ----- | 3-1-50 | 125,498 | 6,530 | 22,688 | 18,791 | 3,897 |
| 110777 | Teamsters, Ind.: Central States, Southeast and Southwest Areas Pension Fund (multi-employer) ----- | 2-1-55 | 628,027 | 63,240 | 359,685 | 333,001 | 26,684 |
| 014941 | Milk Industry, New York and New Jersey (multi-employer) ----- | 11-1-50 | 28,923 | 6,100 | 9,025 | 4,878 | 4,147 |
| 033328 | New England Teamsters and Trucking Pension Fund (multi-employer) ---- | 7-30-58 | 89,163 | 9,704 | 55,591 | 51,851 | 3,740 |

| | | | | | | | |
|--------|--|----------|---------|--------|--------|--------|-------|
| 049541 | Telephone Unions Alliance, Ind.: Bell Telephone Co. of Penn- sylvania ----- | 1-1-13 | 313,895 | 14,637 | 41,160 | 35,201 | 5,959 |
| 087844 | Textile Workers - TWU: FMC Corp., American Viscose Division ----- | 12-26-43 | 14,660 | 1,290 | 10,472 | 7,430 | 3,042 |
| 032170 | Textile Workers - UMW: Dan River, Inc. ----- | 5-1-48 | 9,615 | 911 | 7,464 | 6,370 | 1,094 |
| 009417 | Transit Union: Public Service Coordinated Trans- port, Maplewood, New Jersey ----- | 1911 | 6/ | 4,077 | 6,413 | 5,106 | 1,307 |
| 207370 | Typographical: Typographical Negotiated Pension Plan (multi-employer) ----- | 9-8-66 | 3,501 | 40 | 20,677 | 20,573 | 104 |
| 024070 | Upholsterers: National Pension Program (multi- employer) ----- | 7-1-53 | 50,987 | 1,397 | 44,627 | 41,489 | 3,138 |
| 065221 | Utility Workers: Consumers Power Co., Jackson, Michigan ----- | 7-1-44 | 118,030 | 3,200 | 10,367 | 8,698 | 1,669 |
| 166329 | Woodworkers: Timber Operators Council, Inc. ----- | 6-1-61 | 13,993 | 478 | 11,593 | 10,500 | 1,093 |

Continued on next page

APPENDIX C

Characteristics of Selected Pension Plans under Collective Bargaining, 1969 1/ - Continued

| Department of Labor identification number | National union affiliation of union party to plan and employer 2/ | Date plan went into effect | Assets 3/ (000) | Benefits paid 3/ (000) | Coverage 3/ | | |
|---|---|----------------------------|-----------------|------------------------|-------------|---------|---------|
| | | | | | Total | Active | Retired |
| MULTI-UNION | | | | | | | |
| 038897 | Auto Workers, Ind. | 10-1-50 | \$ 1,612,043 | \$142,873 | 524,000 | 455,000 | 69,000 |
| | Electrical Workers - IUE Rubber Workers: General Motors Corp. ----- | | | | | | |
| 067657 | Electrical Workers - IBEW | 12-1-44 | 360,864 | 8,184 | 78,588 | 72,957 | 5,631 |
| | Electrical Workers - IUE: Radio Corp. of America ----- | | | | | | |
| 058865 | Papermakers and Paperworkers Pulp, Sulphite & Paper Mill Workers: International Paper Co. ----- | 1-1-45 | 250,683 | 4,463 | 24,492 | 20,986 | 3,506 |

1/ Plans under collective bargaining include plans which were originally established by a collective bargaining agreement, and plans which were originally established by the employer or the union but have since come within the scope of the collective bargaining agreement, at least to the extent that the plan description filed with the Department of Labor pursuant to the Welfare and Pension Plans Disclosure Act (WPPDA) states that the plan is mentioned in a collective bargaining agreement.

Plans under collective bargaining, as defined above, do not necessarily cover only employees in the bargaining unit. Some of the plans listed cover non-bargaining unit employees in addition to bargaining unit employees.

The pension plans under collective bargaining included on the table were selected on the basis of coverage of the plan, and national union affiliation of the union party to the plan. Only pension plans covering 5,000 or more participants, in which the union, or 1 of the unions involved in the plan, is affiliated with a national union reporting to the Department of Labor pursuant to the Labor-Management Reporting and Disclosure Act (LMRDA), as of July 1970, having more than 40,000 members as listed in the Bureau of Labor Statistics, Directory of National and International Labor Unions in the United States, 1969, Bulletin No. 1665.

2/ National unions are identified by short form titles as used in the Register of Reporting Labor Organizations, 1971, Labor-Management Services Administration; complete titles are shown on pp. vii-xiv of that publication. National unions are affiliated with the AFL-CIO, unless identified as Independent (Ind.). The union cited as being party to the pension plan is not necessarily the sole union representing employees covered by the pension plan. In a number of plans, several unions represent employees covered by the pension plan; however, in those instances, the union cited is the one which is party to a collective bargaining agreement with the company covering 5,000 or more employees, according to reports submitted to the Bureau of Labor Statistics, or which is the predominant union in terms of number of employees covered by the plan. There are 3 instances where a plan covers employees represented by more than 1 union which is party to a collective bargaining agreement covering 5,000 or more employees with the company, or where the plan is subject to a multi-union collective bargaining agreement. Such plans are listed at the end of the table, and each of the unions involved is shown.

3/ Unless otherwise noted, data are from the annual financial report for the plan fiscal year ending in 1969 filed with the Department of Labor pursuant to the WPPDA.

4/ Estimate, obtained by averaging 1968 and 1970 data.

5/ Estimate, based on data for other years.

6/ Benefits paid from the general assets of the employer.

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