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Labor Letter

A Special News Report on People And Their Jobs in Offices, Fields and Factories By Leonard M. Apcar

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RETIREEES' BENEFITS hold up despite corporate cost-cutting moves.

Chrysler hasn't changed its package of benefits for retirees in more than four years, although it concedes "the whole cost issue is a very sensitive one." American Express raised medical deductibles only when it increased them for active workers. But a Michigan auto-parts maker is in the "agonizing process" of looking for ways to cut retiree costs. "You hate to do anything that would hurt the retiree," it says.

Hay Group, Philadelphia, surveyed 850 major corporations and found that retiree life insurance, health and pension benefits weren't cut during the recession. Some gave new benefits, such as eye care at Chrysler. Health care that isn't covered by Medicare was added by Abbott Laboratories, Control Data and Minnesota Mining & Manufacturing.

One cutback: General Foods asks retirees to pay an average of 5% of their medical expenses as a token of cost sharing. ---

COURTS SPLIT over nonunion workers' right to a witness during discipline.

Last month, a federal appeals court in Philadelphia upheld an NLRB ruling that a nonunion Du Pont Co. employee is entitled to a witness at a possibly disciplinary hearing with the boss. Last year, an appeals court in San Francisco ruled against such a right for another nonunion Du Pont worker. It said the worker was acting for himself, not in "concerted activity" on behalf of others, as specified by federal law.

In both cases, the labor board had held that nonunion workers can have a representative at investigatory interviews with management. That's an extension of an earlier ruling, affirmed by the Supreme Court, that guarantees union workers the right to a witness. The high court is likely to settle the issue. ---

JUNIOR STOCK PLANS seem doomed if an accounting change is approved.

Popular among established, high-tech companies, junior stock allows employers to sell shares at below market prices to employees they want to motivate and keep. If a worker meets certain goals, the stock converts to the market price. The perk serves to keep workers from jumping to start-up companies offering the potential of an employee stock windfall.

But the SEC and the Financial Accounting Standards Board, citing abuses, want companies to account for the difference between market and junior stock prices, thereby lowering earnings. A final rule may come late in February. Meanwhile, many companies put plans on hold. "It pretty much knocks it out of the box," says Towers, Perrin, Forster & Crosby, consultants.

One reason: "It increases your cost to the point you might as well pay cash" bonuses to employees, says an Amdahl Corp. official. ---

A PAID HOLIDAY will be sought by more unions as a result of passage of a bill making Martin Luther King Jr.'s birthday a federal holiday, effective January 1986. Chemical Workers union members have it at Lever Bros.; they were off yesterday. Unions in both the rail and auto industries likely will press for it in 1984 talks. ---

MOVING DECISION: The NLRB is putting final touches on its long-awaited reconsideration of a 1982 ruling that a company can't move operations during a labor contract to save wage costs. Labor board insiders say the ruling, expected to be in favor of the company, may come as early as this week. ---

TEAMSTERS ORGANIZERS from around the U.S. hold a week-long strategy session this week. Vicki Saporta, the new organizing chief, says this is the union's first such national conference. She'll teach tactics to fight "union-busting" consultants. ---

SHEET METAL WORKERS complain of misleading ads by Brown & Root boasting that its open shop policy allows it to enforce safety rules evenhandedly. The union notes that the government cited the contractor for firing inspectors at a nuclear power plant being built outside Dallas. Brown & Root won't comment, saying the matter is in litigation. ---

FIRED WORKERS at Greyhound try to get their jobs back, with little success.

During last month's walkout, some 200 of 12,700 strikers were sacked for vandalism to buses and property as well as for picket-line violence. The company used photos and eyewitnesses to identify strikers laying nails on driveways, bending mirrors and windshield wipers, and the like. Under the new labor pact, those discharged can appeal to a new union-company panel to get their jobs back.

But union chief Harry Rosenblum labels the process "a joke." He says that in 20 cases the "amnesty" board has considered, only one job was given back. Other workers have had some luck through lower-level grievance channels. Those denied jobs must turn to costly third-party arbitration. Many of the workers already have reimbursed the company for property damages, he says.

One worker was reinstated because the eyewitness had identified the wrong man, the union says. ---

THE CHECKOFF: A fast-selling T-shirt at old Ma Bell offices has a portrait of a weeping Alexander Graham Bell inscribed: "Breaking Up Is Hard to Do." . . . Striking staffers at the American Federation of Government Employees union agree to a new, 39-month pact after nearly two months in the cold and defections by several members who crossed picket lines. . . . The Teamsters union, which cut back its monthly magazine to a quarterly in 1982, mulls issuing it monthly again.

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