



CLA Emblem

# Christian Labor Herald

A publication of the Christian Labor Association of the United States of America

UNION REPRESENTATION WITH INTEGRITY

May 2002

## The Importance of Integrity

Mike Koppenol — CLA National Representative-Michigan



**H**ave you ever given much thought to integrity? The motto of the Christian Labor Association is "Union Representation with Integrity". A recent survey was conducted by a nationwide polling firm which polled 1300 senior executives. 71% of those who responded indicated that integrity is the human quality most necessary for enhancing a person's effectiveness. While it is encouraging that integrity is recognized as an important value, integrity is certainly not as common as we would like to see in the business and labor union world. The Christian Labor Association makes a deliberate effort to convey integrity from the representatives and office help it employs, from the board members elected to serve, and also from the membership working out in the work place.

The dictionary defines integrity as being complete or undivided. When a person has integrity, the action of this person matches their words. Their conduct is not characterized by deceit or insincerity, but by an authentic character. A person must always convey honesty and trustworthiness. A person cannot expect integrity from co-workers, employers, friends or family members, if their own lives are not characterized by the very same quality.

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If integrity is to be the hallmark of our lives and leadership, we need to make the following commitments:

1. I will do what I say *no matter how hard*;
2. I will live what I teach *despite the difficulty*;
3. I will be honest with others *whatever the cost*;
4. I will put *what is best for others ahead* of what is best for me; and
5. I will keep integrity on display in a visible, intentional, yet humble manner.

If the CLA is to impact others in the work place and at the bargaining table, integrity must characterize our conduct. You and your message are one. Let's commit to speak (and live) with absolute integrity.

# Preparing for Retirement



*Doug Reese* CLA National Representative-Minnesota

**A**ll of us look forward to retirement. Retirement means spending time doing what we enjoy. Retirement is expensive. Especially if we plan to enjoy ourselves doing whatever makes us happy. For myself I look forward to traveling and seeing the U.S. and the World! Well, if I want to do that I had better plan to finance the travel and also all of the basic needs - food, shelter, heat, insurance, transportation, etc. Here are some tips and facts that will assist you in looking to the future for your retirement.

## 1. Know your retirement needs.

As I said retirement is expensive, Experts estimate that you'll need about 70% of your pre-retirement income-- lower earners will need 90% or more - to maintain their standard of living when they stop working. And don't forget that this is to maintain your standard of living. I want to travel so I need to plan how I am going to finance the travel in addition to maintaining a standard of living. Understand your financial future.

## 2. Find out about your Social Security benefits.

Social Security pays the average retiree about 40% of pre-retirement earnings. The Social Security Administration is now sending out Earnings and Benefit Estimate Statements (PEBES) on a regular basis. You can also call the Social Security Administration at 1-800-772-1213 for a free PEBES.

## 3. Learn about your union's pension.

Check to see what your benefit is worth. Most pension plans provide an individual benefit statement on a regular basis. Before you change jobs, find out what will happen to your pension.

## 4. Contribute to a tax-sheltered savings plan.

If your employer offers a tax sheltered savings plan, such as a 401(k), sign up and contribute all you can. Your taxes will be lower, your company may kick in more, and automatic deductions make it easy. Over time, deferral of taxes and compounding of interest make a big difference in the amount of money you will accumulate.

## 5. Don't touch your savings!

Don't dip into your retirement savings. You'll lose principal and interest, and you may lose tax benefits.

## 6. Start now, set goals, and stick to them.

Start early. The sooner you start saving, the more time your money has to grow. Put time on your side. Make retirement saving a high priority. Devise a plan, stick to it, and set goals for yourself. It's never too late to start. Start saving now, whatever your age.

## 7. Be an informed and smart investor.

How you save can be as important as how much you save. Inflation and the type of investments you make play important roles in how much you will have saved at the time of your retirement. Know how your pension or savings plan is invested. Financial security and knowledge go hand in hand.

### FACTS

- Financial security doesn't just happen, it takes planning, and commitment, and yes, money.
- FACT-Less than half of Americans have put aside money specifically for retirement.
- You can't retire with security unless you really prepare for it. That means facing up to reality, and beginning to take action for tomorrow as well as today.
- Putting away money for retirement is like giving yourself a raise. It's money that gives you freedom when you want it-and deserve it.
- FACT-The average American spends 18 years in retirement.
- Half of all working Americans guess when determining their retirement needs. Don't be one of them. Find out more. Save now and beat the retirement clock.

# Just Cause and Employment at Will

Mike Koppenol — CLA National Representative-Michigan

## The difference between “just cause” and “employment at will” in the work place

In the United States, most workers are employees at will. “Employment at will” is a common-law concept that says either party is free to terminate the working relationship for any reason – good, bad, or indifferent – or for no reason at all. This means an employer may discharge an employee without warning and without using progressive discipline. The only impediment to an employment at will discharge is that an employer can not illegally discriminate against the employee – usually based on age, religion, sex or race. Discharge for any other reason is usually acceptable. The employment-at-will doctrine applies in most non-union settings.

Employees of unionized employers have added protection in a discharge or discipline matter in addition to discrimination laws. Since most union contracts have provisions for “just cause” review of firings, employment at will doesn’t apply when you have a union contract. Collective bargaining agreements usually contain language for a grievance procedure resulting in binding arbitration. When an employee believes they have been terminated without just cause, a grievance can be filed. Some collective bargaining agreements will also contain a progressive discipline system which provides for adequate notice of discipline and time limits to correct unacceptable behavior. Unfortunately, without a grievance procedure and binding arbitration, many non-unionized “at-will” employees are too easily discharged, with or without just cause.

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There are three broad categories of employees who are not governed by employment-at-will:

- **Government employees:** Federal, state and local government workers are protected by the Fifth and Fourteenth Amendments, which prohibit the government from depriving any person of “life, liberty or property” without due process of law. These employees are considered to have a property interest in their jobs, and the right to due process places significant restrictions on arbitrary dismissals unrelated to job performance. Some additional protection is provided by federal, state and local civil service laws.
- **Union members:** Virtually all collective bargaining agreements between labor unions and employers stipulate that unionized employees can be fired only for just cause.
- **Contract employees:** Senior executives, academics, performers, athletes and some other well-situated employees, whose numbers are so small as to be insignificant, work under individual employment contracts that provide protection against unjust dismissal.

## **Futurework - Trends and Challenges for Work in the 21st Century**

### **U.S. Department of Labor**

**P**erhaps the best place to gain a glimpse of the future of work is in the newspaper. Not the front-page—but the want ads.

A few decades ago, employers were in search of typists, switchboard operators, mimeograph repair technicians, keypunchers and elevator operators. Newspapers even had separate job listings for men and women. Today's want ads are seeking Webmasters, LAN operators, Desktop publishers. And many job seekers no longer turn to the want ad pages but to the Web pages. They find their jobs on the Internet.

Just a few decades ago, business magazines celebrated the latest office technology—cutting edge equipment such as electric typewriters and dictaphones. Today, it is more like digital phones and personal digital assistants.

We are living in a world few could have imagined 50 years ago. What will the workforce and workplace look like half a century from now?

But amidst this prosperity comes concern. Families are working harder. Parents are stretched for time. According to Bureau of Labor Statistics data, real wages fell through the 1980s and early 1990s, and just recently recovered their average value from 1980. Some Americans have not been brought into the workforce. And workers young and old wonder whether they have the skills to stay ahead in the workplace of the future.

From the late 1970s through the mid-1990s, the gap in earnings between the top and bottom wage earners grew substantially.

Though the trend of rising inequality that we experienced for almost two decades finally began to reverse during the late 1990s, the current earnings gap remains much larger than it was 20 years ago. The top 10 percent of full-time workers now average almost \$1200 per week in earnings while the bottom 10 percent average only \$275. And according to the Bureau of Labor Statistics, the real earnings of men in the bottom group fell by 22 percent during this period.

Some middle-aged workers are losing the security they once had. During the first half of the 1990s, the job tenure of older male workers declined. Displaced workers with more education fared considerably better than their less-educated counterparts. Workers who want to climb higher, need skills and training to do it.

Skills include cognitive (hard) skills and communication (soft) skills as well as education credentials and job-related skills. In many instances, there is a mismatch between the skills jobs require and those that applicants possess. More than 20 percent of adults read at or below the fifth-grade level.

A 1996 American Management Association survey of mid-size and larger businesses found that 19 percent of the job applicants taking employer-administered tests lacked the math and reading skills necessary for the jobs for which they were applying. That percentage increased to almost 36 percent in 1998—probably reflecting tighter labor markets and the rapidly rising demand for skills.

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America does not face a worker shortage but a skill shortage. The challenge is to invest in the workers, who are already participating in the workforce, and to identify and tap into untapped labor pools.

Collective bargaining historically also has played an important role. In 1998, unionized workers overall earned nearly one-third more than nonunion workers and were more likely to earn health and pension benefits. African-American union workers earned 45 percent more than non-unionized African-Americans. Unionized Hispanics made more than half again as much—54 percent—as their nonunion counterparts. Unionized workers typically have higher skill levels than nonunion workers, which also contributes to their higher wages. In addition, a 1997 study found that productivity in unionized firms with high-performance work practices was about 10 percent higher than in comparable nonunion firms.

The narrowing of gaps in society shows that we are already making some of the right choices about expanding opportunity for all Americans. Wage gaps between the sexes and across racial groups, for example, have narrowed. As more women enter the labor market and spend longer hours there, the pay gap between men and women has lessened—shrinking by more than one-third in the past twenty years. African-Americans have also made progress, albeit over a longer time period. In 1940, the average African-American man earned only 40 cents for every \$1 earned by a white man. Today, it's 76 cents.

Workers need rising living standards over their lifetimes, a balance between the demands of work and family, and workplaces that are safe and fair. We also know that major trends will sweep across and radically change the landscape of workplaces and the makeup of the workforce in the twenty-first century. *Futurework* details the extraordinary diversification of the workforce, the explosive growth of technology, and the pervasive impact of growing globalization. How will future workers strive for and attain economic security, work-family balance, and safe and fair workplaces?

How do we ensure that workers get the skills they need to succeed in the twenty-first century workplace? Will employers hire and train workers who initially lack skills? What happens to the worker laid off from a manufacturing job at age 55—does he get training in new technologies or is he stuck in lower-wage jobs like groundskeeper, security guard, and stock clerk? How do we make sure that people with disabilities have access to the technologies that facilitate their participation in the workplace? How will e-commerce impact employment?

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How can workers find the time they need for their families, while at the same time ensuring that employers can get the job done? How do we ensure that those with lower educational levels are not left behind by the digital economy? Will temporary and other nontraditional workers be relegated to permanent second class status, or will temps become more like independent contractors and leverage higher compensation? Will workers increasingly rely on the collective bargaining process to provide higher wages and better benefits?

Will we manage the change in the workforce to society's advantage? Will global competition lift standards for people working and living throughout the world? Will businesses invest in workers who have been left behind to ensure the nation's continued prosperity? Will we bring down the barriers to success for all Americans?

The answers to these and similar questions will help map the landscape of the future of work. For future workers, employers, labor unions, and policymakers, preserving the constants for working families is the goal and managing change effectively is the challenge. Together, we can proceed with confidence.

# CLA/USA 71st National Convention Association Status Report

*Willis VanDorp*

CLA National Secretary



*The following report was delivered to the CLA National Convention in Geneva, Wisconsin on March 6, 2002.*

Welcome to the 71st Convention of the Christian Labor Assn. Thank you for your service to our organization.

## **United Construction Workers Local 10**

This local remains intact, strong, and financially solvent. Over the past six months most businesses have continued to produce work and kept workers busy except on a few occasions. The only decrease of work that can be noted is in this local's slow time during the winter months. Upon talking to some employers, they have indicated a non-confident feeling of what spring, summer and fall of 2002 will bring (as far as work is concerned). On a brighter note, there have been many employee and employer groups that have been interested in Local 10 throughout West Michigan and Northwest Indiana. The CLA will continue to pursue these leads diligently. In fact, C&E Excavating and Jjamco Construction, both of Elkhart, Indiana joined Local 10 in early 2002.

## **Service Employees Local 12**

Growth at Lake County Farm Bureau brought a few bumps in the road this summer. A one year labor agreement was negotiated in August. After negotiations, new employees and temporary employees were hired to bring staffing levels up to where they should be. In addition, new management personnel were brought in to lead the co-op back to a prosperous business. Questions arose regarding seniority, length of temporary employment, pay for new hires and the scope of bargaining unit work. Meetings with management and membership were held to ease initial concerns and inform management of certain contract provisions.

Due to the addition of new bargaining units which were added to Local 18, Local 12 transferred some of their members and companies to Local 18. IWZ Plumbing, De Young Plumbing and Apex Construction members were moved to Local 18 to be included in the local which represents Building Trades.

## **United Construction Workers Local 18**

Two new companies joined Local 18 in 2001. T&R Pavement markings of Indianapolis, IN joined effective March 2001 and Siemer Heating and Cooling of Highland, IN, joined in November 2001. Local 18 also accepted the transfer of three member companies from Local 12 as described above.

Health Insurance increases dramatically affected negotiations for Local 18 contractors throughout the year. Negotiations however were completed for all companies in a timely manner. Most companies received increases over and above the cost of living. Heading into negotiations this year, a slow economy and layoffs lower expectations and are bound to create difficult circumstances. Electricians, in particular, are experiencing deep layoffs and cutbacks not seen for many years.

## **Highway Construction Workers Local #78**

It is early for Local #78 to report on our activities because negotiations have just started and the political rhetoric of dealing with state and federal budget shortfalls is affecting our anticipated work load for the upcoming work season. Initial budget proposals are calling for cuts of around 20% in highway funding dollars in an industry already suffering from over capacity. Hopefully, our political leaders will come to the realization that history has shown that government needs to spend money on infrastructure needs in times of recession and depression. Local 78 fringe programs are doing relatively well. The health insurance program has seen its costs increase so that there will need to be a 7% increase in the contribution rate. The local's pension plans were down about 1% for the year so that is also relatively good. Long term, we need to get a handle on medical inflation and we need to get our country's businesses profitable again so our pension investments can begin mak-

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ing a reasonable return.

### **United Construction Workers Local #84**

2001 - a year that we all will never forget, especially September 11, 2001. The vision of an airliner crashing into the Twin Towers and the horrific collapse of the towers is something that is burned into our memories. Innocent lives taken and for what reason, what purpose? Our world has changed and the effects of 9/11 are evident and they continue today, nearly six months later. The future, even the immediate future, is unclear. The uncertain future is having an effect on our nation's economy. What does this mean for the CLA or the Local 84? What effect has 9/11 had on the construction industry? Many have lost money with investments over the last 12 to 15 months. The losses worsened with 9/11. Many (not all) investors, corporations, businesses, individuals, federal, state and local governments are justifiably cautious. Some of the planned construction projects are being put on hold or delayed. So when I said that the future is unclear - - this cautious attitude is what is causing the unclear immediate future. Throughout the winter of 2001-02 Local 84 was fearful of layoffs. Luckily those layoffs never came. Most of Local 84 Signatory Contractors found enough work to keep everyone busy. There is an exception, in that Local 84's Contractors that are located in farm-dependent economies are definitely lacking in volume of work. The farm economy stinks, therefore, there is very little work in these areas. In spite of the lack of work the competition for the skilled craftsmen has not lessened and continues to be the drive to any labor negotiations. Recent settlements fall in the 4 to 8 % range. Even contractors located in those farm economies have to keep pace with other contractors in other economies in order to attract and retain those skilled craftsmen. Therefore, the 4% is really a minimum settlement. For Local #84, as for any other Local, one of the fastest escalating cost is the cost of health insurance coverage. Employers and employees alike are frustrated with the high increases in health insurance. For employers, the increase in the cost of coverage has to be passed on in the bids. And for the employees, it is frustrating to see a large percentage of the increase negotiated, going toward health insurance. I would also mention that there are other areas that are affecting us; such as returns on investments and what that means to 84's pension, and legislation effecting the construction industry, etc.

### **Poultry Workers Local 25**

The local has experienced a good year. Negotiations for a new contract have had to overcome a medical insurance increase of approximately 65%. The local hopes to have a proposal to be ratified soon.

### **Dairy Employees Union Local 17**

The local is currently negotiating a new labor agreement. The fact that Health Insurance costs have increased 18% for these members adds difficulty to the negotiations. Some coverage has been modified to make up for some of the increases. There have been some membership increases over the year and the local hopes that this trend will continue into the next year. Ascencion Marques was hired as a Local Representative in August. Ascencion or "Ace" is bilingual and can effectively communicate with the locals Hispanic members that make up 85% of Local 17's membership.

The world has shrunk this past year because of Sept. 11. Far off places have been brought to our doorsteps. We have been touched by heroism in New York, Washington DC and Pennsylvania. We have seen the poverty and hardship of the Afghan people on our TV screens. I personally have contact with a young Palestinian woman, a former foreign exchange student who lived with us, who is struggling to help young people who have been affected by the turmoil in her country. Recently my wife and I spent two weeks in Ecuador working with local people in a small city to install bathrooms in a school of 200 students so that they will have more than only 2 toilets for the whole school. As Americans we still have a very safe and stable lifestyle. Sept 11 has caused some hardship and loss of employment but overall we can feel very fortunate that our country has remained strong and our government stable. Matthew 7:24 says that a wise man builds his house on a firm foundation. If our foundation is God, our future personally, nationally and as a union is secure.

Thank you,

Willie VanDorp — CLA National Secretary



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### **Union Representation With Integrity**

## **Jennifer Jablinske 2002 Recipient of Don E. Leep Memorial Education Scholarship**

**J**ennifer Jablinske, daughter of Stephen Jablinske, was randomly selected to receive the Don E. Leep Memorial Education Scholarship this year. This will be the seventh scholarship awarded to a CLA member's son or daughter since 1996.

Don Leep was president of the CLA at the time of his death in 1994. The scholarship is given in honor of his life-long commitment to integrity and Christian values. The CLA is proud to provide this scholarship as a tribute to Don's positive affect on the employees and members of the Christian Labor Association.

Jennifer is currently attending Fairmont High School in Fairmont, Minnesota. She will graduate this spring and plans to attend Southwest State University in Marshall, Minnesota in the Fall. Her dad, Stephen is a Loader Operator at Hodgman's, Incorporated in Fairmont, Minnesota. He has been a member of Highway Construction Workers, Local 78 since 1980 — Congratulations, Jennifer!

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