At this time I have asked the presidents of the internationals to give you a few brief moments.

(Chorus of boos.)

I would ask that the delegates please maintain some order. I have asked the delegates to please maintain some order and have some courtesy for these gentlemen.

Mr. Shanker.

(Chorus of boos.)

Please grant these gentlemen the courtesy -- I will ask the sergeants-at-arms to remove people who cannot maintain some sense of respect in this hall.

ALBERT SHANKER: Thank you very much, Betty, and the greeting here makes me feel at home.

(Laughter.)

It is not the first time that this has happened to any national president of a union. Fortunately, these become rarer experiences as time goes on and I am sure that this will be true for you as well.

I am here today to, I am here first
of all because I was invited. I was invited
to be here at 9:00 a.m. this morning and I was
here but I knew that you had important business
in terms of your dues and your amendments and
I waited for that business to be over and I
am very happy to have this opportunity to spend
a few minutes with you now talking about, to
talk about some of our common concerns.

As you know, PEF is affiliated with
two national unions with half of the members,
approximately, of PEF being affiliated with one
and half with the other. Those unions, the
Service Employees and the American Federation
of Teachers, are an appropriate place for the
members that you represent.

We share very common problems because
throughout the country we represent people who
are a growing force in the labor movement and
in the work force in general.

We represent people like you, profes-
sionals, many people who have college degrees,
who have special certificates, people who a
few years ago would not have thought of being
in a trade union, would have thought that
somehow there was a conflict between being a trade unionist and being professionals, but that is no longer true.

We were also two unions that have as their major basis public employees. And we all know that in recent years we have made tremendous progress, that right that other workers had years and years ago are rights which we gained only recently and many of our colleagues and half of the states in this country still do not enjoy the rights that we have in New York State, even though those rights are still not equal to those enjoyed by workers in the private sector.

Now there are two things that I want to touch on in my remarks. One of them has to do with the action which was just taken by the AFL-CIO in Florida and what the importance of that action is to us in terms of the Presidential campaign, why it was done, why it is important to each and everyone of us.

Secondly, I would like to spend a few minutes on the differences between PEF and the AFT which we have now in terms of
arbitrations and court cases, and I know that
the problem is not going to be solved here but
I think it would be strange indeed if I stood
before you and didn't spend a few minutes to
indicate to you that in every argument, in every
dispute there are at least two sides to the
story.

Let me begin with the first point.

Last week the AFL-CIO did something
that it had never done in its entire history.
Up until last week each and every union pretty
much went its own way.

If you go back to 1980 there were
some unions that supported Ronald Reagan, there
were some unions that in the primary supported
Kennedy, there were others that supported Jimmy
Carter.

If you go back to '76 or '72, that
was even more true. Unions were all over the
lot.

As a matter of fact, a lot of people
believed that that's the reason why Jimmy Carter
got the nomination in 1976, because if you got
one bunch of unions with one candidate and
another with another, and they are all over, they really cancel each other out.

And the result was that for quite a period of time now the AFL-CIO and unions in general have not had the political influence and political power that they should have.

Now that sounds very general and very abstract and it is. I am going to be very, very specific.

I am not going to give a long laundry list about Mondale. I am not going to say anything about him. I am not going to say very much about Ronald Reagan. I am going to talk about several things that maybe very few of our members have thought of in terms of what the stakes are in this next election.

Now our members are very much like the general public. Some of the like the tax cut, some of them want a stronger defense budget and others don't want one, some of them want the MX, and some of them don't want it.

No matter what issue you pick some are going to be on one side and some are going to be on the other and that's their right.
But one of the things that we must realize is that when we elect a President next year we will be doing more than determining the policies of this country for the following four years. We will in reality be determining the laws of the land for the next twenty or twenty-five years.

Now what I mean by that is this: there are several members of the Supreme Court who are quite old and quite sick. Those members of the Supreme Court who are old and sick have had a very consistent record in voting in favor of the rights of trade unionists.

If you think back over the last twenty years and think of the fact that one man vote, civil rights, a whole series of rights, the agency shop was declared to be constitutional by the Supreme Court, a whole series of things which we would not have today if the Supreme Court hadn't ruled favorably.

Now we have a situation where we may have a series of Supreme Court appointments in the next administration which could determine the outcome of the Supreme Court decisions for
the next twenty to twenty-five years.

Now why are these decisions so important to us?

Well, let's take a look at them.

One that is on its way up to the Supreme Court right now has to do with the agency fee.

Now you know that there are quite a few people who are still agency fee payers in your own organization. There might even be some who are members paying dues because if they are going to pay the agency fee they might as well join but if they didn't have to pay agency fee they might very well have decided not to be members.

The whole question of how much can be charged for an agency fee is on its way to the Supreme Court with one school of thought saying that the only thing that the agency fee payers should pay for is the cost of sitting at the negotiating table and maybe handling a few grievances where the contract is at stake, but that none of the other general expenses of the organization should be taken into account.
In other words, according to some people the agency fee might be five percent of the dues.

According to the interpretations that now exist, the agency fee is almost equal to dues because all those who are not members are getting the benefits of the dues that all of you paid and all of your members paid and if they are getting the benefits they ought to be pay for them, too. There shouldn't be any freeriders.

Now the Supreme Court of the United States is going to decide on that issue again and quite soon. And depending on who is sitting in the White House and who are the appointees to the Supreme Court, we could have one situation where we maintain our union strength, we could have another one where you immediately lose thousands of people who are now paying and perhaps thousands of others.

In recent years there are two cases that were lost before the Supreme Court which have a tremendous effect on us.

Just before, when Jimmy Carter ran
for office he committed himself to a federal collective bargaining bill for public employees. That bill would have taken us from under some of the penalties of the Taylor Law and given us rights similar to employees in the private sector.

But the Supreme Court ruled in the League of Cities case, again by a five to four vote, ruled that the federal government had no right to tell state governments or cities or school boards what to do.

As soon as that decision came out it immediately called the possibility of collective bargaining legislation for public employees.

What I am saying is, that our ability to bargain, the ability to get contracts, the validity of those contracts, the ability to maintain agency shops, all of those things are going to depend on how powerful the labor movement is and whether we get a President of the United States in who will support these programs.

I have not even talked about the
question of whether we continue to have tax cuts for the rich which essentially mean less federal aid from the government to the state and if there is less money coming into the state, there is less money to negotiate for.

The layoffs that were experienced in the State this year are not layoffs that the State government wanted. They are layoffs which came about as a result of cutbacks in federal aid to the State and as a result of massive unemployment caused by these federal policies where ten to twelve percent of our people are not paying any taxes so that the State government doesn't have any taxes and instead of receiving money from those people because they are working, he's got to pay unemployment insurance and welfare, other payments to those people.

So the election is extremely crucial and for the first time in its history the labor movement has decided that the best way to be effective is not to have different unions fighting each other and going for different candidates, but to adopt a procedure where if
unions representing two-thirds of the members of the entire labor union movement vote to support and endorse one candidate, then that is where they will be and that is exactly what happened over unions representing over ninety percent of the members of the AFL-CIO voted to support in the primaries Walter Mondale.

Now the consequences of that are very great. If Mondale makes it, especially if he makes it big and early, if he wins the first seven or eight primaries so he doesn't have to waste his money on the rest of the year fighting other Democrats, he can save up his money to fight Ronald Reagan in the main bout which is exactly what we should be trying to do.

(Applause.)

People all across this country are going to say the labor movement has tremendous power. They are going to say he never could have done it without us.

And what that is going to mean is that when he gets into the White House people who like to be President in the future, people who want the endorsement of the labor movement
in the future are going to be very careful about how they vote on labor issues, how they vote on taxes, how they vote on employee issues.

This is the most crucial election that we will face. The alternative, by the way, if he doesn't make it, is going to be well, you don't have to do anything for labor because the endorsement doesn't count. It doesn't mean anything. The members don't follow through anyway.

The result will be that people who are elected to public office are going to feel that they continue dumping on us and doing anything they want and hurting us, and it is going to be, we will have something terrible to live with for quite a period of time to come.

Now I want to switch to the second point and the last point which I have in terms of --

A DELEGATE: Wrap it up.

ALBERT SHANKER: It is all right.

It is not all right, but it is all right.

The overwhelming majority -- I want
to thank the overwhelming majority of people
who are sitting here and who are --

(Applause.)

No one who stands here expects that
when a speaker is finished you're going to
agree with a speaker but you have every right
to disagree but there is something about trade
unionism which says there is a sense of
fairness and if we want our bosses to be fair
we ought to be fair to each other as brothers
and sisters inside the trade union movement.

(Applause.)

Now from my understanding and I
think it is quite natural, when you have a union
that is the size of PEF, one of the largest
unions in the country, there is always a good
deal of thought that maybe we don't need to be
affiliated with anybody else. We are a big
union, we can do things for ourselves and
there is that feeling.

I know because I am president of a
large union of 72,000 members of the City of
New York and I know that in early years there
were quite a few people who got up at meetings
and they said exactly the same thing, we are a big union, we are tough, we have conducted long strikes, we can take it, why do we need it, why not independence.

Well, let's think about it for a minute. Anybody can be independent if they can really take care of and handle their own needs and I don't just mean today and I just don't mean tomorrow, but I mean over a long, long run.

And I can tell you that back in 1960 when that big union down in New York City was thinking about that they never thought that in 1975 their City was on the verge of bankruptcy and that they would need the entire trade union movement to go before the Congress of the United States to get federal loan guarantees in order to save their jobs and their pensions.

And then you take a look at unions that are much bigger than either the New York Teachers or bigger than PEF, like, take a look at unions like the United Automobile Workers. They used to have 1.5 million members and
for a while they thought that they could be independent, too. After all, with 1.5 million members that is an awful lot of people and it is an awful lot of dues money that comes in.

Well, unfortunately they don't have 1.5 million members any more. They are down to about 900,000. They lost about 600,000.

Why did that happen? Well, it happened because of the competition from foreign automobiles. They are now in the labor movement and they're in for a lot of reasons.

But one of the reasons that they are in is that they know that the legislation that they need to prevent unfair competition from foreign automobiles, whether government of Japan is actually subsidizing the Japanese automakers to send their cars over here to knock our companies out of business, that they will never be able to get that legislation on their own.

1.5 million people won't get it and 800,000 people won't get it.

We don't even know if 14 million people would get it.
But even a union that's over a million
and has millions of dollars in its treasury,
a time comes in the life of that union when
it finds it cannot do for itself the things
that it has to do and it has to turn to everybody
else to do it.

Another big union, the United
Steel Workers Union. Only a few years ago
that union had a million members. It is down
to under 500,000 now.

Last year they had a negotiated
contract where the night before they were told
you either go along with these givebacks or
otherwise we are shutting down the steel plants
for at least two years because the auto companies
are going to contract with Japan to buy all
their steel from Japan for the next two years.

A union of 500,000 that used to be
a million now turns to the entire labor movement
to try to get legislation to prevent the steel
industry from going out of business in the
United States.

Take a close look. I know you feel
big and you feel strong and you are big and
you're strong. But take a look at unions that are five times bigger than you are and ten times bigger than you are and twenty times bigger than you are, twenty-five times bigger than you are and ask why those unions spend millions of dollars in affiliation with a trade union movement and I will tell you why.

Because in the life of every one of those unions the time comes, time and time again, when they cannot and do not have the power to handle their own problems.

And when they have to turn to their brothers and sisters in the trade union movement and say we need your help, we can't do it alone, we have got members here but we don't have enough of them to handle this, and I would strongly suggest that you talk to people in other unions and I think that you'll find that that experience prevails throughout.

Going it alone, well, that is like the individual member. You got people like that that you represent. They refuse to pay the dues. They say I don't need a union. I can handle my own problems. You have heard
that lots of times.

Of course when they get into real trouble then they come running to you and they say gee, I made a mistake. Then they understand that they need a union and they understand what you understood all along.

Well, it is the same thing with affiliation with a national organization as it is with an individual. The whole basic idea of trade unionism is that no individual is strong enough to handle his or her own problems alone. No local union is strong enough to handle its own problems alone. No national union, the AFT and the SEIU belong to the AFL-CIO because we are not strong enough to be able to handle these problems on our own.

That is what it is about.

Now I just want to say to you that you entered into an agreement sometime ago and I know that there is a dispute about the agreement. You entered into an agreement and by the way, even if that agreement were to be burned tomorrow by agreement, your own constitution says that you are affiliated with the
AFT and with SEIU. Your constitution, which you adopted.

If you are affiliated with an organization, you are a member, just the way one of your members is a member, you just voted a dues amount. Whatever you vote, your members are going to end up paying.

You are affiliated with the AFT. It is right in your constitution. You are affiliated with the SEIU.

When you are affiliated with an organization you abide by its rules. You help to shape them up if you don't like them and you have an obligation under that constitution.

There is, as part of the affiliation, there is a procedure, it says if we don't agree with each other you go to arbitration, just like your contract. You go to arbitration.

Now at arbitration some third party, and by the way, an arbitrator you don't like, you knock them out. You end up getting somebody that you are satisfied with.

That is where we are headed because
we do have a disagreement.

I think that the precedent of going
to court to try to prevent arbitration is an
extremely dangerous one.

(Chorus of boos.)

You just think of what will happen
the next time PEF has an arbitration, just
think of the next time that PEF has an arbitra-
tion against the State of New York and the
State decides that instead of going to arbitra-
tion it is going to go to court to argue the
basic validity of the agreement.

If they did that, by the way, we have
had rotten employers that have done that in
places. First they sign the agreement and
then months later they try to take a grievance,
they go to court to try and say well, we never
meant it in the first place.

It is an extremely dangerous precedent
which I hope does not end up getting used by
the State of New York.

I want to say that we will make every
effort to resolve this dispute peacefully. We
don't want it. We do not have such a dispute
with any other local in our organization and
we don't want it with you.

(Applause.)

The first time -- and we have met
regularly with your leadership ever since you
became an organization, both your present
leadership and your previous leadership. We
were never asked to modify the affiliation
agreement. We were never told or informed
that anything concerning the affiliation
agreement was unfair. We were never told that
anyone considered the affiliation agreement
to be illegal.

The first time that we ever heard
of that was when we were served with court
papers.

Now I submit to you its done and
gone, but when you are in one family it is
kind of nice if you think something isn't
right or isn't proper, or you would like to
change something, either pick up the phone
or say so.

I might say that with respect to
many of the things such as who should sit on
the trustee fund and other areas where changes were requested, they were complied with.

I would also like to say that the amount of dues involved is not the amount that has been reported to you. We have had numerous discussions going back many, many months and there are very, there are different ways of affiliating which your leadership is aware of and I think before this thing is over I think that somehow you should be aware of the fact that the sums of money that have been quoted to you are not the only sums of money that have been talked about.

If you want full affiliation with NYSUT and with the AFT, that is what it costs. It is right there. It is public. There is no question about that.

There is no bargain basement rate. That is what it costs. That is what all of the locals pay.

But there are other bases upon which this organization can affiliate, which are perfectly proper, which are within our constitution and there are alternatives beyond paying
triple, quadruple dues or bankruptcy or whatever has been talked about, and I hope that when this convention is over and we both sit down again, we will be able to work out these differences and get beyond this situation.

My last words are just these and I return to what I said a minute ago. You are really in exactly the same situation as the individual member who wants you to represent them but does not want to pay the dues. That member, you and I know, that member is working against his or her own self interest.

We know that the job with that member is to turn that member and to point out all of the thousands of things that PEF is doing for them that they don't even know about.

Now it is easy for somebody to go around and say well, what are they doing for me. I would get it whether they paid money or not.

Well, that is true, they will, whether they pay the money or not. But each and every person here knows that for each person who is not a member of PEF that person
weakens you and your ability to negotiate and your ability to succeed.

The same thing is true in terms of your affiliation. We are going to go to a tough period nationally, both national organizations need you. You need both national organizations.

What you've got in your contract, the benefits that you have, your ability to negotiate in the future is largely going to depend on our success or failure in Washington and it is also going to depend on our success and/or failure to organize people in places like North Carolina and Utah so that we can get public employees and trade unionists organized there to get rid of Jesse Helms, to get rid of Oren Hatch. And that is what our unions do when you send your dues there.

It is not that it disappears and goes nowhere, it goes to help you in places where you can't help yourself.

Now I urge you, I pledge to you that we will do everything within our power to resolve the dispute. We can't create phoney
dues. We can't create something that is special, just like you can't go and tell somebody that you are going to give them a special half price offer in dues or that Long Island is going to pay three-quarters of the amount and Buffalo is going to pay seventy-two percent and Albany is going to pay -- you can't run an organization that way.

You have one system and it's got to apply to everybody.

We have a system but there have been some misunderstandings.

I pledge to you that we are going to do everything that we can to work them out and I hope and pray that with the problems that we have got in this country in building the trade union movement and getting Reagan and Reaganomics out of this country, that you will make the same effort to resolve this dispute so we don't fight each other, but fight our true enemies.

(Appause.)

PRESIDENT HOKE: Thank you, Mr. Shanker.

Mr. John Sweeney, president of the