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

5           (Chorus of boos.)

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

10          Mr. Shanker.

11          (Chorus of boos.)

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

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

19          (Laughter.)

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

25          I am here today to, I am here first

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

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

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

21 We represent people like you, profes-  
22 sionals, many people who have college degrees,  
23 who have special certificates, people who a  
24 few years ago would not have thought of being  
25 in a trade union, would have thought that

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somehow there was a conflict between being a trade unionist and being professionals, but that is no longer true.

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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

1  
2 arbitrations and court cases, and I know that  
3 the problem is not going to be solved here but  
4 I think it would be strange indeed if I stood  
5 before you and didn't spend a few minutes to  
6 indicate to you that in every argument, in every  
7 dispute there are at least two sides to the  
8 story.

9 Let me begin with the first point.

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

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

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

22 As a matter of fact, a lot of people  
23 believed that that's the reason why Jimmy Carter  
24 got the nomination in 1976, because if you got  
25 one bunch of unions with one candidate and

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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 them 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.

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2           But one of the things that we must  
3 realize is that when we elect a President next  
4 year we will be doing more than determining  
5 the policies of this country for the following  
6 four years. We will in reality be determining  
7 the laws of the land for the next twenty or  
8 twenty-five years.

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

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

22           Now we have a situation where we may  
23 have a series of Supreme Court appointments  
24 in the next administration which could determine  
25 the outcome of the Supreme Court decisions for

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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.

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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



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2 for office he committed himself to a federal  
3 collective bargaining bill for public employees.  
4 That bill would have taken us from under some  
5 of the penalties of the Taylor Law and given  
6 us rights similar to employees in the private  
7 sector.

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

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

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

25 I have not even talked about the

1  
2 question of whether we continue to have tax cuts  
3 for the rich which essentially mean less federal  
4 aid from the government to the state and if  
5 there is less money coming into the state, there  
6 is less money to negotiate for.

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

20           So the election is extremely crucial  
21 and for the first time in its history the labor  
22 movement has decided that the best way to be  
23 effective is not to have different unions  
24 fighting each other and going for different  
25 candidates, but to adopt a procedure where if

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2 unions representing two-thirds of the members  
3 of the entire labor union movement vote to  
4 support and endorse one candidate, then that is  
5 where they will be and that is exactly what  
6 happened over unions representing over ninety  
7 percent of the members of the AFL-CIO voted  
8 to support in the primaries Walter Mondale.

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

17 (Applause.)

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

22 And what that is going to mean is  
23 that when he gets into the White House people  
24 who like to be President in the future, people  
25 who want the endorsement of the labor movement

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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

1  
2 to thank the overwhelming majority of people  
3 who are sitting here and who are --

4 (Applause.)

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

13 (Applause.)

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

22 I know because I am president of a  
23 large union of 72,000 members of the City of  
24 New York and I know that in early years there  
25 were quite a few people who got up at meetings

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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

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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.

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

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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.

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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.

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

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We don't even know if 14 million people would get it.

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2 But even a union that's over a million  
3 and has millions of dollars in its treasury,  
4 a time comes in the life of that union when  
5 it finds it cannot do for itself the things  
6 that it has to do and it has to turn to everybody  
7 else to do it.

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

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

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

24 Take a close look. I know you feel  
25 big and you feel strong and you are big and



1  
2 you're strong. But take a look at unions that  
3 are five times bigger than you are and ten times  
4 bigger than you are and twenty times bigger  
5 than you are, twenty-five times bigger than  
6 you are and ask why those unions spend millions  
7 of dollars in affiliation with a trade union  
8 movement and I will tell you why.

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

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

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

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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

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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

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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 arbitration against the State of New York and the State decides that instead of going to arbitration 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

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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

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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

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2 triple, quadruple dues or bankruptcy or whatever  
3 has been talked about, and I hope that when  
4 this convention is over and we both sit down  
5 again, we will be able to work out these  
6 differences and get beyond this situation.

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

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

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

22 Well, that is true, they will,  
23 whether they pay the money or not. But each  
24 and every person here knows that for each  
25 person who is not a member of PEF that person

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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



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2 dues. We can't create something that is special,  
3 just like you can't go and tell somebody that  
4 you are going to give them a special half price  
5 offer in dues or that Long Island is going to  
6 pay three-quarters of the amount and Buffalo  
7 is going to pay seventy-two percent and Albany  
8 is going to pay -- you can't run an organization  
9 that way.

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

12 We have a system but there have been  
13 some misunderstandings.

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

23 (Applause.)

24 PRESIDENT HOKE: Thank you, Mr. Shanker.

25 Mr. John Sweeney, president of the