EMPLOYEE BENEFITS
IN COLLECTIVE BARGAINING*

I. FACTUAL STUDIES

Conference Board Management Record (247 Park Ave., New York 17), April, 1947. "Features of union health and welfare funds." By

Based on a study of 45 current union contracts. Includes a detailed
analysis of benefits provided by 25 agreements.

Monthly Labor Review (Government Printing Office, Washington 25,
employment." pp. 53-57. 30 cents.

Presents a survey of the extent of life insurance, health insurance,
and pension plans in manufacturing and non-manufacturing indus-
tries for the country as a whole and for major geographic regions
without indicating the number gained through collective bargaining.
Information on these plans for specific industries will be presented
in a forthcoming Bureau report, Insurance and Pension Plans, 1945-
46.

Princeton University, Industrial Relations Section. Research Report
No. 72. Group health insurance and sickness benefit plans in collec-
tive bargaining. By Helen Baker and Dorothy Dahl. Princeton, N.J.,
1945. 89 pp., appendices. $1.50.

Describes prewar and wartime progress in the efforts of labor unions
to gain health insurance and sickness benefits through collective bar-
gaining, and considers briefly the factors likely to affect future de-
velopments.

United States Department of Labor, Bureau of Labor Statistics. Bul-
letin No. 841. Health-benefit programs established through collective
10 cents. [Reprinted from the Monthly Labor Review, August,
1945. pp. 191-209.]

Describes general characteristics of health-benefit programs and gives
details of plans negotiated by fifteen unions.

*Items from this list should be ordered directly from the publisher. Addresses are
given in connection with each reference.

Supplements the information contained in Bulletin No. 841 and also includes an article dealing primarily with the experience of the New York Joint Board Dressmakers' Union, ILGWU. Of interest is the report that the number of workers covered "by some type of health-benefit plan negotiated by employer and union more than doubled in number since 1943."

2. **Specific Plans and Programs**


A guide for affiliated unions. Cautions that, "Unions should be extremely careful not to 'horse trade' a benefit plan as a substitute for a wage increase."


A description of the operation of the International Ladies' Garment Workers' benefit fund by the Union's Director of Welfare and Health Benefits.


Reports on the industry-wide pension agreement between the National Electrical Contractors Association and the International Brotherhood of Electrical Workers. (The full text of the agreement was given in Volume 18, pp. 40-46, of the *Labor Relations Reference Manual* published by the Bureau of National Affairs, Inc., Washington 7, D.C.)


Outline of a discussion course for local union leaders covering the UAW-CIO collective bargaining program for health insurance, accident and sickness benefits, and pensions.

A handbook for union negotiating committees which makes specific suggestions for securing maximum benefits.

3. Discussions of Principles and Problems


Argues the case for the reserve employment fund demanded by the American Federation of Musicians, chiefly on the grounds that "those who benefit from the displacement of human labor, particularly the employers, should share the burden of the cost to the displaced workers."


Makes a strong case for the collection by unions of various kinds of data in connection with the operation of health insurance plans, and their use in connection with administrative problems, evaluation of the operation of a particular plan, and research problems. Includes a brief summary of findings in a study of the extent to which one plan met the health needs of the insured workers.


Argues against "arbitrary fixed payments to unions by employers for welfare funds" on the grounds that they "often put the employer in the position of helping to finance the union," that they "sometimes pass on to the consumer the cost of extra security for special groups of workers," and that they "could put the unionized consumer in the position of helping to pay for another union's counter-organizing attacks on his own union."


Justifies, from the union point of view, the demand for welfare funds. Discusses the issues in dispute in the coal and musical recording industries and describes a number of benefit plans financed by payroll taxes. Concludes that, "In instances such as those reported in this study, the union would have done themselves a great service if they went out of their way to emphasize and stress the point that the sums expected to be raised from these royalties would be treated as trust funds that can be used only for the purposes for which they are paid in; that any 'diversion' of these funds for other purposes would constitute a breach of trust and subject the wrongdoers to legal responsibility. If the public wants assurance that such funds would not be dissipated by payment of salaries or 'expenses,' and that they could not be used for the organization or operation of the union, such assurance cannot be
withdrawn. This is a price unions have to pay for the privilege of operating in a democracy, and it is not a high price."


The author cites the arguments for and against joint administration of benefit plans with special reference to Westinghouse experience. His advice is that employers should be "alert to the possible dangers of relinquishing all or part of the administrative control and should resist the demand for incorporation of their plans into union agreements if they expect to be able to exercise managerial judgment when conditions require future adjustments."


These papers are by experts in various fields including economics, law, insurance, medicine, and social insurance.

4. Government Action


Contains excerpts from the Senate debates on those provisions of the Labor-Management Relations Act which deal with the establishment of welfare funds by collective bargaining. Other pertinent documents, including the relevant sections of the Act, are indexed under the heading "Welfare funds."


Includes a brief account of various attempts made in 1945-1947 to get legislation regulating welfare funds through Congress.


Report of the survey provided for under the terms of the Lewis-Krug agreement of May 29, 1946, and is the first industry-wide survey of its kind conducted by the federal government. The recommendations cover housing, sanitation and public health, industrial medicine and hygiene, general medical services and hospitalization, and recreation, and call for action by labor, management, and the public. A summary of this report was published in the Monthly Labor Review, June, 1947. pp. 997-1002.