

THE TOBACCO INSTITUTE

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SAMUEL D. CHILCOTE, JR.
President

May 29, 1987

MEMORANDUM

TO: Executive Committee

FR: Samuel D. Chilcote, Jr. *Sam*



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*Special file
TI - Tobacco Industry
Labor Management
Committee*

Approximately three years ago, officials of the Bakery, Confectionery and Tobacco Workers International Union asked to meet with members of the Executive Committee to discuss a serious deterioration in relations between labor and The Tobacco Institute.

That discussion led to the creation of the Tobacco Industry Labor Management Committee. The Committee functions under well established rules and procedures with regular advice from legal counsel.

The committee is comprised of five unions with contracts with the industry. They are BC&TWIU, the Machinists, Carpenters and Joiners, Sheet Metal Workers, and Firemen and Oilers. The Institute is represented by two staff members.

The Clothing and Textile Workers, Retail & Department Store Workers, Service Employees International Union, Paperworkers, and the AFL-CIO's Food and Allied Services Trade Division serve as observers and often participate in committee projects. In addition, six unions (Air Line Pilots Association, Steelworkers, American Federation of Government Employees, International Association of Fire Fighters, International Union of Police Associations and the Communications Workers) have worked with the committee on special projects.

The committee has focused almost entirely on two issues: excise taxes and workplace smoking restrictions. Working closely with The Institute's staff, the labor members of the committee have performed four functions:

1. Lobbying and briefing elected officials at all levels of government. The majority has been at the federal level.
2. Discouraging liberal and labor coalitions from taking anti-tobacco positions.

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3. Building support for industry positions throughout the labor movement.

4. General public communications.

By way of a progress report on this activity, I am pleased to share these highlights of the past few months.

Excise Taxes

o A letter from five union presidents (BC&T, IAM, Carpenters, Sheet Metal Workers, Firemen & Oilers) to the Health Security Action Council resulted in the Federation's increasingly aggressive opposition to excise tax increases. (Attachment A) As a result:

-- AFL-CIO legislative representatives successfully opposed a resolution to promote cigarette excises to fund the proposed federal catastrophic care program. The resolution was being promoted by representatives of the insurance industry, Senate Labor and Human Resources Committee staff members and the American Association of Retired Persons (AARP).

-- Federation staff also blocked a similar move in the Save Our Security Coalition. In this case, the defeated resolution was proposed by former HEW Secretary Arthur Fleming and former Social Security Administrator Robert Ball.

o A letter from BC&T's President John DeConcini to Senator Lawton Chiles noted opposition to proposals to increase cigarette excises (Attachment B). The letter was sent to all members of the Senate Finance Committee and the House Ways and Means Committee.

o Citizens for Tax Justice (CTJ), an outgrowth of the Service Employees union and a coalition of labor and consumer groups, conducted an examination of state taxes and in a well attended press conference this past January called for less emphasis on excise taxes at the state level. (Attachment C) At last count, 440 newspapers had covered the story.

CTJ director Robert McIntyre also recently wrote an article for The New Republic, claiming that an increase in excises would obliterate the tax rate reductions given to lower income people last year. The article is being distributed by McIntyre to all Members of Congress. McIntyre also is briefing reporters on his article and developing op-ed pieces for submission to the newspaper. One already has appeared in the Washington Post.

- o The Coalition on Human Needs and the Corporation for Enterprise Development, two other coalitions of labor and liberal groups, have launched a letter writing campaign against excises to Members of Congress. They have been joined in this effort by Atlanta Mayor and former Congressman Andrew Young.
- o Leaders of the Service Employees' local in California (which represents some 800,000 members) have gone on record with state legislators against an initiative question on next year's ballot calling for an increase in the state cigarette excise tax. They argue that the anti-smokers' proposed move will hurt labor efforts to eliminate the Jarvis-Gann amendment limiting state tax collections.
- o Lobbyists representing BC&TWIU have actively lobbied Members of Congress, arguing against new cigarette excises, and are using The Institute's videotape which features their secretary-treasurer, Rene Rondou.
- o Continued work with other unions has resulted in Operating Engineers President Larry Dugan writing AFL-CIO President Kirkland to express his organization's opposition to excises. Committee members have approached Service Employees' President John Sweeney and Auto Workers' President Owen Bieber for similar letters.

Workplace Smoking Restrictions

- o For the second consecutive year, labor publicly criticized the Surgeon General's report on ETS and workplace restrictions. (Attachment D)
- o An advertisement criticizing the Surgeon General's position on workplace restrictions, to be signed by the presidents of the five unions, will be available for placement in select publications.

A kit of materials for unions -- based on The Institute's existing workplace restriction kit -- will soon be available and also is being endorsed by the five unions.

A reception for AFL-CIO presidents, legislative and research directors featuring these and related materials will be sponsored by the Labor Management Committee in mid-June.

- o Seven public employee unions continue to oppose the General Services Administration federal workplace restrictions. Three (American Federation of Government Employees, National Association of Government Employees and the National Treasury Employees Union) have all filed unfair labor practice charges against agencies which have implemented the GSA regulations without negotiations.

The Machinists, in cooperation with the AFL-CIO's public employee division, wrote a highly critical legal assessment of the GSA rules; the public employee division distributed it to all AFL-CIO unions. (Attachment E)

- o Labor unions are making heavy use of our ventilation consultant, Gray Robertson. Robertson is working with the Service Employees in New Hampshire and Maine, and was selected over Harvard anti-smoker John Spengler to advise the union on indoor air quality in New England.

Sheet Metal Workers President Ed Carlough is moderator of a videotape on ventilation and air quality featuring Robertson. It will be sponsored by the Labor Management Committee unions and premiered at the June reception.

- o With Labor-Management Committee support, the National Energy Management Institute (NEMI) -- the ventilation industry's labor-management committee -- is training ventilation contractors and sheet metal workers nationwide to deal publicly with the question of ETS and proper ventilation.

NEMI director Omi Walden, former assistant secretary of energy under President Carter, is serving as program spokesperson. She is tentatively scheduled to appear on New York television with Gray Robertson in the next quarter.

- o When the American Public Health Association and consumer activist Dr. Sidney Wolfe recently petitioned OSHA to ban smoking in all workplaces, the AFL-CIO first attempted to discourage the filing of the petition and then went on record against it. The Federation will file comments with OSHA opposing the proposed ban.
- o In cooperation with the Labor Management Committee, the Air Line Pilots Association (ALPA) recently conducted a survey of voters and found unprecedented levels of support to retain current airline smoking restrictions. ALPA has continued to take a strong position against tougher smoking restrictions and has been critical of flight attendant unions backing a smoking ban.
- o Labor Management Committee representative Tom Donahue, Jr. (son of the AFL-CIO secretary-treasurer), recently appeared before 300 legislative committee members of Illinois' American Federation of State, County, & Municipal Employees (AFSCME) in a debate with physicians representing the Cancer Society. Afterwards, the group voted to oppose workplace restrictions imposed without collective bargaining.

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- o The Bureau of National Affairs is promoting a June 5 seminar on smoking in the workplace with speakers including Don Shopland of the Office on Smoking and Health, 1986 SG Report contributor Nancy Rigotti of Harvard, Lung Association Director Jim Swomley, GASP's Rita Addison and New York Public Health Commissioner David Axelrod.

TI, which originally had agreed to participate, has pulled out unless BNA succeeds in balancing the program. BC&T's President John DeConcini wrote AFL-CIO's President Kirkland, 35 union presidents and BNA urging a labor boycott of the organization until it returns to its traditional, neutral position on labor issues.
(Attachment F)

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cc: Communications Committee
Senior Staff

Attachments

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