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and Allied Trades**

General Executive Board Meeting

United Unions Building
Washington, D.C.
June 11-16, 1975



Meeting was called to order by General President S. Frank Raftery at 9:00 A.M. Those present were General Secretary-Treasurer Michael DiSilvestro, General Vice Presidents Bernard A. Sniegowski, A. L. Monroe, James P. Ford, Jack T. Cox, Guy W. Leber, Robert Petersdorf and William A. Duval. Others present were Executive Assistant to the General President Harry W. Martin, General Counsel David S. Barr and Sixth District Director of Organizing James B. Cox.

General President Raftery reviewed with the Board the agenda for this session of the General Executive Board.

H.R. 5900 (Situs Picketing Bill)

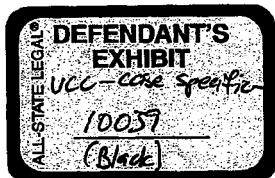
General President Raftery briefed the Board with respect to H.R. 5900 "Equal Treatment of Craft and Industrial Workers" (Situs Picketing Bill) and presented the following to the Board for their study:

- 1) A statement of John Dunlop, Secretary of the U.S. Department of Labor, before the U.S. House of Representatives, Subcommittee on Labor Management Relations (June 5, 1975).
- 2) An analysis of Mr. Dunlop's statement.
- 3) Building & Construction Trades Department President Robert Georgine statement to the House Subcommittee on Labor Management Relations (June 5, 1975).
- 4) Press statement from the Building & Construction Trades Department on Situs Picketing.

Report of General Counsel

General Counsel David S. Barr reviewed with the Board a NLRB case involving Local Union No. 798, Nassau County, New York, and Nassau Master Painters Association. This case was with regard to the right of Local Union No. 798 to appoint job stewards from among unemployed members. The NLRB had ruled negatively in the case. Succeeding this, the NLRB had been requested by Local Union No. 798 to modify their Order. Such request had been refused and the NLRB is seeking enforcement of their Order in the Federal Courts which will be opposed by the Local Union and the Brotherhood.

General Counsel Barr reported that nothing further has been heard from the NLRB regarding Case No. 4-CB-2371 in which the Central Pennsylvania Sub-contractors Association and the Drywall Contractors



Association had sought to force the Brotherhood and the involved Local Unions to sign a collective bargaining agreement which the IBPAT Local Unions had voted down in a ratification vote.

He reported on a case involving Parrott, Inc. vs. Northeastern Washington and Northern Idaho Building & Construction Trades Council, et al., which included Painters District Council No. 54 and Local Union No. 269. In this case, the plaintiff seeks to collect damages against all defendant unions for a secondary boycott. The General Counsel of the NLRB has dismissed secondary boycott unfair labor practice charges filed with the Board based on the same facts as those of the lawsuit. The Board upheld picketing at a common situs even though on certain days of the picketing the primary employer's employees were not on the job; the Board's General Counsel pointing out that their absence was temporary "nor was there any way of knowing in advance when they would be at the job site."

He reported on the National Governors' Conference, National League of Cities, et al., vs. Secretary of Labor case. In this lawsuit, the plaintiffs contend that the 1974 amendments to the Fair Labor Standards Act are unconstitutional insofar as they extend coverage of the Act to employees of States and Local Governments. The District Court dismissed the lawsuit, and it is now before the Supreme Court of the United States.

At the urging of the IBPAT, the AFL-CIO has filed an excellent amicus brief in the Court on behalf of the Labor Movement and the IBPAT on behalf of our public employee members. General Counsel Barr was optimistic as to the outcome. He reported on some of the difficulties involved with the Brotherhood's program of organizing public employees in Iowa, and that the Brotherhood had won an important case of first impression under Iowa's new Public Employment Relations Act. The organizing efforts in Black Hawk County, Iowa have been successful, but the efforts in Polk County have run into a snag that has brought on an Article XX case under the AFL-CIO Constitution.

General Counsel Barr reported on several other cases pending before the NLRB, the Labor Department and the Courts and as to their progress or status.

Report of the General Secretary-Treasurer

General Secretary-Treasurer Michael DiSilvestro reviewed with the Board what his office is doing in updating the electronic data processing equipment and its operation and the advantages of these actions. There was motion made and seconded to approve

of these actions as outlined by the General Secretary-Treasurer. The motion carried.

The General Secretary-Treasurer presented to the Board a bicentennial calendar that is being published and he suggested that this historical events calendar be purchased and sent in place of Christmas cards to all of our affiliates and those others who would normally receive greetings from the Brotherhood. There was motion made and seconded to approve the purchase of these. The motion carried.

General President Raftery reviewed with the Board the problems of cash flow and how it is affected by the problems of delinquencies. He asked all of the Board members to keep these situations in mind during the next several months or until improvement shows itself and to be mindful of these in proposing financial grants and assistance programs. He asked each of the General Vice Presidents to direct specific attention to eliminating the delinquencies and inform the General Secretary-Treasurer of the results of their efforts.

Appeals and Protests

Appeals and protests that had been submitted to the General Executive Board for consideration were heard with the General Secretary-Treasurer recording the decisions of the Board in such matters.

Report of Independent Auditor

Mr. Mark Cunningham, CPA and the Independent Auditor for the Brotherhood, presented to the Board and reported on his audit report for the first quarter of 1975.

Brotherhood Per Capita Tax Payments

There was some discussion with respect to the per capita tax payments made by the Brotherhood to the AFL-CIO, the Building & Construction Trades Department, and other affiliated Departments of the AFL-CIO.

General President Raftery informed the Board that he would send the General Executive Board members copies of the audits of those organizations that show the per capita payments made by the Brotherhood to such organizations.

Cash Flow and Membership Status

General Secretary-Treasurer Michael DiSilvestro presented the Board with a comparison of projected to actual cash flow schedule for the period October 1, 1974 thru June, 1975.

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He reported on the status of membership and as a comparison of 1975 to 1974.

Report of Investment Counsel

Mr. Joseph Canipelli of Loomis-Sayles & Company reported to the Board on the Investment Counsel's handling and management of the Brotherhood's invested Funds.

Errors and Omissions Insurance

General Secretary-Treasurer Michael DiSilvestro presented to the Board proposals and quotes that had been received regarding Errors and Omissions Insurance coverage for fiduciaries and elimination of recourse coverage for Trustees. The Errors and Omissions Committee, composed of General Secretary-Treasurer Michael DiSilvestro and General Vice Presidents William A. Duval and A. L. Monroe, recommended that coverage be obtained for a three (3) year period as issued through Lloyds of London.

The General Executive Board, acting upon such proposals, adopted the following Resolution:

RESOLUTION of the General Executive Board ("GEB") of the International Brotherhood of Painters and Allied Trades ("IBPAT"), June 12, 1975.

WHEREAS, the Employee Retirement Income Security Act of 1974 ("ERISA"), in Section 410 thereof, permits employee benefit plans to purchase insurance for themselves and their fiduciaries to cover liability for breach of fiduciary obligations, which insurance provides recourse by the insurer against a fiduciary in the case of a breach of fiduciary obligations by such fiduciary; and further permits an employee organization to purchase insurance to cover potential liability of one or more persons who serve in a fiduciary capacity with regard to an employee benefit plan; and

WHEREAS, it is deemed desirable to protect and defend employee benefit funds in which the IBPAT or its affiliates participate, and fiduciaries of such funds, by means of such insurance; and

WHEREAS, Underwriters at Lloyds of London ("Lloyds") have offered a blanket trustee liability insurance policy, for one year or three-year period, attached as Exhibit "A", which would be available to all employee benefit funds in which the IBPAT or its affiliates participate at reduced premium rates; and

WHEREAS, after comprehensive study it was determined that said policy and premiums charged are comparable with, and in some respects superior to, other similar policies and premiums presently being

offered; it is therefore

RESOLVED, as follows:

1. The IBPAT will enter into an agreement or arrangement with representatives of Lloyds that said policy, attached as Exhibit "A", will be made available to all Brotherhood employee benefit funds that desire such coverage upon the terms above described;

2. The General Officers and General Representatives Retirement and Pension Fund, and the Staff Pension Fund, of the IBPAT will together purchase said policy for a 3-year term effective July 1, 1975 with combined coverage amounting to \$1,000,000; and the IBPAT will purchase, in connection with said policy, elimination of recourse protection for and on behalf of the fiduciaries of that Fund;

3. The Trustees of the IBPAT Union and Industry National Pension Fund have resolved that the Fund will purchase said policy for a three-year term effective July 1, 1975 with coverage amounting to \$5,000,000. The IBPAT will purchase, in connection with said policy, elimination of recourse protection for and on behalf of the Union Trustees of that Fund; and will pay its fair, proportionate share of the premiums necessary to the purchase of elimination of recourse protection for and on behalf of the Administrator of that Fund.

4. In connection with any other Fund in which the Brotherhood participates, and which elects to purchase said policy, the IBPAT will purchase elimination of recourse protection for and on behalf of all Trustees in the case of internal Union funds, the Union Trustees in the case of the jointly-administered funds, and its proportionate share for the Administrator, if any, of any such funds.

Investment Counsel Selection

The Board next took up the matter of the selection of an Investment Counselor for the Funds of the Brotherhood. After some discussion, there was motion made that the General President and the General Secretary-Treasurer be authorized to make such selection between National Investment Service and the Kennedy/Boston Company. There being no second to the motion and after further discussion, a motion was made and seconded that the Kennedy/Boston Company be selected as Investment Counsel and money manager for the IBPAT funds. The motion carried.

Report on Safety Program

General Vice President Jack T. Cox gave the Board a progress report on the Brotherhood's Safety Program and the National Safety Committee. He presented a

study made by the U.S. Department of Health, Education and Welfare and the National Institute for Occupational Safety and Health (NIOSH) on occupational exposure to crystalline silica. He also presented a recommended standard of NIOSH for exposure to crystalline silica.

General President Raftery informed the Board that his office is at present engaged in obtaining samples from all drywall taping compound manufacturers for testing toward seeking an asbestos-free compound that can be used in the drywall taping industry.

General Vice President Cox reported to the Board that the National Safety Committee is studying the possibilities and the promulgation of informational booklets on safety in the use of materials and safety aids which would be made available to Local Unions and the Brotherhood's members.

23rd General Convention Resolution No. GEB-10

The Board reviewed a "Special Report Concerning a Possible Pension Plan for Full-Time Business Representatives, Officers and Employees of Local Unions and District Councils Affiliated with the Brotherhood," as had been prepared by the Martin E. Segal Company and which is to be reviewed by the Resolution No. GEB-10 "Study Committee" on Monday, June 16, 1975.

Report on Organizing Advisory Committee

General Vice President Guy W. Leber and Director of Organization Robert C. Welch presented the Board a resume of the Organizing Advisory Committee meeting of March 10-12, 1975.

Their report pointed out some specific areas to be attacked as part of the organizing efforts, some of the problems that are to be overcome and how the overall organizing program of the Brotherhood has been accepted and implemented at the local level. They reviewed how the various branches of the Brotherhood have approached organizing and what the present needs are and in what areas. Several recommendations were made to the Board for their consideration in the overall organizing effort. There was a motion made that the Board adopt the concepts contained in the recommendations of the Organizing Advisory Committee.

General President Raftery instructed Director Welch to draft a concise summary of the concepts expressed by the Organizing Advisory Committee for publication in the Brotherhood's Journal. Also, President Raftery informed the Board that he would send a directive to all General and Special Representatives

informing them as to what they should and can be doing and what is expected regarding this program.

General President Raftery suggested that the Organizing Advisory Committee or a subcommittee of General Vice Presidents and the Director of Organization set up meetings with appropriate contractors toward adopting bridge agreements that would bring about job opportunities to the Brotherhood's members, as did the National Tank Agreement. A full study should be made and facts obtained leading to a national bridge agreement.

Federal Committee on Apprenticeship

General Vice President William A. Duval reported to the Board on the meetings of the Federal Committee on Apprenticeship that he had attended as the Brotherhood's representative. He outlined the directions being taken and the many efforts that are being made to strengthen and recognize apprenticeship committees and their apprenticeship and training programs.

National Joint Painting, Decorating and Drywall Apprenticeship and Training Committee

Director of Education, Apprenticeship and Training Thomas Gustine reported to the Board on the proposed By-Laws for the National Joint Painting, Decorating & Drywall Apprenticeship & Training Committee.

There was a suggestion that a closer line of communication be established between those who oversee the Committee's day-to-day activities and the General Executive Board. There too was a question regarding the efficacy of developing and paying for at substantial costs such training capsules as "Blueprint Reading" and "Color Harmonizing" which are not as appropriate for apprentice and journeyman training as are other efforts and directions. Director Gustine pointed out that the capsules were comprehensive for apprentice and journeyman training and were not intended for the purposes of estimating jobs or laying out work which are management functions.

It was suggested that the amendment to the By-Laws for the Committee regarding the Officers should be further amended so that the positions of Chairman and Secretary are rotated between management and labor representatives.

General President Raftery instructed Director Gustine to see that the General Executive Board members received copies of the monthly reports of the National Committee's Director and Coordinator.