

Division of Professional Relations
Box 286, Rahway, N.J. 07065



DENNIS CHAMOT, *Editor*

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COMPLIANCE WITH GUIDELINES?

NO! SAY FORMER EMPLOYEES

About a year ago Shell Development Co. announced that it would close its Emeryville Laboratory, the largest industrial research laboratory west of the Mississippi. Two hundred and twenty ACS members were involved. The Council Committee on Professional Relations investigated this action, and declared that the chemists that were laid off were treated in compliance with the *Guidelines for Employers*. However, the Executive Committee of the California Section decided to take an unprecedented action - to send a questionnaire to each of the ACS members involved in this matter, together with a copy of the *Guidelines*. The intent was to find out the *members'* opinion about the handling of the closing.

Sixty per cent of those quizzed answered and the results make one think very seriously about how we treat layoffs. A complete evaluation of the fourteen questions would take many pages, but some things are clear. Out of 132 people, 27 (20%) felt that the company had not followed the *Guidelines* in their own particular case. Ten of the twenty-seven were terminated without an opportunity to transfer to the Houston laboratory. Eight of the ten had more than 15 years of service with the company, the others had 11 - 14 years. Four more people with more than 15 years of service were involuntarily retired. The *Guidelines* state that for those with over 15 years service, termination should be only for cause. The remaining 13 people were "voluntarily" separated or transferred.

Twenty-five of the 27 had more than 10 years service (23 had more than 15 years). The *Guidelines* require full vesting after 10 years of service. Shell determines eligibility for vesting of retirement benefits by the "80" rule, e.g., the sum of the age and years of service must be at least 80. If a person was 50 years or older he was eligible for some retirement benefit with a minimum of 20 years service. Below 50, even 20-25 years of service meant nothing.

One could go on for pages with the evaluation of the replies. It is interesting to note, for example, that among those answering, there was a 3:2 ratio between members and non-members of a professional union, but among those who stated that they were involuntarily terminated, the ratio was 4:1. The major conclusion, however, is summed up by the old Latin proverb, "Audiatur et altera pars (let's listen to the other side)." The national Professional Relations Committee obtains all of its information on layoffs from employers. Is it any wonder that most of the companies are given a clean bill?

There is no reason to believe that Shell is the only company which did not live up to the *Guidelines*. At the New York meeting of the Professional Relations Committee (as reported in *C&EN*, Sept. 4, p. 4) at least one other "clean bill" by the PR Committee was very much questioned. To this writer it has been evident for a long time that the members involved in layoffs do not agree with the management's view, and the whitewashing by the national Committee on Professional Relations.

One of the respondents wrote, "The ACS should actively and aggressively determine facts and bring them out in the open." But this is only the beginning. Fact finding is not enough. The ACS should actively support legislation for the benefit of its members such as early vesting rights, patent rights, etc. Ultimately, it should provide a device for controlling the supply of chemists.

—ATTILA E. PAVLATH, *California Section*

What do you think? Send comments to the Editor, at the above address. Requests for anonymity will be respected, but all letters must be signed — D.C.

Philadelphia Section Employment Service

Although the number of job openings is increasing, it appears that the number of jobless chemists is also increasing. In addition to dismissals, the ranks of unemployed chemists and engineers continue to swell as recent graduates arrive and post doctoral appointments expire.

In order to help local ACS members find employment, the Philadelphia Section has reorganized its Employment Service. In the past, members seeking employment and employers with job openings were asked to fill out forms which were kept on file at the section office. Both parties had access to this information.

The reorganization involved providing both unemployed and underemployed members and employers with a more personalized, prompt, and active service. This reorganization was achieved by Dr. James H. Barrett who recently took charge of the service.

The service currently operates in the following manner. The unemployed or underemployed member or the employer with a job opening fills out an information form obtainable from the Section Office. When the form is received in the Section Office, a personal contact is immediately established.

In the case of the unemployed or underemployed member, the job situation in the area is described, interviews with interested employers are arranged, and additional information is obtained, if needed. In the case of the employer with a job opening, we provide brief descriptions of potential candidates. Interviews are established when interest is indicated.

The "middle man" approach saves a lot of time for both the unemployed member and the employer because prior interest has been indicated by both parties before a formal interview is set up. In cases where time is of the essence concerning job openings, contact can be made with Dr. Barrett directly.

To date approximately 200 chemists and engineers have taken advantage of the service. Active participation is in the neighborhood of 50 members at any given time. The service has placed 15 unemployed members.

For further information, write to:

Dr. James H. Barrett
Philadelphia Section Office
Room 105 Edgar Fahs Smith Laboratory
215 S. 34th St., Philadelphia, Pa.

On The Legislative Front

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"Pensions are not gratuities, but earnings saved and deferred to retirement. They represent compensation which the employee would have received in his paycheck had he not belonged to a pension plan. American workers have a right to expect that financial support in their retirement years will come from more than social security benefits. Only with a combination of these two incomes can an American worker look to the twilight stage of his life without fear of financial insecurity." From the proposed *Retirement Income Security for Employees Act of 1972*.

Thus states what is generally known as the Javits-Williams Pension Reform Bill, S-3598. Of what benefit is this proposed legislation to chemists and chemical engineers? The purpose of this survey is to briefly answer that question by outlining the major provisions of each Title of the Bill.

Title I. ORGANIZATION

The Secretary of Labor (referred to as Secretary) will have the overall responsibility to promote programs and plans for the establishment, administration and operation of employee benefit plans. He will also direct and enforce a pension insurance program. The Act applies to any pension or profit sharing plan (referred to as the plan) of an employer, a union, or both having more than 25 participants in any industry or activity affecting interstate commerce. Pension plans for the self-employed, those administered by federal and state governments, and certain plans for key executives are exempt from the Act. All covered plans must be registered with the Secretary and every applicant must apply for plan termination insurance as a condition for registration. Concomitant with registration, the Secretary must require that each vested plan participant be furnished with a certificate of rights upon his termination of service with a plan. This certificate must state the benefits due the participant and the location of the entity responsible for payment and the date when payment will begin.

Title II. VESTING AND FUNDING REQUIREMENTS

No plan may require as a condition for eligibility in the plan a period of service longer than six months or an age greater than 21, whichever occurs later.

All plans are required to vest rights in participants with respect to service on or after the effective date of this title at the rate of a 30% vested interest beginning with eight years of service, and increasing by 10% each year thereafter so that 100% vesting is attained after 15 years of service. No more than three of the eight years required to qualify for a 30% vested right need be continuous years of service.

Any plan may allow more liberal vesting than required by this Act.

Every employer is required to fund his pension plan adequate to cover all benefit liabilities which may accrue under the terms

of the plan. Any funding deficiency for any year must be made up within 5 years, or the Secretary must take corrective action.

Title III. VOLUNTARY PORTABILITY PROGRAM FOR VESTED PENSIONS

A *voluntary* program for portability of vested pension credits is established under the Act. Sponsors of plans registered under the Act may voluntarily apply for membership in the program. A participant may request that funds be paid to a central portability fund when he is separated from a plan before retirement. The participant's subsequent employer must also be a member of the same central fund. Monies allotted to the Voluntary Portability Program Fund are to be deposited in individual accounts in institutions insured by the FDIC or FSLIC but not more than 10% of the fund is to be allocated to any single institution. Monies not transferred to another employer's account must be used to purchase a single premium life annuity from a qualified carrier when the employee reaches age 65.

Title IV. PLAN TERMINATION INSURANCE

Under this Act, a Private Pension Plan Termination Insurance Program to be administered by the Secretary is established to insure employees against losses of vested benefits arising from plan terminations. Vested rights acquired prior to passage of the Act or exceeding the minimum requirements of this Act are not covered. The amount of vested benefit insurance is limited to 50% of the highest average monthly wage of employees earned over a five year period or \$500 monthly, whichever is the lesser.

Title V. DISCLOSURE AND FIDUCIARY STANDARDS

Annual reports must be filed with the Secretary of Labor. These reports must be comprehensive, and be audited by an independent accountant. Funding deficiencies must be reported immediately, so that corrective action can be taken.

Participants in the plans must be supplied with a detailed description of his plan and its provisions and restrictions. The descriptions must be written in a language and manner easily understood by the average employee. Finally, an up-to-date summary of his plan must be supplied to the employee every three years.

The fiduciary (person responsible for administering plan funds) must adhere to trust terms consistent with the Act and must represent the participants' interests. The fiduciary is liable for losses resulting from breach of trust and is subject to any court penalties. *It is important to note that the fiduciary is prohibited from investing more than 10% of a pension fund's assets in securities of the employer.*

linebackers. The question is how to retain, develop, and expand the information generating function while frankly addressing ourselves to the economic welfare of the individual chemists."

In the intervening 22 months, several events have occurred; the most noteworthy of these, the application of wage and price controls presumably placed the last shovel of dirt on laissez-faire economics. The portent of the future is that economic forces must be controlled and their control will ultimately be politically determined. The economic welfare of the chemists will be determined along with that of other industrial employees or teachers or government workers as the wage-price Board responds to the various political pressures. Individual merit will be recognized and rewarded but programs that will provide continuing employment for chemists and other professional scientists will derive for the most part from decisions, like those made recently, to launch a new space platform or to spend a billion dollars on cancer research or to increase the defense budget. I am firmly convinced that if chemists or professional scientists are to do more than drift with the tide they must be prepared to be heard effectively in the halls and cloakrooms of the Congress and the cocktail parties and social swirl of the decision makers.

Science produces technology and technology makes money. The products of the scientists' efforts leave his control and eventuate into technology which in turn is controlled, in fact, owned by the corporate employers of most professional scientists. We have no accurate measure of what the chemist should receive for what he contributes but at least a feeling that he should not receive less proportionately in the future than he has in the past. We live in the age when the word security has a dozen meanings but the "trauma of involuntary unemployment" must be met and conquered. We have a common inheritance, a commonage of interest which must be identified. As much as a physician with staff privileges in a hospital has available to him millions of dollars of equipment which he did not purchase so then the countless thousands of hours the chemists have built developing the literature and the Chemical Abstract Services should be available as our common heritage and should be used to preserve the economic welfare of those who master the discipline.

In order to intensify the search for security, the ACS has examined salaries, conducted surveys, attempted to stimulate actions on pensions and following an initiative which I started as Chairman of the Committee on Professional Relations, has issued *Guidelines for Employers*. A more intensive effort will require a larger sum of money to be spent to provide a common economic ground. Beyond the voluntary solicitation for PEP, a sound financial sup-

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Campaign Oratory — statements from the candidates for ACS president-elect

BERNARD S. FRIEDMAN: My platform, simply stated, is to persuade, cajol, pressure, convince ACS members, councilors, officers and employees that certain of our professional activities must, and can be, strengthened. This we can and should do without diminishing other critical services to ACS members, the science of chemistry, and the public.

Right now we have two very urgent professional problems: unemployment (under-employment) and deteriorated working conditions. The long-term solution to both is to reduce the surplus supply of chemists. Surpluses foster a lot of problems: unemployment, lowering of salary, forced early retirements, on-again-off-again research programming, etc. Shortages, on the other hand, tend to cure these problems. Since perfect balance of supply and demand is unrealistic, let's err on the side of shortage.

How do we prevent surpluses? One possible way is by raising standards of training, and by offering an optional comprehensive examination to graduates who wish to qualify for an ACS Chemists Certificate (similar to CPA).

A second and very effective way is this: give all-out publicity to unemployment data and mass discharges.

The big problem of unemployment is here and now. This can be tackled through development of new or expanded job opportunities. Local, state and federal governments must be persuaded to support new research and new technical service programs. At the same time we should proceed with a longer-term solution: urging industries, government, as well as universities to budget on a long-range basis, accumulating financial reserves in prosperous years to be used to maintain more stable levels of research programs in the less prosperous years.

As for employment malpractices—I predict that fairly soon, employers who persist in treating their professional chemists as factory workers or as some kind of commodity, will find their chemists adopting the protective armaments of the factory worker—and unionizing. Conversely, those employers who comply with the new ACS guidelines should have little fear of unionizers.

I suggest we help convince employers that mistreating professional chemists is bad business and in some cases bad for business. Let's give early and full publicity to these malpractices as they occur or are discovered. The ACS should also proceed forthwith to prepare and publicize ratings (good and bad) of employers in C&EN and in Local Section Bulletins. Readers of these publications would be asked to consider these ratings as they make decisions on buying chemicals, supplies, consumer products, etc.

A few members have voiced concern about the Professional Enhancement Program

(PEP): "We should not do anything at the expense of Chemistry." I have an even greater concern: "We should not do anything that is at the expense of the Chemist." Indeed it is not a case of either/or; the ACS can and should advance *both* Chemistry and the Chemist.

Last year Alan C. Nixon was given what I consider a mandate to carry out more effective professional programs on behalf of the members—to make the ACS more member-oriented, yet keeping the ACS strong and progressive as a learned Society. I aim to carry on with this mandate and to maintain the impressive momentum provided by him and by some of the early pushers. At the same time I shall seek to provide a dynamic follow-up of the excellent studies and plans now underway in Board and Council Committees.

In this connection we all owe a debt of gratitude to the founding fathers of the new Division of Professional Relations. This Division has already expanded our forum (thru sessions such as those we enjoyed at the New York meeting and thru the PR Bulletins). It has added to our awareness and understanding of the nature of many of our professional problems, and has produced some good suggestions on how to resolve these problems.

Finally, to continue the excellent programs initiated by Dr. Nixon and our many dedicated committees, division and staff workers—all of us will have to join with them (1) in helping the members of our home sections understand what we are trying to accomplish and (2) in persuading them to support the professional programs, specifically PEP. PEP will provide the wherewithal to achieve our professional goals, at the same time maintaining and advancing our science-oriented programs and activities.

Will you join in the good fight?

MILTON HARRIS: The profession of chemistry is suffering today from the excesses developed during a 25-year period of exponential growth (1940-1965). As a result the ACS faces formidable challenges but can have an important and demanding role in planning for the future and in building a more stable profession.

But it can succeed in that role only if we, its members, recognize three points:

- (1) It is our capability in the science and technology of chemistry that binds us together and constitutes our basic strength.
- (2) Chemistry will continue to contribute to our economy and to the well-being of mankind, but we can no longer take our past successes for granted.
- (3) Any serious fragmentation of the Society will greatly weaken all seg-

ments of it and prove a long-term disaster for chemists and chemistry.

To achieve our goals of stability, we must work and plan to prevent the excesses of the past. To start, we must initiate better and continuing studies in depth of future manpower supply and demand.

At the same time, we face the immediate task of continuing assistance to those who are the victims of past excesses. It is little wonder that many seek security through a new professionalism, although there is little agreement as to how this is to be accomplished. Here again we need much more study and effort.

Although some assistance will come from a few federal programs, it is unlikely that these will take up all of the slack. Accordingly, the ACS must press on with its long list of assistant programs, many of which have been in effect for years and all of which should be expanded.

Related to these activities, we urgently need an expanded public affairs program. It has been my privilege to be associated with CCPA since its formation and at the same time be associated in an advisory capacity with numerous federal programs supporting science and technology. The ACS can accomplish much here.

It must be emphasized that as important as all these new activities are, they must not be accomplished at the expense of our scientific and educational activities which support the careers of the more than 100,000 employed members of the Society. Again, it is the science of chemistry that is the backbone of our profession.

Finally, it must be cautioned that stabilization will not be brought about by developing adversary positions, particularly between chemists and industrial organizations. Both employer and employee must learn to better understand the relationship of science to human needs and especially to the success of the company. As pointed out by union leader I. W. Abel, "workers can't get anything by dropping a bargaining bucket into an empty well."

If the ACS is to fulfill its mandate, it must work as a cohesive unit. Helping to maintain this posture is a prime responsibility of its elected leaders.

HENRY A. HILL: As never before, ACS leadership is being called upon "to seize the initiative" and to take an active role in developing our professional maturity. As a candidate for Director Region I in 1970, I stated: "In creating, disseminating, storing and retrieving concepts and data, ACS is without peer . . . but efforts for the welfare of our members . . . it is behind physicians, airline pilots, center fielders, and middle

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From The Editor...

Our first public outing was a great success. The meetings and symposia presented by your Division at the ACS August national meeting in New York were some of the best attended activities there, far out-distancing most of the technical sessions of the other divisions.

We hope to do even better in 1973, in Dallas and Chicago. Our program committee, chaired by Gordon Nelson, is putting together symposia on unions for chemists; creation and operation of small businesses; tax incentives for research, and more. Comments on these plans and suggestions of other topics will be avidly read by Gordon and his committee (address on p. 1).

We've also received complaints about *C&EN*. Your Executive Committee would like some guidance here. Do you think *C&EN* news stories are written with a pro-industry bias, a pro-member bias, no bias? Is ACS news emphasized heavily enough? Given the severe lack of space today, should *C&EN* report on items covered equally as well by, for example, *Chemical Week*? Write to the Editor, *PR Bulletin* (address on page 1).

Along the same lines, we would like your views on the ACS *Guidelines for Employers*, and the way they are applied by the Council Committee on Professional Relations. And the PEP program — which activities should be given highest priority? What about lobbying — how much should the ACS do, and on what issues?

The Division of Professional Relations is the *member oriented* division of the ACS. We are here to serve you. Let us hear from you. Write today (address on page 1)!

—DENNIS CHAMOT

The Law —from p. 2

Title VI. ENFORCEMENT

The Secretary of Labor is empowered to petition the federal courts to compel compliance with this Act, or effect recoveries of monies which may be due, or effect removal of a fiduciary or to obtain other appropriate relief. Individual participants in pension plans can also initiate cases in federal or state courts against violations committed by a fiduciary, or to recover payments owed under a pension plan.

The main provisions of the Javits-Williams Pension Reform Bill have been summarized. The provisions have been drawn up to correct the many well known abuses of the presently unregulated \$135 billion private pension system. It is obvious that this bill does not answer all of the problems of the employed professional, some of which surface in a reading of the more detailed introduction in the *Congressional Record*, May 11, 1972, p. S 7603, available in depository libraries. But it is the best available, and can be improved upon later.

The Javits-Williams Bill, as outlined above, is a major start in the direction of protecting employed professionals.

—MYRON LINFIELD, *Treasurer, DPR*

**SUPPORT PEP
WITH A
CHECK!**

Oratory —from p. 2

port must be available from realistic dues increases and a graduated dues structure. The ACS should become a Scientific-Educational-Professional society. We must re-examine our primary journals program; we must reduce the paper mountains that we are building shelf on shelf.

In spite of the larger than average turnout of voters in our last election, we still have no answer to, or feel for, the question why 60,000 members will pay their dues and not vote. I would like to be able to obtain member preferences on small statistically significant samples; thereby the leadership will be able to respond more quickly and meaningfully. Retention of the great bulk of chemists (and Ch.E's) in one organization is a necessary goal.

As we approach the end of our first century, the American Chemical Society has been an integral part of a spectacular century of science; our membership has quadrupled in the last quarter century. The principal characteristic, I can recognize, is change. As the rate of growth of the ACS had leveled off, or in fact declined, and that too is change, we now consider the changes to be made in our second century which will determine how many chemists we need, how many chemists we should have, what they should do and what are their relations to themselves and the corporation, both industrial and academic. If in the past, what we produced was the property of the corporation, the product was also the corporation's responsibility. Shall we, in the future, seek both greater recognition and responsibility while maintaining and advancing our current level of scientific excellence?

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