Pension Activities in Behalf of IEEE
Accelerate in Washington and Nationally

Plan consists of six orderly phases
By Richard J. Backe
Professional Relations

The rather substantial progress made on the Hill in 1973 can be attributed to the intensive efforts of IEEE's Pension Committee, the Institute's special counsel (Frank Cummings) and the Joint Pension Committee (JPC), the last an ad hoc consortium of most of the major engineering and scientific societies. I am chairman of JPC and did chair the Pension Committee.

Legislative activity is summarized by Frank Cummings in the adjacent column and this report is concerned with programs to accommodate the needs of most U.S. IEEE members and technical professionals. Both the Board of Directors and IEEE feel that this entire program should be announced to the membership now although some phases depend on successful passage of pension reform bills.

Multi-Phase Retirement Program
The entire program has six coordinated phases. They are as follows:

1. Individual Investment Accounts, Non-Qualified.
2. Individual Investment Accounts, Qualified.
6. Coordination for Employees of Non-Profit Corporations.

Individual Investment Accounts
Plans are being formulated at present for IEEE sponsorship of a fixed interest accumulation fund to determine if such a move is feasible or possible. We will report on it as soon as definite conclusions have been reached.

Individual Investment Accounts, Qualified
Legal documents are now being drafted to take advantage of proposed laws. These bills, if enacted according to the Senate version, might allow many if not all employed individuals to invest up to $1,000 to $1,500 of their annual salaries in qualified retirement funds—and to defer taxes until retirement. This tax break will add 25 percent, or more to the amount that an individual can invest for his or her old age. In addition, the earnings will also be tax deferred.

Details will have to wait for final

Pension Legislation Near Crucial Phase
By Frank Cummings
IEEE Special Counsel

At year's end, engineers are on the verge of success in securing federal pension reform legislation.

The pension reform bill includes a number of provisions specifically designed to benefit engineers. The bill passed the Senate in September, and has been churning through the House, and the House leadership has scheduled it for a floor vote action by mid-February.

The Development of Program Objectives
In the summer of 1973, IEEE had concluded that, while there were good plans and bad plans, no single-employer pension plan could provide a real solution to engineers' pension problems. A survey disclosed that the typical engineer moves from job to job so frequently that, even if he earns a pension from one of his many employers, it will be based upon relatively short service, and will produce relatively low retirement income. To give an engineer full credit for pension accruals through his working life, during which he works for perhaps a dozen engineering employers, the only realistic solution would be to devise a single pension-wide plan which would consolidate a lifetime of pension accruals in a single account, and preclude the possibility of forfeiture of any of those credits, no matter how brief the employment might be.

So what we have in mind is to have the engineering societies, led by IEEE, devise a multiemployer pension plan with these features.

1. Profession-wide coverage, of all engineers, not confined to the employees of a single employer.
2. An engineer-only plan, so that we would not have to "tailor" the provisions of the plan to satisfy other groups with different employment problems.
3. Immediate vesting, so that no employment, no matter how brief, would produce a forfeitable pension accrual.
4. Tax Qualification, through some formula which would satisfy the requirements of the federal government, which mandate that a pension plan not "disqualify" in favor of higher paid employees, i.e., that contributions or benefits must bear a uniform relationship to compensation of employees, both high paid and low paid.

Initial Approach To The IRS
With these elements in mind, we approached the IRS, and were turned

Guarerra pledges IEEE leadership in professional and technical fields

"As your incoming President, I intend to exert direct, active leadership in a vigorous manner to see to it that IEEE accomplishes its objectives of leadership in both technical and professional fields."

This is the charge laid down in a special interview with IEEE PROFESSIONAL NEWS by 1974 President John J. Guarerra, a product of both industrial and academic environments.

"I think the real challenge the Institute had when we first embarked on developing the professional area was the remarkably fine reputation of IEEE in the technical area," he said.

He pointed out that the big job in recent months has been to communicate to all IEEE members what can be done.

"I think that to maintain one's image, we have to tackle problems in bite-sized pieces," he added. "Rather than get involved in the entire area of professionalism, I think we have been wise to select those areas where we can make an impact. Pensions is a good area, and that is why a good portion of this issue is devoted to this subject."

"Energy is another area where we as IEEE members have a responsibility. In this regard we are joining with other engineering societies such as ASME, ABSE, and AICHE with comparable interests."

"We also have the job of making communications easier through the Coordinating Committee of Engineering Societies (CCES) and NSPE."

"The problem as I see it is to continue tackling new programs in professional affairs but always to recognize that our reputation is totally dependent on our remaining No. 1 in technical affairs."

(Continued on page 15)
1974 will present problems, promise for the Engineer

By Robert Rivers
Employment Practices
Survey Committee

IEEE has been working for a considerable period of time to develop guidelines for the "professional employment for engineers and scientists" in cooperation with other major engineering societies.

The purpose of this program is to answer the needs of employers and employees to play a larger role in developing employment policies, a need dramatized in recent years by large-scale layoffs and relocations.

These guidelines change periodically as conditions change, but they do provide a framework to mutually satisfying relationships between professional employees and their employers. The guidelines represent desired general goals rather than a set of specific minimum standards.

It is felt by many of us that if the spirit of these guidelines is observed, they can help to minimize personnel problems, reduce misunderstandings, and generate mutual respect. They should be of use to employers in evaluating their own practices, and to professional employees in evaluating both their own responsibilities and those of their employers.

In order to determine just what the situation is an employment practices survey was taken in 1973 to determine current conditions. The results were tabulated on the basis of size, structure, fringe benefits, paid vacations, and related matters.

The survey suggested that areas for future emphasis should include proper documentation and communication of employment practices and guidelines. The problem areas indicated concern for:

1. Government funding
2. The age of engineers in various positions
3. Short- and long-term employment relationships

An experimental program of regional meetings has been planned for direct employer consideration of employment guidelines, and in order to promote employment implementation of the guidelines. We must appreciate that there are really no models for this kind of program. The energy crisis precipitated by the Middle East conflict and the subsequent embargo by Arab nations is a classic example of the kind of unprecedented economic situation that may have wide repercussions which are not now predictable for the entire engineering profession.

This is, in effect, a knob-twisting situation, and may hold promises or perils for the electrical engineer. I only urge one to predict exactly what is going to happen.

Pension Legislation
Near Crucial Phase

The Pension Trust Branch told us that their branch has been having a number of rulings against plans such as the one we had in mind.

After we were turned down by the IRS, we pursued the matter further, and discovered that the particular rulings which the IRS had to us had, on occasion, been taken to court, and that the IRS was, in fact, continuing to go to a position which had already been rejected by the Federal Court of Appeals, although the Supreme Court had never ruled on the question.

A Second Approach
to The Treasury Department

We next turned to the legislative route. Two pension bills were pending in the Senate in early 1973. One was the so-called Williams bill, S. 4, which originated in the Senate Finance Committee, and the other was the Senate Labor and Public Welfare, and a companion bill (S. 179) which was pending in the Senate Finance Committee.

The engineering societies formed a group—the Joint Committee on Pensions—and decided to lobby for a number of amendments in each of these bills, with the result that all of the amendments and bills could be consolidated into one bill eventually.

1. The Procurement Regulations Amendment

First we went before the Labor Committee and asked for two amendments, neither of which involved the tax laws, but each would be of some help in solving engineers' pension problems.

The final amendment we sought from the Senate Labor Committee involved federal procurement regulations. It provided that all federal procurement regulations should contain a uniform provision assuring that, to the maximum feasible extent, when a government procurement contract was then signed by employees in a pension termination position, the only way the employer can treat his pension costs under that contract is to have them borne by the government. It is only in this way that we can maintain our own pension plans in compliance with federal regulations.

2. The Special Study Amendment

Second, recognizing that we could not get a tax amendment, a Labor and Public Welfare bill, and that we could not ask for universal immediate vesting for all engineers (not just engineers) without losing majority support for the entire bill, we asked for a provision in the bill requiring a governments study of the unique pension problems of high-mobility employees such as engineers, with early recommendations as to additional legislation for our specific protection.

The Labor Committee adopted both of our proposed amendments, and S. 4 was reported out to the Senate floor.

3. The Tax Amendment

But we still had not solved the problem created by the IRS, so we moved on to the Senate Finance Committee, which was considering another bill, S. 1179. In that bill we explained our difficulties with the IRS, and that the IRS was taking a position which had already been rejected by the court, and that the fact that the Assistant Secretary of the Treasury is a departmental secretary, and the fact that we had an amendment on the Senate floor, and we worked out an amendment to S. 1179 which would permit the SEC to amend pension costs.

The amendment was accepted and reported out to the Senate floor.

4. Senate Floor Action

What followed was several months of negotiation between the two Committees to try to synthesize the two bills into a single measure, and throughout those negotiations we continued contacts with both sides to assure that all of our amendments to the various bills would survive in the consolidated measure. And when, on September 17, 1973, the Senate passed a consolidated bill (H.R. 4300) with all of our amendments, it was reported out to the House Committee.

5. House Committee Consideration

We testified before the House Education and Labor Committee, chaired by Congressman John Dingell, and we testified before the House Ways and Means Committee, chaired by Acting Chairman Al Ullman. As the bill is before the House Ways and Means Committee, it is our understanding that the Ways and Means committee will be the committee of jurisdiction and will be the committee that addresses the House's bill. And the House has agreed to a division of our amendment in the same amendment. The House Committee will be the committee of jurisdiction for the House Ways and Means Committee, and the amendment is likely to result in the House Ways and Means Committee.

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Brief Events of General Interest to IEEE Members

IEEE Endorses Energy R&D Bill

The Institute joined with other engineering societies in sending two statements to Congress in support of legislation that would create the Energy Research and Development Administration (S. 2744 and H.R. 11510). This new Administration would have the central responsibility for managing government R&D programs pertaining to all energy sources.

The IEEE supported these bills because "insufficiency in energy production ... involves large scale increases in research and development related to energy." A statement signed by IEEE and NSPE noted that "once we establish an adequate R&D organization, we can concentrate to install the visionary leadership and administrative talent needed to accomplish this truly Herculean task."

Government Relations Committee Moves Ahead on Programs

The Government Relations Committee, which is organized by USAC, is proceeding on three major programs: a special Congressional reception, the IEEE Congressional Fellow, and its legislative program.

The Congressional reception, to which IEEE has invited all U.S. Senators and Congressmen, will provide the Institute with a chance to inform our legislators about current USAC programs. These include the salary survey, the manpower report, and the Institute's position on energy legislation.

Our first Congressional Fellow, Dr. Reed, who has also been active in government affairs, has been working with the House Committee on Science and the Senate's Subcommittee on Energy. IEEE's support of legislation that will benefit its members, especially in the pension and energy fields, has been detailed in previous articles. In addition, the Institute, in cooperation with ASME, publishes reprints of legislation which are of interest to engineers. (Copies available from Emma White at Headquarters.)

IEEE Launches Urban Science and Technology Project

One of the most dramatic innovations of the current IEEE program is the new Urban Science and Technology Project, which is now being tried out in Region 6.

Its basic objective is to establish a model for IEEE which involves urban societies participating as liaisons that members in local sections across the country can provide technical advice and assistance to offices of local governments. It may also motivate their own cities to establish individual science and technology programs. Ten cities are targeted for presentations in 1974.

USAC ORGANIZATION AS OF 1-1-74

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- PAC = Professional Activities Committee (of Sections)

USAC streamlines activities for 1974

The entire membership of IEEE in this country, said Dr. Young in commenting on his plans for 1974, "is of utmost importance that we involve as many IEEE members as possible in professional activities, from serving on committees to informing their Congressmen. There are now some 20 Section Professional Activities Committees (PACs) and we would like to see them expanded.

"Every member should ask his colleagues to join IEEE - our professional society - and thereby show his support. To paraphrase one of our late leaders - it is not just what IEEE can do for you, but what you can do for IEEE, and through it for your profession, and for all of society!"

"If you are interested in forming one, write to J. M. Kinn at IEEE in New York."

Guarrera pledges IEEE leadership

"We are second to none in electrical and electronics engineering, and we are looked at and dealt with on terms that respect this position. And we must never forget that we are the largest engineering society in the world with the possible exception of the Russians."

Mr. Guarrera said that IEEE has not been "asleep" in going outside the professional world for professional help either in the technical or professional areas. At the same time, Mr. Guarrera said, "IEEE has become extremely sensitive to member reactions and needs through polls and other opinion-gathering techniques."

(Continued from page 1)
IEEE members to hear Emilio Q. Daddario at INTERCON on technology assessment

IEEE members will have the opportunity to hear the new Director of the Office of Technology Assessment (OTA), former Congressman Emilio Q. Daddario of Connecticut, at the INTERCON banquet. He will discuss technology and the future of America.

John M. Kinn, Director of Educational Services of IEEE, recently met with Mr. Daddario to talk about his INTERCON speech— which will be one of Daddario's first major addresses as OTA Director—as well as to extend the cooperation of IEEE with his office.

Sen. Edward Kennedy is Chairman of the OTA board, which has six Congressmen and six Senators and is bipartisan. The OTA Advisory Council includes, among others, Dr. Jerome B. Wiesner, MIT head who was nominated by IEEE, John T. McAllister, Jr., of the Stanford University School of Engineering, Dr. Harold Brown, President of Caltech and formerly Secretary of the Air Force, J. Fred Bucy, Jr. of Texas Instruments, and other distinguished scientists.

In an interview with IEEE PROFESSIONAL NEWS, "Emo" Daddario, as he is known, said that his office is now actively studying the major areas which will be of interest to Congress. Energy, while currently a prime target of attention, may not be as important in the future as, for example, the future availability of mineral resources.

Daddario has written to all Committee Chairmen of Congress, asking them for nominations of areas of prime importance to them.

"Our problems are very interesting," he said. "There are stacks of forecasts. But we have to find out: where is the methodology? Where is the expert thinking?"

"We need a digest of this mountain of literature. And we have to find out how we can help Congress do a better job, how improvements can be made. In the legislative branch which is hopefully going to show up in comparable activities in the executive and judicial branches as well."

The former Congressman and his staff are now trying to block out areas which will be of interest to Congress—there is a matrix of approximately 300 to 4000 areas of possible interest to OTA. Some of them are: energy technology, land use, use of scientific and technical manpower (Daddario has a copy of the IEEE's latest "Career Outlook in Engineering" Report), computer use, urban mass transit, and other problems.

OTA started from a congressional need to improve the scientific and technical information capabilities of both Houses of Congress. It stems back to 1958 when science committees were created in both Houses, and it was given impetus by the Sub-Committee on Science, Research and Development, of which Daddario was the first Chairman. In 1968 he introduced the first bill which originated the concept of technology assessment whereby Congress would have an intelligence arm to give it early warning of the consequences of technological developments for good or evil.

He told PROFESSIONAL NEWS that he regards "the whole problem of manpower use as a key to the survival of our democratic society."

In a report to the Committees on Science and Astronautics of the House of Representatives recently, the Congressional Research Service of the Library of Congress defined Technology Assessment as "the thorough and balanced analysis of all significant primary, secondary, indirect, and delayed consequences or impacts, present and foreseen of a technological innovation on society, the environment or the economy."

It goes on to say: Technology Assessment is not a search for only the adverse effects of technology: it is not a determination that a technology should or should not be employed; it is not a mechanism to halt or slow the development of technology."

And technology is defined as the "systematic, purposeful application of knowledge, skill, and expertise toward a function or service useful to man."