

AFL-CIO'S CONCERNS IN CONSUMER EDUCATION

by

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I am pleased to have the opportunity to tell you about the AFL-CIO's interest in the field of consumer information. While organized labor's basic interest is in securing decent wages and working conditions, we also are concerned that what is won at the bargaining table will not be lost at the bargain table.

We subscribe wholeheartedly to the "bill of rights" for the consumer as presented by President Kennedy's message to Congress on a "Consumers' Protection and Interest Program." This, as you no doubt know, was the first presidential message to Congress in history on such a matter. We are equally pleased that President Johnson has given further thrust to this program.

Before giving you a brief description of our Consumer Counselling Program I should like to make some general comments. First, we feel a consumer information program has an important part to play in President Johnson's declared war on poverty. While it is admitted that the problem of poverty is primarily one of low income it is still important in our view to help low-income families learn to live with what they have, while hopefully awaiting the day when their circumstances will improve.

In reflecting on this type of program it is my feeling that certain assumptions have been made by those working in this field, including myself, that should be subjected to careful re-examination. These assumptions are:

1. That union members and the general public are thirsting for knowledge about consumer matters. It is my belief that in too many instances, those who attend consumer information courses are not necessarily the ones most in need of assistance.
2. That people know where to go for help.
3. That knowledge of where to go for help is sufficient to lead people to seek it. People often are timid about making complaints to legal authorities, to local Better Business Bureaus, to say nothing about vendors themselves. Many may suffer feelings of guilt or inferiority for having been "taken in" by some deal and they therefore wish to avoid further embarrassment by taking their plight to another person or agency.
4. Finally, that purchasers will make decisions in their best interest if they have knowledge of sources of helpful information on products and services. I have heard literate friends of mine say they went out and bought an expensive appliance of some sort and when they got home they hastened to look up its rating in Consumer Reports.

The Consumer Counselling Program of the AFL-CIO consists of three major parts. First, we recommend the organization of a consumer information course consisting of eight or ten sessions which includes discussion of such topics as buying the most for your money, family meal planning and food marketing, credit and installment buying, legal assistance and consumer protection, health care, and insurance - personal, auto and home. While the above subjects are ones we recommend, we urge local community services staff to be sure to include consumer problems that are of topical concern in their own communities, such as, for example, home improvement rackets which periodically sweep the country. We have prepared a course outline for these classes.

In connection with this phase of our program, may I say that one of our greatest problems in setting up a course is securing resource persons who are not only knowledgeable in their respective fields but who also have the facility of being able to communicate with union members. Here, it seems to me, is an area where members of CCI could be of great help.

A second element of our program is what we refer to as a Consumer Conference of Consumer Institute. This consists of a one day conference to explore more exhaustively a particular problem such as consumer credit, wage assignments, or consumer protection agencies. Such a conference is ideally suited to deal with current critical problems such as referred to above.

Finally, we recommend the establishment of consumer clinics to which union members can turn when he is faced with a particular consumer problem. Such a service can be set up in a union hall or office one or two evenings a week or on Saturday mornings and should be staffed with competent, impartial advisors who must not promote any specific service or brand, or use this service as an opportunity for selfish personal gain. The importance of this kind of service is underscored by one of the conclusions Caplovitz' reached in his study of consumer practices of low-income families in which he states that "it is doubtful that information campaigns depending only on impersonal media of communication will be enough to have a great impact on the low-income audience. Direct, personal contact clarifies and reinforces messages and provides social support for the intended change in behavior."

We have in mind the idea of setting up three or four experimental variations of our program to be carried out in as many cities, these to vary as to method as well as to content, followed up with as careful an evaluation of each as is possible. Here again, it seems to me that this is another area where CCI members could be most helpful.

To give you some idea of the potential of this program in organized labor may I give you a brief picture of our structure. There are currently 122 people located in 96 cities to whom we refer to generically as community services staff. It is the job of these persons to implement locally the AFL-CIO community services program, of which consumer counselling is only one. There are also community services staff working at the state level in four states, - Indiana, Michigan, Pennsylvania, and Wisconsin. A listing

of these with their addresses is available from our office. You might wish to get in touch with those in your area to discuss the possibility of working with them on consumer problems.

Another interest of ours, somewhat apart from this program, is the establishment of non-profit family debt counselling organizations. The AFL-CIO has not adopted any official policy with respect to such a service, but we are cognizant of the great need for it. Our general views on a family counselling program are as follows:

1. The service should be rehabilitative as well as designed to cope with emergency situations.
2. The program should include preventive as well as restorative features, - that is, counselling on how to avoid over-extension of credit.
3. The purpose of such counselling should never be to rehabilitate sufficiently a family's credit rating in order either to negotiate a new loan or to make a sale on credit terms.
4. A person's civil right to claim bankruptcy under Chapter XIII of the Bankruptcy Act must not be jeopardized.
5. The auspices of such a service should include credit-granting organizations, employer representatives, and broad community groups such as labor, social agencies, religious groups, credit unions, etc.
6. The major financial burden should be carried by the credit granting agencies.
7. Ideally, the counselling staff should have a combined knowledge of family counselling skills, family budgeting problems, and business practices, including creditor operations. This staff should be aware of the fact that over-extended indebtedness is often only a symptom of more deep-seated and complex family problems.

Lastly, may I refer to a few other items indicative of the AFL-CIO's activities in consumer matters. A leadership training institute sponsored by the AFL-CIO National Auxiliaries is to be held next July at the University of Colorado in which consumer problems will receive a great deal of attention. The AFL-CIO has published articles and pamphlets pertaining to the consumer such as "A Voice for the Consumer," in the March, 1964, AFL-CIO American Federationist (reprints of which are available), "Consumer Beware! A Guide to Installment Buying," "Pills, Prescriptions and Profits," "In Your Interest - The Need for the 'Truth in Lending' Bill," and "It's What's Inside That Counts," dealing with packaging, and lastly, our Community Service Activities leaflet "Consumer Counselling."

Thus, as you can see, the AFL-CIO wishes to keep pace with the present burgeoning interest on behalf of the consumer and stands ready to cooperate fully with other like-minded groups such as your own.