



North America— Can Cutting Unions Save \$100 Million?

by Roy Branson

North American Division leaders are seriously studying a proposal designed to save more than \$20 million a year by reducing nine unions to three regions.

The North American Division conference presidents are taking seriously a proposal to drastically reduce the number of unions in the division. In February, 90 percent of the division's conference presidents gathered at Pine Springs Ranch, Colorado for the authorized but semi-official gathering they have every year for two to three days. This year one of the conference presidents proposed that the North American Division be divided into three geographic regions—(1) Canada, (2) the eastern region of the United States (east of the Mississippi), and (3) the western region of the United States (west of the Mississippi). This president claimed that spread over four years the savings in operating expenses would come close to \$100 million.

The conference presidents referred the proposal to an official standing committee on structure established by the North American Division and chaired by B. J. Christensen, president of the Southern California Conference. Discus-

sions have already begun, and the committee is expected to have a preliminary report ready by the fall of 1994.

Indeed, the most noteworthy development is that reduction of unions is being seriously considered. Hardly anyone expects that the division will overnight virtually eliminate one level of church structure. Still, the initial modest proposal is eyeopening.

The plan would save money by reducing both the number of unions and the number of elected staff providing coordinating, rather than administrative leadership in each of the three regions: "A regional vice-president of the North American Division; a chief financial officer (to manage the regional revolving fund whose earnings would fund the regional office); two education officials (one to provide counsel in the areas of curriculum, textbook development, teacher credentialing, and school accreditation for elementary schools, and one to do the same for secondary schools, with lay per-

Roy Branson, a senior research fellow at the Kennedy Institute of Ethics, is editor of Spectrum and director of the Washington Institute.

sons chairing college boards); a trust officer, a communications officer (responsible for publications from the regional office); an ethnic representative (for any group that reaches 10 percent of the membership in the region); a legal/public affairs and religious liberty office; and essential support staff.

The annual operating budget of each region would not exceed one percent of each local conference's tithe for the previous year. Current conference subsidies to colleges and Home Health Education Services would continue, and

the union would pass through four percent of each conference's tithe to higher levels of church structure.

Currently, 10 percent of the \$400 million in tithe collected each year by the local conferences, or \$40 million, is passed on to the unions. Under this proposal, the amount sent to the regional offices would be one percent, or \$4 million, plus the four percent, or \$16 million, to be passed through the regions to other jurisdictions of the denomination—a total of \$20 million. That would leave more than \$20 million each year that is now not available to the local conferences, or approaching

\$100 million in four years (see accompanying charts).

In the 1970s, when Neal Wilson was vice-president of the General Conference for North America, reduction of unions was seriously debated. The only result was merger of the Central and Northern unions into the present Mid-America Union, and the consolidation of some of the conferences within the new union into larger entities. Perhaps this time the finances of conferences and educational institutions in the North American Division will dictate that at least more than two unions will merge.

Three Regions: Annual Savings by Conference

	PROJECTED TITHE	CURRENT UNION SUBSIDY	PROPOSED REGIONAL SUBSIDY	OTHER (4 PERCENT)	PROPOSED SAVINGS
ATLANTIC UNION					
Bermuda	\$2,589,456	\$258,947	\$25,895	\$103,578	\$129,474
Greater New York	\$9,129,980	\$912,998	\$91,300	\$365,199	\$456,499
New York	\$2,380,984	\$238,098	\$23,810	\$95,239	\$119,049
Northeastern	\$11,424,756	\$1,142,476	\$114,248	\$456,990	\$571,238
N. New England	\$3,076,124	\$307,612	\$30,761	\$123,045	\$153,806
S. New England	\$7,443,840	\$744,384	\$74,438	\$297,754	\$372,192
UNION TOTALS	\$36,045,140	\$3,604,515	\$360,452	\$1,441,806	\$1,802,257
CANADIAN UNION					
Alberta	\$3,264,080	\$326,408	\$32,641	\$130,563	\$163,204
British Columbia	\$6,166,472	\$616,647	\$61,665	\$246,659	\$308,323
Manitoba/ Saskatchewan	\$1,373,408	\$137,341	\$13,734	\$54,936	\$68,671
Maritime	\$829,548	\$82,955	\$8,295	\$33,182	\$41,478
Ontario	\$9,165,644	\$916,546	\$91,656	\$366,626	\$458,264
Quebec	\$1,415,464	\$141,546	\$14,155	\$56,619	\$70,772
Newfoundland/ Labrador	\$296,172	\$29,617	\$2,962	\$11,847	\$14,808
UNION TOTALS	\$22,510,788	\$2,251,060	\$225,108	\$900,432	\$1,125,520
COLUMBIA UNION					
Allegheny East	\$10,630,660	\$1,063,066	\$106,367	\$425,226	\$531,473
Allegheny West	\$2,433,100	\$243,310	\$24,331	\$97,324	\$121,655
Chesapeake	\$6,695,536	\$669,554	\$66,955	\$267,821	\$334,778
Mountain View	\$1,531,364	\$153,136	\$15,314	\$61,255	\$76,567
New Jersey	\$5,367,624	\$536,762	\$53,676	\$214,705	\$268,381
Ohio	\$6,906,788	\$690,679	\$69,068	\$276,272	\$345,339
Pennsylvania	\$6,322,584	\$632,258	\$63,256	\$252,903	\$316,099
Potomac	\$12,465,748	\$1,246,574	\$124,657	\$498,630	\$623,287
UNION TOTALS	\$52,353,404	\$5,235,339	\$523,624	\$2,094,136	\$2,617,579

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	PROJECTED TITLE	CURRENT UNION SUBSIDY	PROPOSED REGIONAL SUBSIDY	OTHER (4 PERCENT)	PROPOSED SAVINGS
LAKE UNION					
Illinois	\$6,729,840	\$672,984	\$67,298	\$269,194	\$336,492
Indiana	\$3,717,364	\$371,736	\$37,174	\$148,695	\$185,867
Lake Region	\$6,326,624	\$632,662	\$63,266	\$253,065	\$316,331
Michigan	\$16,333,376	\$1,633,338	\$163,334	\$653,335	\$816,669
Wisconsin	\$3,709,108	\$370,911	\$37,091	\$148,364	\$185,456
UNION TOTALS	\$36,816,312	\$3,681,631	\$368,163	\$1,472,652	\$1,840,816
MID-AMERICA UNION					
Central States	\$2,175,252	\$217,525	\$21,753	\$87,010	\$108,762
Dakota	\$2,146,620	\$214,662	\$21,466	\$85,865	\$107,331
Iowa/Missouri	\$5,647,112	\$564,711	\$56,471	\$225,884	\$282,356
Kansas/Nebraska	\$6,080,980	\$608,098	\$60,810	\$243,239	\$304,049
Minnesota	\$3,221,352	\$322,135	\$32,224	\$128,854	\$161,057
Rocky Mountain	\$7,575,624	\$757,562	\$75,756	\$303,025	\$378,781
UNION TOTALS	\$26,846,940	\$2,684,693	\$268,480	\$1,073,878	\$1,342,335
NORTH PACIFIC UNION					
Alaska	\$1,835,044	\$183,504	\$18,350	\$73,402	\$91,752
Idaho	\$3,360,684	\$336,068	\$33,607	\$134,427	\$168,034
Montana	\$1,774,008	\$177,400	\$17,740	\$70,960	\$88,700
Oregon	\$18,599,204	\$1,859,920	\$185,992	\$743,968	\$929,960
Upper Columbia	\$13,132,348	\$1,313,235	\$131,323	\$525,294	\$656,618
Washington	\$9,545,132	\$954,513	\$95,451	\$381,805	\$477,257
UNION TOTALS	\$48,246,420	\$4,824,640	\$482,463	\$1,929,857	\$2,412,320
PACIFIC UNION					
Arizona	\$4,587,744	\$458,774	\$45,877	\$183,510	\$229,387
Central California	\$15,143,684	\$1,514,368	\$151,437	\$605,747	\$757,184
Hawaii	\$2,932,192	\$293,219	\$29,322	\$117,288	\$146,609
Nevada/Utah	\$2,584,192	\$258,419	\$25,842	\$103,368	\$129,209
N. California	\$22,207,060	\$2,220,706	\$222,071	\$888,282	\$1,110,353
S.E. California	\$25,806,056	\$2,580,606	\$258,061	\$1,032,242	\$1,290,303
S. California	\$21,213,960	\$2,121,396	\$212,140	\$848,558	\$1,060,698
UNION TOTALS	\$94,474,888	\$9,447,488	\$944,750	\$3,778,996	\$4,723,742
SOUTHERN UNION					
Carolina	\$9,151,512	\$915,151	\$91,515	\$366,060	\$457,576
Florida	\$20,363,720	\$2,036,372	\$203,637	\$814,549	\$1,018,186
Georgia/Cumberland	\$15,981,940	\$1,598,194	\$159,819	\$639,278	\$799,097
Gulf States	\$4,352,148	\$435,215	\$43,521	\$174,086	\$217,608
Kentucky/Tennessee	\$6,654,564	\$665,456	\$66,546	\$266,183	\$332,727
S. Atlanta	\$7,061,580	\$706,158	\$70,615	\$282,463	\$353,080
S. Central	\$7,725,476	\$772,548	\$77,255	\$309,019	\$386,274
Southeastern	\$7,453,064	\$745,306	\$74,531	\$298,123	\$372,652
UNION TOTALS	\$78,744,004	\$7,874,400	\$787,439	\$3,149,760	\$3,937,201
SOUTHWESTERN					
Arkansas/Louisiana	\$5,571,252	\$557,125	\$55,713	\$222,850	\$278,562
Oklahoma	\$2,536,920	\$253,692	\$25,369	\$101,477	\$126,846
Southwest Region	\$5,490,720	\$549,072	\$54,907	\$219,629	\$274,536
Texas	\$14,666,960	\$1,466,696	\$146,670	\$586,678	\$733,348
Texico	\$2,540,824	\$254,082	\$25,408	\$101,633	\$127,041
UNION TOTALS	\$30,806,676	\$3,080,667	\$308,067	\$1,232,267	\$1,540,333
DIVISION TOTALS	\$426,844,572	\$42,684,433	\$4,268,546	\$17,073,783	\$21,342,104