

The Third Seat at the Bargaining Table

A Government Point of View

By WILLIAM E. SIMKIN

Director, Federal Mediation and
Conciliation Service

SUCH A DISTINGUISHED group of labor lawyers as this one takes a sizable risk in inviting a nonlawyer to appear on the program. Needless to say, as a nonlawyer, I also confront possible disaster in attempting to cope with such formidable and able panel associates as John Morse and Plato Papps who combine fine legal skills with keen intellect and long years of active experience in management-labor relations. When these risks are accentuated by the controversial nature of the subject matter for this session, it should be clear that we can look forward to a day of good fun even if I do enter the arena much like a "Christian" being fed to the lions. The "Christian" part of the analogy isn't too appropriate. After some 23 years of working with companies and unions, I'm not exactly a virgin and will at least attempt to supply tough meat for the encounter.

Primarily to keep the discussion at a controversial level and incidentally because of my confessed ignorance of many of the details of NLRB decisions, court decisions, wage and hour provisions, Davis-Bacon rulings, and the like, I will ignore for the most part the large areas of governmental impact on collective bargaining that are represented by the work of these arms of government. Important as these areas are, our principal topic for discussion is the seat at the bargaining table that may be occupied physically by a mediator.

Secondly, I should like to ignore grievance procedure and grievance arbitration. The role of government under most of our existing systems

for handling grievances is minimal in any event. For example, the Federal Mediation and Conciliation Service confines its arbitration activity to supplying lists of arbitrators, and we do not often mediate grievance disputes.

The primary area for my part of the discussion here is the role of government in the negotiation of labor agreements. The most typical circumstance is negotiation when the entire contract is open for change. However, initial agreements and reopening clauses under long-term agreements are also included. In short, we are concerned primarily with the times when legal strikes or lockouts can occur.

Probably the least controversial aspect of the government's role is contained in the notice provisions of Title I, Section 8(d), of the Taft-Hartley Act. These are the 60-day and 30-day notice clauses. The obvious intent is to require time for bargaining and to alert the Federal Mediation and Conciliation Service and other appropriate mediation agencies at least 30 days in advance of a possible crisis. The 30-day notice provision says, in effect, that the governmental agencies responsible for mediation are entitled to know when their services may be needed in order to permit advance planning. In actual practice, we have an obligation to know about and plan for the more important potential disputes well ahead of receipt of the 30-day notices.

In a typical year, the Federal Mediation and Conciliation Service receives about 100,000 30-day notices. That many contracts are negotiated each year in the 50 states plus (1) some unknown number of negotiations that occur where the legal notice requirements are ignored, (2) first contract cases where comparable notice is not

required, and (3) railroad and airline cases that are covered by separate legislation and that are outside our jurisdiction.

These 100,000 cases per year are quickly "simmered down" to about 20,000 assignments to FMCS mediators. This is accomplished administratively by separating out the cases (1) that can be left to state agencies, (2) that obviously require no mediation, and (3) by consolidation of several notices that in reality are only one dispute because of association bargaining and the like.

Active Mediation

The first important role of the Federal Mediation and Conciliation Service in these 20,000 assigned cases is to determine whether active mediation is required. This is accomplished by telephone calls or by personal conferences of the mediator with representatives of the parties. If the mediator knows the parties very well, he may be of assistance without ever sitting down at the bargaining table with them. About 13,000, or two-thirds, of the assigned cases require nothing more. The role of government has been confined primarily to a determination that the collective bargaining situation at these plants is healthy. The fact that active mediation assistance is required or even attempted in only seven per cent of all contracts negotiated and only one-third of the cases justifying mediator assignment is not well known but should be emphasized. In our preoccupation with the demonstrated ills of collective bargaining, the public should know that government involvement in any active way is so limited.

Coming now to the 7,000 cases per year where active mediation assistance is provided in the form of "sitting in" at one or more joint conferences, the role of government varies greatly. At one extreme is the type of case where the mediator participates in only one meeting. Despite careful screening, there are some such cases characterized by one of our Regional Directors

as a case where the mediator "has to run like a deer to get there before the parties settle." At the other extreme are actual cases requiring 60 or 70 joint conferences with the mediator plus extraordinary procedures. The average active case requires mediator participation at between three and four days of joint conferences. What does the mediator do in these cases?

The answers to the question just posed are by no means simple. However, the several answers are governed by a basic policy of the Service. The keystone of that basic policy is that preservation of collective bargaining is our primary goal.

It has long been recognized that a skilled mediator can be of great value by (1) calling meetings when the parties really want meetings but hesitate to ask for them for strategic reasons, (2) by conducting meetings in as orderly a manner as possible, (3) by acting in a liaison capacity between the parties as respects company or union proposals that would not be "laid on the table" in an official manner, and (4) by related devices. If these functions will suffice under the facts of a particular case, the mediator will not be required to do more.

The mediator can also be of great service in many cases by proposing an extension of time for more bargaining in lieu of a strike or proposing that bargaining begin earlier. One of the facts of life in present-day collective bargaining is that the scope of issues is increasing both as to numbers of real problems and complexity of the issues. More bargaining time is now required. For either a union or a company to propose an extension of time may sometimes be viewed as a sign of weakness, but a mediator proposal may be acceptable and necessary.

I would guess that both of my colleagues on this program and most practitioners in negotiations would find no major fault with the mediator functions just outlined, provided that they are performed with skill and finesse. It is when the mediator finds it necessary and advisable to pursue

more imaginative or aggressive tactics that room for criticism develops.

Mediation Devices

One such tactic is the active role of the mediator in suggesting one or more solutions on a deadlocked issue that have not been advanced by either the company or the union. Usually this is done in separate meetings with the parties. By "trying on for size" possible solutions, the resourceful and knowledgeable mediator may find an answer that is mutually acceptable but that would not have emerged in his absence. As long as such a tactic is pursued within the confidential confines of the meeting place and is done only when really needed and with a proper sense of timing, few practitioners would criticize the mediator, especially if the efforts are fruitful. It is equally obvious that no mediator will be successful in such endeavors unless he has been able to obtain the confidence of both parties, has a broad over-all grasp of the facts and the needs of both parties and has the requisite ability to make suggestions that have merit.

A tactic that goes one step further is of more doubtful validity. I am referring to formal recommendations, written or unwritten. As respects this mediation device, there are variations.

In some instances, the mediator has already obtained acceptance in advance by both parties. To meet internal needs, either the union or the company, or both, may be reluctant to adopt a solution as their own without some "buck passing" to the mediator. It may be said that such a situation reflects a partial breakdown of collective bargaining in that some of the responsibilities of leadership are being avoided. However, I question whether the realists in the collective bargaining arena believe that this form of recommendation goes beyond a proper function of government if practiced by a skilled and unbiased mediator.

We begin to reach the substantial area of controversy when formal recommendations are made in the absence

of acceptance in advance and where publicity given to such recommendations is intended to exert public pressure for settlement. In any such instance, there is no formal or legal requirement that either party accept the recommendations. However, we should not attempt to avoid the fact that this device is perilously close to governmental determination of terms and conditions of employment.

The need for public recommendations or for some other procedure beyond normal mediation arises in situations where an unquestioned bargaining deadlock exists, where a strike or lockout is inevitable or already exists, and where the public interest is so great that the strike or lockout, if permitted to continue for its probable duration, will not perform its intended function of inducing a settlement prior to the imposition of irreparable harm to the public.

Public Recommendations

Without overdoing the public interest concept, it should be clear to all of us that there are some situations where public interest must override private interests. Will Rogers is reputed to have once said: "Your right to swing your arms stops just short of the end of my nose." The public nose is very close to some disputes. To be more specific, two current situations are illustrative. An extended longshore strike from Maine to Texas could paralyze our shipping lifelines to all corners of the globe and do irreparable harm to our international relations long before either the union or the companies involved would be forced to a settlement by economic sanctions. A Taft-Hartley injunction has been secured. The issues in some of this year's aerospace disputes are such that the public would not tolerate the delays in our missile program that would be long enough to force a settlement by economic pressures on the companies or unions. Special board procedures are being utilized. This is not to say that extraordinary measures would always be necessary in these two industries. What I am saying is

that within the context of the world situation today and the issues in this year's disputes, the public interest would not permit the long strikes that would have occurred in these two situations.

In contrast to these cases, other recent situations should be noted. Strikes did occur at a Hercules Powder plant in Utah, producing solid fuel for Minuteman and Polaris, and at the Electric Boat Division of General Dynamics in Connecticut, our principal source of Polaris equipped submarines. Intensive mediation efforts were employed in both cases, but Taft-Hartley injunction or special board procedures were not invoked. The difference was not a question of importance to our defense effort. Both plants are as vital as most of our missile manufacturing plants. The difference was that, based on our knowledge of the issues in dispute, we took a calculated risk that short strikes would suffice to bring about settlements. Fortunately, the calculated risks were not incorrect. Extraordinary devices were not needed.

Extraordinary Measures

What I have been attempting to say by means of illustrations is that intensive mediation efforts up to but not including public recommendations (in the absence of prior agreement to accept the recommendations) should be the usual limit of the government's role unless both of the following circumstances prevail: (1) a real stalemate exists, and (2) the stalemate will not be broken by the economic sanctions of a strike or lockout before irreparable harm is done to the public. Public inconvenience is not irreparable harm. If both of these circumstances exist, government does have the responsibility and duty to protect the public interest by extraordinary measures such as the Taft-Hartley injunction or alternative devices.

It is suggested by some that the Taft-Hartley injunction is the one and only recourse of government in such a situation and that any other

device is both extra-legal and improper. The provision of the Act that prevents a Taft-Hartley Board from making public recommendations before or during the 80-day period is specific and was an expression by Congress in 1947 of majority disapproval of the recommendation device when associated with an injunction. However, the same Act provides that the Director of the Federal Mediation and Conciliation Service "shall seek to induce the parties voluntarily to seek other means for settling the dispute without resort to strike, lock-out, or other coercion, . . ." "Other means" are not defined. Any device agreed to voluntarily by the parties is clearly intended. For example, if I had suggested to the aerospace companies and to the unions that they agree to a distinguished public board with power to make recommendations and they had accepted my suggestion, this would have been in full conformance with the Act. The fact of the matter is that the President made the request of these companies and unions, and they agreed to his request. They did not agree in advance to accept the specific terms of unknown recommendations, but that is a matter quite separate and apart from propriety or legality of the procedure.

In atomic energy disputes, the Atomic Energy Labor Management Relations Panel has existed for many years under both Democratic and Republican Presidents with the responsibility and duty to make public recommendations where adequate evidence of criticality exists.

The Missile Sites Labor Commission, established by President Kennedy by executive order in May, 1961, after obtaining no-strike, no-lockout pledges from labor and industry, is an example of still another procedure to meet types of critical problems for which the Taft-Hartley injunction device would be useless. Most of the missile site strikes even before May, 1961, were of short duration and were concluded before a Taft-Hartley Board could have been established.

Conclusion

In short, it is not valid to say that the Taft-Hartley injunction is the only legal or proper procedure that is available in a dispute where the public interest transcends private interests. The President and the executive arm of government are not limited to this one device. It may well be that the executive branch of government would be strengthened in the use of alternative methods if new labor legislation should be enacted as recommended almost unanimously by the President's Advisory Committee on Labor-Management Relations. In the meantime, judicious use of alternatives is not prohibited either by law or by common sense. To the contrary, limited use of alternative devices is desirable.

The right of government to use alternative procedures in critical disputes, including some careful experimentation, is not a license for widespread intervention at the bargaining table beyond normal mediation and conciliation efforts. All of us who believe firmly in the institution of col-

lective bargaining know that it can be weakened and even destroyed by excessive third party intervention of any sort. Those of us who carry some responsibility as to the various decisions that have to be made about extent and type of government intervention have a necessary heavy burden. Moreover, those decisions are fraught with the possibility of human error. It is my personal conviction that it is imperative that we preserve the maximum of voluntarism in every such decision that must be made. Somewhat paradoxically, it is also my conviction that, in the absence of any governmental intervention, the minority failures of collective bargaining would lead to new restrictive legislation that could nullify many of its past and present achievements.

We walk a tight rope with real danger on both sides. The only sound solution to our dilemma is that labor and management accept the full responsibility of voluntarism and so conduct themselves that the necessity for extraordinary intervention of government becomes *de minimus*.

[The End]

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A Management Point of View

By JOHN H. MORSE

Cravath, Swaine and Moore;
New York City

AS THE TOPIC of my statement indicates, I am expressing here today only one management viewpoint—and that is my own. There are, as is generally known, different management points of view on this subject, just as there are differences of opinion on this matter among responsible spokesmen for labor and for government.

As I will discuss it today, the "third seat at the bargaining table" implies

a role other than the one customarily performed by a mediator or conciliator of assisting the parties to reach an agreement which is basically their own. The Federal Mediation and Conciliation Service, of which Mr. Simkin is the distinguished Director, and the National Mediation Board in the area of public transportation, of which Mr. Francis O'Neill is the able Chairman, for many years have furnished this type of service to disputants.

Mediators supplied by those agencies generally do not attempt to shape the content of the bargain in accordance with any preconceived national

policy, but normally confine their efforts to bringing the parties into voluntary agreement. Both labor and management have learned to put their trust in these dedicated public servants, and they are the instruments by which many important agreements have been reached and cemented.

The concept that is under discussion today contemplates virtually three-way bargaining, with the third party (presumably government appointees) having an influential, and perhaps even a controlling, voice as to the terms of agreement. Inevitably, government appointees would be viewed by the general public as occupying a superior role, as protector of the public interest against the allegedly selfish aims of the private contestants.

One difficulty with a brief discussion of this subject is that, for purposes of thoughtful analysis, it does not lend itself to easy, dogmatic generalizations. A traditional management position is that there should be absolutely no government intervention of any kind, and good arguments can be made in support of that position. Yet management, in days long past, invoked government intervention in labor matters when it fought unionization with the injunctive process. And in many more recent situations, managements, unable alone to cope with present-day massive union power, have come to rely on the findings of government boards in airline, railroad and other so-called national emergency disputes.

Unions, on the other hand, have traditionally welcomed government intervention in labor disputes. When they were still struggling for existence they sought government intervention out of weakness; later, when they became powerful political and economic instruments, they were able to bend government policy to their will and thus used government intervention to further their bargaining aims, such as in the case of the National War Labor Board during World War II, *ad hoc* Presidential fact-finding boards, and the so-called Wage Stabilization Board during the Korean

War. But in more and more instances today unions are opposing government decision-making in collective bargaining, as they have consolidated their power to impose terms without government help and as their unceasing demands have outstripped current government thinking as to the reasonable and practicable rate of union gains.

So it is that each side has at times sought government help to serve its own interests, and at other times has opposed government intervention for the same reasons.

Long-Range Interests

Manifestly, national policy on this subject should not be based on considerations of temporary expediency, as it frequently is, or on tactical advantage to either side. The interests of both management and labor will be served if policy on this matter is based on the long-range interests of the entire country.

The first obvious question we should ask ourselves is why government intervention in collective bargaining is thought to be either necessary or desirable. One reason is that, under present-day trade union and bargaining structures, when collective bargaining breaks down and strikes result, many people are injured—not only the employers and employees directly involved but also suppliers, customers and in many instances the general public; and it is increasingly in the American tradition that when people are threatened or hurt they look to the government for relief. Another reason is that there is a spreading realization that economic decisions made in collective bargaining in the private sector of our economy have a substantial effect upon the economic health of the entire nation; hence, it is urged, the government should have a voice in those decisions and they should not be left solely to the participants to make.

Government intervention and participation in collective bargaining is, therefore, appealing on many grounds—in order to minimize economic strife,

RALPH MCGILL

Evening Star

1/3/63

For a Stronger Labor Department

Return of Mediation Division and Funds For Increased Research Called Urgent

In Charles Gates Dawes' diary of "The McKinley Years" two entries written in New York in 1903 read:

January 19—"Met Pam, Valentine and Phillips at Judge E. H. Gary's office in the United States Steel Corporation headquarters. . . . Had a long distance call from (George Bruce) Cortelyou. He wanted me to come over and see the President but I did not want to breathe political air at this time as Cortelyou had written me asking for advice as to the appointment of his assistant in case he was appointed as Secretary of the new Department of Commerce about to be established. I suggested Dan Wing to him (Wing was then a Boston banker.)"

February 19—"Found Dan Wing at bank. He had visited Washington, as arranged by wire, and talked with President Roosevelt and Secretary Cortelyou. He then came here (New York) after receiving from them the tender of Assistant Secretaryship of the Department of Commerce; to consult as to whether he should accept it. . . . Dan goes expecting to accept unless his business associates object too strenuously. (His associates did object and Mr. Dawes then attended a meeting at the Union League Club and later reported to Mr. Cortelyou that he had found a man who would accept. This was Lawrence Murray, a government employee.)"

The entries are revealing in that the newly created department was that of Commerce and Labor, and not merely of Commerce. It was established by an act of Congress on February 14, 1903.

Mr. Cartelyou, who was the first Secretary, had been private secretary to a number of men heading up banks and corporations. He had become a minor political hack. It is significant that the emphasis was on commerce with no mention made of labor. Actually, it was not until March 4, 1913, that a separate Department of Labor was created. Even so, it was not until the Roosevelt years and enactment of the Wagner Act that the new department took on meaning.

Today we see the able and scholarly Secretary of Labor Willard Wirtz overloaded with strikes which are, in the main, of a structure and intensity unlike those of past eras. It is time for the Congress, and the public, to come to the aid of the Department of Labor. The longshoremen's strike is based on the disappearance of jobs. There is not much bargaining that can be done. It is obvious that much of the labor "trouble" in the future will be concerned with the new problems of automation and the almost incredible technology which is coming—strikes or not.

Two immediate reforms could be made which would

strengthen the department and make it more able to move with a certain dispatch. The Congress, in a fit of pique (being angry at a Secretary of Labor), separated the Federal Mediation Service from the Department of Labor. This means the Secretary and his staff have no authority to co-ordinate mediation with their own plans. If mediation is failing they must sit by and wait until the failure is dropped on the Secretary's desk. It is obvious that the Department of Labor will be increasingly important to the Nation and to its future. It can function more efficiently if it can co-ordinate mediation with its overall policies.

Secondly, the department needs more money and staff for research. We cheerfully spend billions on agriculture and hundreds of millions of this is spent on research. Nowhere is research more important than in the economy. What will automation mean? What is ahead in the new technologies? Where will their impact be greatest? How much job-retraining must be done in the years ahead? What industries and skills are on the way to obsolescence?

We put great stress on conservation of game, fish, forests, et cetera.

Can we do less in terms of human resources?

A beginning must be made. The first step is to strengthen the Department of Labor and give it the tools to work with the new problems.

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New York Newspapers Hint They May Try To Publish Without the Striking Printers

NEW YORK — Publishers of New York City's nine closed newspapers hinted they may try to publish without the striking printers. It was also disclosed that the publishers and printers met twice with New York Mayor Wagner over the New Year's weekend.

In a statement, the publishers said that in their meetings with the mayor they "bowed to suggestions in areas involving serious doubt" on their part. It was understood this meant they had agreed to discuss certain issues that they previously had refused to take up, but that no agreement was reached. Federal mediators also reported "no tangible progress" after a 2½-hour negotiating session yesterday.

The hint of possible resumption of publication came in a statement issued by the Publishers Association of New York. The statement concluded: "... they will continue to seek by every possible method a means of resuming at the earliest date the service of their newspapers to the people of New York." A spokesman declined to elaborate, saying "the statement speaks for itself."

Reaction of Printers' Head

But Bertram A. Powers, president of Local 6 of the Typographical Union, charged the publishers' statement contained a "veiled threat" to resume publication "without the Typographical Union." He suggested the publishers might try to put out papers prepared by VariType rather than by Linotype and have them printed and mailed by "strikebreakers."

VariType is the trade name for a process through which copy is typed and then photographed for reproduction, eliminating the usual type-setting procedure performed by printers. The printing of newspapers by using this process requires the skills of other craftsmen, such as stereotypers and pressmen, who have been supporting the printers' strike, however. VariTypes are made by Addressograph-Multi-graph Corp.

"I asked the publishers if they had such a thing in mind, and they didn't deny it," Mr. Powers said.

Strike Began Dec. 8

Amory H. Bradford, chairman of the publishers group, was asked if the papers might use the VariType process. The Associated Press quoted him as replying: "Remember, that was done in Chicago in 1948." He re-

ferred to a 22-month strike of Chicago newspapers that began in 1947.

The Typographical Union struck the New York Times, Daily News, Journal-American and World Telegram & Sun on Dec. 8. The Herald Tribune, Mirror and Post and the Long Island Press and the Star-Journal then halted operations under a publishers' agreement. Wages are the chief issue.

Neither the unions nor the papers have changed their positions, Federal mediator William Simkin said after yesterday's talks. Further talks are scheduled today.

Asked to comment on a report that both sides had been prepared to make concessions, Mr. Simkin said, "Any hope of a settlement at this meeting was premature and unfounded."

The strike won't precipitate the failure or merger of the New York Mirror, its publisher, Charles B. McCabe, declared. He said there was "absolutely no truth" to a radio report that the morning tabloid might permanently suspend publication or merge with another newspaper. The Mirror "is prepared to resume publication the moment union difficulties are settled," he said. He predicted the paper "will be around for a long time."

Although declining to comment on whether the Mirror has been operating profitably, Mr. McCabe said that "November was the 25th consecutive month of daily circulation increases and the fourth consecutive month of Sunday circulation increases." In the six months ended last Sept. 30, the Mirror's average daily paid circulation Monday through Friday rose to 919,064 from 886,367 in the like 1961 period. Saturday circulation rose to 821,260 from 795,582, while Sunday circulation declined slightly to 1,152,858 from 1,158,921.

He added that the Mirror, alone among the seven major general dailies published in Manhattan, posted gains in retail advertising lineage in the first 11 months of 1962 from the comparable period the year before.

The strike has contributed to the closing of one Broadway play and the delayed opening of another.

The Affair, a drama by C. P. Snow which had been doing marginal business, closed Saturday after a two-month run. Morton Gottlieb, general manager of Bonard Productions, Inc., producer of the play, said ticket sales had relied largely on special promotions such as free seats on certain nights.

The Milk Train Doesn't Stop Here Anymore, a new play by Tennessee Williams, scheduled to open Jan. 10, has been postponed to Jan. 16 because of the strike.

Dock Talks Turn to Economic Items

By Ed Townsend

Labor Correspondent of
The Christian Science Monitor

New York

Negotiators for Atlantic and Gulf shipping companies and the International Longshoremen's Association this week tackled economic issues for the first time since contract bargaining got under way last August. Mediators reported "real progress" was made.

The critical manpower issue, involving an employer demand for a reduction in dock work gangs from 20 to 17 men, was put aside at least temporarily under strong pressure from Labor Secretary W. Willard Wirtz.

ILA and the New York Shipping Association, bargaining

for 145 companies agreed to submit this issue to a two-year study.

Previously, ILA had refused to discuss the bread-and-butter issues until agreement was reached on the size of work gangs. The fact that talks had turned at last to money matters, generally more easily compromised than questions of principle, was encouraging.

The wage gap between the parties was narrowed, but they were still far apart on fringes.

One negotiator commented that a settlement in the economic area would take time, hard work on details, and "considerably more give-and-

take" than had been evident up to midweek.

Meanwhile, there was no reason for even faint optimism in the New York newspaper strike. Hopes that rose at midweek when the printers' local president, Bertram Powers, indicated some flexibility in the strikers' position were quickly dashed. Meetings with Mayor Robert Wagner to explore a possibility of more serious bargaining got nowhere.

The degree of optimism that exists in the shipping strike is largely due to the administration's involvement in the dispute that has tied up shipping in ports from Maine to Texas.

Thorniest Issue Set Aside

tract period, with retroactivity to last Sept. 30.

The shippers contend they can't afford the added labor bill. Their last offer was for about 22 cents an hour over the same period—12 cents initially and 10 cents more in 1964, to be taken at ILA's option in wages only or divided between wages and fringes.

To the shippers, their acceptance of a study of the work gang issue—with the gang size remaining at 20 men—involves a continued "unnecessary" labor cost that must be taken into consideration in settling economic differences.

Delay a Victory

Even a temporary retention of the 20-man gang, during a study of manpower utilization and job security problems, is a significant victory for Mr. Gleason—and he won't back away from it in a compromise over additional pennies. He is bargaining now for both the 20-man gang and more money.

Mr. Reynolds called in Prof. James Healy of Harvard on Wednesday to make a quick survey of ILA's pension and welfare demands—11 cents for pensions, 10 cents for added welfare benefits, 3 cents for medical clinics, and 1 to 2 cents for added paid holidays (to 12 a year), longer vacations for some senior workers, and four hours guaranteed pay for any worker called in to work—whether or not he works that long or at all.

Newspapers Stalled

Mr. Wirtz and Assistant Secretary of Labor James Reynolds have been pressing the parties to settle their differences before the Atlantic and Gulf shipping shutdown can become a critical matter for the national economy.

At midweek, President Kennedy was reported ready to intervene personally, if necessary, to reinforce Messrs. Wirtz and Reynolds, William E. Simkin, Director of the Federal Mediation and Conciliation Service, and other administration aides in a hard drive to get idled shipping back in service.

The ILA is asking for about 26 cents an hour in wage increases 15 cents initially and 11 cents more in 1964—and about 26 cents an hour more on fringe benefits over a two-year con-

Talks in News Strike Recessed Indefinitely

NEW YORK, Jan. 4 (AP).—A Federal mediator has recessed indefinitely negotiations between the striking International Typographical Union's Local No. 6 and publishers of the city's nine major newspapers.

William E. Simkin, director of the Federal Mediation and Conciliation Service, said yesterday "there has been no tangible movement" by either party.

"Same Position"

He recessed the talks after two joint meetings, on grounds representatives of the printers' union and the publishers were "substantially at the same position they were at the time the strike began," 28 days ago.

Mr. Simkin said, "we suggested that it was time for the union to move—a substantial move—but, as is their right, the union said they were not prepared to do so at this time."

He said the publishers had indicated they were ready to move beyond their present offer, "but at an appropriate time."

The New York publishers have offered the printers a package of \$9.20 spread over two years. Local 6 has demanded a weekly wage increase of \$18.45 spread over two years. The pre-strike average basic wage was \$141 a week on the day shift.

Cleveland Still Tied Up

In Cleveland, a strike which has shut down the city's two daily newspapers has entered its sixth week. Talks were scheduled today between the Teamsters Union (independent) and the publishers. A meeting

is also scheduled Saturday between the AFL-CIO American Newspaper Guild and the publishers.

The Teamsters-publishers session is the first since negotiations broke off last Saturday.

The Teamsters are seeking wage increases and better working conditions, and the Guild is seeking added union security and wage increases. The papers involved are the Cleveland Plain Dealer and the Cleveland Press and News.

The Cleveland newspaper publishers have issued a statement saying publication will resume when the strikes are settled. This was contrary to previous reports that publication would be held up pending agreements with 10 other craft unions now negotiating with the papers.

Union to Vote On New Offer Of Boeing Co.

By the Associated Press

The Federal Mediation Service says union employees of the Boeing Co. will vote Wednesday on the company's latest contract offer.

William E. Simkin, director of the service, said yesterday the International Association of Machinists has postponed a threatened strike against the company until after the balloting.

A walkout had been threatened for last midnight in the 6-month-old dispute. The chief issue involved is the IAM's demand for a union shop, under which all workers would be required to join the union.

Boeing, a major missile-plane producer, employs about 43,000 persons. Its principal plants are at Seattle, Wash., and Wichita, Kans.

P. L. (Roy) Siemiller, of Chicago, machinists union vice president, said the company had refused a union offer to submit all unresolved issues to binding arbitration.

A Boeing spokesman, Lowell P. Michelwait, said the vote to be taken Wednesday was unfair in that it would be only a poll of the union's members and would not include non-union workers.

He said the vote would be on the company offer of a wage increase of 22 to 23 cents an hour over the proposed three-year contract term, plus a cost-of-living adjustment annually and several other issues.

INDUSTRIES

Paper strike involves more than wages

Dispute with New York Publishers Assn. is also an attempt of printers' union to regain some of its old prestige—in the face of technological changes

New Yorkers sought newspapers at stands offering out-of-town papers again this midweek as a printers' strike moved through its fourth deadlocked week. They grumbled at inconvenience and questioned the failure of city or federal mediators to knock labor and management heads together hard enough to bring them into groggy agreement.

The dispute isn't simple enough for such a solution. What appears to be a straightforward fight about money is also all about feelings. It's a job for a psychologist as much as for an economist or labor relations man.

This is true in more labor disputes than the public realizes. Nowhere is it truer than in the militant strike being waged by Local 6 of the International Typographical Union against the New York Publishers Assn. Some 2,900 printers are trying to recover the glories of the past and stave off the dangers of the future. Except in a limited sense, they can't possibly succeed. But Freud

himself couldn't have kept them from trying.

The pacesetter. Printers are among the traditional aristocrats of the U.S. trade union movement—highly skilled, highly paid, independent-minded, and outspoken. Publishers might add another adjective: cantankerous. Their union, ITU, is among the oldest and most democratic, with an institutionalized two-party system that offers a choice between candidates and platforms at each election.

Local 6, 112 years old, is the proud pacesetter for this group. But in recent years—as members employed by the nine New York papers see it—it hasn't been setting much of a pace. It has been forced to settle for modest wage packages negotiated by other unions, most recently by the American Newspaper Guild. These have both disappointed the local membership and undercut the bargaining position of ITU locals in other cities.

Moreover, although printers earn

a substantial wage by most craft standards, their position relative to other newspaper crafts has declined steadily. Within the working lifetime of many ITU members still on the job, a reporter's salary has gone from roughly two-thirds of a printer's to a figure well above his current \$141.

Lost supremacy. There's a simple reason for the shift: ITU pegged its members' wages at a high-skill level a long time ago while ANG, founded in 1933, made its gains during the past 30 years. But reasons don't change feelings.

The printers have even lost their place as top dogs in their own Local 6. For the first time, commercial printers earn more than their newspaper colleagues—the result of a two-step, \$15 increase won in 1961, the year that newspaper printers got half as much. Some fringe benefits—shorter work weeks, longer sick leaves—are also better, both for commercial printers and members of other newspaper crafts.

At the same time, the newspaper printers note with alarm that New York City publishers have turned tough after years of handling grievances with kid gloves.

"Now they fight about everything," one rank-and-file printer reported bitterly. "They push every piddling thing to arbitration."

Comeback try. Against this background, the demand for a \$10.55 raise this year, a \$8.45 raise next year, and \$19 worth of fringes is not so much an unrealistic bargaining proposal as a violent, semi-panicky bid to regain their lost primacy now, at once, before it is too late.

"Too late" refers to a specific date on the printers' calendar: the day when small-scale automation will have weakened ITU enough to prevent it from successfully opposing further, large-scale automation. That will be doomsday, most printers feel.

Technical innovations with a potential for wiping out jobs are developing rapidly in printing. One of them—the Teletypesetter, which transmits and sets type in one operation—is an issue in the strike. The process can be used for stock tables, West Coast and overseas editions, possibly for syndicate services. The publishers want an over-all understanding on its use; Local 6 wants to negotiate ground rules newspaper by newspaper.

Look ahead. But the printers are looking beyond winning or losing their point on the particular process—which jeopardizes no jobs immediately in any case, the publishers say. They are looking squarely at all the other innovations that threaten

their place in the industry: facsimile, tape, and a host of others.

Now is the time for a show of strength, they feel, to remind the publishers who they are and what they can do—while they can still do it. Now is the time to administer such a dose of militancy that—win, lose, or draw—a publisher will think twice before deciding to introduce job-cutting machinery. At the least, he'll understand that he must negotiate the terms of its introduction, and that the price will be high.

This is the point at which cold calculation supports hot emotion. The combination probably explains why ITU—which quietly discouraged Local 6 from striking at the last contract—is backing it this time. Certainly it increases the likelihood that the printers' first strike in 75 years will be long and bitter.

Union negotiator. The man presumably behind the calculation is Bertram Powers, a hard-as-nails negotiator who is serving his first term as Local 6 president. For the frustrated, frightened, furious members, he is just what the doctor ordered. That's why they elected him. But whether he can win what they want is another matter.

It is entirely possible, however, that even if he can't—and who can recover the past or deliver total protection against technological change?—he may not pay the usual political penalty at the next election. So long as he wins something, the printers may decide that they got what they really wanted—an opportunity to take arms against their troubles.

It may not make sense to an economist. But a psychologist would understand it.

Stalemate in Cleveland

Clevelanders this week are getting more accustomed to living without newspapers, as the strike in that city swings into its sixth week. Publishers seemed in little hurry to negotiate a settlement, now that the lush Christmas advertising was being collected.

Complicating the situation is the fact that contracts with all other unions at the two papers have expired. Management is trying to negotiate settlements with nonstriking unions as well as with the striking Guild and Teamsters.

The Guild demanded both job and union security provisions when it walked out. Management has offered \$8 a week over two years, but insists that it will never accede to the union shop or similar formula.

Meanwhile, a group of the strikers began publishing a four-page tabloid daily, *The Between Times*. Carrying TV listings, local and international news, sports, and advertising, the paper is being distributed free at downtown stores, hotels and restaurants—which buy bulk copies for 2¢ to 5¢ each.

Steel union seeks early bargaining, as vacation plan takes effect

New fringe benefits for a half-million steelworkers went into effect this week. Meantime, their union pressed plans with industry for early bargaining in a contract reopening—possibly a Jan. 14 starting date and, hopefully, a settlement on Feb. 14.

Under the contract signed last spring, steelworkers with 25 years' service are now entitled to four weeks of paid vacation. Those with less seniority also will be due liberalized vacations this year—at an average cost to the industry of 2½¢ an hour for each worker.

Starting Feb. 1, the steelworkers' vacation-savings plan will be in effect. An extra week of paid vacation will be credited for each two years of service after Dec. 31, 1960. Workers may take the vacation or save the vacation pay, at interest, until they retire, leave their employment, or need emergency funds.

McDonnell machinists ratify new contract by slim margin, averting strike

Machinists employed by the McDonnell Aircraft Corp. last week accepted—by a slim margin—contract terms that averted a strike at the corporation's St. Louis plant. An official of the International Assn. of Machinists described the terms as "the best in this industry this year"—a package including 2½% pay boosts for each of the next three years and fringe gains.

Even so, the settlement was heavily opposed in a stormy union meeting marked by a fist fight. IAM members finally ratified it 5,021 to 4,918. Those opposed called for strike action. The local previously had voted 7,530 to 1,371 to walk out.

The storm over the settlement was symptomatic of the increasing trouble international union leaders are having in winning acceptance of negotiated terms. To the Federal Mediation & Conciliation Service, this is one of the biggest threats to labor peace today. Generally, the local haggling—and rejections—can be traced to fears of job loss; the object is more security, not more money, in almost all instances.

Rail unions shunt rules-change decision on featherbedding to Supreme Court

A lawsuit over railroad demands to change work rules and eliminate up to 65,000 jobs is on its way to the Supreme Court. Five operating brotherhoods this week moved for a review of a lower court decision that carriers have a right to put rules changes into effect.

At the same time, they asked for an extension of bars against rules changes pending Supreme Court action. Normally, this might take about a year.

The carriers were enjoined last Aug. 16 from changes

that would eliminate 40,000 firemen on diesel locomotives in freight and yard service and that would cost jobs of another 25,000 train-operating employees in the next five years. An appellate court held on Nov. 28 that the roads may legally change rules, and the court subsequently rejected the unions' plea for a rehearing.

The carriers complain that the brotherhoods' legal maneuvering is a "stall" against now inevitable curbs on featherbedding practices.

English employers try to stop spread of 40-hour week from Scotland

British employers are worried about union efforts to reduce the standard work week from 42 to 40 hours. They contend that industry can't afford the higher cost that would be involved if it is to be competitive.

A few weeks ago Scottish construction employers agreed to reduce the work week of their 90,000 workers to 40 hours, effective next October. The agreement jolted employers in England; they saw unavoidable precedent—if the reduction couldn't be counteracted quickly.

At their urging, the government referred the Scottish settlement to its new National Incomes Commission for a "retrospective" examination of the hours cut. The NIC—nicknamed Nicky—was told to decide whether the reduction was in the public interest, since those covered actually have been working more than 42 hours a week.

Nicky has no power to reverse the agreement if it finds the hours cut is not in the public interest. However, an adverse decision—given publicity—might prevent the reduction from spreading from Scotland to building trades in other parts of Britain and from the building industry into other industries.

The government aim with Nicky is to establish that labor settlements should take the public interest into account and to strengthen the government's policy of moderation.

The British standard work week has been reduced from 44 to 42 hours over the past three years while pay rates have risen about 15%.

WALL STREET JOURNAL
JAN 7 1963

Prospects Brighten For Settlement of Hat Strike in New York

Joint Union-Industry Meetings
Expected to Begin Today; Both
Sides to Join in Fashion Show

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Prospects for settlement of a strike against women's hat manufacturers in the New York City area brightened as officials of the Federal Mediation and Conciliation Service worked to bring both sides together.

Commissioner Jacob Mandelbaum of the Federal agency, who met Friday with representatives of both sides, said "in all likelihood" joint meetings would be held beginning today. No negotiating sessions between representatives of the striking United Hat, Cap, and Millinery Workers Union and the Eastern Women's Headwear Association, a trade group representing 350 employers, have been held since the old contract expired Dec. 31. The strike began Jan. 3, tying up close to 90% of the area's 450 shops. An estimated 65% of the women's hat industry is concentrated in the New York area.

The union has asked for a \$10 weekly increase for employes making \$55 a week, the lowest scale, and a 10% increase for all other employes, to be spread over a three-year contract. The union wants half the increase to take effect Jan. 1, 1963, and the other half Jan. 1, 1964, with no increase for the third year. In addition, the union has asked for an increase of 1% of total payroll costs in employer contributions to the pension fund. Employers now pay 10% of payrolls to retirement, vacation, and health and welfare funds. The union says the retirement fund paid out \$300,000 more than it took in last year.

The union has also asked for another 1%

employer contribution to the union label fund, instead of the present flat fees paid by manufacturers. Manufacturers now pay \$2.25 a thousand labels for hats sold to retailers for less than \$36 a dozen and \$3 a thousand for higher priced hats. Nathaniel Spector, chief union negotiator, said the union would agree to a one-year postponement of the additional 1% retirement fund contribution and the union label payment conversion.

Employers have offered a \$5 or 5% weekly pay raise, depending on the scale, also to be spread over a three-year contract. Half the increase would take effect Jan. 1, 1963, and the other half Jan. 1, 1964. The trade association has asked to change piece-rate payments to a schedule solely of dollars and cents from a percentage of base pay; it also wants to change the method of payment for work on legal holidays to a pro-rata basis instead of the current full day's wages for all eligible workers.

Employers maintain union demands would cost manufacturers an additional 20% to 28% in total labor costs. The union says piece-rate payments to workers are currently insufficient because, the union maintains, manufacturers haven't adequately promoted the sale of union-worker-made products.

CLEVELAND—Cleveland Mayor Ralph S. Locher called meetings for today between publishers of the city's two newspapers and negotiators of both the striking American Newspaper Guild and Teamsters Union in an effort to settle the 40-day-long dispute.

Publishers of the Plain Dealer and the Press & News agreed to meet with the mayor and negotiators of the guild this morning. A session between the publishers and officials of Local 473 of the Teamsters was scheduled for this afternoon.

Meanwhile, guild officials yesterday sent a telegram to Labor Secretary Wirtz, asking him to intervene in the strike that has closed both the local daily newspapers in the city since Nov. 30. No reply had been received from the Labor Secretary late yesterday.

The bid from Mayor Locher to bring the publishers and striking unions together came as a deadlock in negotiations developed over the weekend. Negotiations between the papers and the guild with Federal mediator Gilbert Seldin had been recessed until next Monday; talks with the Teamsters had been broken off indefinitely.

In the interim, the publishers have scheduled contract talks with other printing craft unions whose contracts expired before or during the strike of the guild and the Teamsters. Meetings are planned between the papers and Local 53 of the International Typographical Union for Thursday and Friday. The other craft unions have been respecting the guild and Teamster picket lines.

Mediators Call Meeting Of Striking Printers, New York Publishers

Powers Criticizes Pressmen for
Separate Session With Papers;
Second Union Votes to Strike

By a WALL STREET JOURNAL Staff Reporter

NEW YORK — Federal mediators called striking printers and newspaper publishers together last evening for another try at settling the strike that has closed nine dailies here since Dec. 8. It was the first negotiating session since talks were broken off six days before.

A second craft union, meanwhile, joined the strike. Members of New York Mailers Union No. 6, an affiliate of the International Typographical Union, voted 740 to 7 for the walkout at a meeting yesterday.

Bertram A. Powers, president of striking New York Typographical Union No. 6, criticized leaders of another craft union for conducting separate negotiations with the publishers. He said a 12-hour, all-night session between New York Newspaper Printing Pressmen's Union and the Publishers Association of New York had caused a "severe handicap" for him. "It puts us in a disadvantageous position to have a second union negotiating while we're negotiating," he said.

Mr. Powers said the pressmen reached "no conclusion" with the publishers. He said he was confident Robert Clune, president of the pressmen's union, "wouldn't do anything that would harm us. But I'm not so sure about the publishers."

The pressmen and members of seven other craft unions and the New York Newspaper Guild were thrown out of work when the printers struck four newspapers, and five other papers closed down in accordance with a Publishers Association agreement.

After a meeting of the Officers Committee for Newspaper Unity, composed of representatives of the affected unions, Mr. Powers declared: "There is no break in our united front."

Those attending the Officers Committee meeting included Harry Van Arsdale, business manager of Local No. 3 of the International Brotherhood of Electrical Workers, which has some 140 members idled by the strike. He is also president of the Central Labor Council. Also there was John J. O'Rourke, president of Local 282 and Joint Council 16 of the Teamsters Union. Several hundred Teamsters members who deliver newsprint to the closed papers have been laid off as a result of the strike.

The Pressmen's Union filed suits in Federal court against two newspapers, claiming they "locked out" 67 pressmen. The suit against the New York Times claims \$450,000 in lost wages for 468 pressmen and \$200,000 in strike benefits the union has paid. The suit against the New York Journal-American claims \$162,000 in lost wages and \$85,000 in strike benefits.

The union filed suit Monday asking for a

total of \$512,000 from three other papers, the Mirror, Herald Tribune and Post.

The Daily News has laid off a number of assistant foremen, building maintenance workers and other employes in the last two weeks, a spokesman for the paper said. He declined to say how many were affected.

WALL ST. JOURNAL, THURSDAY, JAN. 10, 1963.

Hopes Rise in Cleveland

By a WALL STREET JOURNAL Staff Reporter

CLEVELAND—A break in the deadlock between the striking newspaper drivers Local 473 of the Teamsters Union and Cleveland's two daily newspapers appeared closer after a 2½-hour negotiating session yesterday.

Both sides indicated that the talks, held at the request of Mayor Ralph Locher and attended by him and Federal mediators, produced "a great deal of progress."

Moses Krislov, attorney for Local 473, said following the meeting that "I don't see any major obstacle left to a settlement. We disposed of just about all the fringe benefit issues; some of these included vacation selection and seniority."

Another negotiating session is set for tonight. "We left the wage issue open for the tail-end of our talks," Mr. Krislov said. The drivers have been seeking a total weekly wage boost of \$15; the publishers of the Cleveland Plain Dealer and Press & News have been offering an \$8 increase over two years.

The mayor and Federal mediators also met twice yesterday with representatives of the publishers and the Cleveland Newspaper Guild.

The willingness of the sides to schedule the sessions in itself was construed as a hopeful sign. Talks had been broken off last Saturday

and hadn't been scheduled to resume until Jan. 14.

The Guild has been seeking compulsory union membership of editorial employes at both papers and of commercial department employes at the Press & News or, if not that, the payment of Guild dues by non-union employes.

One management negotiator continued to hold the belief that a break in the strike would come through the nine craft unions, which haven't struck but have honored the Guild and Teamster picket lines. Contracts with all but two of these unions have expired. The other two terminate Feb. 1.

Meantime, the on-again, off-again *Between Times*—a strike-born tabloid—was published again yesterday. It first appeared Dec. 27, but folded the following day. It is being published by a group of striking newsmen. The circulation of the eight-page paper was estimated at 20,000.

A spokesman for the group said plans are being made to publish *Between Times* tomorrow and thereafter at the rate of three editions weekly.

Another newspaper, published by 10 of the 11 unions involved, was expected to appear next Monday. Charles Thompson, chairman of the Printcraft Unity Council comprised of all newspaper unions here, said a council subcommittee will recommend that the paper be published. No definite plans have been made, however, he said.

In another strike development, an opposition group of Guildsmen from the Press & News unit began circulating a shorter, more precisely worded petition among members calling for a halt to the strike. A spokesman for the group said latest tally of signers is "around 100."

Wirtz Optimistic on New York Newspaper, Dock Strikes; Says Talks 'Fluid' Again

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—Labor Secretary Wirtz said he is "encouraged" by developments in the East Coast dock strike and the New York newspaper strike but that he couldn't predict when they would be settled.

Mr. Wirtz, at a news conference, neither detailed his reasons for optimism nor mentioned specific developments. He said merely that the negotiations, which were stalemated earlier this week, again were "fluid."

But James J. Reynolds, assistant secretary of labor, appeared less optimistic. After meeting separately yesterday with both sides in the newspaper strike, he said they "are more seriously trying to find some accommodation," but that there was no change in positions.

A spokesman for the New York Shipping Association, however, said no progress was made in yesterday's dock-strike talks. And a meeting last night with Federal mediators by the publishers and striking printers was the first negotiating session since talks in the newspaper strike were broken off six days ago.

Recommendations Not Expected

The International Longshoremen's Union strike against the East Coast stevedoring and shipping concerns moves into its 20th day today. The strike, originally set for early October, had been delayed by an 80-day Taft-Hartley Act "cooling-off" injunction. The injunction expired without a settlement. The employers' demand that work-crew sizes be cut has been removed from negotiations but talks currently are bogged down on wages.

Mr. Wirtz hinted that the Kennedy Administration isn't yet ready to send Congress recommendations for forcing an end to the strike. Taft-Hartley machinery requires a report to Congress if a strike isn't settled during the 80-day injunction period, but the recommendations are optional. Privately, Administration officials are resting their hopes on a settlement of the strike soon. They fear that carrying the dock dispute to Congress might result in antistrike legislation that could affect all labor.

The Labor Secretary also hinted that the possibility of seeking legislation on compulsory arbitration to settle the dock strike was being considered but he quickly added, "I don't mean to imply that there will be such a recommendation."

Wirtz Favors Changes

Although the Administration in the past has promised it would seek revision of the Taft-Hartley Law's emergency disputes provision to give the Federal Government authority to get into major disputes quicker and put more pressure on the parties to settle, Mr. Wirtz cast some doubt on whether the White House would ask for the changes this year. He said that he didn't know whether this recommendation would be a part of any of the Presidential messages going to Congress soon.

But he left no doubt he favors these changes. If public recommendations for settle-

ment had been made by a special board in the dock dispute well before the walkout came—the procedure contemplated in the Administration's blueprint for changing the Taft-Hartley Act—"we would not have had this strike," he said. He reasoned that the special board would have recommended early that the work-rules problem be sent to a special study. This was agreed to, Mr. Wirtz said, but the agreement came too late.

The month-long strike by Local 6 of the International Typographers Union that has closed down nine New York City area newspapers is being investigated by a three-man "board of public accountability." Bertram Powers, president of Local 6, has boycotted the proceedings. The panel, named by Mr. Wirtz, New York Gov. Rockefeller and New York City Mayor Wagner, is to report its findings tomorrow.

Touching on a wide range of other matters, Mr. Wirtz said he couldn't agree with organized labor's campaign for a 35-hour week to cut unemployment. But in the absence of any better answer, he said, the proposal deserved serious consideration. He said he had seen statistics showing that 7% of the work in manufacturing was being done on overtime, and said "we must start asking ourselves whether things are right" when this occurs at a time when unemployment is so high. Unemployment was 5.8% of the work force in mid-November.

He said that "if you can start doing something about meeting the automation problem, you will come near the heart of the unemployment problem."

And he said that the constant personal intervention of the Labor Secretary in labor-management disputes has lessened the influence of the office in settling these disputes. "The repeated use of any extraordinary procedure dulls the instrument," he said.

PAGE 6

PAPER STRIKE EASES A BIT

Both Sides Said To Make Concessions In New York

New York, Jan. 12 (AP)—The head of the printers union said publishers of the city's struck newspapers tonight made concessions in their offer and his organization is prepared to make similar changes.

Bertram Powers, president of Local 6 of the Typographers Union, said the publishers "made slight changes which they should have made December 7 and we are prepared to make similar changes."

It was the first reported modification of stands by either party since before the strike began.

Powers told reporters, after emerging from a joint session at which the new publishers' offer was made, that it was still "wholly inadequate" to his membership.

"Bargaining Going On"

The Powers statement followed a comment by the head of the publishers negotiating team stressing that collective bargaining "definitely was going on" between the two parties.

Amory Bradford, vice president of the New York Times and chairman of the publishers' negotiating committee, made the comment during a dinner recess in the first joint sessions held since last Wednesday.

The session between the publishers and the striking printers followed a joint meeting of newspaper officials and representatives of ten unions whose members are employed by the nine city newspapers against which strikes were called December 8.

Stephen I. Schlossberg, Federal mediator who heads a three-man panel of Federal, State and city mediators, described the mass meeting a "useful and helpful" one.

He said he expected to make a full report later to W. Willard Wirtz, Labor Secretary.

Both Bradford and Bertram Powers, head of Local 6 of the striking Typographers Union, declined to elaborate on what went on behind the closed door joint or mass meetings.

Today's bargaining sessions came in the wake of a fact-finders' report which laid most of the blame for the newspaper blackout at the doorstep of the union leadership.

Printers Make No Comment

It said the walkout was "called as a preliminary to bargaining—bargaining was intended to be postponed for a long period until the strike had taken its toll."

The union has not commented on the report.

Powers said he had not seen the report by the panel — the Board of Public Accountability — and "it would not be fair to comment until I see the full statement."

The publishers issued a statement expressing a hope that the work of the fact finders "will contribute to a prompt resolution of the dispute."

Heading the new mediation session was a three-man panel appointed last night by Secretary Wirtz, Gov. Nelson A. Rockefeller and Mayor Robert F. Wagner.

Members of the panel, in addition to Mr. Schlossberg, assistant to the director of the Federal Mediation and Conciliation Service, are Vincent D. McDonnell, executive secretary of the New York State Board of Mediation, and Morris Tarshis, senior mediator of the City Labor Department.

New York Publishers Fail to Make Progress In Talks With 3 Unions

Session Held With Non-Striking
Groups; Papers, Printers to
Resume Negotiations Today

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—No progress was reported in contract talks of the Publishers Association of New York City and three unions whose members have been idled by the 39-day-old newspaper strike.

The no-progress report came from a spokesman for the association, which is bargaining agent for nine daily papers closed as a result of a strike by New York Typographical Union No. 6. The three unions involved in the talks were New York Mailers Union No. 6, New York Photoengravers Union No. 1 and New York Stereotypers Union No. 1.

The publishers and striking printers are scheduled to resume negotiations today. Bertram A. Powers, union president, declined to comment on a separate union meeting with Federal mediators.

Last weekend the printers and publishers changed their positions slightly for the first time since the strike began. Although sticking to their demand for shorter hours and other benefits, the printers cut their wage goal to \$18 a week over two years from \$19. The publishers raised their package offer of improved wages and benefits to slightly over \$10 from \$9.20.

Automatic Typesetting Issue

Two major issues, apart from wages and fringe benefits, are automatic typesetting and reproduction.

The publishers want the right to use perforated paper tape, generated from outside their plants, to activate automatic linecasting machines. Associated Press and United Press International make such tapes available to set stock market tables, sporting event results and other news. None of the nine dailies has used AP or UPI tape for automatic typesetting because of a contract clause prohibiting the practice without Local 6 approval.

"We do not oppose automatic typesetting," Mr. Powers said, "provided we get adequate job security and we share in the increased productivity." He suggested the publishers might meet these conditions by contributing to a fund to supplement the state unemployment benefits of displaced union printers, retrain them for other jobs, or increase their pensions.

The New York Times regards automatic typesetting of stock tables as a major time-saver but only a minor money-saver, according to Amory H. Bradford, vice president and general manager. He said 20 linecasting machine operators who spend two hours in the late afternoon setting stock tables would be reassigned, not laid off, if the Times won the right to use the tape.

"Bogus" Type Provision

The publishers also seek a change in the contract clause dealing with reproduction. This clause covers advertisements that come to the paper in the form of a papier mache matrix, from which a metal casting is made without the intermediate process of setting type. A union printer must set type for many local advertisements even though the type itself is destroyed without being used.

Under the old contract, the nine dailies had seven days to set this "bogus" type. They asked for an extension of the time limit to 30 days, then pared this to 15 days as a concession to the union. But they continue to insist on narrowing the definition of local advertisements subject to reproduction in order to reduce the volume of bogus.

Local 6 insists on retention of the seven-day limit and the old definition. "It's our protection against subcontracting," Mr. Powers said. "We don't prevent subcontracting but we feel we shouldn't lose jobs because of it."

New York Publishers And Striking Printers To Resume Talks Today

Unions Demonstrate in Support of Printers; Pressmen Sue Two Papers for Total of \$1 Million

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Striking printers, their morale bolstered by a show of solidarity by fellow unionists, were set to resume negotiations today with representatives of nine closed-down daily newspapers.

Federal mediators called the two sides together in a fresh attempt to settle the 40-day-old strike by New York Typographical Union No. 6.

The Publishers Association of New York City, bargaining agent for the nine dailies, held talks with New York Photo Engravers Union No. 1, whose members have been idled by the strike, but there was no report on what progress, if any, was made. Negotiations with New York Mailers Union No. 6 are also scheduled today.

Union members massed in midtown Manhattan for two hours with sound trucks, signs and banners to chant and cheer the striking printers. Estimates of the number of participants ranged from 3,500 to 10,000. They included members of newspaper unions idled by the strike and representatives of other supporting unions, including the United Auto Workers and the National Maritime Union. "I don't believe there's a union in the city that is not represented," said Harry Van Arsdale, president of the city's Central Labor Council, which sponsored the demonstration.

Bertram A. Powers president of the printers' union, said the demonstration showed the printers "are not alone" in their contract struggle.

The New York Newspaper Printing Pressmen's Union, which represents 1,800 pressmen idled by the strike, sued two newspapers for a total of \$1 million. Its suit against the Daily News claims \$550,000 in lost wages and \$200,000 in strike benefits the union has paid its members. The suit against the World-Telegram & Sun asks \$125,000 in lost wages and \$75,000 in strike benefits.

Last week the union filed similar suits seeking a total of \$1,409,000 from five other dailies. And 13 pressmen filed a \$6,675,000 antitrust suit against the Publishers Association and nine member dailies, accusing them of a conspiracy to restrain commerce.

mands of the striking American Newspaper Guild.

Cleveland Mayor Ralph Locher said he and officials of the Press & News will conduct the meeting.

A Guild strike against the Press & News and the Cleveland Plain Dealer is in its 48th day.

The talks on union security demands involve only the Press & News. A key issue in the strike has been the Guild's demand for compulsory union membership or dues-paying for 90% of the commercial department em-

ployes at the Press & News. At the start of the strike Nov. 30, about 58% of these employes were Guild members. The Guild doesn't hold bargaining rights for the Plain Dealer commercial department employes.

Mayor Locher said that following a general meeting of non-Guild commercial employes of the Press & News tomorrow, four separate meetings of various divisions of the commercial department will receive statements from Press & News officials.

WALL ST. JOURNAL, JAN. 16, 1963

Union Delays Boeing Strike

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — A strike by the International Association of Machinists against Boeing Co., scheduled to start last midnight, was postponed at the request of Federal mediators.

William E. Simkin, director of the Federal Mediation and Conciliation Service, said the company and the union agreed to continue intensive contract negotiations under Federal auspices at least until midnight, Friday. Mr. Simkin said "considerable progress" in the talks had been made, "but not enough to indicate any possibility of an agreement prior to the strike deadline" of midnight last night.

The key issue has been Boeing's stand against the Machinists' demand to establish a union shop, which would require Boeing employes to join the union within 30 days to keep their jobs. Recently, a special Presidential board sharply criticized Boeing for its unyielding stand and said the union's demands were "fully justified." The special board recommended that the company reconsider and seek agreement with the union on some modified form of union shop.

IRON AGE

THE NATIONAL METALWORKING WEEKLY

A Chilton Publication

JANUARY 17, 1963



★ Mediation Director William E. Simkin Sees—

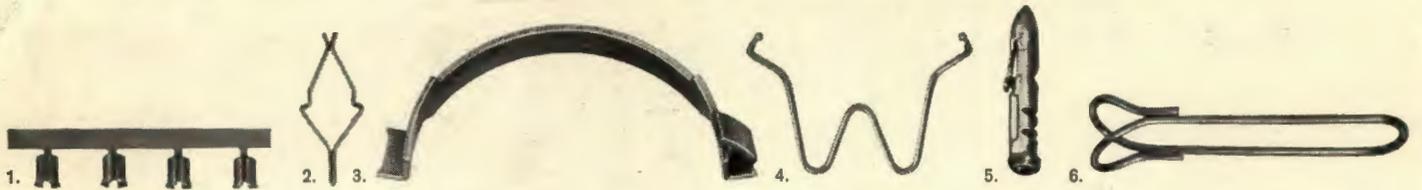
**Tough Bargaining Ahead As
Labor Issues Shift p. 76**

Rubber Expands Industrial Uses p. 63

ECM Eyes Heavyweight Jobs p. 95

Digest of the Week p. 2-3

What machine can take wire or strip from the coil, perform ten operations, and drop parts like these into a carton?



Verti-Slide, the pocket production line, does this automatically.



We are certain that a Torrington can make your parts better and faster and we will cost them without obligation. A specially designed mailing container which we call our Parts Cost Package is available for your convenience. A note to Torrington will bring you this package. Write The Torrington Manufacturing Company, Torrington, Connecticut.



1. 1/16 diameter copper contacts run off at 640 pcs/min.
 2. Stainless steel wire clip with unusual bend on top.
 3. Spring clip with considerable forming done with the Verti-Slide double press.
 4. This wire form has swaging on each tail.
 5. Plug-in contact goes through 30 stations, yet is made at 165 pcs/min.
 6. Dry cleaner's hanger hook made at 135 pcs/min.
- Note. All parts shown actual size.

TORRINGTON

Pull Marketing Plans Together

Successful market planning demands two things from management: Full commitment and complete coordination.

More companies are adopting the systems approach.

■ Few management areas are as studded with pitfalls as marketing.

Taking a product to market and making a profit with it requires careful maneuvering. The rewards are great, but so are the problems.

Technology keeps twisting present product demand and shaping future markets. New product introduction demands more thought, effort, and money. Diversifying into new lines can turn out disastrously.

Market techniques that worked yesterday are rusty today. And they will probably be useless in tomorrow's market. Finally, there's foreign competition—both in the U. S. and overseas.

Team Effort Needed—Despite this, marketing managers are making headway. There is, however, an urgent need for more progressive thinking. There's also a need to coordinate plans and keep them moving in harmony. Commitments on management's part must be complete—and fully communicated.

In a telecast on marketing, Edward A. Johnson, vice president, Barry Wright Corp., discussed the attitude that's needed at the top.

Way of Life—After deciding on a market approach, he said, a company president must make it clear this will be the organization's "way of life." He must convince all managers the company is going to

identify customer needs and gear R&D efforts to solving these problems.

Then, adds Mr. Johnson, "all the functions of the business must be correlated into a single program. A time schedule must be met. When there's a coordinated, controlled effort, then the president can supply real leadership."

The Systems Approach—At last week's Annual Forecasting Conference of the Chamber of Commerce of Greater Philadelphia, Marion Harper, Jr., president and chairman, Interpublic, Inc., touched on the same theme.

"There is a view that business itself is comprised of many different systems. Each is composed of many

different parts which must be carefully coordinated toward a single purpose. Marketing itself is comprised of such systems—research, planning, distribution, selling, advertising, promotion and public relations.

"In traditional business practice these components often have been operated on a departmental basis with little integration with other activities that may serve a business goal.

"In recent years the most progressive marketing thinking has moved toward this systems approach. It is an approach which offers the best hope for solving the biggest single problem of business today—namely the profit margin."

How Much Depreciation Loss?

■ Anemic depreciation allowances have plagued American industry for a long time.

Last year some relief arrived. The government accelerated depreciation schedules and passed a tax credit for companies investing in new tools.

Both were welcomed. But how much had industry already lost due to inadequate depreciation allowances? About \$35 billion in the period from 1944 through 1958, according to a new study by the American Economic Foundation.

Hidden Tax—That's the amount the AEF estimates U. S. industry has been undercut in depreciation allowances. "In effect," the report

adds, "this has been a capital levy on American business, the full impact of which has not yet been felt."

While the relief provided in 1962 will help, the study is not overly optimistic about the effects. "These measures, while steps in the right direction, offer no substantial lasting relief.

"Accelerated depreciation merely gives industry possession of the money at an earlier date—the total of the permitted depreciation before taxes continues to be the original cost of the tools.

"The tax credit, while offering a positive savings on new tools, amounts to only a very small percentage of the overall accumulated deficit."

A New Set of Issues in Labor

■ Q. Mr. Simkin, what is the labor bargaining outlook for 1963?

A. The coming year shapes up as a potentially tough bargaining year. The electric industry—principally General Electric and Westinghouse—come up for negotiation. Other major contract expirations include the shipbuilding industry and the rubber industry. Steel contracts can be reopened on wages and a limited number of other issues. A total of over 100,000 contracts will be signed in 1963. The major negotiations noted do not lessen the importance of these thousands of less spectacular bargaining situations.

I characterize 1963 as a potentially difficult year because of the times in which we live. There is no reason to expect that the delicate international situation will have been relieved or that the ever-present pressures of the cold war will have ameliorated.

Despite considerable economic progress, we will still have too high a percentage of unemployed. Many plant facilities will still be under-utilized in the year ahead. And, of course, we have yet to assess the full effect of the Common Market on our domestic economy.

It will be a challenging time for collective bargaining. I am hopeful that the institution will prove flexible and responsible enough to preserve maximum freedom without excessive disruption.

Q. Do you observe any changes in the pattern of issues that are being decided by collective bargaining?

A. There is no question but that there is a definite shift in emphasis in collective bargaining issues. I believe this shift will become more pronounced.

It is apparent that collective bargaining has become a two-way street in an increasing number of cases. Management comes to the table with serious demands of its own. Unions are beginning to approach bargaining in both defensive and offensive positions, where previously the essential thrust of union strategy was to press the offense.

In 1962 the issue of working conditions was a major factor in 1273 of our reported cases, an increase of some 50 pct over the previous year. Similarly, issues involving guarantees, such as supplementary unemployment benefits, or other guarantees of wages or hours, appeared in 40 pct more cases in 1962 than in 1961. Severance pay and early retirement issues are increasing in importance. Issues involving job classifications increased by approximately 45 pct.

The general wage increase issue appears in almost every negotiation and seems to be predominant, but this can be deceptive. Many of the most difficult problems in 1962 bargaining centered around issues other than wages. In a sizeable number of cases, the wage issue was not resolved until all other issues were settled. The notion that everything else will "fall in line" once the wage increase is agreed upon is not valid.

Q. What are the contributing factors to these changes?

A. The most important factors affecting the change in emphasis in bargaining are the effects of unemployment, technological changes, and increased competition, both foreign and domestic.

Management seeks to increase efficiency and to reduce unit production costs. Competition within most industries has sharpened; many plants are operating below full-capacity levels. Moreover, there is keen competition between industries for a proportionate share of the consumer's dollar. These factors, plus the impact of ever-increasing foreign competition, loom larger all the time. They prompt management to offer stiff resistance to union demands which would have the immediate or ultimate result of increasing costs. On the other side of the picture, unions are faced with the specter of a still high percentage of unemployed workers, the prospects of further job losses through technology and the continuing desire of workers for an improved standard of living.

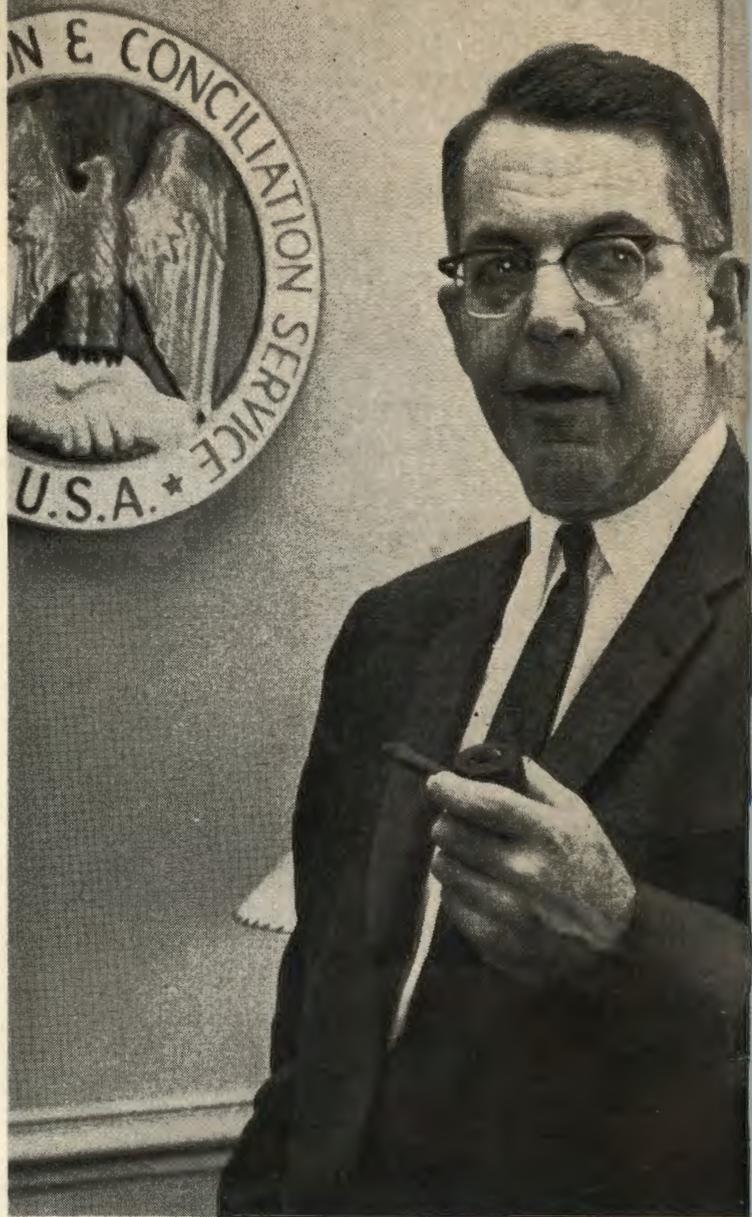
Bargaining

Q. Do these changes constitute trends in collective bargaining? What are the trends and where do they lead?

A. The trend is toward emphasis on non-wage issues growing out of company insistence on flexibility, efficiency, and economy, and union insistence on the protection of jobs. While there are areas of compromise and adjustment between these conflicting goals, the quest for them is difficult and more sophistication on both sides is essential. Making a labor agreement in this climate is complicated business. No longer is settlement a simple matter of finding the middle ground between the minimum money that labor will accept without a strike and the maximum that management will pay without a lockout.

The indications are already clear that there is in these new trends the possibility of a head-on collision

A Tough Year for Negotiators



as a result of industry's fight for competitive survival and labor's fight to preserve work opportunities and the gains it has won in what is, in some cases, a relatively long collective-bargaining history. In the light of these developments, one must conclude that the process of collective bargaining has become a more arduous one and one that is likely to increase in complexity. Moreover, the sensitive character and the basic importance of these trends will require increased mediation and conciliation activities.

Q. Do you see any easing in economic demands from unions?

A. Most unions will seek to win shorter work-weeks, increased vacations, severance pay, SUB, and other fringes which would add to the over-all cost of a contract package but would not appear in the worker's pay check. Increased emphasis on these items will not

"It's apparent that collective bargaining has become a two-way street in more cases."

eliminate demands for general wage increases. In mass production industries, these general increase demands have been more modest in recent years and it is probable that this trend will continue.

There is growing recognition among labor leaders of the importance of preventing inflation, increasing the gross national product, and meeting the competitive needs of industry. But an appreciation of industry's problems does not lessen the weight of those facing the labor leader and the people he represents.

The bulk of the trade union movement has gone on record in favor of the shorter work-week. An adamant stand on this issue in collective bargaining would, in my opinion, set the stage for an all-out fight. I am personally convinced, however, that, while unions are seriously and properly troubled by continued unemployment and see the shorter work-week as one answer to it, they will not push this demand to the extreme and will be responsive to other approaches to the problem.

Q. What about productivity and automation? Are they the key issues?

A. Productivity and automation underlie the key issues dominating the bargaining table. They are not often direct issues, but the effects of automation and of increased productivity stimulate and create the closely related direct issues.

Q. Is the long-term contract likely to continue?

A. Yes. Because of the complexity of the issues facing bargainiers today, once a contract is agreed upon, the parties normally seek stability and adequate time to work out their problems in a living relationship. Recent B.L.S. studies confirm the trend toward three-year agreements.

Q. Since negotiation in the steel industry in 1963 is limited to wage and other economic factors, do you see any collective bargaining problems in these negotiations?

A. In the light of history, I cannot visualize any negotiation in steel, even on a limited reopener, as presenting no collective bargaining problems. I am, nevertheless, optimistic about steel bargaining in 1963.

It is, of course, too early to know whether contracts will be reopened in 1963. I would venture no opinion on that subject.

In any event, some basic problems persist. There remain large numbers of unemployed steel workers—a greater percentage of steel workers remain without jobs than the over-all ratio of unemployed to employed workers. At the same time the steel companies have under-utilized facilities, they still face competition from foreign producers, and the corporate earnings picture has not been favorable.

Major credit must be given to industry-union cooperation in meeting the crucial problems of technological adjustment, job security, and working conditions. Undoubtedly, the Human Relations Research Committee established in 1960 made a significant contribution toward the early and successful settlement in 1962.

Similarly, the tripartite committee established under the Kaiser agreement for the study of an equitable distribution of the gains of automation and for a proper adjustment to technological change is a fundamentally



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new and extremely useful device to meet modern conditions. The continuing influence of both of these approaches is bound to have a beneficial effect in 1963, with or without contract reopening.

Q. How do you view strikes at missile bases and the means being used to cope with them? Do you see a need for more power—legislative or administrative—to cope with these strikes?

A. Naturally, I am disturbed by any work stoppages

*From left: Henry Zylla, president of Local 445, IUE; James Carey, President, IUE; Mr. Simkin; Van Viot, vice president, Sperry Gyroscope.



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As director of the Federal Mediation and Conciliation Service, William Simkin draws on more than 20 years of experience in labor relations. This experience spans service on the campus, in government, and as arbitrator in many key industries.

Before his appointment to his present post, he had been "permanent" arbitrator in shipbuilding companies, steel companies, as well as in transportation and textile industries.

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Even more impressive is the record of the Commission from the end of its first year, June 1, 1962, to September 1, 1962, in which period there was only one man-day lost for each 2100 man-days worked. A large share of the credit for this record must go to the unions' constant efforts to achieve maximum compliance with their no-strike pledges, the contractors' determination to produce without interruption and the work of the local site committees, chaired by Federal Mediation and Conciliation Service mediators.

The establishment of new and more formalized procedures in this area would be, in my opinion, both unwise and unnecessary.

Q. How many disputes came before the Service last year? How does that compare with other recent years? Is this a trend and does it cause any problems for the Service? If it does, what steps are you taking to solve the problems?

A. Out of more than 100,000 notices of contract expirations, the Service assigned just under 20,000 cases to its mediators during the period July 1, 1961 to June 30, 1962. Of those cases, 7313 required active

mediation assistance in the form of participation in joint conferences. In 1960, 34.5 pct of all cases assigned required active mediation. In 1961, the percentage rose to 37.1 pct, and in 1962, it rose again to 37.6 pct. This is, I believe, a trend which will continue.

Some cases coming before the Service require more than normal mediation activity. We refer to these cases as those "intensively" or "aggressively" mediated. One device of intensifying mediation is to have a single mediator joined by one or two others to form a panel of mediators. In fiscal year 1961, 200 cases were closed by means of panel activity. In fiscal year 1962, however, 360 cases required panel assignments.

The statistics alone do not tell an adequate story for it is not simply a question of the number of cases. Of equal or even greater importance is the fact that the cases are more difficult and require more time to settle. We are meeting these problems as they arise and hope to meet them in the future. The Service recently added 16 mediators to its staff, bringing the total mediator staff to 232.

We intend to plan as intelligently as we can to assist management and labor to preserve industrial peace and the institution of collective bargaining. The national and world situation is too unsettled to set firm rules for the future. We are determined to be as flexible as possible and to engage in cautious experimentation for the most effective and economical utilization of our staff and facilities.

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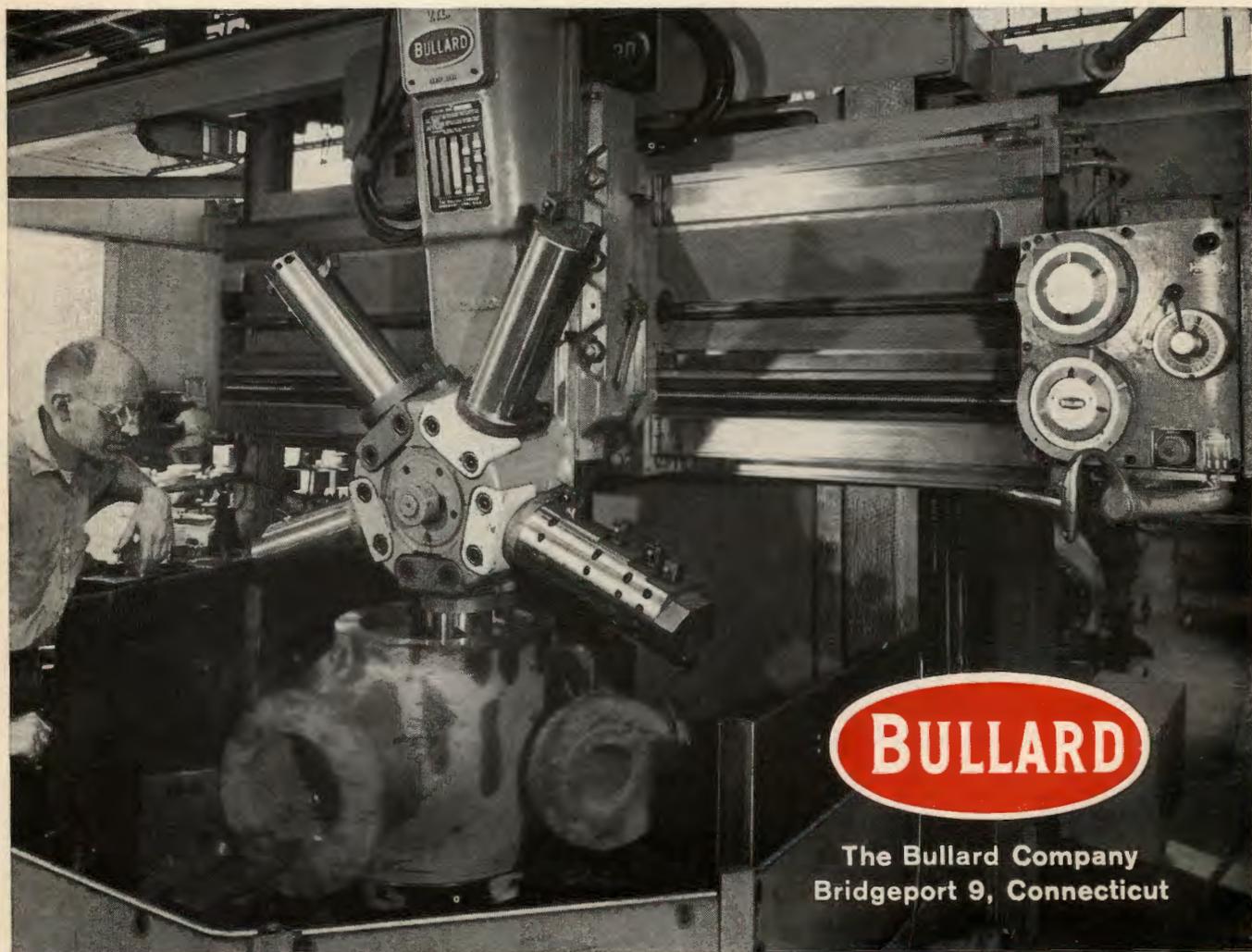


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The Bullard Company
Bridgeport 9, Connecticut

New York Newspapers Halt Contract Talks With Striking Printers

Publishers Term Union's Stand
Unchanged; Union Says Break
Came as It Asked for Caucus

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Talks between striking printers and New York City newspaper publishers were broken off again yesterday.

Representatives of the New York Publishers Association, bargaining agent for nine dailies idled by the 41-day strike, walked out after meeting an hour with the printers and Federal mediators. No new talks were scheduled.

Amory H. Bradford, chairman of the Publishers Association's negotiating committee, said he called a halt to negotiations because the printers "stated a position identical to the one" presented at a meeting of the two sides last Saturday.

But Bertram A. Powers, president of New York Typographical Union 6, asserted the publishers broke off the meeting after protesting a request by the printers for a caucus to go over proposals. "At this stage of the strike, if we were to defy Federal mediators and walk out with such contempt, we would be roundly chastised," Mr. Powers said.

Last weekend the printers and publishers altered their positions for the first time since the strike began. The printers trimmed their wage proposal to \$18 a week over two years from \$19 but stuck to their demand for shorter hours and other benefits, except for dropping a demand for four weeks vacation. The publishers raised their package offer of wages and benefits to over \$10 over two years from \$9.20.

Both sides said they were ready to resume talks as soon as the other "was ready to negotiate."

The printers struck the New York Times, Daily News, Journal American and World Telegram & Sun. The Mirror, Post, Herald Tribune, Long Island Press and Long Island Star-Journal closed down under an agreement with the others that if one was struck, all would cease publication.

A New Set of Issues in Labor

Q. Mr. Simkin, what is the labor bargaining outlook for 1963?

A. The coming year shapes up as a potentially tough bargaining year. The electric industry—principally General Electric and Westinghouse—come up for negotiation. Other major contract expirations include the shipbuilding industry and the rubber industry. Steel contracts can be reopened on wages and a limited number of other issues. A total of over 100,000 contracts will be signed in 1963. The major negotiations noted do not lessen the importance of these thousands of spectacular bargaining situations.

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—Despite considerable economic progress, we will still have too high a percentage of unemployed. Many plant facilities will still be under-utilized in the year ahead. And, of course, we have yet to assess the full effect of the Common Market on our domestic economy.

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It is apparent that collective bargaining has become a two-way street in an increasing number of cases. Management comes to the table with serious demands of its own. Unions are beginning to approach bargaining in both defensive and offensive positions, where previously the essential thrust of union strategy was to press the offense.

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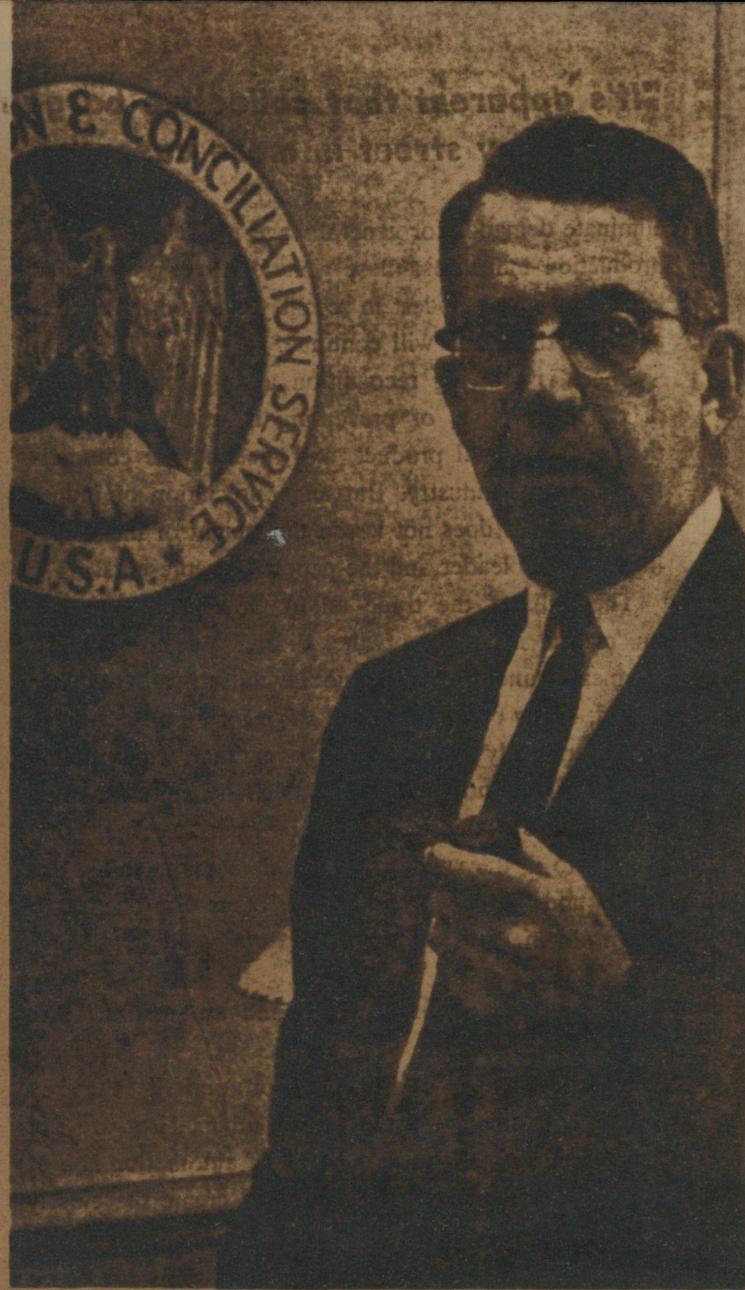
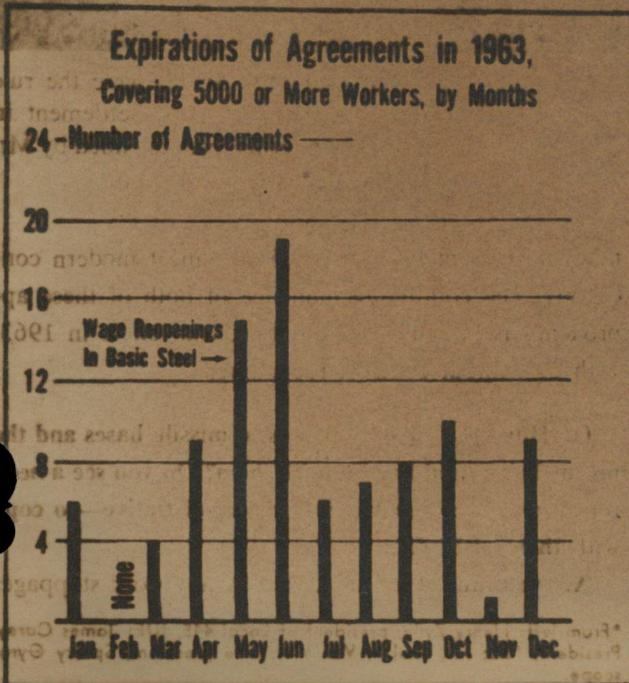
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Talks Set for Today In Philadelphia Strike By Transport Workers

By a WALL STREET JOURNAL Staff Reporter

PHILADELPHIA—Federal mediators called a bargaining session for this morning in a new attempt to end the two-day-old strike against Philadelphia Transportation Co. that has tied up most public transportation in this city.

About 5,500 members of Local 234, Transport Workers Union, quit work early Monday when a two-year contract expired. The principal point at issue, according to both sides, is a company demand that a "no lay-off" clause be dropped in any new pact. Certain work rules and a union demand for a higher-wage, shorter-week package it says is valued at about 75 cents an hour are also at issue. The company claims the union package would be equivalent to an increase of about \$1.75 an hour.

For the second day Philadelphia commuter trains operated by the Pennsylvania Railroad and Reading Co., which are unaffected by the strike, carried many extra passengers.

Seven Unions Strike Honolulu Papers

Honolulu — Seven newspaper unions struck Honolulu's two major dailies June 21 in an action which set several precedents in labor activity here. It was believed to be the first time anywhere that newspaper unions had bargained on a joint set of basic demands and with a unified voice. It also was Hawaii's first major newspaper strike.

Striking the Honolulu Advertiser and Honolulu Star-Bulletin, plus their jointly owned production facility, the Hawaii Newspaper Operators, were the Newspaper Guild, The Typographical Union, Pressmen, Photo Engravers, Machinists, and the unaffiliated Lithographers and Longshoremen, the latter of which represents circulation department employees.

About 600 employes were affected. The strike came after futile negotiations stretching back to February over terms of new collective bargaining agreements.

For the unions involved, basically, the dispute was over wage demands and a company counter demand that a two-day waiting period for sick leave, bargained out of most agreements in 1959, be reinstated. The unions had refused to consider the waiting period demand although stating they were willing to write sick leave policing machinery into the contracts.

Wage Demands Cut

Also at issue were vacations, holidays, medical insurance and other matters. The unions originally demanded \$10 weekly across-the-board pay increases. They later reduced this to \$7. The companies, also bargaining jointly, stuck to an original offer of percentage increases

with a maximum of \$3.50 a week.

At the request of federal mediators the strike was postponed twice for 24 hours, each time in last-minute efforts to end the impasse in negotiations. The companies did not move from their position that sick leave waiting periods must be instituted or offer seriously to bargain on wages.

The unions finally set up a joint strike strategy committee composed of members of each union involved. The committee is headed by Tommy Lum, Hawaii Newspaper Guild administrative officer, with David Bray, local ITU president, as secretary.

Lum said in a statement: "It was apparent . . . after almost continuous negotiations that the employers were unwilling to seek a reasonable solution of our differences. The unions are ready and willing to resume bargaining at any time requested, either by the employers or the mediation service."

Federal mediators, however, were unable to bring the parties together until July 26, five days after the start of the walkout, which stopped publication of both papers and their commercial printing operations. The mediation talks were continuing as the AFL-CIO News went to press.

Strike-Idled Newsmen To Mortgage Building

NEW YORK, Jan. 22 (AP).—The New York Newspaper Guild, announcing it is mortgaging its headquarters building to help pay strike benefits to members, has urged that fresh personnel be brought into negotiations if necessary to end this city's 46-day newspaper shutdown.

At a membership meeting last night, the guild adopted a resolution calling on Secretary of Labor W. Willard Wirtz and Federal mediators to insist that striking printers and newspaper publishers "resume negotiations and continue in session until an agreement has been reached."

Both sides, the resolution said, "seem to be unable to remain at the bargaining table long enough to effectively discuss a settlement."

The AFL-CIO guild, which represents editorial and commercial employes, is one of 10 unions whose members have not been working because of the printers' strike.

Strike Started Dec. 8

Local 6 of the AFL-CIO International Typographical Union went on strike against four of the city's nine major newspapers December 8 in a contract dispute. The other five major dailies closed down, saying a strike against one was a strike against all.

The printers are on strike against the Times, Daily News, Journal-American and World-Telegram & the Sun.

Guildsmen yesterday urged an immediate resumption of publication by papers not struck—the Post, Herald Tribune, Mirror, Long Island Star-Journal and Long Island Press. The Press has never stopped printing its non-city editions for suburban Long Island.

The guild meeting voted down

an amendment to its resolution. It would have had the guild ask President Kennedy to intervene in the strike by appointing a board of impartial experts to seek a settlement if the dispute was not ended in one week.

Mortgaging of the headquarters building will add \$150,000 to the benefit funds.

Cleveland Strike Continues

Meanwhile, in Cleveland, the newspaper guild and the independent Teamsters Union continued their strike against the Ohio city's two dailies—the Plain Dealer and the Press & News. The strike has lasted for 54 days.

Negotiators for the Cleveland guild and publishers met for 2½ hours yesterday in the office of Cleveland Mayor Ralph Locher, who has been serving as mediator. Another session was scheduled for today.

Cleveland area residents got their first look yesterday morning at a strike-born daily that appeared on newsstands. It was the Cleveland Record—a 12-page standard size newspaper published by employes of the struck papers. Editor John Blair said the paper will be published five days a week for the duration of the strike.

Initial press run was 120,000, Mr. Blair said, and the Record was being sold only on newsstands at 10 cents a copy. It will not appear Sundays, he said, or on Thursdays, when the printing plant—the Collinwood Publishing Co. on East 152d street—has other commitments.

PIER MEN START VOTING ON PACT; SOME DELAY DUE

Mediators Act to End Minor Union-Employer Disputes in Half a Dozen Ports

ACCEPTANCE INDICATED

Partial Return to Work Is Possible if Snags Develop Over 39-Cent Package

By GEORGE HORNE

Special to The New York Times.

NEW YORK.

Longshoremen from Maine to Texas have begun the trek to their ballot boxes to vote on terms settling the month-old longshore strike.

Scattered results leaking out from the secret referendum indicated general acceptance, but in some Southern ports the voting will be delayed by outstanding minor issues.

There is a strong possibility that the complete settlement may not be achieved until the end of the week.

The largest local of all, Anthony Anastasio's Local 1814 in Brooklyn, with 8,000 men, was voting heavily yesterday. The men appeared pleased with the terms. Of the 65,000 dockers along the two coasts, 13,000 are in Brooklyn.

Some Opposition Noted

Scattered opposition to the 9-cent package remained, and New York headquarters of the International Longshoremen's Association said that in several southern ports some contract issues still had to be settled. A spokesman said, however, that they were not considered critical.

It appeared likely that in the event minor local differences prevented universal acceptance from Searsport, Me., to Brownsville, Tex., strike leader Thomas W. Gleason, vice president of the I.L.A., would release the accepting ports so they could get back to work.

Earlier the union position had been "all ports or none."

The terms were agreed to yesterday by the New York Shipping Association, which bargains in New York but also represents Atlantic ports from Maine to Virginia, on the basic items, including wages.

Employer Group Threatens

On the management side there was one threat of revolt, when the Philadelphia Marine Trade Association said it would not accept the New York package unless local unionists agreed to certain employer demands. Reportedly the employer group wants to write a new arbitration clause into its contract.

The settlement package was devised by a special Presidential mediation board headed by Senator Wayne Morse, Democrat of Oregon. He was accused by much of the industry with bludgeoning tactics.

Alexander P. Chopin, chairman of the New York employer unit, said the package, which included 24 cents in wages over two years, would add \$28,000,000 to the direct labor costs in the Port of New York, over the two-year period.

In this port the annual wage costs are \$145,000,000 for 26,000 longshoremen, not counting

fringe benefits that add another \$25,000,000.

In an estimate of the impact of the strike costs, the National Association of Manufacturers called the tactics of the Morse board "a bare-knuckled display of Government power unsanctioned by law."

Local Meetings Held

J. Andrew Burke, maritime coordinator of the Federal Mediation and Conciliation Service, said that mediation meetings were in progress in half a dozen ports, with local commissioners pressing management and labor to iron out minor differences so that the ships can start moving by Saturday at the latest.

These meetings are in Philadelphia, Baltimore, Boston, New Orleans, Mobile and Galveston. Mr. Morse said in Washington he had already received acceptance from the New Orleans Steamship Association.

While the Southern ports are not bound by the North Atlantic agreement, normally they follow New York's lead. New Orleans is one of the ports with regional complications. Its union men want an arbitration clause removed from the old contract, and they have also demanded more money — to eliminate a longstanding 6-cent differential.

In other ports along the Gulf from Lake Charles to Brownsville reports were confusing, but spokesmen on both sides said it was hoped voting would be completed by tomorrow.

Union headquarters expects to make the vote count public late tomorrow.

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THURSDAY, JANUARY 24, 1963

SALINGER GETS ROLE IN NEWSPAPER TALKS

Special to The New York Times.

NEW YORK.

Pierre Salinger, White House press secretary, joined Secretary of Labor W. Willard Wirtz in New York yesterday to take part in "certain conversations" aimed at settling the 47-day-old newspaper strike.

Andrew T. Hatcher, acting Secretary, said in Washington that Mr. Salinger made this trip at Mr. Wirtz's request.

The Labor Secretary said he thought that Mr. Salinger's presence would be useful in light of a speech he made Friday in Philadelphia recommending a study of the "difficult problems" of current-day newspaper economics.

Mr. Hatcher said he did not know where Mr. Salinger and Mr. Wirtz were meeting or with whom. He said he assumed that the participants included representatives of striking New York Typographical Union No. 6 and the Publishers' Association of New York City.

Meanwhile, representatives of the printers and the publishers met in joint session under the auspices of a three-man Federal-state-city mediation team for the first time in a week.

Dock Strike Appears Near End in North, But Union in South Seeking More Money

A WALL STREET JOURNAL News Roundup

The strike that has paralyzed Atlantic and Gulf coast ports for 34 days appears to be entering its final hours.

Although leaders of some Southern locals of the International Longshoremen's Association still are holding out for more money, Northern ports and the biggest port in the South have come to terms.

And union leaders abandoned their stand that all local issues must be settled before any port would be reopened, clearing the way for opening most ports except a few in the South.

An official of the international ILA said "it looks very good for getting the men back by Saturday for the Atlantic Coast district." That district comprises ports from Searsport, Maine, to Norfolk.

The ILA membership voted Wednesday and yesterday on the master contract proposed by a special Presidential board. Union leaders were confident the rank and file would approve the pact, which calls for wage and benefit increases totaling 37½ cents an hour over two years.

ILA officials in the North and the New York Shipping Association, which represents shipping concerns along the North Atlantic, accepted the proposal earlier this week. And late yesterday longshoremen and shippers came to terms in New Orleans, the South's biggest port. The New Orleans settlement follows the lines of the master contract.

Philadelphia Issues Settled

The main stumbling block to a settlement in the North was removed yesterday when Philadelphia shipowners and union leaders settled local issues there. The dispute had threatened to block opening of all North Atlantic ports. After an all-night bargaining session the union agreed to the appointment of a full-time arbitrator at the time the Philadelphia contract is signed, rather than afterward, and the employers agreed to start immediately to choose a site for a new central hiring point set up last May, arguing it was too far from the main dock area.

In Baltimore, James Guthrie, president of the Steamship Trade Association of Baltimore, said the association has accepted the terms of the Morse pact. He said he "doesn't anticipate trouble in getting an early settlement" with the union.

There were also no apparent problems

blocking a quick contract settlement at Portland, Boston or Norfolk. The ILA and shipowners already have reached an agreement at the Port of New York and New Orleans.

No Accord in Galveston

In Galveston, Texas, however, both sides were still far apart up to last night. Assistant Secretary of Labor James Reynolds, who had directed part of the contract negotiations in New York, was scheduled to arrive last night to lead further talks.

Galveston talks ended Wednesday with the ILA and the shipowners far apart. The ILA has made 11 demands over and above the Morse money package, and an employers' spokesman said the demands would add 27 cents an hour to the 37½-cent package offered by the shippers. J. Ross Dunn, an official of West Gulf Coast Maritime Industries, negotiating group of shippers at ports from Lake Charles, La., to Brownsville, Texas, said, "We have complied with the recommendations the Morse board handed down, and we're not going any further."

Ralph A. Massey, president of the Gulf & South Atlantic District of the ILA, said the ILA was seeking wages and benefits totaling 16 cents an hour above the Morse recommendations to cover "inequities" between contracts on the Gulf Coast and contracts in Northeastern U.S. ports. James O. Hubbard of the Federal Mediation Service said the union also was seeking a clause setting a minimum size for labor gangs. There is now no contractual provision on minimum gangs in the West Gulf area, and the employers are "opposing very strenuously" the union demand, Mr. Hubbard said. Size of work gangs had been a major point of dispute in the North but both sides agreed to submit the issue to a Department of Labor study.

Shipowners and union officials also have failed to reach agreement at two Southeastern points.

In Miami shipowners representing ports from North Carolina through Florida have rejected union demands for retroactive pay increases and a union voice on the size of dock crews.

In Mobile the Mobile Steamship Association and ILA Local 1410 were said to be apart on how much pay dock workers should get when idled by rain.

Longshoremen End Strike, Work Weekend At Premium Rates to Clear Cargo Logjam

A WALL STREET JOURNAL News Roundup

Ending of the 34-day longshoremen's strike brought a rush of weekend work at Atlantic and Gulf Coast ports.

Thousands of stevedores and other dock workers trooped back to their jobs yesterday to start unloading and loading hundreds of ships that jammed the harbors. Work at the piers normally is at a low ebb over the weekend, when a Saturday-Sunday pay scale of time and one-half prevails, but the extra labor cost was absorbed by ship operators as they struggled to break the mammoth logjam.

The strike ended officially at dawn Saturday in New York and most other Northern ports. Farther south, the return to work was delayed for varying periods of hours by failure to agree locally on settlements. By yesterday, however, longshoremen were reported at work in practically all ports. United Press International said an agreement had been reached yesterday afternoon, covering stevedores in ports of the South Atlantic, the last area in which a final agreement remained to be reached.

Panel's Proposals Accepted

The settlement on major points at issue came Friday for ports from Maine to Virginia, when the International Longshoremen's Association and the New York Shipping Association, representing 145 member companies, accepted recommendations of a special board named by President Kennedy.

The board, headed by Sen. Wayne Morse (D., Ore.) proposed a two-year contract package of 37 cents an hour in added pay and fringe benefits, including a wage rise of 24 cents an hour. Dock workers' pay has averaged around \$3 an hour.

The ILA had sought a two-year package totaling 50 cents an hour, including 26 cents in wages. The shipping industry initially had offered a 22-cent wage boost.

A management demand to cut the size of work gangs, resisted by the ILA, was a major issue in early negotiations. Agreement was reached to shelve that question for further study after the strike was settled.

The back-to-work order that went out from ILA headquarters in New York Friday afternoon was defied for a time by locals in Southern areas. Ultimately, however, they yielded to pressure from unions heads and Government spokesmen.

In Galveston, for example, Assistant Secretary of Labor James Reynolds told representatives of the ILA Saturday that President Kennedy was "pretty fed up" with their balking at the settlement. William B. Bradley, ILA president, was also in Galveston. After further

negotiations, the strikers there went back to work.

Pressure in Miami

In Miami, it was announced dock workers in South Atlantic ports would return to their jobs today, according to United Press International. Federal Mediator W. A. McAlister said an agreement was signed yesterday afternoon covering ports in the South Atlantic, the last region in which longshoremen ended their walkout. The agreement covers ports from Morehead City, N.C., to Tampa, Fla.

In New York, spokesmen for the ILA and the Waterfront Commission, which licenses longshoremen, said 7,600 longshoremen, plus some 5,000 other dock employees, were on the job yesterday at 65 piers where 91 ships were berthed. The total number of ships in New York harbor was estimated at 263, said to be more than at any time since the convoy days of World War II.

Even with the pressure being applied to get cargoes moving again, shipping men doubted New York operations would return to normal before next week. They said two to three weeks might be needed to get the entire coastline back on schedule.

The two largest American passenger liners, which have been tied up at Newport News, Va., during the strike, are scheduled to return to service next week.

A rush of weekend activity was reported at such large ports as Philadelphia, with 5,000 men at work, New Orleans, with 5,000, and Baltimore, with 4,000. Port Newark, N.J., had some 850 longshoremen on the job. And many smaller ports also were affected, such as Portland, Maine, where five ships loaded with Swedish pulpwood for paper-making had been waiting.

The cost of the strike to all interests affected has been estimated unofficially as high as \$800 million to \$900 million. In addition to the striking longshoremen, numbering some 60,000, many thousands of other workers, such as ships' crew members, truckers serving the piers and factory forces hampered by shortages of materials, were idled by the strike.

Panama Canal authorities, in preparation for a rush of traffic from ships delayed by the strike, announced they are deferring for two weeks an overhaul of locks that would have kept one lane out of service for some four weeks. Early in the strike, the canal had a traffic jam for four days, caused by ships that had been rushed out of ports to beat the strike deadline.

February 3, 1963

Mediator Finds Tougher Fare at Bargaining Table

BY ROBERT M. LEWIN

The top Federal mediator said here Thursday, "There is a considerably greater stiffening on the part of unions and companies," in their negotiations.

William E. Simkin, Washington, director of the U.S. Mediation and Conciliation service, added in an interview that companies feel they must tighten up and demand greater efficiency and productivity from their employees.

"The feeling of a good many companies is that additional wages and benefits cannot be passed along in terms of price increases," he continued.

"Unions are moving more and more for job security for their members."

SIMKIN, 56, a widely known arbitrator before President Kennedy appointed him to head the government's conciliation service, came to Chicago to participate in the service's week-long seminar.

It is being held in the University of Chicago's Center for Continuing Education, 1307 E. 60th St. Some 60 commissioners are attending.

SIMKIN SAID that it would be a "sad day for labor relations" practices if compulsory arbitration of disputes is put "on any large-scale basis."

"I am hopeful that legislation (on compulsory arbitration) can be avoided," he went on.

"The essence of collective bargaining is its voluntary character, and it's essential that and its freedom can be preserved. Bills for compulsory

arbitration are pending in Congress. I hope that we will be able to get through this year with bargaining being more successful."

SIMKIN SAID that time lost because of strikes in 1962 was only sixteen one-hundredths of 1 per cent, compared with the time worked. It was up two one-hundredths from 1961, but down three one-hundredths as compared with 1960, he added.

"The amount of time lost is very small," said Simkin. "The over-all price is small to pay when otherwise it could mean the loss of freedom."

SIMKIN SAID companies and unions generally "are stepping up to their responsibilities (in negotiations) and are doing a good job."

He forecast that in labor relations "1963 will be another difficult year, not essentially different from 1962."

He cited major negotiations in the rubber, steel, electrical equipment and East Coast ship-building industries this year.

Simkin said "crisis bargaining is the service's major job," but the service is making changes in its program to offer long-term help. Two and three conciliators now are being assigned difficult cases, and "pre-bargaining conferences are being held with company and union negotiators where it develops as a natural thing," he concluded.

ANARCHY

BY DAVID LAWRENCE

MORAL DECAY in our political system is responsible for the anarchy that prevails today in labor-management relations.

We prate about "civil rights." We send federal troops to coerce a State university to admit a student. We file suits in the courts to make sure that certain citizens are not denied voting rights. But we shut our eyes when the whole governmental system is used to blackmail an employer into accepting the exorbitant demands of labor unions.

The longshoremen's strike was settled by Government intervention, but can it be said that "free" collective bargaining characterized the settlement?

The newspaper strikes in Cleveland and New York have been frowned upon by public opinion in both cities and in the nation wherever the facts have been revealed. But the right of a dictator in one union—backed by other unions—to hold out until some of the employers are tottering on the edge of bankruptcy has not been challenged in the courts. No "inherent" powers are invoked by the Attorney General to sustain an employer's civil right—the opportunity to survive.

Isn't there a civil right which says that no citizen can conspire with another to destroy a man's business?

Isn't there a civil right which says that nobody can conspire with someone else to prevent another citizen from crossing a picket line either to take a job or to buy goods from a company involved in a strike?

Isn't there a civil right which says that a union having a bare majority of the employes in a bargaining unit has no right to represent other citizens who refuse to join such a union?

Isn't there a civil right which says that a man cannot be forced to accept the tenets of any church or organization or political party? So why must he be fired from his job because he will not join a union?

Isn't there a civil right which says that a citizen who is physically threatened or attacked in a labor dispute may obtain redress?

Yet, writing in the January 21 issue of this magazine, J. Mack Swigert of Cincinnati, Ohio, one of the foremost authorities on labor law in the country, says:

"Labor-violence cases, when presented in police court, are customarily continued until the strike is over and then dismissed. The reluctance of many courts to issue and to enforce injunctions against unions is well known to lawyers.

"Police assigned to strike duty often look the other

way when union violence occurs. Even the FBI is reluctant to intervene in labor disputes. Many States have statutes forbidding or limiting the use of State highway police in such disputes. A tendency to lean in the direction of the union when the question is a close one is observed throughout almost the entire hierarchy of public officials.

"Favorable treatment of unions is particularly marked in the case of State and federal administrative officials and employes who deal directly with labor problems.

"State departments of labor, workmen's compensation commissions, unemployment commissions, industrial commissions, mediation boards and labor boards are almost uniformly staffed with union members or former union officials or persons otherwise closely associated with and sympathetic to the union movement. This is true even though these agencies are charged with the protection of all workers, including the great majority who are nonunion.

"Similarly, the U. S. Department of Labor, the National Labor Relations Board, and, to a considerable extent, the Federal Mediation and Conciliation Service, as well as other agencies dealing with labor problems, are staffed largely with union members or sympathizers.

"Since the advent of the Kennedy Administration, the National Labor Relations Board has openly moved in a direction very helpful to organized labor.

"The unions now have a clear majority of union sympathizers on the Board.

"During the past two years, under the leadership of the new Chairman of the Board, numerous precedents have been overruled and discarded, and the labor law has been substantially changed without legislation. . . .

"Largely because of public sympathy and effective political action, unions not only benefit from favorable legislation, but also are singled out for special and favorable treatment from courts, arbitrators, law officers and other public officials. . . .

"As politicians make laws and enforce them, this idea that unions can influence the direction of thousands or even millions of votes leads politicians who want to keep their jobs or advance in their profession to bend in the union direction when a union issue is before them."

How can we shut our eyes to the true meaning of this indictment? On these issues, we seem to have experienced a moral deterioration as we drift into a state of anarchy in the national economy.

Cleveland Stalled

In Cleveland, where the city's two dailies are struck by five unions, Federal mediators sat in on negotiations yesterday between publishers and printers. A spokesman said "nothing significant developed."

The Plain Dealer and the Press and News have been shut down for 71 days.

Joining Mr. Brown in the talks are heads of three non-striking unions, whose New York members have been made idle by the walkout. They are A. A. Deandre of the pressmen, William Hall of the photoengravers and James Sampson of the stereotypers.

Across the Nation, union printers have approved at least three to one an added 3 per cent assessment on their wages.

Evening Star

Commodities

St. Joseph Lead Co. Strike Talks Recessed; Will Resume Thursday

Special Federal Mediator Slated
To Enter 5-month-Old Dispute;
Union Members Reject Offer

A WALL STREET JOURNAL News Roundup

Contract talks in the six-month-old strike at St. Joseph Lead Co. were broken off again last week but are scheduled to resume Thursday with the help of a special mediator from the Federal Mediation and Conciliation Service.

W. F. White, regional Federal mediation director in St. Louis, said no progress was made last week. He said he had called upon Edwin W. Scott, special mediator based in Washington, to try to break the deadlock. Mr. Scott is scheduled to be at Thursday's talks.

The company's lead mines, in southeast Missouri, have been struck since July 27, when members of the Steelworkers Union walked out after negotiators failed to reach a new contract. The mines had been producing about 10,000 tons of lead a month.

Last week the union membership rejected an offer the company made Jan. 23. The union's bargaining committee had rejected the offer the previous week. The company had said the proposal was its final offer.

Terms of Offer

The company said the proposed three-year contract included average wage increases of 96 cents a day the first year and 64 cents a day the second year, with a wage reopener after the second year. It also offered increased benefits. St. Joseph Lead said that as an alternative to a wage reopener the company would increase pensions at the end of the second year.

"The offer was made reluctantly," a company official said, because it would have "substantially increased costs in operations, and meant that the company's Leadwood mill and parts of the Leadwood mines wouldn't reopen. About 200 men would be without jobs."

A union official termed the offer inadequate, asserting it didn't contain many benefits the company has granted to workers at zinc mining and processing facilities in New York and Pennsylvania. He also said the union wanted increased pensions and he added he was unaware of the alternative plan on pensions mentioned by the company.

Lead Demand Termed Satisfactory

Other lead producers said demand last week was quiet but satisfactory in view of the large sales made earlier this year. The price was steady at 10½ cents a pound, basis New York.

Demand for copper also was termed quiet but steady, with the price unchanged at 31 cents a pound. Producers last week began taking orders for March delivery but said it was too early to forecast volume for that month.

COMMODITY INDEXES

Dow-Jones Futures, Friday—145.47, up 0.07; last year, 146.17.

Dow-Jones Spot—151.43, up 0.49; last year, 147.43.

Reuters' United Kingdom—450.1, up 0.5; last year, 411.2. (1931 equals 100).

FUTURES PRICES

Higher—Cocoa, corn, coffee, potatoes, domestic sugar, soybean meal, copper, lead, zinc, Winnipeg flaxseed, Chicago oats and rye and New York and London rubber.

Irregular—Cotton, wheat, world sugar, soybeans, cottonseed oil and Winnipeg rye.

Lower—Wool, hides, soybean oil, eggs, Minneapolis flaxseed, Winnipeg oats and Singapore rubber.

Smelters reduced the price of scrap copper last week as dealers increased their offerings. The price fell ½ cents a pound, bringing the quote for No. 2 copper wire scrap, a key grade, to 25 cents a pound. This is equal to about 30¼ cents a pound for refined copper made from the scrap and available for shipment in three months.

Labor difficulties again curtailed copper output in Africa. In Northern Rhodesia more than 900 African mine workers refused to work Friday at the Mufulira copper mine of Rhodesian Selection Trust, Ltd. Details of the dispute weren't immediately available. The mine produces about 12,000 tons of copper a month.

Katanga Workers Off Jobs

And union Miniere du Haut Katanga, large mining company in the Congo, said its European and African employes are refusing to leave their homes in Kipushi, Katanga, because UN troops still are stationed in the

province. The province is under UN control preparatory to ending formally its two-year secession from the Congo. Union Miniere said the employes have threatened to abandon their jobs unless the troops are withdrawn by Friday. It said the employes refuse to leave their wives and children at home alone because of reports accusing some of the troops of crimes.

Union Miniere said ore production and concentrator operations at the facility have been halted.

Demand for zinc was little changed last week. Demand by steel mills for prime Western grade zinc continued low but the price held steady at 11½ cents a pound, basis East St. Louis, Ill. Demand continued strong for special high-grade zinc, which is used by die casters for the automobile industry, but price discounting continued.

January shipments of refined slab zinc to U.S. industry dropped sharply from December and from January 1962, the American Zinc Institute reported. Production was nearly unchanged from December but was below a year earlier.

	Zinc statistics in tons of 2,000 pounds:		
	Jan. '63	Dec. '62	Jan. '62
Shipments—total	72,474	84,487	84,884
To U.S. industry	71,307	82,397	80,959
Export	1,167	2,090	3,925
Production	80,013	79,890	83,958
Daily avg. rate	2,581	2,577	2,708
Stocks held—total	183,495	181,513	171,304
At smelters	157,093	149,554	150,263
Held elsewhere	26,402	31,959	21,041

Commodities

Prospects Still Dim For Settling Walkout At St. Joseph Lead Co.

**Demand for Lead Is Off Sharply;
Zinc Buying Up a Bit; Copper
Purchases Continue Steady**

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Prospects remain dim for prompt settlement of the strike by a United Steelworkers local at St. Joseph Lead Co.'s lead mines in southeast Missouri. The strike will be seven months old Wednesday.

Edwin W. Scott, special Federal mediator who entered the negotiations a little more than a week ago, said "no progress" was made at the only meeting held last week. Both sides still were "very far apart" on economic issues, he added.

Mediators have scheduled another meeting for today. Sources close to the negotiators, however, expressed doubt that significant progress would be made.

The Steelworkers, who struck the mines July 27, have presented new wage and other demands. The three contract proposals, which would run for one, two or three years, have been rejected by the company.

Details of Three Proposals

Under the one-year proposal, the union asked for an across-the-board wage boost of \$2 a day and a \$15-a-month increase in employe pensions, both retroactive to last April 1, the expiration date of the old contract.

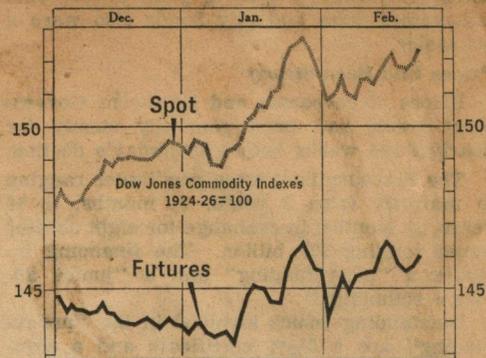
The union's two-year contract proposal in the first year seeks an across-the-board wage rise of \$1.16 a day and a \$15-a-month gain in pensions, retroactive to April 1. There would be no wage rise the second year, but the Steelworkers asked that a job evaluation program be put into effect then, plus company absorption of all cost of hospitalization and other medical benefits for workers, part of which is currently paid for by employes.

The union's demands under its three-year contract proposal also call for first-year retroactive pay boosts of \$1.16 a day and the \$15-a-month rise in pensions. There would be no wage rises in the other years, but in the second year the job evaluation would be put into effect. In the third year, the company would pay all costs of the health and welfare benefits, and workers' dependents would be included in the program. For the third year, the Steelworkers also are seeking an additional \$10 a month rise in pensions, and an increase in worker insurance to \$4,000 from \$2,000.

Rejected Company Offer

Earlier this month, the union rejected a three-year contract offer by St. Joseph Lead. This offer had included an across-the-board wage increase of 96 cents a day the first year, and 64 cents a day increase the second year through a job evaluation program, and a wage reopener after the second year. The company at that time also said that as an alternative to a wage reopener, it would increase pensions at the end of the second year.

Markets at a Glance



COMMODITY INDEXES

Dow-Jones Futures, Thursday—146.01, up 0.31; last year, 145.63.

Dow-Jones Spot—152.35, up 0.43; last year, 146.54.

Reuter's United Kingdom, Friday—450.5, up 0.8; last year, 409.5.

FUTURES PRICES

Higher—Cotton, wool, sugar, hides, copper, lead, potatoes, wheat, corn, oats, soybeans, soybean oil, cottonseed oil, soybean meal, flaxseed and Winnipeg rye.

Irregular—Cocoa, coffee, and Chicago rye.

Lower—Rubber, zinc and eggs.

Demand for lead is down sharply from the heavy buying earlier this year. Some of this drop in buying reflects cautiousness by consumers who are waiting for the outcome of the wage negotiations at St. Joseph Lead, trade authorities say. The company is the largest U.S. mine producer of lead and had been turning out about 10,000 tons a month.

The lead price held steady last week at 10½ cents a pound New York.

Zinc buying by steel mills gained a bit last week after being slow for some time. Sales of special high grade zinc continue good, industry sources say, sparked by the high rate of automobile production. But discounting still continues in this grade, the sources add. The base price for prime Western grade zinc held steady at 11½ cents a pound, East St. Louis.

Demand for copper continues at a fairly even rate. Some producers report increased consumer ordering for March delivery with indications that shipments next month will top February and may be at least as good as January, a strong month. Copper smelters say buying is steady, with orders coming in for March shipment, but not in significant volume. The price held unchanged at 31 cents a pound, the quote for over 21 months.

European underground mine workers at the Mufulira copper mine in Northern Rhodesia still are on strike in a dispute over bonus payments. The company last week notified all other European and African workers they would be laid off, and operations again were halted.

But Union Miniere du Haut-Katanga officials in Brussels said last week that normal output at the company's mines and plants in Katanga province, the Congo, is expected to be restored around the end of March. The company previously has estimated that normal output wouldn't be attained until the end of April. Before the recent fighting in Katanga, the mines had been producing around 26,500 tons of copper a month.

THE WALL STREET JOURNAL
Monday, February 25, 1963

30-Month Contract Ends Hotpoint Strike

Chicago—A 22-day strike ended at the Hotpoint Div. of the General Electric Co. when the company agreed to a first contract including a provision to arbitrate grievances involving layoffs, recalls and promotions and a 21-day "no-replacement" clause for workers striking over grievances involving job standards and wage incentives.

Hotpoint and striking Local 571 of the Sheet Metal Workers agreed on a 30-month contract that includes no immediate wage increase but provides for two wage reopeners—the first next July 15, the second in August 1964.

'63 Reopener

A September 1963 reopener allows the union to seek progress in union security, arbitration, benefits other than wages and various other issues.

Sheldon Charone, union counsel, said that company agreement on the 21-day clause on replacement of workers striking over job standards marked a "major gain." Eventually, he said, the effect will be "to eliminate all unfair job standards."

Agreement was reached after federal mediators brought company and union officials together for three days of bargaining and after strikers had begun receiving strike benefits from the Sheet Metal Workers Intl. Association. Benefits were paid to non-members as well as union members by waiver of a clause in the international's constitution.

Local 571 won representation rights for some 2,500 workers in a National Labor Relations Board election last May. Eight months of negotiations failed to produce a single bargaining concession from Hotpoint's first offer, which con-

tained "not a penny" in wage increases or fringe benefits or agreement on working conditions and arbitration of grievances.

Approximately 2,000 workers walked out when the strike was called, Local 571 spokesmen said, and Hotpoint production was progressively slowed. Backing from other unions and the AFL-CIO included a widespread consumer boycott of Hotpoint products. Twenty-one company concessions were included in the negotiated contract.

Organization Dir. Edward J. Carlough of the international union said "the truly important thing" was that a GE-controlled company was forced to revise GE's "historic 'no concession' policy" during contract negotiations.

The local's agreement represents the first union contract in Hotpoint's 56-year history. The union negotiating committee included Local Pres. James Crouch, special Intl. Rep. Alan Roberts, and Regional Dir. of Organization Edward W. Hussey.

Copper Demand Declines a Bit, Still Called High

Lead Buying Is Up From a
Week Ago; Slight Increase
In Zinc Buying Continues

Brass Mill Orders Decrease

By a WALL STREET JOURNAL Staff Reporter

NEW YORK—Copper demand has slowed a bit from recent weeks, but most producers and smelters agree it still is at a relatively high level.

Lead buying is up from a week ago and the recent slight uptrend in zinc demand continues.

Some copper producers aren't quite as certain as they were a few weeks ago that April shipments will be as good as the indicated March rate, which they consider excellent.

Other copper trade authorities, however, said current demand is very good with volume comparing favorably with previous weeks. The producer-smelter price held firm at 31 cents a pound last week.

Dealers were understood to be offering copper at prices ranging from 30½ cents a pound to 30¾ cents a pound, delivered to nearby points. They said the market was very quiet and their supply limited.

But an easier price trend developed in the market for scrap copper, one of two major sources of copper smelters' raw material. The other is purchase of copper-bearing ores and concentrates from mines that don't have smelting and refining facilities.

Anaconda Labor Talks

The price copper smelters pay for scrap copper was cut ¼ cent a pound late last week. This brought the quotation for No. 2 copper wire scrap down to 24½ cents a pound bid, equal to about 29¾ cents a pound for refined copper made from the scrap and available for shipment in three months.

On the labor front, Anaconda Co.'s Chuquicamata mine in Chile, in contract meetings held under the auspices of the Chilean Conciliation Board, offered workers a wage increase of 21.1 percent. The present contract expires March 31. The offer is the same as that accepted late last year by workers at the company's El Salvador mine in Chile. The Chilean Copper Workers Union at Chuquicamata is seeking a 45% wage boost and an increase of 100% in fringe benefits. This property has been producing at a rate of nearly 24,000 tons a month under a 5% curtailment made last year.

Union leaders are expected to ask members for authorization to call a strike, if necessary. Then, the union and the company will begin direct talks, probably this week, that are expected to go down to the March 31 expiration date.

In Africa, European workers at the Rhodesian Selection Trust, Ltd., Mufulira mine in Northern Rhodesia still are on strike in a dispute over bonus arrangements. The mine has been closed by this walkout since Feb. 23. Mufulira produced about 12,000 tons a month before it was struck.

Brass Mill Orders Slip

Brass mill industry officials said orders slipped a little last week after gains in previous weeks. They added, however, that business still was satisfactory. One executive said his shipments this month are up sharply, and "I expect the gain to continue into April." Another mill official said the buying apparently isn't for inventory building "because of the quick delivery customers are seeking."

Other mill officials weren't as enthusiastic about volume. An executive said March deliveries will be about the same as in January. Still another brass mill spokesman, while saying shipments are good, complained that new orders aren't matching the rate at which products are being shipped. "What we need are more new buyers for April," he said.

Lead demand showed a good gain from the previous week and the price was firm at 10½ cents a pound, New York, producers said. They expect buying to continue this week as users come in for April delivery orders. The London lead price was slightly higher on what was said to be speculative covering.

Negotiations Resumed

Contract talks between St. Joseph Lead Co. and the striking United Steelworkers Union were held Saturday under the auspices of Federal mediators after a lapse of more than a week. Another meeting is scheduled Wednesday.

Some progress was said to be made in defining the positions of both parties. Still unresolved is a company proposal for a staggered work week, which the union claims would eliminate overtime payment for Saturday and Sunday work. Also in contention is a company proposal for a new method to determine vacation pay for the workers.

The company's lead mines in southeast Missouri have been closed for nearly eight months by a strike that started July 27 in a dispute over terms of a new labor contract. The mines

had been producing about 10,000 tons of lead a month.

Steel mill buying of prime Western grades of zinc last week was up from a week earlier, but still wasn't as good as had been anticipated, zinc producers said. Demand for special high-grade zinc continued steady, exceeding demand for the lower grade. Even so, discounting below the official price continued for the higher grade. The base price for zinc held unchanged at 11½ cents a pound, East St.-Louis.

The price for silver at New York and London dropped modestly last week for the first time since late November. The decline reflected the absence of London and European buying in the New York market. This buying was mostly responsible for the price upturn in previous weeks. U.S. consumer demand has held about normal throughout the rise.

At New York, the quotation early in the week fell 0.5 cent an ounce to \$1.275, after reaching a 43-year high of \$1.28 an ounce March 13.

At London, the price last week fell 0.6 cent an ounce to the equivalent of \$1.278 an ounce.

THE MACHINIST
March 28, 1963

**Governor, Senate
Back IAM at Boeing**



REFUSAL of the Boeing Co. to come to terms with the IAM drew fire last week on the company's home ground.

In an unusual resolution, the Senate of the State of Washington voted formal criticism of Boeing management for rejecting both the recommendations of a Presidential Aerospace Board and IAM offers of binding arbitration.

In a special statement issued at Olympia, Gov. Albert D. Rosellini of Washington, also took the company to task for its adamant attitude.

At Washington, D.C., meanwhile, IAM negotiators continued to meet with Boeing management and officials of the Federal Mediation and Conciliation Service in further efforts to reach a peaceful settlement.

Since the Taft-Hartley injunc-

tion against IAM members was issued on Jan. 25, ten such sessions have been held. As this issue of THE MACHINIST went to press, the company had made no change in its pre-injunction offer. IAM members earlier rejected that offer by a vote of better than 4 to 1.

Under the Taft-Hartley injunction procedure, another vote on the company's last offer is required. Some 45,000 Boeing employees from coast to coast are scheduled to participate in that vote on Apr. 2, 3 and 4.

Grand Lodge Rep. Ed Stringer, coordinator of the IAM negotiating committee, told THE MACHINIST at press time that "as things stand now, Boeing employees will reject the company offer overwhelmingly." He added:

"Both IAM members and non-members will support the union program just as they did in the union shop vote last December."

The Taft-Hartley injunction, prohibiting IAM members from striking, will expire on April 15.

Issues Listed

Stringer listed the following as key issues in the IAM-Boeing dispute, now in its ninth month:

Wages. "Boeing wages are 20 to 30 cents below the rest of the aerospace industry, mainly because the company's job evalua-

tion system has not been updated in 20 years."

Performance analysis. "Boeing is the only company in the industry using this unfair employee rating system. It destroys seniority. It requires, in effect, that employees serve a ten-year probationary period."

Union shop. "In bargaining with the IAM, the company rejects the union shop as 'a matter of principle.' Yet the company has recently negotiated union shop agreements with three other unions."

Relocation pay. "This clause has been accepted by the rest of the aerospace industry. Boeing alone refuses to write it into the contract."

Contract duration. "We are willing to sign a three-year agreement, but we insist that it be dated from the expiration date of the previous agreement, with full retroactivity from that date."

The Washington State Senate resolution reviewed the long history of the dispute, noting particularly that the IAM "has on two occasions, at the request of the government, extended its former agreement to avoid a work stoppage."

The resolution also pointed out that "a government panel of distinguished citizens has thoroughly investigated the dispute, and has

issued a recommendation for settlement that has been accepted by the International Association of Machinists but has been rejected by the company."

Arbitration Offer Recalled

Finally, the resolution recalled that the IAM "has offered to place points in dispute before impartial and binding arbitration, but has had this offer rejected by the company."

The resolution called on both Boeing and the union to demonstrate their "responsibilities and moral obligations and abide by the recommendations of the government-named panel of distinguished citizens and settle the dispute upon terms set forth by that panel."

The resolution was sponsored by State Sens. Michael J. Gallagher and A. L. Rasmussen.

Governor Rosellini's statement also noted the history of the dispute and urged speedy settlement "either through impartial and binding arbitration or on the basis of the aerospace panel's recommendations, and thereby avoid a costly strike that would benefit neither labor nor management, nor the countless innocent citizens whose economic welfare would be indirectly placed in jeopardy."

At San Francisco, a U.S. Court of Appeals ordered Federal Dis-

trict Court to amend the existing Taft-Hartley injunction against IAM members. The new wording, requested by the IAM, will require Boeing to keep all provisions of the previous contract.

The new wording also applies to the Rohr Corp. at Auburn, Wash., a Boeing subcontractor. Issues in the IAM-Rohr dispute are similar to those at Boeing.

Shown in the picture, above, are, from left, Grand Lodge Rep. Vernon Jirikowic, IAM research director; Grand Lodge Rep. V. J. Mazzacano, Wichita, Kans., FMCS Commissioner Albin L. Peterson, Seattle; Walter A. Maggiolo, FMCS director of mediation activity; FMCS Commissioner Joseph H. Piconke, Washington, D.C.; Grand Lodge Rep. Edwin A. Springer, Seattle; Grand Lodge Rep. W. J. Usery, Jr., Cocoa Beach, Fla.; John Sullivan, president, IAM District 751, Seattle; and Grand Lodge Rep. Edwin J. Carrig, Seattle.

Larson's speech says the Committee has organizations in being or in various stages of development in more than 12 non-Right to Work states. The "most promising of these" is Oklahoma, Larson says. The advocates of a state right-to-work law, he adds, are preparing for a referendum there, probably later this year.

Larson also discusses the vote on union shop among employees at several aerospace companies. A Presidential board set up especially to deal with disputes in the aerospace industry last year had recommended that union shop be granted if sanctioned by a two-thirds vote of employees voting. Larson says union shop was "decisively defeated in every case."

Larson's address was scheduled for March 29 at a meeting of the Carolina Branch of the Associated General Contractors of America at Columbia, S. C.

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NLRB TO CONDUCT "LAST OFFER" ELECTION AT BOEING FACILITIES

General Counsel Stuart Rothman announces that the National Labor Relations Board will conduct a "last offer" election next week at the plants and facilities of the Boeing Company to determine if the employees will accept management's final contract proposal. Meanwhile, the Federal Mediation and Conciliation Service makes another effort to bring the parties together and end the dispute.

On January 23, 1963, President Kennedy created a Board of Inquiry to report on the contract dispute between Boeing and the two unions representing its employees -- the International Association of Machinists and the United Auto Workers. On March 26, after an injunction had been obtained halting a threatened strike of the Boeing facilities, the Board made its final report to the President (DLR 59 [1963]: A-13). The report included a statement of the company's final contract offer.

Pursuant to the national emergency provisions of the Taft Act, the Board is required to take a secret ballot of the employees on the question of whether they wish to accept the employer's final offer of settlement. The results of the election must be reported to the Attorney General by April 15.

The balloting will take place at 16 Boeing locations in 13 states. The largest facility to be polled with the Seattle-Renton plant where there are approximately 31,000 eligible voters. Other installations range from 100 to 10,000 voters.

The voting, originally scheduled to begin on April 2, has been rescheduled to start on April 5, in order to give the Federal Mediation and Conciliation Service more time to attempt to settle the dispute, according to NLRB Regional Director Thomas P. Graham. The Mediation Service has scheduled new conciliation talks in Washington, D. C., starting April 6.

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EXECUTIVE SESSION ON FRINGE BENEFIT BILL SET FOR APRIL 2

The Roosevelt Subcommittee will hold an executive session on the Davis-Bacon fringe benefit bill (H. R. 404) April 2 and hopes to have the bill ready for a meeting of the full House Labor Committee the next day.

Meanwhile, the Nebraska Chapter of the Associated General Contractors, Inc., has written Chairman Roosevelt (Dem., Calif.) that the group is opposed to adding fringe benefits to the Davis-Bacon Act with or without reforms in the basic law.

Moreover, Manager James Critchfield writes that that is the official position of the parent AGC also. He says that AGC's 1962 convention adopted a resolution reaffirming opposition to "the expansion of the Davis-Bacon Act in any manner," and in particular opposing inclusion of health, welfare, and pension payments.

During the 1963 convention, two committees issued reports opposing fringe benefits and favoring reforms, but no resolutions on these two subjects reached the floor so the 1962 resolution "stands as the AGC's official position," Critchfield declares. He writes:

"The Nebraska Chapter is opposed to adding fringe benefits to the Davis-Bacon Act regardless of reforms. We want reforms but not in exchange for adding fringe benefits. In our judgment, reforms are important to the public interest while adding fringe benefits would be inflationary and detrimental to the public.

"We acknowledge that fringe benefits are a pay incentive but our chapter is opposed to adding fringe benefits to the Davis-Bacon Act because, in our judgment, a floor which already provides straight-time minimums alone as high as \$5, \$5.18, \$5.37, \$5.40, \$6.13, and \$6.52½ per hour is enough. By comparison, the Fair Labor Standards Act sets a nationwide straight-time minimum of \$1.25 for some 27-28 million covered employees."

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NLRB REGIONAL DIRECTOR DISMISSES TEAMSTERS' OBJECTIONS TO ELECTION AT WESTERN ELECTRIC

The Teamsters Union loses in an effort to set aside the results of an election it lost to the Communications Workers of America at the Western Electric Company. Ivan C. McLeod, New York Regional Director of the National Labor Relations Board, dismisses Teamsters' objections to the election, thus ending the battle over the right to represent Western Electric's communications installers.

CWA won the Western Electric election last January by a vote of 11,388 to 4,000 (DLR 3 [1963]: AA-1). The Teamsters sought to overturn the vote on the ground that Western Electric had improperly aided the incumbent CWA to win the election (DLR 8 [1963]: A-6).

McLeod finds no merit to the Teamsters' contentions. Since the election was held on a consent basis, his decision cannot be appealed to the five-member Labor Board.

The Teamsters had no immediate comment about McLeod's decision, but a union spokesman indicated that a statement would be forthcoming in a few days. Meanwhile, the Teamsters have filed unfair labor practice charges with the Board alleging that the company's interference with the conduct of the election interfered with employee rights under several sections of the Taft Act.

CWA President Joseph A. Beirne hailed the Board's validation of his union's victory over the Teamsters and announced the resumption of bargaining negotiations with Western Electric. His statement follows: (OFFICIAL TEXT)

The Communications Workers of America, AFL-CIO, is gratified that the New York office of the Natl. Labor Relations Board has finally validated our victory over Hoffa's Teamsters in the election among employees of the Western Electric installation Division.

That nationwide secret ballot election, held more than three months ago, showed that the workers prefer CWA by a 3-1 majority over Hoffa's Teamsters.

"The absurd and desperate attacks mounted by Hoffa and his lieutenants against the results of that democratic balloting had no chance of success, because they were based on the dreams of empire of Hoffa's lieutenants, not on the actual facts of industrial life.

LABOR NOTEBOOK

Third-Man Theme Seen Overstressed In Big-Time Strikes

By ROBERT E. WALSH

Much has been written lately about compulsory arbitration.



It has been generated by the maritime and the New York newspaper strikes.

William E. Simkin, director of the Federal Mediation and Conciliation Service, was in Boston last week. He went into the subject during a discussion of the "Third Man at the Bargaining Table" at the Sheraton Plaza.

Simkin made it very plain close to compulsory arbitration. he feels that collective bargaining is working very well and gives evidence of a generally good picture.

For example, he said, his office requires reports on 100,000 cases of collective bargaining, and this does not count airline and railroad negotiations.

In four-fifths of these negotiations his office does not even have to assign a mediator, he added.

He thinks too much public hysteria has been caused by these two major strikes but that it would be naive not to recognize that collective bargaining still presents problems.

Simkin feels that much of the future progress of collective bargaining lies in human relations committees, like those worked out in the steel industry.

Simkin was the principal speaker at an event sponsored by the Labor Management Committee of the Boston Bar Assn.

Another speaker was Atty. Samuel E. Angoff, a labor lawyer.

Angoff minced no words in telling the group that compulsory arbitration is already here.

He said, "It was compulsory arbitration in the maritime strike. Both sides were told to reach an agreement or they would get legislation. In the newspaper strike everyone got into the act to force a settlement.

"Even locally, a union cannot strike the M.T.A. without its members going to jail, and a union today cannot strike the Boston Edison with getting the Slichter Act.

"Call it by any name you want but I maintain it is compulsory arbitration."

Simkin disagreed but admitted that the newspaper and maritime settlements did skirt

Another labor lawyer, Robert Segal, disagreed with Angoff on compulsory arbitration but said sometimes the public forgets that a strike is the price we must pay for collective bargaining in a free democratic society.

Edward Schneider, a management lawyer, said it is the opinion of many in management that government mediators "twist the arm of management harder than they twist the arm of the unions."

Schneider said labor leaders frequently tell mediators "We can't buy this offer because we can't sell it to our membership, and there is no sense in buying what we can't sell."

He said this forces officials bargaining for management "to save a little bit for the mediator."

He also called on mediators to settle labor disputes more on a question of merit than on expediency.

In reply, Simkin said he has found from experience that a mediated settlement worked out by both parties could be lived with easier in most cases than a settlement handed down by a board of arbitration.

Atty. E. Leonard Kane of Raytheon called for more understanding and objectivity on both sides if any progress is to be made in collective bargaining.

Atty. Carmelo Norvel of the Philippines Dept. of Labor was a visitor in Boston last week. He spent some time at the State Labor Relations Commission where an explanation of the operation was given to him by Attys. James Cody and Daniel Collins.

The artist who drew the portrait of J. William Belanger for the program of the recent dinner was Jerry Kable, public relations director for the state Labor Council. Must ask Jerry if this could not be considered moonlighting.

MM&P's 'Instant Arbitration'— Significant Step Toward Peace

by WILLIAM E. SIMKIN

Director, Federal Mediation & Conciliating Service

It would serve no good purpose to attempt to gloss over or avoid the hard fact that the history of collective bargaining in the maritime industry (offshore and longshore) since World War II gives little support to those of us who believe in the institution of bargaining as a precious ingredient of freedom.

The strike, a useful and occasionally necessary adjunct to free bargaining, has been used much too often and with too serious consequences to the economy and to a declining industry. Public tolerance of strikes is near the breaking point as respects this industry. The Taft-Hartley injunction has not proven to be any solution. Some tendency has developed to accept the injunction regretfully as a routine phase of bargaining rather than as a very occasional last resort. There is not much doubt but that the uncertainties as to continuity of shipping in US-flag bottoms have contributed to the decline of our merchant fleet. The sizeable economic gains secured by the employed Officer, seaman or longshoreman by means of this tortured course of bargaining are of limited value to the steadily increasing ranks of his unemployed or under-employed brother.

It should be apparent to all of us familiar with the industry that an essential objective is to stop the steady decline of US-flag shipping, to reverse that trend and to create a climate in which more jobs and better conditions can develop on a sound economic footing. Many constructive steps by private interests and by government are needed to produce that result. Not the least of these steps is the need for a substantial period of labor peace.

Your union has taken one significant step in this direction. What you have come to know as "instant arbitration" offers the promise of a fair and equitable



way to avoid costly and unnecessary work stoppages during the life of a labor agreement. Arbitration of this type is not a loss of freedom. It is an agreed-upon procedure that retains all the essential ingredients of voluntarism. It is a procedure that is within the control and guidance of the two parties to the labor agreement.

Proposed laws now being considered by Congress would provide for another type of arbitration — arbitration of the terms of new agreements.

Arbitration of new contract terms can be a voluntary solution to the need for labor peace. The parties to a contract can agree to give up the strike and lockout and make their own selection of an arbitrator or arbitration board at a time when bargaining is unsuccessful. If agreed to by the parties under the facts of a particular situation, it is a solution deserving of careful consideration. Under such circumstances, the essential elements of freedom are preserved.

However, some of the proposals now before Congress contemplate a different type of new contract arbitration — arbitration imposed by law, commonly called compulsory arbitration.

Despite what candidly must be considered as great provocation in the maritime industry, I strongly oppose enactment of compulsory arbitration laws. The time has not yet come and let us hope that it never will come when we concede that collective bargaining is a failure in this industry. Over the years, many of us in the Federal Mediation and Conciliation Service have come to know well the leadership of the maritime unions and of the operators. There is in this group of men an enormous reservoir of knowledge of the industry, good will, keen intellect and basic instinct for sound thinking. It is not too late to concentrate these human resources on the many problems of the industry and to find constructive answers to mutual concerns. Solutions arrived at peacefully by mutual consent are much more likely to be valid answers than decisions imposed from without. I refuse to believe that this industry is incapable of self-government.

The Federal Mediation and Conciliation Service is the government agency entrusted with the responsibility and opportunity to provide mediation assistance. Mediation avoids the distasteful element of compulsion.

St. Joseph Lead, Steelworkers End 8-Month Walkout

Union Ratifies Pact Calling For Package Hourly Boost Of 31.3 Cents Through '66

Anaconda, Chile Union Settle

By a WALL STREET JOURNAL Staff Reporter

NEW YORK — Members of the United Steelworkers Union yesterday ratified a new three-year contract with St. Joseph Lead Co., ending an eight-month strike, and Chilean copper workers reached a labor agreement with Anaconda Co., averting a threatened strike today.

The St. Joseph Lead workers voted 806 to 489 to end the strike at the company's mines and mills in southeast Missouri, a union spokesman said. The balloting was held in Desloge, Mo.

The union spokesman said work will begin tomorrow at Viburnum, the company's newest mine. But a company spokesman said it will take several days before operations at all the mines in the Missouri lead belt are resumed.

A limited tonnage of refined lead should be coming from the Herculaneum, Mo., refinery in about two weeks, the company spokesman said. Production is expected to be close to the prestrike level of 10,000 tons a month by the end of April, he added.

Anaconda Settlement

The settlement at Anaconda's Chuquicamata mine in Chile was understood to call for a wage rise of more than 31%, which was the last offer Anaconda made on Saturday. The company originally offered the Chilean Copper Workers Union a pay boost of 21.1% about two weeks ago. The old labor contract expired yesterday, and union leaders had authorized a strike for today.

The 21.1% wage boost offered by Anaconda is the same accepted late last year by workers at the company's El Salvador mine in Chile. Workers at Chuquicamata, which produces 24,000 tons of copper a month on a 5% curtailed basis, had been demanding a 45% wage increase plus substantial fringe benefits. Details of the new contract were not available.

Kennecott Copper Corp.'s Braden mine, the other major American copper facility in Chile, has a contract with the copper workers that expires June 30. Normally, the company and the union begin negotiations on a new pact 90 days before expiration. The Braden mine produces 14,500 tons of copper a month, on a 10% curtailed basis.

In Africa, European workers at the Mufulira mine in Northern Rhodesia owned by Rhodesian Selection Trust, Ltd., still are on strike in a dispute over bonus arrangements. The mine, which has been closed since Feb. 23, had been producing about 12,000 tons a month.

Package of 31.3 Cents an Hour

The St. Joseph Lead-Steelworker agreement runs to April 1, 1966. It calls for increased wages, pensions and other benefits calculated at 31.3 cents an hour over the three years. It replaces a contract that had expired April 1, 1962. About 1,400 Steelworkers struck the company's mines and mills in Missouri July 27, after failure to agree on a new contract.

The proposal accepted was worked out last week at a meeting of Federal Mediators and union and company representatives.

The pact provides for across-the-board wage increases of 10 cents an hour immediately, and another five cents an hour wage rise at the start of the third year.

Second-year benefits, estimated to cost 13.3 cents an hour, include: Three cents an hour for company payment of all costs of a workers family health and welfare program; nine cents an hour in pay benefits expected to result from a job evaluation program, and an additional 1.3 cents an hour to maintain at present levels the pay of workers whose job classification

under the program might call for a lower pay rate.

In the third year, besides the five-cent-an-hour wage increase, an additional three cents an hour is to be applied to pensions.

The company also agreed to continue operations on the present five-day work week basis and pay overtime for Saturday and Sunday work. A new method for calculating vacation pay will apply in the three years.

The American Bureau of Metal Statistics said the lengthy strike has had its effect on lead stocks. The bureau said stocks held by U.S. producers in February fell 11,972 tons from January to 120,026 tons. It was the seventh consecutive monthly decline and a total drop of 72,068 tons from the 192,094 tons held at the end of July last year, when the strike began. Another substantial drop in producer-held stocks is predicted for March.

Demand Good, Price Steady

Demand for lead last week was said to have been good, about the same as the previous week. The price held steady at 10½ cents a pound New York.

Prices for lead and zinc in London recently have displayed a firmer trend. Lead's price last week rose about ¼ cent a pound to the equivalent of 7.14 cents. The zinc price also was slightly higher, at the equivalent of 9.17 cents a pound. Some trade sources ascribed the improvement to the absence of Russian offerings of both metals, which are said to have had a depressing effect earlier this year.

Steel mill buying of prime Western grades of zinc used for galvanizing operations improved last week for the third consecutive week. Demand for special high grade zinc remains satisfactory. This is the grade used by the automobile and appliance makers. The price held steady at 11½ cents a pound, East St. Louis.

Copper Demand Termed 'Good'

Copper producers and smelters said demand continues "good" to "very good." Most producers, however, expect April shipments to fall below an "excellent" March rate, but to be better than January or February. The producer-smelters price held firm at 31 cents a pound.

The price for scrap copper rose sharply last week after several months of declines. Copper smelters last week boosted the price they will pay for scrap copper by $\frac{3}{4}$ cent a pound. This brought the quotation for No. 2 copper wire scrap to $25\frac{1}{4}$ cents a pound bid, roughly the equivalent of $30\frac{1}{2}$ cents a pound for refined copper made from the scrap and available for shipment in three months.

Brass mill officials said business has slowed and is about the same as several weeks ago. Some expect that, with better weather, construction activity will rise. This in turn, could increase demand for brass mill production in the plumbing, heating and air conditioning industries. First quarter shipments generally are estimated to be at least as good as a year earlier, when they were described as "quite good."

There was a resumption of European buying of silver in the New York market Friday, after an absence of overseas demand during the past few weeks. The amount bought wasn't large but, coupled with a slight gain in U.S. industry demand, was sufficient to keep the New York quotation at \$1.267 an ounce for the day even when the price in London had fallen before the U.S. market opened.

Earlier last week, the New York price had declined a total of 0.8 cent an ounce. The New York price hit \$1.28 an ounce March 13, a 43-year high, mostly as a result of overseas demand.

In London, the price Friday dropped 0.3 cent an ounce to the equivalent of \$1.269 for a decline of 0.9 cent an ounce for the week. The London price had fallen 0.6 cent an ounce the preceding week.

Stoppages of Information

The Commerce and Industry Association of New York estimates that the 114-day newspaper strike in that city caused losses of \$250 million or more. There were losses of wages to strikers and non-strikers, losses of advertising revenue and circulation revenue, losses to Canadian suppliers of newsprint, and so on.

Yet possibly the greatest category of loss is incalculable—the loss to readers and the community of those bits, bodies, and facets of information by which shoppers shop, voters vote, and everyday people guide myriad details of their lives.

“This,” an unnamed high labor unionist is quoted as saying, “should be the strike to end all newspaper strikes.” But will it? A newspaper strike in Cleveland is grinding to an uncertain stop after an even longer course. Strikes in Portland, Oregon, and other American cities have stopped the presses for long periods.

The paramount interest of the public impels many to feel that some kind of compulsory arbitration is inevitable in such disputes. And the trend of mature economies is perhaps in that direction as exemplified by the Slichter law affecting public utilities in Massachusetts, the nonstrike obligations assumed by unions of governmental employees, and the recent “voluntary compulsory arbitration” in the East Coast longshoremen’s strike.

One question then is: Who shall be the arbitrator? In some disputes confusion has arisen from various political figures “getting into the act” in addition to state or federal mediation services. This invites participants to plug for the mediator they think will give them most. Voluntary acceptance of a binding

arbitration calls for an arbitrator both sides trust.

Can such an arbitral court be provided in advance by law? Or will there be more success in high-level government intervention reserved for the most stubborn and critical cases? And can more such cases be headed off by use of fact-finding commissions that have a power thus far denied in the Taft-Hartley Act, power to make public recommendations?

William E. Simkin, chief of the Federal Mediation and Conciliation Service, points out that more than 100,000 labor contracts are formulated or renewed every year and that the time lost by strikes last year was only 16/100 of 1 percent of the time worked in the United States. The shutdowns that cause loss and hardship are a small but stubborn residuum of disputes.

Production of a newspaper involves an unusual number of skilled and unskilled crafts. Heretofore employers have preferred to deal with these separately. Now it may be found that there is greater orderliness in getting all demands on the table at once and having the unions represented by a bargaining council. Moreover, as Mayor Wagner who negotiated the New York settlement indicated, labor relations must be made a 365-days-a-year job.

The public has alternate sources of information, as it would have alternate means of transportation in a nationwide railroad strike. But the public interest in the continuity of newspaper publication, as in many other modern services, is so great that newspaper management and labor must develop more efficient ways of reconciling their differences. Otherwise they will be under increasing public pressure to accept an arbitrament of them.

DAILY LABOR REPORT

4/5/63

TENTATIVE AGREEMENT REACHED
ON NEW PACT AT ELECTRIC BOAT

Director William E. Simkin of the Federal Mediation and Conciliation Service announces that a tentative agreement has been reached on a new contract covering an estimated 1,500 design technicians at the Electric Boat Division, General Dynamics Corp., New London, Conn.

Simkin reports that negotiators for the company and the Marine Draftsman's Association, an unaffiliated labor organization, requested that no details of the agreement be released before it is submitted to the union's executive committee and membership.

Boeing and Machinists Continue Pact Talks; Strike Set Tomorrow

U.S. Government Is Not Expected To Intervene to Bar Walkout; If Struck, Firm Wouldn't Close

By a WALL STREET JOURNAL Staff Reporter

SEATTLE—Negotiators for Boeing Co. and the International Association of Machinists continued to meet in Washington, D.C., in last-ditch efforts to avoid a strike set by the union for 12:01 a.m. tomorrow.

The Federal Mediation and Conciliation Service continued efforts to head off the strike. Meetings have been under way in Washington since April 6.

Intervention by the Federal government to prevent a strike against the big defense contractor was doubted. Senator Jackson (D., Wash.) said over the weekend, "My guess is that the Government wouldn't intervene, at least in the initial stages of the strike.

The company has indicated it will continue operations in the event of a strike with the help of nonunion and supervisory employes and technicians.

The strike would be against Boeing facili-

ties in the Seattle area, in Wichita, and at 12 Air Force bases and other scattered installations. A strike call would affect 26,100 production workers.

Principal issues in the dispute are union security, an employe-rating system called performance analysis, job evaluation, relocation pay and contract duration. Wages aren't a major issue.

The most hotly contended issue is the union shop. On Jan. 2 President Kennedy's Boeing aerospace board recommended the company reconsider its stand. Boeing, however, has maintained its opposition to the union shop, which requires that all employes join a union within a specified period after being hired.

The April 15 strike deadline marks the end of the 80-day cooling-off period during which a strike was prohibited under the Taft-Hartley Act. Negotiations between Boeing and the Machinists began last July. Union members later voted strike authority if a settlement wasn't reached by Sept. 15, when the contract expired. The union, however, has continued working under contract extensions and during the investigation by the President's special board.

A strike could halt the nation's missile testing and space program at Cape Canaveral, according to John Hedrick, union attorney.

IMPASSE AT BOEING

This editorial appeared in the Feb. 9 issue of America, the National Catholic Weekly Review, edited and published by a group of Jesuit Fathers. It should be required reading for everyone in Congress—and out.

THERE HAVE BEEN more protracted disputes than the one between Boeing Aircraft and the International Association of Machinists. There have been more stubborn and more colorful disputes. But the Boeing-IAM struggle will do until something else comes along.

Negotiations for a new contract covering Boeing's 40,000 production workers started way back last summer. They got nowhere. Employer and union differed over wages and wage differentials, over payments to the welfare fund, over union security. Mostly they differed over union security. Boeing wanted to eliminate the maintenance-of-membership clause in the old contract; IAM demanded a union shop.

Despite the efforts of the Federal Mediation and Conciliation Service, a strike seemed imminent last September. Since Boeing is a key defense producer, President Kennedy intervened, appointing a board of experienced arbitrators to report on the issues. Production continued peacefully under the old contract at Seattle, Wichita and Cape Canaveral.

The board did a thorough job—at least it took a long time doing it. To clarify the union-security issue, it asked the government to conduct an election on the union shop. The result, which was only advisory, was a big IAM victory. About three-fourths of the voting workers chose the union shop.

There followed more negotiations. Finally, some three months after undertaking the chore, the board issued a report. Noting that Boeing had union-shop arrangements with other unions, it questioned the company's stand "on principle" against "compulsory unionism." It also objected to the company's argument that by granting the union shop it would strengthen "the enemy," that is, the union.

This "rather cynical argument," said the board, is not only factually unsound, but it "goes a long way toward explaining why this dispute has been so difficult to settle." It is at variance with "the mainstream of thought of American management and labor" that they have the common goal of a prosperous business and good jobs. The board concluded by recommending a settlement which included the union shop.

Boeing refused to budge. It countered with a demand that the men be allowed to vote on its final offer, which included a wage increase and a boost in pension benefits, but not the union shop. At first IAM opposed the company demand, but finally it assented.

On January 23, the employees rejected Boeing's offer by a large (4-to-1) margin. Two days before this, in a final effort to reach a strike-free settlement, IAM had offered to arbitrate all unresolved issues. Boeing said "No."

Such was the situation when the President invoked the Taft-Hartley procedure to prevent a strike set for January 26. He said, and quite rightly, that "any interruption of the production of aircraft, missiles and spacecraft at the Boeing Company would be a serious threat to the nation's defense effort."

That is where the dispute rests now. There will be no danger of a work stoppage until well into March, when the 80-day injunction expires. And there is always a chance, no matter how dark the prospect, that an agreement will be reached.

It seems clear enough from the record that throughout this protracted controversy the Machinists have acted with great patience and a high sense of responsibility. In this case, as the Presidential board said, it's the company that is off base.

Machinists' Strike at Boeing Is Averted By Tentative Accord; Vote Set Tomorrow

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON — Federal mediators announced a tentative agreement between Boeing Co. and the Machinists Union, averting a strike scheduled for midnight.

Terms of the tentative accord weren't disclosed. The union membership will vote on it tomorrow. Union negotiators said they would recommend that the membership accept the agreement.

[At Morton, Pa., a spokesman for Boeing's Vertol division said negotiations were continuing with United Auto Workers local 1069, the Associated Press reported. The local had scheduled a midnight strike. The spokesman said the Vertol-UAW negotiations weren't affected by the proposed agreement between Boeing and the machinist.]

The agreement would affect more than 40,000 employes working at all of Boeing's facilities. These include plants at Seattle, Wash., Wichita, Kan., Michaud, La., and facilities at Cape Canaveral, Fla., Vandenberg Air Force Base, Calif., and other missile sites.

Boeing holds major Government contracts that include work on Minuteman missiles, advanced versions of the Saturn rocket, the Dyna-Soar space glider, KC-135 jet tankers and modifications to B-52 jets. The company also produces commercial passenger and cargo jets.

The tentative accord came after nine days of intensive mediation in Washington by the Federal Mediation and Conciliation Service. The agreement barely beat the midnight expiration of the 80-day Taft-Hartley Act injunction against a strike obtained by the Government early this year. The Machinists Union had slated a strike to start today.

Although negotiators were mum about terms of the agreement, it was understood the union won an improved form of membership security—the issue that was the heart of the dispute.

The Machinists Union currently has a maintenance-of-membership agreement with Boeing. This requires present union members to remain members for the life of the contract, though

it doesn't require nonunion workers or new employes to become members of the union.

The new pact provides that all newly hired workers and laid-off workers who are recalled must become members of the union. However, these workers can elect whether to remain members of the union; the agreement provides a 10-day escape period, between the 30th and 40th day of employment. Employes who are already members of the union won't be eligible for this escape clause option.

At Boeing plants in states that forbid any form of union security as a condition of employment, the agreement calls for the company to give the union a list of new hirings and recalls. Presumably, this will enable the union to attempt to organize these workers. Kansas, under its "right-to-work" law, forbids any form of union security as a condition of employment.

The pact also calls for a wage increase, though that was never a real issue in negotiations. It's understood the pay package calls for increases of 22 cents to 32 cents an hour in wages and fringe benefits, plus a cost-of-living clause and a guaranteed \$50 a month pension. It was said the company also agreed to set aside four cents an hour per employe for the elimination of "intra-plant inequities."

The new agreement, if ratified by the union membership, would be retroactive to Sept. 15. It's estimated retroactive pay would total more than \$6 million.

The union was seeking a union shop, a form of security under which Boeing workers would have to join the union within 30 days after being hired in order to hold their jobs. The company, during almost a year of off-and-on bargaining, insisted it wouldn't even consider a union shop.

Earlier this year, a special Presidential board sharply criticized Boeing for refusing to consider not only the union shop but other lesser forms of union security.

Of the tentative accord, Harold J. Gibson, a general vice president of the Machinists Union, said, "It's not everything we wanted, but it's an improvement" on the company's previous offers. "The company moved on the five major issues," he added, but he declined to cite specific gains made by the union.

The union previously identified the "five major issues" as union security, an employe rating system, job evaluation, labor grades and duration of the agreement.

Hawaiian Sugar Industry, Union Agree to Contract, Ending Two-Day Strike

Special to THE WALL STREET JOURNAL

HONOLULU—A strike of some 10,000 workers in Hawaii's sugar industry ended with agreement between the industry and the International Longshoreman's and Warehouseman's Union on a two-year contract. Cost of contract provisions was estimated at \$15 million over the two years.

Employees of 23 of Hawaii's 26 sugar plantations struck at midnight Sunday after negotiators became deadlocked on terms of a contract to replace one that expired Jan. 31.

Settlement came after long negotiations, attended by three men from the Federal Mediation and Conciliation Service. Details of the contract won't be released until after they are presented to the union's full negotiating committee Thursday afternoon.

It was understood, however, that the agreement provides a package of increased wages and benefits valued at 22 cents an hour in the first year and 10 cents in the second year, mostly in wages.

Strike at Boeing Division Halted by 48-Hour Truce Asked by Government

By a WALL STREET JOURNAL Staff Reporter

PHILADELPHIA—A 16-hour strike of about 4,200 workers at Vertol division of Boeing Co. in Philadelphia ended when the union complied with an appeal from the Government to return to work under a 48-hour truce.

An official of Local 1069, United Auto Workers, which represents most of the production and maintenance workers at the Boeing unit, said the union had ordered an end to the strike after receiving a wire from the Federal Mediation and Conciliation Service in Washington stressing the importance of the Vertol plants to the defense effort. The company makes military and civilian helicopters.

A company spokesman said workers returned to their jobs at the start of the second work term at 4 p.m. yesterday. The Mediation Service requested the 48-hour truce to provide time for further negotiations. Both sides were to meet at 10 a.m. today.

Compromise ends tension at Boeing

Surprise clause in new contract gives new employees 10 days to decide whether they want to join IAM—and gets the Administration off the hook

The blackest cloud in aerospace labor appeared to have passed harmlessly at midweek as 40,000 Boeing Co. employees prepared to vote on terms of a contract with the International Assn. of Machinists. An 11th-hour compromise—reached as an 80-day Taft-Hartley Act injunction ran out Monday night—provided for an unusual union security clause in place of the union shop that the union had sought and the company rejected [BW Apr.13'63,p54]. IAM officials recommended adoption.

The compromise clause—based on a formula created by Supreme Court justice Arthur J. Goldberg when he was a labor attorney—gives new employees 10 days to decide whether they want to be union members. If they do not request non-union status, they automatically become members and must remain so.

Future importance. The clause does not affect the 35% of Boeing's present work force who are non-union now. However, high turnover rates in the aerospace industry give it added importance for the future.

Under a union shop, all new employees must become union members within 30 days in order to hold their jobs.

Other compromises on disputed issues included modifications in the employee rating plan to improve recall rights, but not to make them subject to the union grievance procedure; negotiation with the union on relocation pay instead of a unilateral company decision; correction of wage inequities; and retroactivity of the new contract to the September expiration date.

Wage package. The wage package, which was not in dispute, provides for 11¢ to 14¢ an hour, retroactive to September; 5½¢ to 9¢ an hour next September; and 5½¢ to 9¢ in September, 1964.

Boeing says that over the three years the increases will add \$457 a year to wages of workers in the low-

est labor grade, \$551 to wages in the middle grades, and \$665 to wages at the top.

Unexpected. The tentative agreement surprised many observers. They had assumed that Boeing—which had ignored an adverse report from a Presidential emergency board and resisted a variety of political pressures—would remain adamant, and that IAM, which had announced it held Boeing responsible for any strike action it might take, would go through with its strike plans as soon as a strike became legal Monday night.

Alternatives. Pickets at Boeing missile plants from Seattle to Cape Canaveral would have landed the Kennedy Administration with the jagged alternatives of:

- Permitting a strike against a major defense contractor—with its potential impact on both the defense program and public opinion.

- Turning the problem over to Congress—which might consider compulsory arbitration, opposed by the Administration, or perhaps go into the whole area of labor legislation. The Administration feels it has enough troubles without that.

- Groping for an ad hoc solution similar to the Presidential board that pressured the contending parties into settlement after Taft-Hartley remedies were exhausted in the recent longshore strike. But Boeing had shown itself a much tougher customer in resistance to political pressures than many other employers with labor troubles.

Off the hook. The tentative agreement apparently took the Administration off a most uncomfortable hook. It was hailed as a triumph for free collective bargaining, and also as a feather in the cap of the Federal Mediation & Conciliation Service. Mediation Director William E. Simkin participated in the week-long last-ditch talks that led to the settlement. **End**

LABOR WEEK®

WHERE PRESSURE IS RISING AGAINST THE "UNION SHOP"

For years, many employers have accepted compulsory union membership for workers, reluctantly, but without much fight.

Now there are signs that attitudes are changing. More resistance to the "union shop" is showing up.

The Boeing Company presently is involved in a showdown over the issue, and General Electric is taking up the fight.

There is growing evidence of a slowdown in the spread of the "union shop" throughout American industry.

Right now, resistance to this device for helping unions get members is strong in two major industries—aerospace and electrical manufacturing. If employers win these fights, pressure against the "union shop" is expected to grow in other segments of business.

The opposition, however, is not coming from employers alone. Workers in some instances also are showing less en-

thusiasm than might be expected for compulsory union membership.

Join or be fired. Under the "union shop," workers are not required to be union members to get jobs, but they must join within 30 days or be fired.

Mid-April was bringing one showdown over the issue at the Boeing Company. Here, the company has vowed to take a strike rather than accept a "union shop" contract for its plants.

The dispute between Boeing and the Machinists Union reached the crisis stage in mid-month. An injunction under the Taft-Hartley Act that halted a strike for 80 days ran out on April 15, leaving the union legally free to strike.

In other recent fights over the "union shop," the Machinists Union and the United Auto Workers Union have not fared well. They failed to win at General Dynamics, North American Aviation, and Ryan Aeronautical.

In the electrical industry, General Electric is taking a strong position against compulsory union membership for its employes. GE's opposition was bolstered by the outcome of "union shop" battles in the aerospace companies.

General Electric, as a result, now has opened a major attack on the "union

shop," in advance of contract talks in coming months, talks in which the "union shop" is to be a prime union demand.

The aerospace pattern. GE said: "The recent aerospace-industry negotiations . . . have now shown clearly that compulsory unionism is a failing issue in the country."

Official Government figures were cited by GE to show what GE said is the trend. According to these figures, only 20 per cent of workers covered by contracts were bound by compulsory-union-membership clauses just before World War II. This figure rose, mostly during the war, to 77 per cent in 1946. The percentage now has declined, according to GE, to 74 per cent.

The position of General Electric was summed up in these words: "Reawakening to the dangers of compulsory unionism has been sparked by the action of the aerospace employes . . . The events of the past few months may well indeed have marked a 'turning of the tide'—a tide of public revulsion against a form of compulsion repugnant to the nation's tradition of freedom and its sense of fair play."

In the Boeing dispute, the Govern-

(continued on next page)



—USN&WR Photo

FEDERAL MEDIATORS headed by William E. Simkin, left, met with Boeing officials and leaders of the Machinists Union in Washington for talks aimed at averting a strike. Issue that had come to a showdown: the "union shop."

Three Rubber Firms' Bargaining With Union Appears to Be Stalled

Firestone, Goodyear and Goodrich Talks Continue Through 2nd Day of Contract Extension

A WALL STREET JOURNAL News Roundup

Contract negotiations between three major rubber companies and the United Rubber Workers union appeared to be stalled late yesterday as talks continued through the second day of a day-to-day extension of the old agreement.

Negotiating teams representing Goodyear Tire & Rubber Co. in Columbus, and B. F. Goodrich Co. in Dayton met with union bargainers yesterday after recessing late Sunday night.

Goodyear's talks were recessed again last night, and scheduled to resume at 10 a.m. today.

Hopes for an early settlement rose Sunday when the union agreed to pass by a scheduled and authorized strike deadline of midnight Saturday to continue negotiations on a day-to-day basis. When no agreement was forthcoming, however, speculation arose as to how long the union would continue the no-strike arrangement.

Attention appeared to be centered on the Firestone talks, in which George Burdon, president of the Rubber Workers, had participated since last Thursday. A Federal mediator, William Simkin, director of the Federal Mediation and Conciliation Service in Washington, conferred with both sides in Columbus though he wasn't active in the negotiations. He declined to comment on the status of the talks.

Mr. Burdon also left the Firestone negotiations yesterday afternoon to return to Akron prior to going to Washington on previously arranged union business, a union spokesman said.

Both sides continued their "no report" rule on the trend in negotiations, but one union source indicated the Firestone talks were on "dead center" with apparently no progress made in the negotiations yesterday. "It could go either way before this evening (Monday) is over," he added.

The Firestone discussions cover some 17,500 employes of the second largest rubber goods producer in eight U.S. cities. The talks between the company and the union began March 25.

Meanwhile talks continued, also without apparent progress, between the union and Goodyear, covering about 21,000 workers in 11 cities. The Goodrich talks in Dayton, involving some 12,500 workers in eight cities, likewise marked time. One union source indicated any pattern-

setting agreement most likely would be reached first either with Firestone or Goodyear.

A strike against one or all of these three rubber companies, all large suppliers of original-equipment tires to the automobile industry probably would have no immediate effect on auto production. All three companies have stockpiled tires in warehouses against such an event.

Norman Walker, Labor Reporter, Gets U. S. Position

Norman Walker, veteran Associated Press labor reporter, has been appointed public affairs officer of the Federal Mediation and Conciliation Service.

FMCS Director William E. Simkin, announcing the appointment yesterday, said Mr. Walker will handle public information. In addition, Mr. Walker will assist and advise Mr. Simkin in planning the Service's programs and activities. The post pays \$14,565 a year.

Mr. Walker was a newspaperman for more than 30 years and was the A.P.'s chief national labor reporter for more than 12 years. He worked on newspapers in New Orleans before joining the A. P. and was transferred to the news service's Washington bureau during World War II.

He lives at 3697 North Vernon street, Arlington.

“First the blade, then the ear, then the full grain in the ear”

★★

Editorials

MONDAY, MAY 6, 1963

Report From New England

The McDonnell Wage Plan

By Richard Neff

BOSTON

A formula that may “remove the wage question from labor-management negotiations” is being tried here.

Commissioner Frank S. McDonnell Jr., of the Federal Mediation and Conciliation Service (FMCS) in Boston devised the formula, which is now becoming known in the area as “the McDonnell wage plan.”

A number of experts, including FMCS Director William E. Simkin in Washington, have indicated a serious interest in the plan. Mr. McDonnell believes it can apply to labor-management relations across the country.

The formula was written into a three-year contract recently negotiated by United Shoe Machinery Corporation of nearby Beverly, Mass., and Local 271 of the United Electrical, Radio and Machine Workers of America (independent).

In its essence, the plan provides that annual wage increases over the next three years at United Shoe will be based on the Occupational Wage Survey of manufacturing firms in the Boston area, published each October by the Bureau of Labor Statistics (BLS) of the United States Department of Labor.

The wage survey annually tells how much manufacturing wages have risen during the preceding year.

Yearly raises at United Shoe will be predicated upon this index, plus a projection of how much manufacturing wages are expected to rise in the subsequent six months.

This two-step formula is self-correcting, Mr. McDonnell points out, to allow for ups and downs in the regional economy.

Under “cost-of-living” or “COL” clauses frequently included in union contracts, wages are “always trying to catch up, but under the new plan pay will rise parallel with manufacturing wages elsewhere in the region,” he stated.

Mr. McDonnell now believes that wage negotiations can leave the valley of pressure bargaining and heated opin-

ion to the cool heights of an objective, impersonal formula. “And it’s fair to both sides,” he states.

The only issue that negotiators must decide is which index to use. It could be the BLS’s wage survey, or national productivity, or rate of growth within the industry, or company profits—“or a combination of any of these and others,” the federal mediator adds.

He has studied and pondered the concept, discussed it with colleagues, and drawn out graphs to anticipate a wide range of situations.

“Now,” he says a bit reticently, “I just can’t help it. I’m forced to believe that we have here a plan for removing the most thorny issue—wages—from the labor-management bargaining table.”

Further advantages are (1) such a settlement is “noninflationary” because it tends to follow the pattern of wages rather than lead it, and (2) the formula would remove union leaders from periodic pressure to “get more money.”

Moreover, Mr. McDonnell states, the plan can lend an element of predictability to the industry, and if sufficiently applied in other firms in the area, can give the regional economy a certain stability. People would be able to forecast how much wages would rise, and thus what would be the wage effect on prices, markets, and so forth.

Prof. John Dunlop, noted Harvard University expert on labor affairs, feels that the McDonnell plan is “probably unique in its choice of the BLS wage survey.”

He notes that elevator construction unions in a number of cities have since 1919 concluded wage agreements based on pay in other building trades unions within a given city. “A very few” union wage clauses are tied to increase in company productivity, he reports.

W. W. Burgess, business agent for Local 271, says the union “checked the McDonnell plan back and forth, and we’re convinced it’s a good thing.”

A company spokesman said that “the new plan provides an equitable formula for working out wage adjustments. . . .”

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Mr. Walker:

Thanks, Willie, for letting
borrow.

I've made a copy to send
to McDonnell.

Pearl

AMERICAN LETTER

Number 2332

THE STANDARD WASHINGTON AUTHORITY • MUNSEY BUILDING • WASHINGTON 4, D. C.

PUBLISHED BY WHALEY-EATON SERVICE • FOUNDED 1918 • WASHINGTON • LONDON • TOKYO

May 11, 1963

Dear Sir:

THE COMPETITIVE POSITION OF U.S. BUSINESS will be strengthened by the inflationary pressures building up in Europe.

Furthermore, the impetus to export American capital (insofar as this movement has been based on the attractiveness of cheaper labor costs in Europe) will diminish. Some improvement in the U.S. payments position, therefore, can be expected.

The pungent scent of inflation in Europe is underscored by the settlement announced this week affecting German metal workers. The unions involved steadfastly refused to keep their demands for higher wages within the bounds of productivity gains, and won their case.

In France, there is widespread anticipation of a considerable rise in both prices and wages during coming months, which the French Minister of Finance gloomily describes as a "kind of economic leukemia."

British labor union leaders, while agreeing in principle to the need for restraint, are not apt to practice it. Many state quite frankly that they see no reason for "helping a Conservative government" as the time for a general election draws nearer.

THE CURRENT RELATIVE STABILITY of the U.S. economy could, of course, be shattered by inept governmental "management" and by a decision on the part of American labor unions to follow the lead of Europe's workers.

The effect of the overall European inflationary trend on the economic planners of the New Frontier is, so far, undetermined.

Yet, it was not many months ago that the Administration was expressing wonderment over the "amazing growth with stability" demonstrated by the Common Market countries—particularly France.

Kennedy's top economic advisers were crossing the Atlantic in rapid succession to examine this phenomenon at first hand. Startled Frenchmen, who had openly envied and copied the American economic way of life since the end of War II, watched the procession in disbelief.

Administration planners, in their preoccupation with "growth" and in the deep conviction that an elixir for it must lie in governmental gimmicks, later attempted to apply to the American economy the "secret" learned from their junkets abroad.

Their enthusiastic conclusion—viewed wafily by Congress and the American people—seemed to be that responsible regard for the inflationary effects of federal spending was merely an outmoded carryover of "Puritanism."

TODAY'S OMINOUS ECONOMIC SIGNS in Europe are hardly likely to spur another mass migration of Administration officials to the Continent—although now might be a far more beneficial time than before.

But the fact remains that excessive federal spending and rising labor costs always can breed corrosive inflation. It would be fortunate if Europe's current woes convince Washington of this time-proven axiom.

U.S. LABOR UNIONS AND THEIR LEADERS recently have been more concerned with job security and unemployment than with wage rates.

Relative price stability has contributed to this situation.

But pay scales—even if relegated to second place in union consideration—still can prove troublesome. The steel industry, with profits lagging behind those of other industries, is very over what the Steelworkers Union will seek in the way of added pay.

What may be a new idea in this difficult area stems from a recent contract settlement for a machinery manufacturing company near Boston.

The agreement includes a formula to remove the wage question from negotiations between management and labor.

A three-year plan provides that annual wage increases will be based not on the cost-of-living index but on an Occupational Wage Survey of manufacturing firms in the Boston area. This compilation is published by the Labor Department each October.

Pay raises (or cuts) will be based both on the practice of other firms during the previous year and on a projection of how much factory pay rates are expected to change in the six months ahead.

SEVERAL ADVANTAGES OVER OTHER FORMULAS are claimed for this by its author, Commissioner F. S. McDonnell of the Federal Mediation Service.

It allows for ups and downs of the regional economy when these fail to follow national patterns. Instead of "catching up" with the cost of living, wages will stay parallel with manufacturing pay in other plants.

It is non-inflationary because it follows, rather than leads, wage trends, according to McDonnell.

Union leaders, thus, are not under pressure to "get more money."

McDonnell says one of several indexes could be used to achieve the same result. Instead of the regional wage survey of manufacturing plants, pay increases could be tied to: national productivity, rate of growth within the industry, or company profits—or a combination of these and others. In all cases, such pay hikes would be automatic.

THE FUTILE FIGHT OVER THE DEBT LIMIT embarrasses the Treasury in its borrowing operations but will have little other practical effect.

Conservatives in Congress make a token effort each year to forestall further lifts in the debt ceiling, but when there is deficit spending the Treasury must undertake new borrowing to pay its accounts.

This year's delay is hampering fiscal operations and will continue to do so. Congress proposes two temporary lifts in the ceiling which will carry the Treasury through August, but must then approve a higher figure to provide room for the heavy seasonal borrowing needed this Fall.

The effect of this inept maneuvering is to box in the Treasury and to prevent it from taking full advantage of favorable market conditions when new financing is called for. Only by keeping spending under receipts can the federal debt-ceiling problem be eliminated.

Like the controversy over funds for the accelerated public works program, this is largely a token struggle for federal economy.

The House overrode a committee decision for a drastic cut in money for public works when individual members realized it would mean a cut in the flow of federal cash into their own districts. The Senate went along.

This program, as we pointed out last week, accomplishes little as an employment stimulant. But it has strong political backing.

TREASURY SECRETARY DILLON'S ARITHMETIC is highly theoretical, but his calculations that state and local tax revenues would rise significantly following a federal tax reduction are good politics.

These calculations had been called for by Chairman Douglas (D-Ill.) of the Joint Economic Committee. They indicate that a \$10-billion cut in federal levies would increase gross national product by \$40 billion, with a consequent rise in state and local revenues of \$2.9 billion.

Such an increase would represent a 7% gain and, Sen. Douglas points out, "would provide substantial relief from the critical financial problems which state and local governments are now facing."

Members of Congress have been greatly concerned recently over the possibility that a federal cut would be followed by offsetting state and local rate increases. The Treasury calculations were designed, therefore, to dampen pressures for such increases and to build up support for the Kennedy tax-reduction plan.

The Administration is in fact resorting to a number of well tested political devices to get its measure through Congress. The businessman's committee of 300, jointly chairmanned by Henry Ford and Stuart Saunders, is working actively in that direction.

A similar businessman's group, it will be recalled, was a major factor in getting the Trade Expansion Act (reciprocal tariff-cutting authority) through Congress last year.

WHITE HOUSE PRESSURE ON DEMOCRATIC LEADERS also has been stepped up. Kennedy this week told the group at a weekly White House meeting that June is the month in which he expects action on his basic program.

Included in his list of priority measures are the youth employment, mass transit and the two aid-for-higher-education bills. The feed-grain bill, he hopes, will be passed later this month.

Behind the White House pressure for making June the big legislative month of the year is the realization that Congress will thereafter be tied up, probably until October, with the appropriations and tax measures.

Kennedy continues to emphasize that 1963 must be the "working session" of the 86th Congress, since it will be too preoccupied in 1964 with the Presidential election to make a significant legislative record.

CIVIL RIGHTS LEGISLATION will be considered this year—if taken up at all—in a highly charged emotional atmosphere. Congress would prefer to avoid a battle, but there is the question of extending the Civil Rights Commission, as well as the voting rights (literacy test) bill.

TAXATION OF "TAX EXEMPT" INCOME, a perennial Treasury objective, has been given the green light by a federal district court.

Life insurance companies have been battling the Treasury on this issue since passage of the Life Insurance Company Tax Act in 1959, which spelled out a new formula for taxation. Included in this, at the insistence of the Senate, was a specific exemption provision designed to forestall any effort by the Treasury to write its regulations in such a way as to impose a tax on exempt income from municipal bonds.

The court decision nevertheless upheld a Treasury formula under which this tax-free income had to be included along with that from taxable securities in calculating policyholders' shares of the company's income.

Tax experts have long been warning that some such device could be used as a foot in the door to end the longstanding exemption of interest on state and local bonds from federal taxation.

THE FUTURE COURSE OF THE NATION'S FARM PROGRAMS will be determined by the May 31 national wheat referendum—the most important vote of its kind in recent years.

Wheat farmers have a clear-cut choice: either for stringent government controls on wheat production with high price supports on that grown for feed or export, or for less government with more dependence on a free market and low supports.

A two-thirds majority must support the controls if they are to go into effect. Generally farmers have voted for this alternative over taking chances on a freer market, but the 1961 referendum has some new elements.

The farmers' decision will be made for years to come, not just a single planting season. If tough controls are rejected, the plan Congress will then come up with is a question mark—but it will favor price props.

Small wheat farmers (with allotments of 15 acres or less and not now subject to acreage restrictions) will be voting for the first time. Their effect on the referendum is hard to gauge.

The Farm Bureau, strong opponent of government controls, is waging a vigorous drive to defeat the wheat plan. This farm group would substitute voluntary cropland retirement on a massive scale and low supports.

TO BALANCE WHEAT SUPPLY AND DEMAND at present prices will require a decline in total wheat acreage of 21% by 1975, the Federal Reserve Bank of Minneapolis reports—on the basis of economic projections.

In much of the wheat producing areas, any alternate crops are less profitable. With complete freedom, the farmer will still plant wheat—even if prices are below those of feed grains.

The control program, if approved in this month's referendum, will set wheat quotas on the basis of quantity—not acreage. This would stop the race between greater productivity per acre and land retirement.

OUTDOOR RECREATION AS A SUBSTITUTE "CROP" for grains, cotton or other surplus feeds and fibers is being pushed by the Agriculture Department.

The Department has launched a major program to convince farmers that land now in crops, range or woodlots can be converted into income-producing commercial recreation facilities.

This also involves a new government activity—"recreation research."

Public demand for outdoor facilities for pleasure is multiplying much faster than population. Government-owned areas, national forests and state parks are forced to turn away thousands. Exceptions are largely the vast forests of the West, far removed from population centers.

Commercial recreation to be developed by farmers, according to preliminary government studies, will include:

- on-the-farm vacations for entire families;
- conversion of cropland into public recreational woods or parks;
- development of watershed projects into swimming and beach areas;
- urban-farm cooperative projects for hotels, country clubs, etc.

THE RACIAL DEMONSTRATIONS IN BIRMINGHAM are an ominous portent of similar incidents elsewhere. They were carefully staged in this instance, but such affairs can easily get out of hand. There is a growing need for responsible citizen groups in other potentially troubled areas to take precautionary measures now in an effort to ease the causes of tension. Regardless of its rights or wrongs, segregation is an explosive issue.

WHALEY-EATON SERVICE



DR. JOHN W. KELTNER

Corvallis Gazette Times P. 1
**Speech Chief
5/11/63
Named At OSU**

Dr. John W. Keltner, 44, of Annandale, Va., has been appointed chairman of the Oregon State University Speech Department effective Sept. 1, it was announced today by President James H. Jensen.

The appointment is subject to the approval of the State Board of Higher Education.

Keltner will replace Dr. Earl W. Wells, who retires as chairman in June. During the past year, Dr. Palmer Young, professor of speech, became acting chairman when Wells was on leave fall term. Young will return to his position as director of theater in the fall.

Keltner leaves the Federal Mediation and Conciliation Service in Washington, D.C., where he has been a mediator since 1958, and director of training and national office representative since 1961.

Keltner is a nationally-known specialist in interpersonal and group relations, in conference methods and group discussion processes.

He is the author of the book, "Group Discussion Processes" and over 30 articles in various professional journals.

Dr. Keltner has served as an officer in numerous professional societies.

Alside, Steelworkers to Hold Talks Again Today on Strike

AKRON — Negotiators for Alside, Inc., and the United Steelworkers of America Local 5144 will meet today and continue efforts to end a six-week-old strike, a Federal mediator said.

The mediator, Harding F. Roach, said labor and management talked four days last week "and agreement has been reached in several areas." He declined to name the specific areas, but John McKendrick, international representative for the Steelworkers, said "some progress has been made" on work rules and working conditions. Alside officials wouldn't comment.

The aluminum siding manufacturer obtained a court order April 30 to limit the number of pickets to two at each of the Akron plant's two gates. A union spokesman said Alside got the court order after an "incident"

at the picket line. "People were harassing some of the boys, and I guess tempers flared a little," the spokesman said.

The strike began April 1, when 250 production workers walked out of the main plant, between Cleveland and Akron. A company spokesman said the issues involved are "both economic and uneconomic," but didn't specify.

AFL CIO
MILWAUKEE LABOR PRESS

Peter T. Schoemann President Fred A. Erchul . . Secretary-Treasurer
J. F. Friedrich Vice-President Elmer O. Thomas . . Business Manager
Ray W. Taylor Editor

Job Well Done

In the current discussions as how to avoid strikes, one must not overlook the superb contributions already being made by the federal mediation and conciliation service. Although this important government agency is currently marking only its 15th anniversary, it has performed outstandingly in its constant effort to preserve industrial peace.

Right here in Milwaukee we have had occasion to see how this group of hard working, dedicated men have averted several walkouts which could have cost the union, the company, and the community millions of dollars.

As representatives of labor, we would never agree that its only weapon, the strike, should be outlawed but we are thankful for the tremendous job being done by the federal mediation and conciliation service in keeping strikes to a minimum.

May their next 15 years be even more fruitful and productive.

* * *

RECEIVED
MAY 16 1963

The Evening Star

WASHINGTON, D. C., FRIDAY, MAY 17, 1963-

Trailways Bus Line Hit by Drivers' Strike

More than 300 Trailways bus drivers went on strike last midnight, disrupting service for an estimated 11,000 passengers who travel daily between Washington, Baltimore, Philadelphia and New York City.

The striking drivers, members of Local 1023 of the Brotherhood of Railroad Trainmen, set up a picket line at the Trailways terminal, Twelfth street and New York avenue N.W. Their strike is against Safeway Trails, Inc.

L. L. Browning, general traffic manager of Safeway Trails, said Trailways service west and south of Washington is not affected by the strike.

A Trailways dispatcher said the Greyhound line is honoring Trailways tickets to and from the cities affected by the strike. This arrangement was made between the two companies before the strike began, he said.

Greyhound Adds Runs

A Trailways passenger traveling from Atlanta to New York, for example, is transferred to the Greyhound line upon his arrival in Washington, the dispatcher explained, so he can continue his journey to New York. An estimated 200 Trailways passengers were shifted to Greyhound between midnight and 8 a.m. today, he said.

C. E. Hall, regional manager for Greyhound, said his company is running extra sections on its regularly scheduled departures "where needed."

"We have added some extra runs between Baltimore and Philadelphia since the Trail-

ways strike began," he said. "We will be operating our regular schedules, but will run extra buses where needed."

Mediation Fails

The strike idled some 150 Trailways buses. The union drivers walked off their jobs after a day-long session with Federal Mediator James Holden failed to settle the dispute.

The contract between the union and company expired on March 31. Negotiations have been under way since then. The company has operated for 23 years without a driver strike.

Trailways announced earlier that a strike would result in layoffs for about 300 workers such as ticket agents, baggage agents, porters, information clerks, maintenance crews and office personnel. The company employs an estimated 750 persons in its operations here and in the intermediate and terminal cities it serves.

Issue Disputed

The company insists that wages are the main issue and that if the union had accepted its final offer, its 315 drivers would have been the highest paid in the Nation.

Wage increases would have amounted to \$21 to \$30 weekly per driver over the term of the proposed three-year contract, the company said. This would have been in addition to fringe benefits. The company had proposed to make the wage increase retroactive to April 1, if the drivers did not strike.

The union, on the other hand, contended that work rules instead of wages, are the core of their dispute.

New Rules for Rocket Men

By Dickson Preston



UNCLE SAM, a genial paymaster, doesn't mind if Nevada rocket-site workers spend their nights—and their pay—in lush Las Vegas.

But they must stop charging the taxpayers hourly rates for part of the time spent traveling to and from their jobs in the desert 100 miles or more away.

Also, they must quit collecting "hazard pay"—a nice, fat bonus—unless they are actually working on a hazardous job.

So rules a Government board in a bid to cut construction costs on the site where the United States is spending billions on such projects as nuclear-powered rockets for future space flights far beyond the moon.

The board, headed by Assistant Labor Secretary James J. Reynolds, said payments like these to the union construction workers are "uneconomical." It told the Atomic Energy Commission and the National Aeronautics and Space Agency they need not reimburse contractors for the charges, even if they are written into existing contracts with construction unions.

Savings to the taxpayers should be "substantial," board member William E. Simkin, director of the Federal Mediation Service, said. Involved are more than 5000 workers, many of whom reportedly have been piling up overtime and other "extras" into wages of \$15,000 and \$20,000 a year.

Many of the workers live in Las Vegas. Until now, they have traveled each day to Camp Mercury, an assembly point on the Nevada test site, on their own time. From there they got paid for riding to job sites—some as much as 100 miles away—and back again.

AEC asked for the ruling last year after declaring it no longer would pay rates as high as double-time for the unproductive travel. The construction unions agreed to cut travel time to straight pay—but also insisted on including the travel time in the regular eight-hour work day. This lopped two or three hours off each effective working day.

The new ruling eliminates all travel pay. It requires the workers to get to the work site on their own time and at their own expense. As a sweetener, the \$7 to \$8 daily they now are paid for "subsistence" would be increased to \$9 to \$12.

Net effect of this change would be to give each worker a little more money—but require him to put in as much as three hours more each day actually working on America's space program.

Other recommended changes would tighten the rules on hazard pay, bar payments at construction rates for maintenance jobs and cut overtime.

None of the rulings is mandatory. But contractors who continue to make the "uneconomical" payments to their union employes are going to have a tough time getting their money back from the Government.

U.S. Mediator Gets NASA Post

Resigns Position In Toledo Office

Oliver Kearns, federal mediator with the Toledo office, U.S. Mediation and Conciliation Service, has resigned to accept a position with the National Aeronautics and Space Administration.

In his new post Mr. Kearns will serve as industrial relations officer for NASA at Cape Canaveral, Fla. The appointment is effective Friday.

Mr. Kearns, a native of Seattle, Wash., has served with the mediation service in Toledo since 1957.

James MacPherson, Cleveland, regional director of the mediation service, said no mediator would be assigned immediately to the three-man Toledo office, but the Detroit office will provide assistance until the vacancy is filled.

Newsletter



"*TOLEDO BLADE*"
5/22/63

CONTRACT REJECTIONS RISING: -- Negotiators--mainly unions, some managements--are having an increasingly tough time selling contracts to their constituencies. Examples of this situation--which seems to be taking on the character of a trend--have been disturbing union and management leaders as well as government officials concerned with labor-management relations. Obviously such a development means a special headache for William E. Simkin, director of the Federal Mediation Service, who is charged with top responsibility for keeping tabs on the conduct of labor-management relations.

Recently, there have been some dramatic examples of agreements made by negotiators, which were rejected, at least the first time around, by the membership. About a year ago, it was decided to start keeping score on contract submissions and rejections especially in critical cases. Critical cases are those in which the Mediation Service personnel have had to play a significant role: strike or threats of strikes. Since there are no past figures--prior to the last year--comparisons with the past are not statistically possible in this area.

In the last nine months, however, some degree of numerical accuracy is possible. Between July 1 and December 31, 1962, there were 3632 "active" cases. Out of that number 416 contracts which had been negotiated by unions and management were rejected by the union membership, or 11.4%. During the first three months of 1963, there were 1374 "active" cases. Of these 147, or 10.7% rejected the contracts when first offered.

Of course, after resubmission--either of the original or a slightly "sweetened" contract--the membership finally accepted the contract. But often a considerable time elapsed, sometimes a continuance of a strike, or heightened tensions which resulted in strikes. In any cases, it meant that leaders were being voted down by their membership. In some cases, the negotiators might have submitted the contracts without recommendation for approval, only with an explanation that this was the best they could get. In most cases, however, they appeared to have urged acceptance.

In its last annual report, the Federal Mediation Service described the rise in rejections this way:

"A number of these were rejected despite strong recommendations of acceptance expressed by both the international representatives and local negotiating committee. This introduces an uncertainty and instability in negotiations which, if it continues, will be detrimental to the bargaining process.

"A number of students in this field have attributed this phenomenon to the image-destroying impact of the Senate hearings. Others attribute it to the provisions of the Landrum-Griffin Act. These appear to be too ready answers to a many-faceted problem. A thoughtful study of the problem is certainly indicated."

In many of these situations, it appears that there is a lack of full participation by union members. Opposition

IKE, JFK--(Continued)

session, his thinking seemed to have been crystallized.

At the meeting of July 31, 1953, President Eisenhower inveighed against the growth of the Federal Government. According to Emmet John Hughes, the Eisenhower adviser and speech writer, in his just-published book, "Ordeal of Power," President Eisenhower "singled out the Tennessee Valley Authority as a symbol of monstrous Federal violation of the 'freedom' of the economy, exclaiming: 'By God, if we could do it, before we leave here, I'd like to see us sell the whole thing, but I suppose we can't go that far.'"

In one way or other the anathema which President Eisenhower hurled at TVA as "creeping socialism" reverberated back and forth and then materialized into the famous Dixon-Yates case. This was an effort designed to curtail the activity of TVA. Dixon-Yates finally wound up in a conflict of interest case involving Adolphe H. Wenzell, a special Eisenhower consultant. His banking firm turned out to be interested in underwriting the creation of a project which some feared would have changed the character of TVA, without directly selling it.

Against this background it was with particular satisfaction that President Kennedy aggressively recited the economic and social virtues of TVA, especially since President Eisenhower has recently renewed his attack on the Kennedy "spending" programs and the growth of Federal influence.

Despite TVA's record of success, said Mr. Kennedy, "TVA still has its skeptics and critics. There are still those who call it 'creeping socialism'; and a particularly ugly advertising campaign even implied recently that TVA and public power were comparable to the Berlin wall and the East Berlin police as threats to our freedom. But the tremendous economic growth of this region, its private industry and its private income, make it clear to all that TVA is a fitting answer to socialism--and it certainly has not been creeping."

NO HIDING-PLACE IN ISRAEL

A hands across the sea operation between an AFL-CIO union and the Histadrut, the Israeli Federation of La-

bor, cut off a strike-breaking end-run by an American employer.

Last February, the workers at the Elberton, Ga., plant of the Rhoda Lee Blouse Co. went out on strike, and they were followed out in sympathy by Rhoda Lee employees in New York City and Mount Carmel, Pa. While the picketing was going on, it appeared that the struck firm was keeping up production by importing blouses made by union labor in Israel and marketing them with a Rhoda Lee label sewed over the "Made-in-Israel" label.

ILGWU's Secretary-Treasurer Louis Stulberg flew to Israel and convinced Histadrut officers that Israeli workers should not be used to help break a strike in America. This was agreed to. Shortly after Stulberg returned to the United States, the strike was settled.

GOVT PANEL OFFERS NEW ATOMIC PAY PRACTICES

Construction workers in 14 crafts will be affected by a report just issued by a special board appointed last August. The board was headed by Assistant Secretary of Labor James J. Reynolds, Federal Mediation Service Director William E. Simkin and John T. Dunlop of Harvard.

The recommendations from the public members came, said the panel, only after the failure of the unions and the contractors "to negotiate a settlement... which would recognize the public interests at stake... The parties' failure to agree does not alter the government's responsibility to spend public funds only on an economical basis."

Only the Operating Engineers and the Reynolds Electric and Engineering Company on the Nevada A.E.C. site had reached an acceptable agreement. The other trades involved were: carpenters, laborers, cement masons, painters, teamsters, roofers, brick masons, asbestos workers, iron workers, pipe fitters, boiler makers, sheet metal workers and electricians.

The report found certain subsistence, travel and overtime allowances uneconomical. A series of changes proposed by the panel, it was recommended, would be incorporated in the agreements. The unions and contractors were also requested to abandon

(Continued on next page)

to a negotiated contract -- bound to occur in any group -- is often better coordinated. Thus, it may take special efforts on the part of the leadership to overcome carelessness and indifference on the part of membership. This apathy is a development known to other organizations and societies as well.

In perhaps the most publicized recent case of this kind, the Boeing-Machinists negotiations, the contract was rejected in the Wichita plant by a large majority, although out of a total of about 20,000 votes in all plants, the margin of defeat was about 800. The second time around -- with some changes in the contract -- approval was given by about 3 to 1.

In the Philadelphia Transit case, early this year, we see an example of a company executive board turning down a contract negotiated by the company president. The union members had approved the contract 8 to 1. The result: the company president resigned. Finally, after further parleys with the union, the company executive board came around and signed the contract.

In Goodyear Rubber plants another contract rejection took place. Here the reason for the rejection appeared to be a failure of adequate worker participation. When the officers of the United Rubber Workers got the membership out the contract was approved. It required firm leadership. In Rochester, New York, a contract was rejected three times before the union membership finally approved the contract. In the New York newspaper strike we also saw a series of rejections by membership of several of the unions involved before the knot was tied.

Obviously a 10 to 11% turndown worries union leadership. Questions are being asked: Is the leadership exercising its responsibilities effectively? Is there a serious failure of communication, of which this is only one evidence? What better techniques can be developed for closer understanding between membership and leadership? Does this represent a new challenge for meaningful trade union education for members as well as leaders?

One thing is clear: automatic acceptance of negotiated contracts can no longer be regarded as standard operating procedures -- even though nearly 90% of the contracts are approved the first time they are offered to the membership.

GUILD AT AFL-CIO: More than 60 staff employees of the AFL-CIO have been signed under contract with the Washington Newspaper Guild. This is an expanded unit. Earlier contracts between the AFL-CIO and the Guild covered only about 15 members of the publications and public relations staff.

About a year ago, an organizing effort was begun, resulting in the current recognition of the additional staff employees in additional departments. These include staff employees in various other departments: COPE field staff, Education, Civil Rights, International Affairs, Legislative,

Washington Post
May 26, 1963

Labor Panel Is Revived By Kennedy

President Kennedy announced yesterday that he is reviving a Taft-Hartley panel of union and management representatives to help step up Federal efforts to ward off industry-labor clashes.

Mr. Kennedy named a 12-member panel, evenly divided between labor and management, to serve as "a useful tool in making industrial peace more certain and secure."

The President acted partly on the recommendation of William Simkin, director of the Federal Mediation and Conciliation Service, who said he wanted "to utilize the expertise available through this panel in order to intensify and expand the mediatory efforts of the service." Mr. Kennedy said Simkin would call the panel into service at an early date.

He said setting up of the panel was authorized by the 1947 Taft-Hartley Act.

The panel's duty, as written into the law, is to advise the Mediation and Conciliation Service's director on "avoidance of industrial controversies and the manner in which mediation and voluntary adjustment (of disputes) shall be administered, particularly with reference to controversies affecting the general welfare of the country."

Former President Harry S. Truman appointed one such panel in 1947 but the White House said it had "been dormant since 1950."

Mr. Kennedy reported that recommendations for a new panel also had come from his advisory committee on labor-management policy. He said he expected the new group "to perform a separate but coordinated advisory function" with his existing advisory group. The new panel will advise Simkin, however, rather than the President.

PRESIDENT NAMES PANEL TO ADVISE ON LABOR STRIFE

Revives 12-Member Group, Under Taft-Hartley Act, to Help Federal Mediators

By TOM WICKER

Special to The New York Times

WASHINGTON, May 25 — President Kennedy reactivated today a long-unused weapon for helping prevent and solve industrial disputes.

The White House announced that he has appointed 12 members to serve on a national labor-management panel authorized by the Taft-Hartley Act of 1947—but dormant since the early nineteen-fifties.

The panel will serve in an advisory capacity to William E. Simkin, director of the Federal Mediation and Conciliation Service. Its statutory duty is to aid him "in the avoidance of industrial controversies and the manner in which mediation and voluntary adjustment (of disputes) shall be administered, particularly with reference to controversies affecting the general welfare of the country."

Thus, the panel's role is limited to the area of strikes and threatened strikes. In contrast, the President's Advisory Committee on Labor-Management Policy ranges widely, in its deliberations, over the whole field of economic policy.

Find Trend to Maturity

The newly appointed panel, composed of six members from labor and six from management, will help fill the often-felt need for a broader variety of Presidential weapons for use in strikes affecting the national welfare.

In reactivating the panel and announcing its members, Mr. Kennedy said, "The state of labor-management relations, with occasional exceptions, appears pointed steadily in the direction of greater maturity and responsibility."

The President said he now saw "an evident new willingness on the part of both sides in our industrial life to solve disputes peacefully."

The new panel, Mr. Kennedy said, "would very well, as the Congress intended, become a useful tool in making industrial peace more certain and secure."

Mr. Simkin had written the President that there were "at present serious challenges to collective bargaining and I wish to utilize the expertise available through this panel in order to intensify and extend the mediatory efforts of the Mediation and Conciliation Service."

Dormant Under Eisenhower

The decision to reactivate the panel was recommended by the Advisory Committee on Labor-Management Policy, the President said.

Only once before has the national-labor-management panel been active. That was under President Harry S. Truman.

Mr. Truman, who opposed the Taft-Hartley Act only to have it passed by Congress over his veto, appointed panel members in the late nineteen-forties. President Dwight D. Eisenhower, succeeding to the White House in 1953, never appointed a panel.

Mr. Kennedy, who, as a young Representative from Massachusetts, voted against the Taft-Hartley Act and to sustain Mr. Truman's veto,

named the following 12 members:

For three-year terms —
Cornelius J. Haggerty, president of the Building and Construction Trades Department of the American Federation of Labor and Congress of Industrial Organizations; Leonard Woodstock, vice president of the United Automobile Workers; Gerry E. Morse, vice president for industrial relations of the Minneapolis-Honeywell Regulator Company, and J. Paul St. Sure, president of the Pacific Maritime Association.

Named for Two Years

For two-year terms—Thomas E. Harris, associate general counsel, A.F.L.-C.I.O.; Jesse C. McGinn, general vice president of the International Association of Machinists; Wayne T. Brooks, director of industrial relations for the Wheeling Steel Corporation, and J. Curtis Counts, manager for employee relations of the Douglas Aircraft Company, Inc.



The New York Times.

ADOLPH S. OCHS, Publisher 1896-1935

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FRANCIS A. COX, *Treasurer*

New York Times
May 27, 1963

New York Times
May 26, 1963

(Cont.)

For one-year terms—Joseph V. Cairns, director of industrial relations of the Firestone Tire and Rubber Company; Jesse Freidin of Poletti & Freidin, lawyers, of New York City; John H. Lyons Jr., president of the International Association of Bridge, Structural and Ornamental Iron Workers, and Marvin J. Miller, special assistant to President David J. McDonald of the United Steelworkers of America.

Mr. Simkin said he would call the panel together for its first meeting as soon as possible.

Better Strike Mediation

When Supreme Court Justice Goldberg was our peripatetic Secretary of Labor, his skill at settling strikes was exercised so flamboyantly that the country almost forgot there was a Federal Mediation and Conciliation Service. The national labor-management panel President Kennedy has just appointed to advise the service's director, William E. Simkin, should help restore that agency to the prestige it deserves as the Government's principal instrument for preserving labor peace.

Automation has vastly complicated the problems that must be resolved in contract negotiations. This means that Federal mediators must now be more expert than ever, both in strike prevention and in strike settlement. The spread of joint industry committees, through which unions and employers confer on a year-round basis, gives promise of taking much of the crisis element out of collective bargaining. The mediation service could serve as a clearing house to assist these new committees.

Where major disputes do not yield to resolution through the regular staff, the members of the advisory panel might themselves become a bulwark against the too automatic tendency to deposit all such conflicts on the White House doorstep. Mr. Simkin might designate one management and one union member as a special task force to undertake direct peace efforts. Through such a device, settlements might be achieved in many disputes that now result in the issuance of national emergency injunctions under the Taft-Hartley Act or in floundering improvisation at the topmost levels of Government.

However, it would be delusive to pretend that any of this makes unnecessary a basic overhaul of the Taft-Hartley strike machinery. The President long ago declared his own belief that the present emergency provisions are inadequate. So did his own Advisory Committee on Labor-Management Policy. Recommendations for better legal safeguards are as necessary as a stronger mediation service.

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United Press International

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For three-year terms — Cornelius J. Haggerty, president of the Building and Construction Trades Department of the American Federation of Labor and Congress of Industrial Organizations; Leonard Woodstock, vice president of the United Automobile Workers; Gerry E. Morse, vice president for industrial relations of the Minneapolis-Honeywell Regulator Company, and J. Paul St. Sure, president of the Pacific Maritime Association.

Named for Two Years

For two-year terms—Thomas E. Harris, associate general counsel, A.F.L.-C.I.O.; Jesse C. McGlon, general vice president of the International Association of Machinists; Wayne T. Brooks, director of industrial relations for the Wheeling Steel Corporation, and J. Curtis Counts, manager for employee relations of the Douglas Aircraft Company, Inc.

New Negotiating Panel Seeks to Avert Strikes

By the Associated Press

President Kennedy yesterday named a 12-man team of professional negotiators from industry and unions to help develop new techniques for averting major labor disputes.

He named the panel at the request of director William E. Simkin of the Federal Mediation and Conciliation Service.

The new group is designed to consider ways in which the government can move quickly to snuff out the threat of a strike which would damage the Nation's economy.

It will study such technique as early federal intervention and methods of encouraging early negotiation.

President Kennedy and Mr. Simkin, apparently have in mind such disputes as the recent newspaper strikes in New York and Cleveland, the recently-settled dispute between missile workers and the Boeing Aircraft Co. and the long battle over railroad work rules, which still may result in a strike June 12.

In asking for the advisory panel, Mr. Simkin wrote Mr. Kennedy:

"There are at present serious challenges to collective bargaining and I wish to utilize the expertise available through this panel in order to intensify and to extend the mediatory efforts of the service."

Mr. Kennedy said:

"There is an evident new willingness on the part of both sides in our industrial life to solve disputes peacefully. In order to promote this welcome trend, I have decided to reactivate the national labor-management panel authorized by the Labor Management Relations Act of 1947 (the Taft-Hartley Act)."

Inactive Since 1950

Former President Truman appointed such a panel after the Taft-Hartley Act became law, but it has been inactive since 1950.

Mr. Kennedy named six labor and six management members to the panel, and noted that it would serve a more specialized purpose than the President's Advisory Committee on Labor-Management Policy.

The larger group covers the broad field of labor-management problems at the policy level while the new panel will concentrate on techniques for settling labor disputes.

Mr. Simkin said he plans to call the new panel for an early meeting in Washington. He added:

"The President has selected an outstanding group of working professionals from labor

and management, skilled in the daily problems of collective bargaining in many key industries in the nation's principal industrial centers."

Membership Listed

Labor members of the new panel are:

Cornelius J. Haggerty of Washington, president, AFL-CIO Building and Construction Trades Department, and Leonard Woodcock of Detroit, vice president, AFL-CIO United Auto Workers Union, named for three-year terms; Thomas E. Harris of Washington, AFL-CIO associate general counsel, and Jessie C. McGlon of Atlanta, general vice president, AFL-CIO Machinists Union, named for two-year terms, and John H. Lyons, jr., of St. Louis, president, AFL-CIO Iron Workers Union, and Marvin J. Miller of Pittsburgh, special assistant to the president, AFL-CIO Steel Workers Union, named for one-year terms.

Management members:

Gerry E. Morse, vice president for industrial relations, Minneapolis-Honeywell Regulator Co., and J. Paul St. Sure of San Francisco, president of the Pacific Maritime Association, named for three-year terms; Wayne T. Brooks, Wheeling, W. Va., director of industrial relations, Wheeling Steel Corp., and J. Curtis Counts Santa Monica, Calif., manager, employe relations, Douglas Aircraft Corp., named for two-year terms; Joseph V. Cairns, Akron, Ohio, director of industrial relations, Firestone Tire and Rubber Co., and Jessie Freidin, New York, Poletti and Freidin, labor-management consultants named for one-year terms.

Editorial Page

The Grand Rapids Press

May 27, 1963

Putting It In So Many Words

We've long grown accustomed to the fancy language of the state department when it is approaching a point from four different directions before avoiding it altogether.

But diplomatic records in this field soon may be shattered by other federal agencies whose publicists are learning the knack of sounding like oracles without really saying much.

Consider this gem attributed to William E. Simkin, director of the Mediation and Conciliation Service. In asking President Kennedy to establish an advisory panel on labor relations, he wrote the Presi-

dent that he wanted "to utilize the expertise available through this panel in order to intensify and extend the mediatory efforts of the service."

Kennedy agreed and, not to be outdone, replied that the state of labor-management relations "appears pointed steadily in the direction of greater maturity and responsibility."

Then, when they got around to drawing up a bill, they charged the panel with advising the director on "avoidance of industrial controversies and the manner in which mediation and voluntary adjustment shall be administered, particularly with reference to controversies affecting the general welfare of the country."

Well said—or, rather, said with real expertise! What it means is: "Let's cut down the number of strikes."

File under
L. Mgt Panel

He Knows How

President Kennedy has strengthened the usefulness of the Federal Mediation and Conciliation Service by naming a 12-man group of professional negotiators—six from industry and six from labor — to advise the service's director, William E. Simkin.

It was no mere accident that the President included in this group Joseph V. Cairns, the industrial relations director of the Firestone Tire & Rubber Co.

This was recognition of the fact that Mr. Cairns and the rubber industry are in the forefront in establishing joint study committees, designed to bring closer understanding between the employers and the employees who are represented by the United Rubber Workers Union.

Joe Cairns has been known in Ak-

ron for years as an able and fair representative of his company at the bargaining table.

The rubber industry has had its share of the problems presented by automation. Increasingly, labor disputes center around differences of opinion over the ways of handling the displacement of men by machines.

Mr. Cairns' advice, from a long background of experience in rubber, can be useful on a national scale as the Mediation Service represents the public in trying to bring mutually satisfactory agreements between management and labor.

Akron Beacon Journal

5/28/63

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MAY 29 1963

2/38/63

Amtrak Research Journal

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1963 JUN -3 AM 8:42

FEDERAL MED. ATTORNEY AND
CONCILIATION SERVICE
WASHINGTON, D.C.

RECEIVED
MAY 31 1963
Federal Mediation and
Conciliation Service
Washington, D.C.

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June 20/63
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Committees and Collisions

Still another committee. That might be the understandably weary reaction to President Kennedy's decision to reactivate a long-dormant labor-management panel. Even so, the group may turn out to have its uses.

The panel, made up of six members from organized labor and six from management, is authorized by the Taft-Hartley Act. It's charged with helping the President to work out ways to mediate or obtain voluntary settlements of industrial disputes, with particular reference to those serious enough to affect the general welfare. The last such panel was named by former President Truman and went out of business with the end of his Administration.

Then why is a reactivated panel viewed as desirable if the country has gotten along without it for more than a decade? At least one answer suggests itself. Mr. Kennedy rightly notes "an evident new willingness on the part of both sides in our industrial life to solve disputes peacefully," and he sees labor-management relations,

with some exceptions, "pointed in the direction of greater maturity and responsibility."

In view of some recent and threatened strikes, that may seem unduly optimistic. Yet it is true that there is also a trend toward joint industry committees, bringing together representatives of labor and management in continuing discussions of each other's problems. In some cases they may have helped avert what would otherwise be major collisions.

Hence if the reactivated national panel can further explore the peace-making potentials of such conversations, or suggest fresh ways to promote industrial tranquility, it may indeed prove to be the "useful tool" Mr. Kennedy hopes it will.

Certainly one more committee can't be expected to solve every industrial relations problem that comes along. But at least the panel plan represents an approach more promising than some of the hasty involvements and undisguised pressures that often characterize the Government's peace-making efforts.

Administration Reactivates Labor-Management Panel

The Kennedy Administration has reactivated the National Labor-Management Panel authorized by the Taft-Hartley Act.

The panel is composed under law of six "outstanding" persons each from labor and management. Its function is to work with the director of the Federal Mediation and Conciliation Service "in the avoidance of industrial controversies and the manner in which mediation and voluntary adjustment [of disputes] shall be administered" particularly where the national welfare is affected.

"The state of labor-management relations, with occasional exceptions, appears pointed steadily in the direction of greater maturity and responsibility," President Kennedy said in naming the panel.

The President added that he was naming the advisory group "to help promote this welcome trend." Although the Truman Administration named a panel when T-H became law, the Eisenhower Administration ignored the procedure. President Kennedy said that he feels the panel can be a "useful tool" in maintaining industrial peace.

The panel would work to secure settlements in strikes and to head them off. The President's decision to create a new panel was supported by the President's Advisory Committee on Labor-Management Policy.

Named to three-year terms as panel members were: Cornelius J. Haggerty, president, Building and Construction

Trades Department, AFL-CIO; Leonard Woodcock, vice president, United Auto Workers; Gerry E. Morse, vice president, Minneapolis-Honeywell Co.; J. Paul St. Sure, president, Pacific Maritime Ass'n.

Two-year term members named were: Thomas E. Harris, associate general counsel, AFL-CIO; Jesse C. McGlon, general vice president, International Ass'n of Machinists; Wayne T. Brooks, director of industrial relations, Wheeling Steel Corp.; J. Curtis Counts, manager of employee relations, Douglas Aircraft Co.

Named to one-year terms: John H. Lyons, Jr., president, Int'l Ass'n of Bridge, Structural and Ornamental Iron Workers; Marvin J. Miller, special assistant to the president, United Steelworkers of America; Joseph V. Cairns, director of industrial relations, Firestone Tire and Rubber Co.; Mr. Jesse Freiden, Poletti and Freiden, New York City.

Dir. William Simkin of the Federal Mediation and Conciliation Service has informed President Kennedy that he intends to call the panel together for an early organizational meeting.

JFK revives labor-industry peace panel

Press Associates (PAI)

The Kennedy Administration, looking for a way to avoid major strikes that frequently bring on Federal intervention, has named a 12-man Labor-Management Panel to help the Federal Mediation and Conciliation Service do its job better.

Appointment of the panel is designed to strengthen the Mediation Service and head off, if possible, the last-minute dumping of crucial labor-management battles on the White House itself.

Their job is mostly to try to work out controversies as much in advance as possible so as to avoid last-minute strike deadlines over issues which cannot always be adequately discussed during actual collective bargaining. The President himself sounded the tone of what he is trying to accomplish when he said:

"There is an evident new willingness on the part of both sides in our industrial life to solve disputes peacefully. In order to promote this welcome trend, I have decided to re-activate the National Labor Relations Act of 1947" (Taft-Hartley).

Named to the panel were six management representatives and six labor representatives. All are skilled professional negotiators, picked because of their knowledge of collective bargaining, and it is expected they will be called upon by the Mediation and Conciliation Service to be an "action" group as well as an "idea" group.

Labor representatives are:

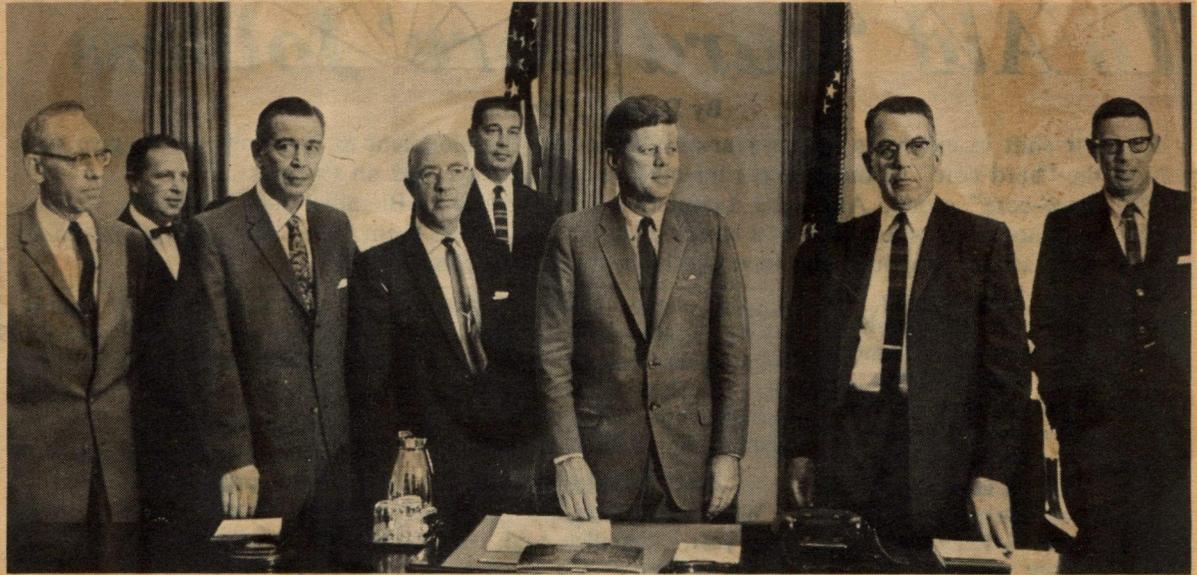
For a three-year term: President Cornelius J. Haggerty of the AFL-CIO Building and Construction Trades Department and UAW Vice President Leonard Woodcock.

For a two-year term: Thomas E. Harris, AFL-CIO Associate General Counsel and IAM Vice President Jesse C. McGlon.

For a one-year term: President John H. Lyons of the Iron Workers Union and Marvin J. Miller, Special Assistant to Steelworkers President David J. McDonald.

Because of the fact that some members of the management panel are now at Geneva for the meeting of the International Labor Organization, first meeting of the group is not likely to be held until early in July.

Action 'Now' on Rights



MEMBERS of a newly-reconstituted Labor-Management Panel to advise the Federal Mediation & Conciliation Service met with Pres. Kennedy during a day-long initial session. Pictured, left to right, are some of the 12 panel members: Gerry E. Morse, Minneapolis-Honeywell Co.; J. Curtis Counts, Douglas Aircraft Co.; Deputy Dir. Robert H. Moore of the Mediation & Conciliation Service; Pres. Cornelius J. Haggerty of the AFL-CIO Building & Construction Trades Dept.; Pres. John H. Lyons of the Iron Workers; Kennedy; Mediation Service Dir. William E. Simkin; Stephen I. Schlossberg, assistant to the director. Labor members of the panel not shown are Thomas E. Harris, AFL-CIO associate general counsel; Vice Pres. Jesse C. McGlon of the Machinists; Marvin J. Miller, assistant to the president of the Steelworkers; UAW Vice Pres. Leonard Woodcock.

Kennedy Reactivates Labor Mediation Panel

Pres. Kennedy has reactivated the long-dormant National Labor-Management Panel in an effort to promote what he sees as a trend toward the peaceful solution of collective bargaining disputes.

At the request of Dir. William E. Simkin of the Federal Mediation & Conciliation Service, the President appointed six trade union officials and six management representatives to the panel, authorized by the Taft-Hartley law but inactive during the Eisenhower Administration.

The statutory purpose of the panel is to advise the mediation director "in the avoidance of industrial controversies and the manner in which mediation and voluntary adjustment shall be administered, particularly with reference to controversies affecting the general welfare of the country."

Simkin announced that he

planned to call the 12-member group into session in Washington "at an early date." He had written the President urging that the panel be revived so that he could "utilize the expertise" it would make available "in order to intensify and extend the mediatory efforts" of the service.

In announcing the appointments, Kennedy said:

"The state of labor-management relations, with occasional exceptions, appears pointed steadily in the direction of greater maturity and responsibility."

He said he saw "an evident new willingness by both sides in our industrial life to solve disputes peacefully" and suggested that the new panel "could very well, as the Congress intended, become a useful tool in making industrial peace more certain and secure."

The President made it clear that the panel would serve the specialized purpose of advising Simkin on techniques for the solution of bargaining disputes, whereas the President's Advisory Committee on Labor-Management Policy covers the whole spectrum of industrial relations and economic policy.

Union officials named to the new group are Pres. C. J. Haggerty of the AFL-CIO Building & Construction Trades Dept. and Auto Workers Vice Pres. Leonard Woodstock, for three-year terms; AFL-CIO Associate Gen. Counsel Thomas E. Harris and Machinists Vice Pres. Jesse C. McGlon, for two-year terms; Pres. John H. Lyons, Jr., of the Iron Workers and Marvin J. Miller, assistant to the president of the Steelworkers, for one-year terms.

Management representatives are Gerry E. Morse, vice president for industrial relations of the Minneapolis-Honeywell Regulator Co., and Pres. J. Paul St. Sure, of the Pacific Maritime Association, for three-year terms; Wayne T. Brooks, industrial relations director for the Wheeling Steel Corp., and J. Curtis Counts, employe relations manager for Douglas Aircraft Corp., for two-year terms; Joseph V. Cairns, industrial relations director of Firestone Tire & Rubber Co., and Jesse Freidin, New York labor-management consultant, for one-year terms.

Union Men's Rising Defiance Over Pacts Imperils Labor Leaders and Management

THE WALL STREET JOURNAL
Monday, June 3, 1963

By a WALL STREET JOURNAL Staff Reporter

WASHINGTON—A rising defiance among union rank and filers is making life on the collective bargaining front increasingly perilous for labor chieftains as well as management officials.

More and more frequently, angry and well-organized union dissidents are mustering enough votes to reject contract settlements painstakingly worked out and approved by their own negotiators.

Initial rejection by union members recently of contracts worked out by their leaders with Boeing Co. and Goodyear Tire & Rubber Co. were merely conspicuous examples of the growing problem. And the fact these contracts were, with little change, approved on later votes doesn't mitigate the situation in the eyes of Government officials.

Role of Rejection

Alarmed by the trend, Federal mediators have collected some fresh statistics that show the rejection rate is running at more than 10% of the Federal Mediation and Conciliation Service's "active case" file. This file contains the 7,500 or so cases a year the agency thinks pose enough of a problem to warrant its investigation or active intervention. About 150,000 new labor contracts are negotiated each year.

Although the mediators don't have statistics from past periods for comparison, they are certain the new rejection rate exceeds anything before it.

While a great majority of the turndowns involve union rejection of contracts, some represent management dissatisfaction. Not long ago, the executive committee of Philadelphia Transportation Co. disapproved an agreement drawn up by the union and Robert H. Stier, company president and chief negotiator. Mr. Stier resigned as a result. Too, there have been several recent instances of contract agreements being approved only by narrow margins.

Mediation Service Director Simkin terms the rising number of contract rejections a "disturbing factor" in labor-management relations. "A number of these rejections have occurred despite strong recommendations for acceptance by both international union representatives and local union negotiating committees," he declares. "This introduces an uncertain and instability in negotiation, which, if it continues, will be detrimental to the bargaining procedure."

There are varying explanations for the growing animosity among union members to approving contracts. Some observers contend the labor racketeering hearing held nearly five years ago by Sen. McClellan (D., Ark.) helped destroy the confidence of rank and file unionists in their leaders. Others contend the 1959 Landrum-Griffin Labor Reform Law, designed to ensure union members "more democracy," emboldened workers to challenge their leadership.

Leaders Lack Strength

But many union officials believe the reasons go much deeper. Hampered at the bargaining table by high unemployment, the threat of greater job-cutting because of automation and a more skilled and determined management opposition, union officials are

finding it harder to get the comfortable contract concessions they once won.

This has aroused a certain amount of dissatisfaction among workers against their leaders. "In some cases this failure is because the leaders know they aren't strong enough to get what they'd like," says one union aide, "but it's also true that some of the chiefs have lost close touch with the wants of the Indians." Whatever the reason, the result has been that union dissidents have found it easier to mobilize opposition to their leaders' wishes.

Moreover, Federal officials, as well as some union men, believe not all union chiefs are doing a good enough job of selling to their members contracts agreed upon with management. "I'm not saying that the Machinists didn't sell the Boeing contract to its members, but if the Government is going to be vitally involved in any of these negotiations—as it was in Boeing—then we've got to be able to count on the leadership doing an effective job of winning the membership," says one Federal official. Faced with a strike that would have halted vital missile production, the Government stepped in and urged reconsideration of the initial vote.

To some union men, the solution to the contract rejection problem is simple: "Get more (in benefits) and the members will have less to beef about." But Federal officials, fearing an increased asking price by labor would lead to greater strife, believes the solution lies in the growing trend toward year-round comparative union negotiations, such as those taking place in the steel industry and being talked about for the first time between the auto companies and the United Auto Workers. "Taking all of the real problems from the heat of the bargaining table pressures will give union officials not only a better chance to find out what their members really want, but also for them to educate the rank and file on what can reasonably be obtained," comments one Federal aide.

'Big 6' Spurns 'Pattern':**Wood Strike Grows,
25,000 Now Affected**

Portland, Ore.—An additional 5,000 wood and lumber workers went on strike at 10 locations of the Georgia-Pacific Co. to bring the total of those affected by the current industry strike and lockout to 25,000 workers in West Coast camps, shops and woods.

Hope for an end of the dispute was dashed when companies in the "Big Six" refused to accept a pattern set in a settlement between the Woodworkers, the Carpenters and the Simpson Timber Co., big independent firm which bargains separately, as does Georgia-Pacific. Contract talks also have been held with a third independent, the Scott Paper Co.

Meanwhile picketing continues at locations of U.S. Plywood and St. Regis Paper Co., along with those of Georgia-Pacific in Washington, Oregon and northern California. Four other firms, members of the "Big Six," were not struck, but locked out their employees and shut down operations—the Weyerhaeuser Co., Crown Zellerbach Corp., Intl. Paper Co. and Ravonier, Inc.

The unions called the Simpson settlement the "first major breakthrough" in a solid management front of refusals to agree on contract terms. Ballots will be sent shortly to 5,000 union members on benefit changes including a 33.5-cent hourly increase in wages and "fringes" over a three-year period.

Union talks with Georgia-Pacific called by federal mediators were broken off when management refused to offer improvements. The strike started at Toledo, Ore., after the end of the annual vacation period and spread to the other nine locations. The U.S. Plywood Corp. and St. Regis Paper Co., two of the "Big Six" members, were struck June 5.

Special Problems

A spokesman for the unions said the strike was forced by the industry's refusal to grant a reasonable wage increase or to recognize special problems of the loggers, including travel time.

"We placed them on notice last year," he said, "that the employers should be prepared to grant a sub-

stantial wage increase in 1963 or face a strike. They chose a strike."

In 1962 and previous years, the unions recognized the industry's economic problems and did not press demands for more money, union negotiators reminded management in talks this year.

The Lumber & Sawmill Workers, affiliated with the Carpenters, broke off talks June 3 but delayed strike action. The IWA halted negotiations June 4 when a management spokesman said: "Our view of the economics of the industry differs from yours. Our position is unchanged. It will remain unchanged even if you take action."

The walkout against two firms began the next day. Later the unions filed an unfair labor practice complaint with the National Labor Relations Board, charging an illegal lockout by four firms and an industry association.

HEADING OFF STRIKES— A NEW STRATEGY SPREADS

Employers and unions, in a growing number of industries, are finding it helpful to bargain the year round. The reasoning is that last-minute talks too often lead to strikes.

Today's issues, it is contended, are too complex for quick settlement under pressure of last-minute deadlines. Steel, autos, farm implements, rubber and others are trying the technique.

A new idea for heading off strikes is being tested in this country and is spreading from one industry to another.

The idea is this: Talk over contract problems on a year-round basis. Don't wait until contracts are about to expire, with strike deadlines in the immediate offing.

The new attempt to avoid strike crises grows out of the increasing complexity of issues between unions and employers. It is felt that agreements on these issues no longer can be hammered out in a matter of days, or even weeks.

The issues require continuous talking by "study" committees representing unions and employers.

Such committees now are at work, or

soon will be in many major industries—steel, electrical equipment, auto manufacturing, farm implements, rubber, airlines, coal, construction and shipping.

The White House is actively encouraging the trend. President Kennedy has just appointed a panel of bargaining experts from industry and labor to advise Government mediators on labor-management peacemaking efforts.

The panel will be watching, for one thing, an experiment in new bargaining tactics now under way in the steel industry. The Steelworkers Union has been free since May 1 to file notice of reopening of contracts which run until mid-1964.

Such a notice would, automatically, set a strike deadline 90 days ahead. Instead, the union decided to see whether a joint study committee could come to terms without a strike deadline.

The union's delay in formally reopening contracts already has pushed any strike crisis in steel at least into the autumn months. Whether the strike crisis can be avoided entirely, union leaders say, depends on how much progress is made in current talks.

Another strike threat this year lies in the electrical-equipment industry. Here, General Electric Company and the International Union of Electrical Workers already have begun preliminary talks, although GE's contract does not expire until September 29. Normally, serious

negotiations would not begin before August.

Early study for autos. Auto companies and the United Auto Workers are preparing for early meetings of similar study committees. General Motors, Ford, Chrysler and American Motors have agreed to creation of joint committees with the union—one group for each firm.

Officials are hoping to begin study sessions in the auto field this summer, more than a year before contracts expire at the end of August, 1964.

The UAW asked for, and got, a study group at International Harvester—taking the new idea into that industry. The contract runs into 1964.

And so it goes in numerous industries. The plans vary—but the idea usually is to spend much longer periods in talking over problems.

Similar strategy has been going on in coal for several years. At the suggestion of John L. Lewis, then president of the United Mine Workers, a committee to promote the coal industry was set up by UMW, coal operators, railroads and others. The union helped keep peace by negotiating quiet settlements without strike deadlines.

Other industries are considering the idea of study committees. There is talk, for example, of trying it in the newspaper industry—chiefly as a result of
(continued on next page)

FEDERAL MEDIATOR SIMKIN was behind the idea for a management-labor panel to advise on keeping peace in industry

—USN&WR Photo



LEONARD WOODCOCK



J. PAUL ST. SURE

The panelists are drawn equally from labor and management

Steelworkers Vote Contract, Ending 10-Week Alside Strike

CLEVELAND—A 10-week-old strike at Alside, Inc., in Akron ended with ratification of a new three-year wage pact by members of United Steelworkers Local 5144.

The ratification followed a tentative agreement reached Tuesday between company and union officials before Federal mediator Harding F. Roach.

The contract, estimated as a 40-cent package by Donald L. Kaufman, Alside secretary, includes a 10-cent-an-hour wage increase the first year with an additional 8 cents an hour the second year and another 8 cents the third year.

Mr. Kaufman said ratification of the new contract by the union membership paves the way for a resumption of operations today. The company makes aluminum products.

5 Federal Mediators Named
WASHINGTON, June 15
(AP)—William E. Simpkin, di-
rector of the Federal Mediation
and Conciliation Service, an-
nounced today the appointment
of five new mediators. They are
Eugene R. Neill of Portland,
Ore.; Thurman M. Saunders of
Oregon, Wis.; Philip F. Stone
Jr. of Campo, Calif.; Wesley V.
Vanover Jr. of Denver, and
Harry E. Weber of Toledo,
Ohio.

SEA UNIONS' ROW TYING UP SHIPS

Cuba Ransom Is Victim Of Sale And Contract Shift

By HELEN DELICH BENTLEY
[Maritime Editor of The Sun]

Washington, June 15—A jurisdictional dispute of seamen's unions, working from the tie-up of the "last" ransom cargo to Fidel Castro, today had American-flag ships immobilized in three ports.

A union official predicted it would spread to San Francisco, Seattle, New Orleans, and "possibly" Baltimore on Monday.

Philadelphia, New York and Chicago were the "scenes of action" today. Philadelphia has been the focal point all week because the 4,000 tons of drugs and foodstuffs which the Government wishes to get to Cuba before the end of June are there.

Cargo Victim Not Cause

However, the dispute is not about the cargo going to Cuba, but over the engineers manning the ship—the S.S. Maximus—originally scheduled to transport the medicines and foods as part of the ransom for the Bay of Pigs prisoners.

The Maximus is the former Grace Line S.S. Santa Monica. She was sold to Cambridge Carriers, Inc., whose principal owner is alleged to be Eddie Fisher, the singer, although the name of a Chicago candy maker, Pierre Johnson, is shown on the records of the Maritime Administration as the principal stockholder.

New Owners Sign With NMU

Cambridge Carriers signed a contract with the National Maritime Union (AFL-CIO) for the unlicensed personnel and with the NMU's affiliate, the Brotherhood of Marine Officers, for the deck and engine officers.

It is understood that the NMU president, Joseph Curran, guaranteed Cambridge Carriers it would not have any union trouble.

The Maximus represents the first tie-up outside of two companies—the United Fruit Company and American Export and Isbrandtsen Lines, Inc.—that the BMO has tried to man. Its contract with those two companies has been in effect for many years.

Ship Had Had Other Unions

As a Grace Line ship, the Santa Monica was manned in the engine room by the National Marine Engineers Beneficial Association and on deck by the International Organization of the Masters, Mates and Pilots.

The initial charter of the Maximus to States Marine Lines, Inc., was canceled because the ship was four hours late. It is believed that

union pressure had some effect on that cancellation.

Then the American Maritime Association—whose main source of revenue is from funds sent in by companies employing MEBA engineers and seamen belonging to the Seafarers and International Union—chartered the Maximus to carry the drugs and foodstuffs to Castro. The A.M.A. guaranteed to put up the needed \$45,000 to operate the ship.

When the Maximus reached

Philadelphia, M.E.B.A. put picket lines around. Longshoremen refused to load the cargo. Government intervention had almost resulted in an amicable settlement when three M.E.B.A. men were hospitalized after a skirmish.

Following that the B.M.O. and N.M.U. began picketing other American flag ships in Philadelphia, adding four to the Maximus, whose A.M.A. charter was canceled in the interim.

Longshoremen in Philadelphia refused to take orders for American-flag ships over the weekend, which meant more vessels were immobilized there at least temporarily.

Four other ships were picketed in New York today, and one in Chicago. Only American vessels are involved.

The Government is concerned both about the Cuban ransom goods and about the threatened tie-up of all American shipping.

The Teamsters Union is said

to be assisting the NMU-BMO against the alignment of the MEBA and the SIU, the latter an enemy of the Teamsters.

James J. Reynolds, Assistant Secretary of Labor who has had the dubious honor of being in charge of all maritime labor disputes, tonight said that planes might have to be engaged to fly the goods to Cuba to get them there in time "without any penalty" and to bring back the 730 refugees standing by to be brought back to the United States on the "next ship."

Reynolds said that a ship manned by SIU-MEBA personnel, the S.S. Granapolis (former Westhampton), had been offered as a substitute charter, but that the NMU would not move the Maxi-

mus from the pier to let the substitute in.

Neither union would permit 400 pounds of essential medicines to be air-lifted last week, although a special request was made by the Government.

Today, Joseph Curran, NMU president, in a wire to President Kennedy accused the Department of Labor of playing favorites by requesting the NMU to remove the Maximus so another ship could go into the pier.

"Conspiracy To Take Jobs"

"The Labor Department is thus intervening in an interunion dispute and is making itself part of a conspiracy to take jobs of NMU and BMO members," Curran said.

"The National Maritime Union and the Brotherhood of Marine Officers have legitimate collec-

tive bargaining agreements with Cambridge Shipping Company, the owners of the Maximus.

"Our members are aboard that ship and ready to sail. The ship is seaworthy and ready to sail as soon as the cargo is aboard. We are not holding up the delivery of this cargo.

Union Blames Company

"It is being held up by the American Maritime Association in violation of its commitments, both with respect to fulfillment of the Cuban mission and the chartering of the Maximus.

"Respectfully urge that you order the Labor Department to stop taking sides in this situation and instead apply its efforts to convince the sponsoring agency of its responsibility to hire the longshoremen needed to get this

vital cargo aboard the ship which was chartered for it."

The Maximus would have been the ninth ship to carry cargo to Fidel Castro in payment of the \$53,000,000 ransom he demanded

for the 1,113 Bay of Pigs prisoners.

Although the NMU indicated that the picketing would be spread to New Orleans and San Francisco next week, two ships al-

ready are tied up in those ports as a result of similar jurisdictional disputes.

"Next week's picketing there will be more widespread," a spokesman said.

Similar attacks have been experienced

Craft Unions in Utah End Strike at Construction House

SALT LAKE CITY—Agreements reached during the weekend with two of six striking craft unions ended a 12-day walkout of 5,500 workers on major Utah construction sites.

The men are scheduled to return to work today.

Agreement was reached between Associated General Contractors and the Utah District Council of Carpenters Friday and AGC and Utah District Council of Laborers Saturday. Agreement had previously been reached with the ironworkers and cement finishers.

Still to be negotiated are contracts with teamsters and operating engineers, but S. Lyle Johnson, commissioner of the Federal Mediation and Conciliation Service, said the continued negotiations wouldn't interfere with resumption of work.

The laborers had begun picketing June 25 and the other unions honored the picket lines.

Terms of the laborers' and carpenters' agreements weren't announced, pending ratification by union members later in the week. Observers, however, said the contracts are expected generally to follow the pattern set by the ironworkers, who won a 55-cent hourly wage increase over a three-year period.

PRESIDENT MEETS WITH LABOR PANEL

Industry-Union Group Is to
Advise Him on Policy

Special to The New York Times

WASHINGTON, July 16—A group of labor-management experts agreed today that collective bargaining was doing much better than the public seemed to believe.

The group is the 12-member National Labor-Management Panel named by President Kennedy May 26 to advise the Federal Mediation and Conciliation Service on how to make collective bargaining work better.

The panel held its first meeting today. The agenda included a brief visit with President Kennedy at the White House.

Provision for the panel is made in the Taft-Hartley Act. A group was appointed by President Truman soon after the law was passed in 1947. It never became influential, however, and quietly slipped into oblivion.

President Kennedy decided to revive it in the hope that it could contribute to making industrial peace more certain and secure.

Rigid Approach Eschewed

Mr. Kennedy was said to have expressed the view that rigid approaches to labor-management relations on the Government's part were unwise.

The President was particularly interested in the steel industry's labor relations experience. Two of the panel members are steel bargainers and the President questioned them about the relationship between the industry and the United Steelworkers of America, which has gone in the space of three years from among the worst to among the best in the country.

The steel negotiators told the President they felt that where there was a disposition to get along and an understanding that this was essential, the actual technique of accommodation was not too important.

Successes Are Stressed

After the meeting, William E. Simkin, Mediation Service Director, said in a statement that he and the panel agreed that public attention was more often focused on bargaining failures.

"Our objective is to reduce the number of those failures," Mr. Simkin said. "But the failures should not hide the considerably greater frequency of bargaining successes."

The panel will not participate formally in efforts to settle specific disputes. This, however, does not rule out the possibility that Mr. Simkin will ask members individually to assist behind the scenes.

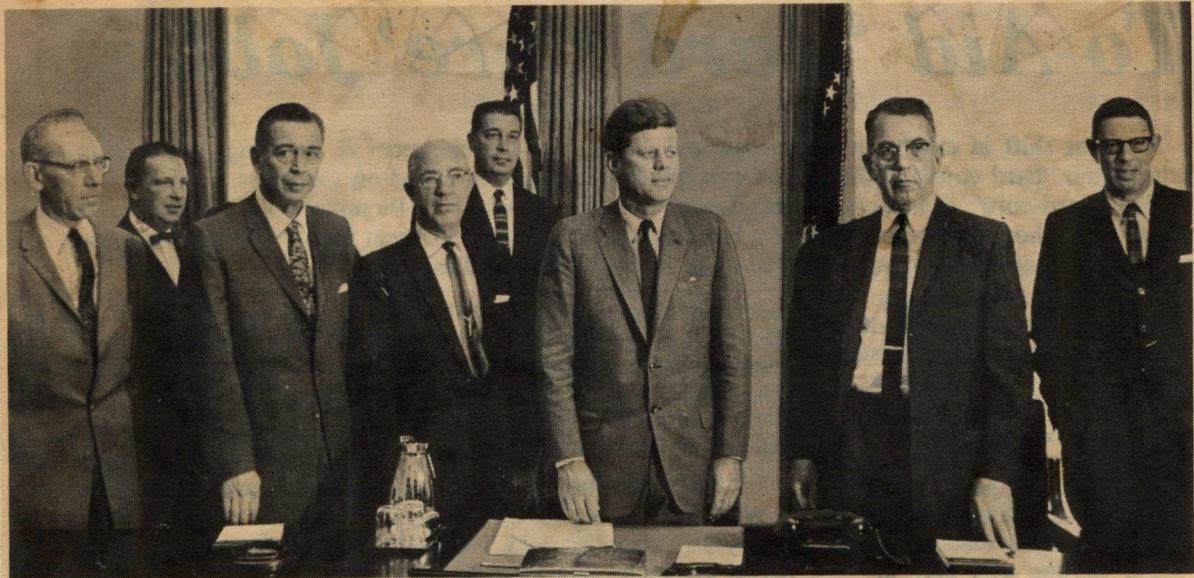
Mr. Simkin said the panel would meet again this summer. One thing it will discuss at its next meeting will be the advisability of setting up similar groups in the Mediation Service's seven regions.

Labor Representatives

Panel members from labor are C. J. Haggerty, president of the Building and Construction Trades Department of the American Federation of Labor and Congress of Industrial Organizations; Leonard Woodcock, vice president of the United Automobile Workers; Thomas E. Harris, associate general counsel of the federation; Jesse C. McGlon, general vice president of the International Association of Machinists; John H. Lyons Jr., president of the Iron Workers' union, and Marvin J. Miller, special assistant to the president of the steel union.

Management members are Gerry E. Moore, vice president of industrial relations of the Minneapolis-Honeywell Regulator Company; J. Paul St. Sure, president of the Pacific Maritime Association; Wayne T. Brooks, director of industrial relations of the Wheeling Steel Corporation; J. Curtis Counts, manager of employe relations of the Firestone Tire and Rubber Company, and Jesse Freidin, a New York lawyer representing employers and employer groups.

Action 'Now' on Rights



MEMBERS of a newly-reconstituted Labor-Management Panel to advise the Federal Mediation & Conciliation Service met with Pres. Kennedy during a day-long initial session. Pictured, left to right, are some of the 12 panel members: Gerry E. Morse, Minneapolis-Honeywell Co.; J. Curtis Counts, Douglas Aircraft Co.; Deputy Dir. Robert H. Moore of the Mediation & Conciliation Service; Pres. Cornelius J. Haggerty of the AFL-CIO Building & Construction Trades Dept.; Pres. John H. Lyons of the Iron Workers; Kennedy; Mediation Service Dir. William E. Simkin; Stephen I. Schlossberg, assistant to the director. Labor members of the panel not shown are Thomas E. Harris, AFL-CIO associate general counsel; Vice Pres. Jesse C. McGlon of the Machinists; Marvin J. Miller, assistant to the president of the Steelworkers; UAW Vice Pres. Leonard Woodcock.

NEW YORK TIMES
July 26, 1963, Friday

Lumber Strike Spreads In the Pacific Northwest

PORTLAND, Ore., July 25 (AP) — The Pacific Northwest lumber shutdown spread to a member of the Timber Operators Council for the first time today as the Edward Hines Lumber Company was struck.

Federal mediators called representatives of the council and the two big lumber unions into session at Portland in an attempt to keep the shutdown from spreading further.

The unions said, however, the strike would be extended tomorrow to the Pope and Talbot Lumber Company, another member of the Timber Operators Council.

Previously, the shutdown had idled an estimated 25,000 workers in the Pacific Northwest lumber industry. Of these, 20,000 were employed by the Big Six group of employers. The unions went on strike in early June after contracts had expired.

Lumber Strike Persists In Northwest Despite Accord With One Firm

Concerns Call Proposed Simpson
Timber Package 'Uneconomic';
Dispute Threatens to Spread

By a WALL STREET JOURNAL Staff Reporter

PORTLAND, Ore.—No immediate signs of a settlement in the Northwest lumber and plywood strike have appeared even though one major company reached agreement with negotiators for two unions Friday.

Simpson Timber Co., which hasn't been closed down by the dispute, and negotiators for the International Woodworkers of America and the Lumber & Sawmill Workers Union agreed upon a proposed 33½-cent-an-hour package increase in wages and other benefits over three years.

The proposal is subject to approval in a referendum by about 5,000 Simpson employees. Union leaders expressed confidence the pact will be approved in two or three weeks.

However, six companies idled by the dispute since early June called the proposed settlement "uneconomic." Bargaining as a group called the Big Six, the companies declared, "This association was not formed with an eye to collapsing at the first evidence of an agreement which we cannot consider economically justifiable."

The six companies are Weyerhaeuser Co., U.S. Plywood Corp., St. Regis Paper Co., Rayonier, Inc., International Paper Co. and Crown Zellerbach Corp. About 20,000 wood production employees are affected.

In addition, some Georgia-Pacific Corp. plywood and lumber mill operations were struck last week by two unions. "Our position is unchanged," said a Georgia-Pacific spokesman.

The proposed Simpson settlement actually sparked speculation that the strike may spread. A union spokesman said failure of other companies to follow the Simpson pattern would result in spreading the strike to some or possibly all members of Timber Operators Council, Inc. This group represents nearly 200 employers with about 60,000 union employees.

The Timber Operators Council in a formal statement said Simpson's proposed settlement "clearly does not represent the general thinking of other employers throughout the industry."

"It cannot be construed to be the basis of a pattern in other negotiations currently in progress," declared Karl F. Glos, executive vice president of Timber Operators Council.

However, one lumberman said, "Once you poke a hole in the dike, you can't tell what may happen." A union spokesman called the Simpson settlement proposal "the break in the wedge to get settlements with other employers."

Federal mediators George Walker and LeRoy Smith here have been talking to employers and unions in hopes of finding a basis for agreement at a joint meeting. But the two sides still appear far apart on the key issue. The Big Six recently offered a 26-cent-an-hour package increase in a three-year contract; the unions are asking about 35 cents.

Simpson's 33½-cent-an-hour package could cost some companies over 35 cents an hour, one industry source said.

Originally he proposed that the Secretary of Labor be authorized to bring such suits (DLR 9 [1963]: A-7). The modification brings the proposed federal aid within the language of the civil rights bills, which require the Attorney General to act upon the written request of a complainant if:

"... such person or persons are unable, either directly or indirectly or through other interested persons or organizations to bear the expense of the litigation or to obtain effective legal representation; or when there is reason to believe that the institution of such litigation would jeopardize the employment or economic standing of, or might result in injury or economic damage to, such person or persons, their families, or their property.

Goldwater explains of this proposal in part:

"... the requirement that the union member bring his own lawsuit when his statutory rights have been violated is the Achilles heel which renders the Bill of Rights [of Landrum-Griffin] a futile gesture, a meaningless scrap of paper for the average union member.

"The reasons are obvious. The average union member is unable, either directly or through other interested persons or organizations, to bear the expense of the litigation or to obtain effective legal representation; moreover, in most cases, the foreseeable results of his instituting such a suit would be to jeopardize his job or subject him to the all too frequent risk of injury or economic damage to his person, his family, or his property. These considerations, as experience has shown, make it most unlikely that the average union member will challenge the union hierarchy by resorting to the procedure provided in the Landrum-Griffin Act . . .

"It seems to me . . . that the adoption of my amendment would demonstrate that the Congress is genuinely interested in protecting all the legal rights of all of the American people instead of merely those of one particular segment of the population."

Goldwater's second civil rights amendment would deprive unions of the exclusive right to represent groups of workers if they excluded employees in the units from union membership. He says of this:

"... in certain industries there is a widespread practice whereby employers recruit their labor force through the local unions in the particular area. This is especially true in those industries where the most highly skilled, and consequently the most highly paid, employees are needed to perform the work. It is precisely in those industries where union membership exclusionary policies are most widely and persistently applied. As a result, untold numbers of completely qualified workers, who for one reason or another are denied admission to union membership, are excluded not only from many jobs, but particularly from the most highly paid jobs as well."

Goldwater expresses his "profound conviction that this power of exclusion on the part of unions must, for the sake of justice and equity, be terminated," and adds that "my proposals are completely relevant in any consideration of the civil rights issue and I sincerely hope that the Senate will give them its most serious and earnest attention."

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PRESIDENT AND SIMKIN MEET MEMBERS OF NATIONAL LABOR-MANAGEMENT PANEL

Members of the National Labor-Management Panel, provided for by Section 205 of the Taft Act, held an organizational session July 16, conferring with President Kennedy and with Director William E. Simkin of the Federal Mediation and Conciliation Service.

The panel is composed of six representatives of management and six representatives of organized labor appointed by the President (DLR 103 [1963]: A-8).

FMCS Director Simkin issued a statement on the first panel meeting, saying that an objective would be to try to reduce collective bargaining failures while looking into the ingredients of successful bargaining. His statement follows: (OFFICIAL TEXT)

The Federal Mediation and Conciliation Service is very glad to have the group of experts composing the National Labor-Management Panel agree to serve their government as an advisory group to this agency on methods of making free collective bargaining work better in America.

The panel agreed with me, at its initial meeting today, that free bargaining is working far more successfully than most people realize. We feel that public attention is more often focused, perhaps naturally, on the bargaining failures that do occur from time to time.

Our objective is to reduce the number of failures. But the failures should not hide the considerably greater frequency of bargaining successes.

Some industries, such as steel, have adopted practices in recent years tending to promote a more orderly consideration and mature resolution of the complicated human and technological problems constantly arising in the industrial world.

It is extremely encouraging that so many employers and labor organizations are steadily settling such controversies in give and take bargaining and thus contributing to the economic and social progress of the nation.

The newly reconstituted panel will work with the FMCS in examining into the ingredients of the bargaining success stories that are otherwise receiving too little attention.

We hope to learn how to apply these methods to the more contentious areas of labor-management relations and thereby succeed in bringing about improvements to the bargaining process. We hope to encourage greater advance study and exploration of issues that otherwise might develop into work stoppages. All of us have a real stake in making our system of economic freedom work more successfully. If we can encourage management and labor to measure up their responsibilities we can make collective bargaining an even stronger force for economic justice.

(End of Official Text)

WIRTZ SAYS RETRAINING PROGRAM FACES EARLY SLOWDOWN IF U. S. DOES NOT PUT UP MORE FUNDS

Government training programs for the unemployed, still less than one year old, will have to be slowed down in the next few months unless Congress removes the state-matching requirement from the Manpower Development and Training Act, Labor Secretary Wirtz tells the Clark Subcommittee of the Senate Labor Committee.

The states would have to put up half the funds for the training programs in fiscal 1965, starting July 1, 1964, under the Act as it now stands. But only three of them have voted funds for that purpose. Hence most of the states have made it "crystal clear" that they will not submit programs that extend beyond June 30, 1964, Wirtz said.

Since most of the training programs are for 35 to 52 weeks, "we are moving this week into the prospect of the brakes being applied to the manpower program just as it has gotten underway," Wirtz said. The program was two months late getting started in the current fiscal year because of the delay in its appropriation being voted by Congress.

THIS MONTH IN **Management**



LANAHAN

A dynamic young chief executive in Richmond, Va., is breathing life into the textbook maxim that profitable businesses are built on sound management practices. He is articulate and forthright **John S. Lanahan**, president, Richmond Hotels, Inc., who has successfully bridged the gap between management theory and practice. As a management consultant with Booz, Allen & Hamilton, Lanahan advised the hotel chain on ways to improve business. Tapped for the presidency more than three years ago, Lanahan is busy taking his own advice. Lanahan, an ex-salesman of hospital supplies and TV receivers, is not a hotel man by training. But he believes management principles and practices are transferable from industry to industry. To learn how he made that theory work, read "What happens when a management consultant turns company president" (page 39).



CUSHMAN

The number of strikes in this nation has dipped sharply from what it was ten years ago. But public indignation over the strikes that do occur seems to have waxed. What can be done to improve labor-management relations in general and collective bargaining in particular? Few men are as well qualified to answer that question as **Edward L. Cushman**, a cigar-puffing vice president of American Motors. Cushman has been able to observe industrial relations from five different vantage points: as a university professor of public administration; as an arbitrator of industrial disputes; as a government official on both the state and national levels; as a member of a public panel that once advised Walter Reuther's United Automobile Workers Union on the probable effects of a guaranteed annual wage on the automobile industry; and, most recently, as a ranking corporation executive. He became American Motors' director of industrial relations when the company was first formed in 1954. Seven years later, as one of its ranking vice presidents, he negotiated its widely heralded profit-sharing plan with the UAW. In "You can make collective bargaining work" (page 26), he tells why collective bargaining negotiations aren't always handled as well as they might be and what can be done to set matters aright.



GREIF

When an insider talks candidly about the strengths and weaknesses of his own industry, it pays to listen. When he talked with BUSINESS MANAGEMENT's editors about *How to pick a publicity agency* (page 36), **Lucien Greif**, president of Greif Associates, Inc., New York, recommended some blunt questions to put to a potential agency. Because publicity is often equated with public relations, some companies think the two are synonymous. They aren't; capturing publicity for a client is a specialty. This article contains worthwhile pointers on how to pick a pro.

Business Management

JULY 1963

Will
government
intervention
destroy
collective
bargaining?

The public is fed up with industrial warfare. So is the U.S. Government. If collective bargaining is to remain free, management must take the initiative in making it work more effectively. American Motors' top labor negotiator, Edward L. Cushman, tells how the job can be done in an outspoken interview beginning on the next page.

You can make collective bargaining work

Collective bargaining is on trial in the court of public opinion. It must be acquitted lest the Government intervene in labor-management negotiations on a massive scale. And in order for it to be acquitted, management must take the initiative in making it work more effectively. So says American Motors' top labor negotiator, Edward L. Cushman, who answers these questions about collective bargaining in the accompanying article:

What's wrong with it right now?

"Too many companies and too many unions regard collective bargaining as a contest in which one side wins and the other side loses."

What's wrong with Government intervention?

"There's a growing trend to urge increased Government intervention . . . In major quarrels at least, the people would prefer to have the Government intervene. They want peace. But they don't recognize that the price of peace is loss of freedom."

What is management's responsibility?

"The corporation that tries to maximize its profits without regard to labor's equity is only increasing the trend toward more and more Government intervention."

What is labor's responsibility?

"Unions can help collective bargaining a great deal by examining and discarding some of their sacred cows."





10 SECOND SUMMARY: *Management must take the initiative in making collective bargaining work more satisfactorily than it has to date. Otherwise, the Government may intervene on a massive scale, warns Edward L. Cushman, a ranking vice president of American Motors. In this interview, he urges management to re-examine its sacred cows, to communicate its problems and opportunities to both union leaders and workers in terms meaningful to them, and to maintain frequent contact with union leaders at every level. American Motors has accomplished each of these aims, he says, and tells exactly how. Among the other subjects he discusses: management's rights, labor's drive for a short work week, and preventive mediation by the Government.*

THE American people have given management and labor one "last clear chance" to make collective bargaining work.

That's the harsh warning Secretary of Labor Willard Wirtz recently sounded to American business and labor.

"Neither the traditional collective bargaining procedures nor the present labor dispute laws are working to the public's satisfaction, at least as far as major labor controversies are concerned," said Wirtz. "It doesn't matter any more, really, how much the hurt has been real or has been exaggerated. A decision has been made, and that decision is that if collective bargaining can't produce peaceable settlements of these controversies, the public will. I agree with that decision."

Wirtz' threat of increased Government intervention wasn't an idle one. In late May, President Kennedy appointed a 12-member labor-management panel to advise the Federal Mediation and Conciliation Service on how to prevent industrial controversies. William E. Simkin, director of the service, promptly announced that he would use the panel "to intensify and extend the mediatory efforts of the Mediation and Conciliation Service."

Neither your company nor your



"The great strength of our economy lies in the fact that there is a dispersal of decision-making power. The whole idea that the Government is or should be the only determinant of the public interest runs contrary to America's heritage."

CUSHMAN

labor union is likely to applaud this move. For increased Government intervention only increases the threat of Government control of your profits, prices, wages, working conditions—indeed your very efforts to engage in free collective bargaining.

What can be done to halt the trend? At least one businessman, Edward L. Cushman, a vice president of American Motors, thinks it's primarily up to management to take the initiative in making collective bargaining work.

Cushman can argue from experience. Two years ago, his company took the initiative in its negotiations with the United Automobile Workers by proposing an unusual profit-sharing plan. Cushman himself headed the Management team that hammered out the details of the plan in hour-to-hour negotiations with Walter Reuther's UAW.

Some measure of his success can be measured by Reuther's reaction to the plan and other aspects of the pact he signed with American Motors. Said Reuther: "We were able to arrive at what we believe to be perhaps the most historic collective bargaining agreement that has ever been written in the United States . . . I think that time will prove that the day this contract was signed was the beginning of a whole new construc-

tive and more responsible approach to collective bargaining."

What can other companies learn from American Motors' labor relations experience? Here, in a point-by-point interview with an editor of *BUSINESS MANAGEMENT*, Edward Cushman gives his views.

Q. Mr. Cushman, you recently made a four-point statement to this effect: (1) Collective bargaining is here to stay, and it's good that it is; (2) But it's not being utilized as well as it might be; (3) If this trend isn't reversed, Government will increasingly intervene in labor-management negotiations, destroying economic freedom; (4) To prevent this from happening, management must take the initiative in making collective bargaining work more satisfactorily.

This statement raises a number of questions. Certainly, one is; What's wrong with collective bargaining? Why isn't it working as well as it should?

CUSHMAN: Generally speaking, we've never had real collective bargaining in this country. There are several reasons for this.

One is conscious or unconscious reliance on Government or third-party intervention. Too many companies and unions expect Government or some third party to resolve their problems.

I once used an analogy to describe much of what used to pass for collective bargaining in the steel industry. It's similar to a Greek play.

First, offstage, you hear the union chorus crying for large, but unspecified wage increases. Then, offstage, you hear the management chorus crying that no wage increases can be afforded. Then, the union cries it needs such increases the country needs them, in order to increase purchasing power. Then, both choruses move on stage. And what do they say to each other? The very same things.

All the time, both sides are secretly expecting Washington to step in and solve their problems. Then, *deus ex machina*, Washington does indeed step in. A decision is made.

But neither side is really happy with it. The union chorus goes offstage saying the new pact is inadequate. And the management chorus goes off crying, "We wuz robbed."

Poor attitude on the part of management works against collective bargaining, too. I think unions are better accepted today than at any time in their history. But too often, it's just that. Management accepts them—with a sense of resignation. There's no

warm espousal of the basic concept of having unions, no espousal of unions as an institution. Management must realize that unions, *per se*, are not evil.

Another reason collective bargaining doesn't work as well as it should is that too many companies and too many unions regard collective bargaining as a contest in which one side wins and the other loses. If collective bargaining is to work, it's very important that the two sides stop looking at it in this light. Collective bargaining is not a contest, but an opportunity to improve labor-management relations.

Roughly speaking, I think you can say almost all management-labor relations fall into one of three stages. The first is a stage of conflict. It's characterized by mutual suspicion and by use of economic power to determine the outcome of negotiations. The second is a stage of mutual accommodation. The two sides have learned some of the techniques of getting along with each other, but they still rely primarily on economic power to settle matters. The third is a stage of union-management cooperation. Economic facts, rather than economic power, are used to help the two parties move toward agreement. Unfortunately, far too few companies and unions have reached the third stage.

Q. You insist management should take the initiative in collective bargaining. Why?

CUSHMAN: Actually, both labor and management have an opportunity and a responsibility. But if any single group has a vested interest in freedom, particularly freedom from Government intervention, it's management. Therefore, management has a great need to take the initiative and make collective bargaining work effectively.

But to make it work effectively, management must be concerned with more than just its own goals. It must be concerned with the total impact of its labor agreements upon its customers, its suppliers and its dealers, not to mention its stockholders and its workers.

Q. How can management best go about seizing the initiative in collective bargaining?

CUSHMAN: There are a variety of ways, I think.

Management can do a lot by changing the climate in which collective bargaining takes place. It can start looking at collective bargaining as a genuine opportunity to determine what employment opportunities are in its own company. And it can start looking at the union as the genuine representative of its employees.

Management can also improve the collective bargaining climate by making sure it has defined the problems between it and labor accurately. As I've said, economic power remains the determining factor in most collective bargaining situations. It shouldn't be. The determining factor should be economic facts. Here at American Motors, for example, under our profit-sharing plan, many of labor's economic gains are computed after, not before, it's known how well the company has done.

Management can seize the initiative by examining its sacred cows before it comes to the bargaining table and making constructive proposals if these sacred cows have become a little too sacred.

Take the seniority system. Management wants the maximum amount of freedom in making personnel changes. It wants to decide who's laid off first, who's put on first, who's promoted, who's transferred. It deeply resents any limitations on this freedom because it feels such limitations may prevent it from improving efficiently and cutting costs.

The unions, on the other hand, insist too strongly that seniority should be the sole factor in determining lay-offs, rehiring, and so forth. Certainly, length of service should be given considerable weight. How much, depends. But the point is, a solution can be found, an accommodation can be made, if there is a genuine desire to find one that's fair to both sides.

Or take our profit-sharing plan. We think highly of it and have made progress under it. But when our pact with the UAW comes up for renewal in the fall of 1964, we will re-examine this plan.

"It's part of the job of responsible management to discuss problems with the union as they arise, not wait until it comes time to renew its contract."

CUSHMAN



We don't want it to become a sacred cow any more than anything else. So we will ask ourselves: is this the best way to provide for part of labor's equity? Or is there a better way?

We will not only examine this plan but *every other aspect* of our relationship. Nothing should become sacrosanct.

Q. You've emphasized that power is still the determining factor in most collective bargaining. Some people think labor comes to the collective bargaining table with more power than management. Do you think this is true?

CUSHMAN: That statement has all the difficulties of generalizations. In some situations, it's not true; management has more power.

That's certainly the case with General Electric. It has more



How "Progress- sharing" works at American Motors

When American Motors signed its much heralded profit-sharing agreement with the United Automobile Workers in September, 1961, some businessmen called the automobile company naive. Whether the union shared profits with the company, they argued, depended on whether the company made a profit. And not even fast-growing American Motors could guarantee it would do so.

Last November, fourteen months later, the automobile manufacturer talked back. It announced that it had some \$9,766,000 to share with the members of the UAW and other unions representative American Motor employees.

It gave one third of it to them in the form of stock in the company—a total of some 197,000 shares for some 27,000 workers. That came to an average of 7.3 shares a worker. (The exact number of shares credited to each worker varied according to his wage rate and the number of hours he worked.)

Since the stock was then selling for about \$16.50 a share, the typical worker received the equivalent of some \$120.

In addition, the company paid some \$868,000 in stock to its salaried employees—some 52,000 shares for some 5,200 workers.

The company will hold this stock in trust for two years. The employees may then apply to receive it in their own name. Meanwhile, they have, in effect, full voting rights.

It's important to remember that the company distributed this stock only after making sizable payments to finance increased pension and other benefits. Here, in fact, is exactly how the profit-sharing plan operates:

1. First, from pre-tax profits, the company sets aside 10% of the stockholders' investment in order to protect their equity in the company's earnings.
2. It puts the next 15% of its pre-tax profit in the profit-sharing fund.
 - a) Of this 15%, two thirds is used to pay for increased fringe benefits provided in the 1961 labor pact. Pension increases get the first call. If there's money left, the company pays for that part of the workers' insurance they now pay on their own. (In fiscal 1962, the company had some \$6,500,000 in such benefits for union workers, including a substantial reserve. Another \$1,700,000 was allocated to salaried employees.)
 - b) The other one third of the money put in the profit-sharing fund is distributed in the form of stock. (See the first year's results above.)
3. If, in some future year, the company does not earn enough to pay for the increases in the union members' fringe benefits, it will fall back on a reserve fund it established at the time it signed the profit-sharing agreement. This reserve is now in excess of \$3,000,000, and the company plans to add to it as able.
4. If even the reserve proves inadequate to pay for the increased fringe benefits, money for those benefits will be obtained by deducting some or all the money union members are slated to receive in annual improvement pay. That presently runs to 6 cents or 2½%, whichever is greater, of each worker's base hourly pay for each year of the three-year contract.

As important as the actual amount of profit shared with the union, say officials of both American Motors and the UAW, is the basic concept behind the profit-sharing plan. In most collective bargaining, they assert, labor's economic gain is determined by economic power and economic guesswork instead of by economic facts. But under the American Motors' plan, the worker's gain, exclusive of gains in basic pay, will be determined only after it's known how well the company has done. As the UAW's Walter Reuther puts it: "Here is a rational approach in which you have a basic wage, a basic salary, and you get the other down payment after you know how big the economic pie is."

power than the United Electrical Workers, partly because of the split between the UE and its international union, plus the internal duration within the international union.

In sharp contrast, the unions often do have more power. This is the case with the Teamsters Union when it deals with retail outlets.

It's hard to generalize for the nation as a whole, but it is true that in many, many situations the unions do have more power.

Of course, I think this is true too: the unions tend to over-estimate management's power and underestimate their own. And management tends to overestimate labor's power and underestimate its own. Everyone knows his own weaknesses.

Q. Besides seizing the initiative in collective bargaining, what can management do to equalize its power with that of labor?

CUSHMAN: Communicate effectively. Communicate effectively with both employees and with the public. That's the most important single thing.

You believe in democracy, don't you? Then you have to believe in an informed electorate.

The people of this country have a great sense of justice, a great sense of fair play. If the economic facts are made known in a given situation, it will greatly enhance the chances of a solution being found. It's especially important that one's own employees be kept informed.

Q. What's the best way to communication with employees?

CUSHMAN: The best way is in face-to-face meetings. The smaller the group, the better.

Mass meetings are another way. Every year, we have a huge meeting for all our Milwaukee employees in Milwaukee Braves' stadium. It lasts from 8 to 10 in the evening. I believe it's the largest industrial meeting in the country. Last year, 40,000 people attended.

We put on a fireworks display. We show the employees the new Ramblers before anyone else sees them. Why not? They made them.

But the highlight is President
continued on page 60

WASHINGTON

New Labor Panel Off To Promising Start

PRESIDENT KENNEDY's recently appointed National Labor Management Panel got off to a good start in its first meeting. Government officials believe it may become an effective top level advisory group.

The 12-member panel is authorized under the Taft-Hartley Act to keep the government informed of potentially serious labor relations problems. The group will work most closely with William Simkin, director of the Federal Mediation & Conciliation Service.

At the first session, President Kennedy met with the panel for about 10 minutes, and indicated that it will have the widest range of influence of any citizens' group in labor affairs.

● Suggestion—One concrete result of the first meeting was the recommendation that mediators should have special training in current labor problems—particularly automation and leather bedding.

There appeared little doubt to observers of the first meeting that panel members will feel free to enter major controversies directly—though privately. Mr. Simkin could also use them publicly as advisers or mediators in disputes, thus bringing another sort of pressure on disputants to solve collective bargaining problems affecting the national welfare.

One direction the panel will be moving in is shown by Mr. Simkin's report on the first meeting: Emphasizing the number of successes in collective bargaining today, he singled out the steel industry and promised the panel will look into the "ingredients" of the Human Relations Committee approach. "We hope to encourage greater advance study and exploration of issues that otherwise might develop into work stoppages."

Mr. Simkin plans to call a second meeting early in September. Later, the panel may meet in other cities. Ultimately, regional panels may be established.

● The Panel—Labor members include Cornelius Haggerty, Building

Steel
July 29, 1963

LABOR PANEL

MOTOMIHA W

& Construction Trades Dept., AFL-CIO; Leonard Woodcock, United Automobile Workers; Thomas Harris, associate general counsel, AFL-CIO; Jessie McGlon, International Association of Machinists; John Lyons, Iron Workers; Marvin Miller, United Steelworkers.

Management members are Gerry Morse, vice-president-industrial relations, Honeywell; J. Paul St. Sure, president, Pacific Maritime Association; Wayne Brooks, director of industrial relations, Wheeling Steel Corp.; J. Curtis Counts, director, employee relations, Douglas Aircraft Co. Inc.; Joseph V. Cairns, director of industrial relations, Firestone Tire & Rubber Co.; and Jesse Freidin of Poletti & Freidin, a New York employers' counseling firm.

CAPITAL SPENDING

**Leasing Gets Boost
Via Entry Of Banks**

CAPITAL EQUIPMENT leasing got a hefty boost last week when

Labor-Management Panel Meets JFK

The newly appointed 12-member National Labor-Management Panel, which includes Marvin Miller, special assistant to USWA President David J. McDonald, met for the first time in Washington, D. C., last month.

Authorized by the Labor Management Relations Act of 1947, the panel was recently recreated by President Kennedy and consists of six management representatives and six labor representatives.

* * * *

PRESIDENT KENNEDY said he revived the panel structure in the hope that it could contribute to industrial peace. Its main function will be to lay the groundwork for preventing disputes between unions and management.

The first meeting included a brief White House visit with President Kennedy who expressed the view that rigid approaches to labor-management relations on the government's part were unwise.

The President indicated interest in the steel industry's Human Relations Committee experience. Mr. Miller and Wayne T. Brooks, director of industrial relations, Wheeling Steel Corp., are members of the panel who are expected to discuss this approach at future meetings.

William E. Simkin, Mediation Service director, said in a statement that he and the panel agree that public attention is focused more on bargaining failures than the successes.

"Our objective is to reduce the number of those failures," Mr. Simkin said. "But the failures should not hide the considerably greater frequency of bargaining successes."

New Beginning



MIDST the hubub of the railroad crisis, quiet men are attempting to reshape the character of mediation in labor-management disputes. Like so many other skills, those in the field of human engineering need to be updated. The old days when all a mediator needed to have was a ready smile, an industrial bedside manner and a shoulder upon which either party—the employer or the union representative—could lean are over.

This does not mean that amiable qualities are obsolete. The importance of being a friendly go between still remains. But this is no longer enough. Industrial change has become too complex and moves too fast for a mediator to come to a crisis glowing with good will and armed with mild cynicism with respect to the motives of employer and union.

For this reason, Federal Mediation Director William E. Simkin suggested recently to the President that an unused section of the Taft-Hartley Law might be reactivated. As head of the Federal Mediation and Conciliation Service, which was made independent of the Labor Department by the Taft-Hartley Law of 1947, Mr. Simkin believes he has a new, additional mandate to beef up the functions of the service he heads. This extra charge comes from the recommendation of the first report issued in collective bargaining by the President's Advisory Committee on Labor Management Policy.

Specifically, the Taft-Hartley Law empowers the President to name a 12-man body—six each from employer and labor groups—"to advise" on the "avoidance of industrial controversies and the manner in which mediation and voluntary adjustment shall be administered, particularly with reference to controversies affecting the general welfare of the country."

Not long after the passage of the T-H Law, President

By John Herling

Truman had named such a 12-man board. He chose all the top names of those days—the presidents of the AFL and the CIO, the presidents of the Chamber of Commerce and the National Association of Manufacturers and others of a "summit" type. But after name dropping on this high level, the whole panel idea also fell away. At that time, the resentment inside the union movement and between unions and management was far too deep and the wounds left by the passage of the T-H Law too fresh for either side to meet without rancor.

Today the Administration believes that under present conditions every avenue, new or old, to industrial peace should be explored. So, President Kennedy the other day re-established the 12-man panel with outstanding labor and management representatives who are not saddled with the burdens or the illusions of "summitry."

Their names carry considerable weight. Altho they are policy makers in their sectors, they do not usually make front page news. The six for labor are C. J. Haggerty, president of the AFL-CIO Building and Construction Workers Department; Leonard Woodcock, vice president, Auto Workers; Thomas E. Harris, AFL-CIO's associate general counsel; Jesse E. McGlon, Machinists vice president; Hohn H. Lyons, president of the Iron Workers; and Marvin Miller, top negotiator for the Steel Workers.

The management side includes: Gerry E. Moore, vice president, Minneapolis-Honeywell; Paul St. Sure, president, Pacific Maritime Association; Wayne T. Brooks, industrial relations director, Wheeling Steel; J. Curtis Counts, Douglas Aircraft; Joseph V. Cairns, Firestone Rubber; Jesse Freidin, well-known employers attorney.

At the first organizational meeting, the panel revealed they possessed a remarkable community of interest. As men of experience they seemed ready to pool their wisdom rather than ration it out for offensive or defensive purposes. Under the urging of the President, they have begun to lay out a groundwork for accommodation rather than collision.

**Shipbuilding Union's Talks
With Bethlehem Recessed**

Contract talks between the Bethlehem Steel Company and the Industrial Union of Marine and Shipbuilding Workers were recessed indefinitely yesterday.

Daniel F. Fitzpatrick, commissioner of the Federal Mediation and Conciliation Service, said that no progress was made in five and one-half hours of bargaining yesterday.

On Wednesday the union notified the company that it wished to terminate the current contract Aug. 31. The contract had been extended by mutual consent. A 30-day termination notice was required by its terms.

Mr. Fitzpatrick said that mediators would confer separately with each side before further joint meetings were called. The contract covers approximately 11,000 workers at six shipbuilding and repair yards.

PAPERS IN HAWAII CLOSE TO ACCORD

2 of 7 Unions Still to Vote
—Strike's End Foreseen

HONOLULU, Aug. 3 (UPI)—Five of seven unions on strike against Hawaii's two major daily newspapers approved a new contract last night.

The publishers of the newspapers, The Honolulu Advertiser and The Honolulu Star-Bulletin, said they could resume publication by Tuesday if the two other unions follow suit.

The members of the two unions were to vote soon.

A breakthrough in the 44-day-old walkout came yesterday when negotiators reached

agreement on a new contract calling for a \$12 to \$15 wage increase over the next three years, retroactive to June 1.

Five unions had approved the new contract by nightfall. The International Typographical Union and the photoengravers were the two unions still to vote.

An official of one of the unions that settled said the new contract grants annual raises of \$4 a week to employes on minimum salaries and \$5 to maximum-salaried.

Under the old contract, wages started at \$79.75 at The Advertiser and \$76.25 at the Star-Bulletin for both reporters and photographers. The top six-year minimum for both jobs was \$150 a week.

The new contract also includes four-week vacations for employes with 20 years' seniority.

The spokesman said the new

contract would be worth \$2,223 more to each permanent employe in wages and fringe benefits during the next three years. He said it would cost the newspapers \$1,668,000.

The seven unions, representing 850 employes, struck June 21 after Federal mediators entered the dispute. Talks broke off July 13, but a series of informal meetings without mediators continued until the two sides reached agreement.

In voting last night, the International Longshoremen's and Warehousemen's union representing circulation employes and the American Newspaper Guild reported unanimous support for the contract.

Pressmen voted 45-5 for ratification. Machinists and lithographers also backed the contract but did not report their vote.

Oil Bargaining Continues On Past Deadlines

Denver—Contract negotiations between the Oil, Chemical & Atomic Workers and U.S. oil firms continued past a June 30 contract termination date and no strike deadlines have been set.

The union made that report at its headquarters here in response to a message from Dir. William E. Simkin of the Federal Mediation & Conciliation Service to OCAW Pres. O. A. Knight. Simkin noted some progress in negotiations but said successful conclusion of contract talks at all locations was not possible before the termination date and urged a 10-day extension.

OCAW committees have been negotiating nationwide with the Sinclair Refining Co. and on a local basis with other major firms. Its major objective is to gain the equivalent of a 5 percent wage increase applied to fringe benefits rather than direct wages.

In talks with Sinclair that started May 19 in Kansas City, union bargainers proposed a substantially improved pension plan, longer vacations, double time for overtime, a full crew clause, better shift differentials, protection against contracting-out of work, no layoffs during the contract term and other improvements.

Monday, August 5, 1963.

Strike at Shell Oil Refinery in Houston Settled After a Year

WASHINGTON —(AP)— Settlement of the year-old strike at the Shell Oil Co. refinery at Houston was announced by William E. Simkin, director of the Federal Mediation and Conciliation Service.

One of the longest strikes in the oil industry came close to an end after a continuous 27-hour session in the Mediation Service's office in Houston.

The settlement is contingent upon ratification by the membership of the striking Oil, Chemical and Atomic Workers' Union local. The ratification meeting is scheduled tomorrow. Details of the proposed settlement won't be announced until after this meeting. If the agreement is ratified it is expected that work will be resumed by the strikers Wednesday morning. About 2,000 workers are involved in the dispute, which centers on job security.

It was learned that the agreement included a reduction in the work force at the refinery by 390 and provided a 5% wage increase for those employees who will be put back to work.

A Shell official noted that the refinery had been operated by supervisory, clerical and technical personnel during the strike and that it has been processing 140,000 barrels of oil daily under this arrangement, exceeding the plant's rated capacity of 130,000 barrels daily.

SHELL STRIKE SETTLED

Union Will Vote Tuesday on Pact

BY T. L. WHORTON

A settlement of the 11½-month-old Shell Oil Company strike was agreed to by both union and management representatives Sunday.

The announcement of the long-awaited agreement came around noon, after 27 hours of continuous negotiations in the Federal Building here.

William E. Simkin, the national director of the Federal Mediation & Conciliation Service, said the final settlement awaited only the approval of the strikers, members of Local 4-367 of the Oil, Chemical and Atomic Workers Union, AFL-CIO. The men could go back to work Wednesday if the agreement is approved at the 7:30 PM meeting Tuesday in the local's Pasadena union hall.

THOUGH SIMKIN would not divulge the terms of the agreement, The Post learned that the company and the union negotiated to a draw over the issue of Shell contracting some construction and maintenance work out to outside firms.

The Post was told that the formula under which construction and maintenance work was let out before would be essentially the same under the proposed agreement.

Also, on the matter of manpower, The Post learned that if work is resumed as a result of this agreement, the union work force would be about 1,950, or some 250 men fewer than were employed before the strike.

THE COMPANY had announced earlier that it would lay off a large number of men when work resumed.

The Post was also told that under the terms of the proposed agreement there would be a general 5-per-cent wage increase. Wages were said all along to be a secondary issue in the dispute.

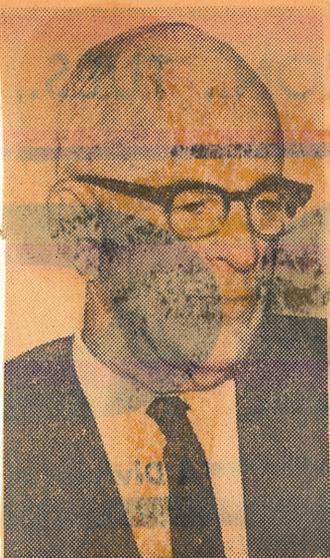
If the settlement is accepted by the union members, the marathon strike — termed the longest in the history of the oil industry by Simkin — will fall short of being a year old only by a matter of days. It began last Aug 18.

Although none of the union representatives would predict how the membership would vote Tuesday, the president of the local said some 200 men were gathered at the union hall Sunday afternoon and that they were happy over the prospect of going back to work.

"THE FEELING among the men down there is real good," said the president, Don Wilkers. "I imagine they will be mighty happy when Tuesday night comes."

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See SHELL on Page 16



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Wages were only a secondary issue, negotiators on both sides said. The company had offered a 5-per-cent wage increase during the first months of the negotiations.

ON THE QUESTION of manpower, Shell had announced earlier this year that some 350 to 400 men would be laid off when the strikers returned to work.

But union officials maintained that the company had not shown them where that many cuts could be made.

Actually, a large number of union men have either taken other permanent jobs or retired since the strike began. The union won't really know how many men it has to return until a back-to-work order is given.

Some have said the union will have 175 to 250 fewer men report back to work than the 2,200 who walked off their jobs last Aug. 18. The number of strikers is now said to be about 2,100.

DESPITE THE length of the dispute — which sent the strikers scurrying after jobs which would allow them to support their families until a settlement was reached — there was no violence.

On several occasions there were large gatherings which law enforcement officers feared might trigger a disturbance and once Texas Rangers were called to break up a traffic jam on La Porte Road in front of the two plants.

The cars of about 400 strikers "broke down" May 21 and caused the jam on the busy highway as commuters were streaming into Houston to begin a day's work.

THE STRIKE also threatened to set off demonstrations by other labor unions which would have tied up the Port of Houston and perhaps several other Gulf Coast ports.

On May 23, the leaders of 14 major AFL-CIO unions in Houston warned the Dutch and British consuls that the unions might close the port to all Dutch and British ships if their governments failed to intercede in the strike.

THE UNION leaders said that since Shell is a subsidiary of companies owned largely by Dutch and British corporations, the consuls should ask their countries to intercede. Neither government took action.

Also in May, the International Federation of Petroleum Workers talked about calling a worldwide strike against the Shell Oil Company.

In neither case was the talk of direct action carried through.

THE STRIKE has had its lighter side, too.

A group of Shell strikers' wives marched on the downtown Houston Shell offices June 7 and caused a stir before they were granted an interview with some of Shell's top officials.

They finally got their interview—with C. P. Bristol, a vice president; J. W. Hyde, superintendent of the chemical plant; and Leonard Wilson, superintendent of the refinery. They wanted to present their side of the story to the men.

IN ANOTHER move that caught the public's attention, some 150 Shell strikers blockaded 18 leaders of Houston building and trades unions inside a union hall for six hours on May 16.

The strikers were protesting the fact that some of the building and trades union members were passing the OCAW picket lines to do construction work inside the two plants.

During the entire strike Shell continued to operate both the chemical plant and the refinery with supervisory personnel. This was the first time the company did this during a strike. The present strike makes the fifth

that the two plants have gone through.

The next-to-longest strike occurred in 1952, when the workers stayed off their jobs for 73 days. The other strikes occurred in 1937, 1945, and 1947, said Wilkers.

SHELL EXPERIENCED strikes at two other of its refineries during the past year, but both of those were settled faster than the Deer Park dispute.

Thirteen unions struck Shell's largest domestic refinery, which is the Wood River installation at Roxana, Ill. That 168-day strike ended Feb. 2.

Workers at the company's Norco refinery at New Orleans were on strike for over six months until they returned to work Feb. 17.

Efforts to settle the labor deadlock here have been carried on by scores of union, management and federal mediation negotiators through the months.

In addition to Simkin, James O. Hubbard, a Houston federal mediator, and Edwin Scott, a federal mediator from Washington, hammered out recommendations for settling the dispute.

NEGOTIATIONS for the union were led by John Crossland, secretary of Local 4-367; Forrest Craig of Houston, an international representative of the union; and W. E. Rentfro, the international union's general counsel from Denver.

The international president, O.

A. Knight, of Denver, also took part in some of the negotiations.

Shell's negotiating team was led by Wilson and Hyde, as well as John C. Kelbaugh of Houston, the administrative manager at the refinery; and Tom Moore of New York, a vice president of personnel relations.

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Operation Continued

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This maintenance work incited a bitter interunion dispute.

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company to give the union notice of new hires in its jurisdiction.

In this year's negotiations the union has renewed demands for a full union shop. The company has suggested it discontinue informing the union of new hires.

LATE company figures show that 23,700 of the 34,300 employes in machinists' jurisdiction belong to the union.

As to wages, Boeing has offered a contract that pretty well matches the industry pattern — hourly raises of 8 cents each year for three years plus "folding-in" of an additional 8 cents this year in cost-of-living wage raises. In its first year the proposed contract would set base scales ranging from \$2.36½ to \$3.89½ an hour.

Boeing President William M. Allen has turned basic responsibility for 1965 bargaining over to Lowell P. Mickelwait, his onetime law partner, now vice president of Boeing for industrial and public relations.

GRAND lodge representative Ed Springer heads the seven-man union bargaining committee. John Sullivan, president of Machinists' Seattle Aero Mechanics lodge is a key member. Machinists general president P. L. Siemiller flew to Seattle early this week for conferences with his representatives, but he did not join directly in negotiations.

Walter A. Maggiolo, director of mediation activities, and Albin Peterson, veteran Seattle commissioner of the Federal Mediation & Conciliation Service, began sitting in on negotiations last week. Simkin joined them Monday as the Conciliation Service took over direction of the meetings.

Boeing's success in the airliner field has shifted its "product-mix" more into the commercial field than it was a few years ago. It still holds important defense contracts in such programs as the Minuteman and the Saturn V. The Boeing 707 airliner and its successors have become perhaps the best-known symbols of American prestige around the world.

BOEING'S most pressing commitment to the hot war is production of helicopters for troop lifts in Viet Nam.

These are produced by the Boeing Vertol Division at its plant near Philadelphia. Production workers at Vertol are represented by the United Auto Workers under a contract that does not expire until October 4.

Boeing is cautious about releasing employment totals. Observers believe the 34,300 employes involved in the Machinists dispute represent between 35 and 40 per cent of the total workforce.

Last year Boeing had sales of \$2 billion and a payroll of \$758 million. Seattle's stake in that payroll amounted to \$462 million.

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PRESIDENT KENNEDY said he revived the panel structure in the hope that it could contribute to industrial peace. Its main function will be to lay the groundwork for preventing disputes between unions and management.

The first meeting included a brief White House visit with President Kennedy who expressed the view that rigid approaches to labor-management relations on the government's part were unwise.

The President indicated interest in the steel industry's Human Relations Committee experience. Mr. Miller and Wayne T. Brooks, director of industrial relations, Wheeling Steel Corp., are members of the panel who are expected to discuss this approach at future meetings.

William E. Simkin, Mediation Service director, said in a statement that he and the panel agree that public attention is focused more on bargaining failures than the successes.

"Our objective is to reduce the number of those failures," Mr. Simkin said. "But the failures should not hide the considerably greater frequency of bargaining successes."

FEDERAL MEDIATION AND CONCILIATION SERVICE

WASHINGTON 25, D.C.

August 6, 1963

To: Regional Directors
From: William E. Simkin, Director

I thought you might find John Herling's views on the National Labor-Management Panel of interest.

WASHINGTON DAILY NEWS, THURSDAY, AUGUST 1, 1963

New Beginning



By John Herling

MIDST the hubub of the railroad crisis, quiet men are attempting to reshape the character of mediation in labor-management disputes. Like so many other skills, those in the field of human engineering need to be updated. The old days when all a mediator needed to have was a ready smile, an industrial bedside manner and a shoulder upon which either party—the employer or the union representative—could lean are over.

This does not mean that amiable qualities are obsolete. The importance of being a friendly go between still remains. But this is no longer enough. Industrial change has become too complex and moves too fast for a mediator to come to a crisis glowing with good will and armed with mild cynicism with respect to the motives of employer and union.

For this reason, Federal Mediation Director William E. Simkin suggested recently to the President that an unused section of the Taft-Hartley Law might be reactivated. As head of the Federal Mediation and Conciliation Service, which was made independent of the Labor Department by the Taft-Hartley Law of 1947, Mr. Simkin believes he has a new, additional mandate to beef up the functions of the service he heads. This extra charge comes from the recommendation of the first report issued in collective bargaining by the President's Advisory Committee on Labor-Management Policy.

Specifically, the Taft-Hartley Law empowers the President to name a 12-man body—six each from employer and labor groups—"to advise" on the "avoidance of industrial controversies and the manner in which mediation and voluntary adjustment shall be administered, particularly with reference to controversies affecting the general welfare of the country."

Not long after the passage of the T-H Law, President

Truman had named such a 12-man board. He chose all the top names of those days—the presidents of the AFL and the CIO, the presidents of the Chamber of Commerce and the National Association of Manufacturers and others of a "summit" type. But after name dropping on this high level, the whole panel idea also fell away. At that time, the resentment inside the union movement and between unions and management was far too deep and the wounds left by the passage of the T-H Law too fresh for either side to meet without rancor.

Today the Administration believes that under present conditions every avenue, new or old, to industrial peace should be explored. So, President Kennedy the other day re-established the 12-man panel with outstanding labor and management representatives who are not saddled with the burdens or the illusions of "summitry."

Their names carry considerable weight. Altho they are policy makers in their sectors, they do not usually make front page news. The six for labor are C. J. Haggerty, president of the AFL-CIO Building and Construction Workers Department; Leonard Woodcock, vice president, Auto Workers; Thomas E. Harris, AFL-CIO's associate general counsel; Jesse E. McGlon, Machinists vice president; Hohn H. Lyons, president of the Iron Workers; and Marvin Miller, top negotiator for the Steel Workers.

The management side includes: Gerry E. Moore, vice president, Minneapolis-Honeywell; Paul St. Sure, president, Pacific Maritime Association; Wayne T. Brooks, industrial relations director, Wheeling Steel; J. Curtis Counts, Douglas Aircraft; Joseph V. Cairns, Firestone Rubber; Jesse Freidin, well-known employers attorney.

At the first organizational meeting, the panel revealed they possessed a remarkable community of interest. As men of experience they seemed ready to pool their wisdom rather than ration it out for offensive or defensive purposes. Under the urging of the President, they have begun to lay out a groundwork for accommodation rather than collision.

TAFT-HARTLEY UNIT APPOINTED

Labor-Management Group Reactivated By Kennedy

By RODNEY CROWTHER
[Washington Bureau of The Sun]

Washington, May 25 — President Kennedy today announced before departing for a weekend at Camp David that he was reactivating the Taft-Hartley labor-management panel with the aim of helping to bring about peaceful solutions of controversies between unions and management.

"The state of labor-management with occasional exceptions," the President said, "appears pointed steadily in the direction of greater maturity and responsibility."

"New Willingness"

"There is an evidence of new willingness on the part of both sides in our industrial life to solve disputes peacefully," he added.

He said that in order to promote "this welcome trend" he was again setting up a labor-management panel which was authorized by the Taft-Hartley act, set up for a time by former President Harry Truman and then permitted in later years to fall into disuse. There has been no panel since 1950, the White House said.

The President accordingly named a twelve-member group, evenly divided between labor and management.

The panel could, he said, "very well, as Congress intended, become a useful tool in making industrial peace more certain and secure."

Advisory Capacity

The duty of the panel, according to the Labor Management Relations Act of 1947 (familiarly known as the Taft-Hartley Act) is to work in an advisory capacity with the director of the Federal Mediation and Conciliation Service.

William E. Simkin, director of the service, informed the President of his intention to call the panel together for an early organizational meeting "as it may begin its special advisory responsibility in the important labor-management field."

The act, in authorizing the
(Continued, Page 19, Column 5)

Kennedy Sets Up Taft-Hartley Unit

(Continued from Page 1)

panel, stressed that its duties should be directed at the avoidance of industrial controversies and the manner in which mediation and voluntary adjustment of disputes shall be administered, particularly with reference to controversies affecting the general welfare.

The labor members named to the panel were Cornelius J. Haggerty, president, Building and Construction Trades Department, AFL - CIO; Leonard Woodcock, vice president, UAW; Thomas E. Harris, associate general counsel, AFL-CIO; Jesse C. McGlon, general vice president, International Association of Machinists; John H. Lyons, Jr., International Association of Bridge, Structural and Ornamental Iron Workers, and Marvin J. Miller, special as-

sistant to the president, United Steelworkers of America.

The management members named were: Gerry E. Morse, vice president, Minneapolis-Honeywell Regulator Company; J. Paul St. Sure, president, Pacific Maritime Association; Wayne T. Brooks, Wheeling Steel Corporation; J. Curtis Counts, Douglas Aircraft Corporation; Joseph V. Cairns, Firestone Tire and Rubber Company, and Jesse Freiden, Poletti and Frieden, New York counsel to employer groups.

Shell Oil Strike Peace Checks Attack on Jobs

By Eugene A. Kelly

Houston, Tex.—A strike that kept 2,100 Oil Workers on the picket line for almost a year, staking their jobs and income against a demand for "management rights" to cut costs by work rule changes has ended in a new contract with the Shell Oil Co.

The union, in a salute to the strikers for their "long and valiant battle against tremendous obstacles," said the new pact stems "to some degree at least" Shell management's campaign to "institute radically different work practices at the expense of the employees and the unemployed" in Houston.

A one-year agreement on working conditions was concluded after two months of intensive negotiations spurred by Dir. William Simkin of the Federal Mediation & Conciliation Service. Simkin stepped in after early talks were stalemated by a breakdown in

collective bargaining between union and management.

Members of OCAW Local 4-367 ratified the agreement Aug. 6, and the first group of strikers returned to work the next day at the big refinery and chemical plant in nearby Pasadena, Tex. Effective on their return was a 5 percent wage increase, the industry pattern negotiated by the OCAW and Shell while the strike was on and put into effect at other Shell plants.

The OCAW, calling the settlement "one with which we are not fully satisfied but with which we think we can live," cited these "accomplishments" of the strikers:

- Forcing management to "recede from its first demands that it be given absolutely unilateral control over work assignments." Instead, the union observed, "we have preserved our previous union protections against arbitrary work assignments and have secured written limitations on the extent to which the company may vary past work practices."

- Reducing the extent of potential layoffs of workers by the company with language guaranteeing no further layoffs for the duration of the agreement "except after prior consultation with the union on ways to avoid or cushion" such layoffs.
- Obtaining assurance from management that "revised work rules in this agreement will result in minimizing the contracting out of our work" in the future.

Stood for Principles

In its statement the union said the strikers "stood firmly for their principles" despite the fact that the oil firm "was able to continue operations on a substantial basis." Shell kept up production by turning over automated work to some 1,200 non-union supervisors and technicians.

Of the 2,100 members who went on strike Aug. 19, "only eight have deserted our ranks," said the OCAW, adding: "We appreciate the personal intervention of Dir. Simkin. With his intervention June 8 we were able for the first time to get into real bargaining."

The union said its officers recommended the settlement and its members accepted it "in the knowledge that they fought a clean, hard fight for important principles and with the determination to re-establish an effective relationship" with management.

Appreciation was voiced for "the support and understanding" of the community and the labor movement. The strikers were given backing and aid by AFL-CIO Pres. George Meany, the federation's Executive Council, and many union groups.

Shell management announced during the strike that it could operate the Pasadena plant with 390 fewer workers. Recently Shell notified 227 workers at the bottom of the seniority list that they will not be recalled. After the settlement Shell agreed that 163 others would stay on the job although they will not be replaced when they leave the work force for any reason.

Shell is the fourth major oil firm which has been struck by OCAW

locals and other in the last four years to prevent management from carrying out unilateral work rules changes.

Unilateral Control Sought

A common feature of each of the long-drawn-out 1962-63 struggles with Shell, Socony-Mobil and other firms was a management drive to change contract language so as to give the companies unilateral control of working conditions, job assignments and premium pay.

The effect of such demands would have been to leave management largely free to do what the U.S. Chamber of Commerce, in a handbook stressing a drive for "management rights," called for—the right to shift workers from job to job without consulting the union, to cut the number of employees for economic reasons, and to remove major protections from the area of matters to be arbitrated.

The AFL-CIO Executive Council called attention last Nov. 18 to the drive and urged support for the union.



Give Light and the
People Will Find
Their Own Way

The Pittsburgh Press

RECEIVED

A Scripps-Howard Newspaper

And A Member of the Family

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W. W. Forster, Editor
BARNEY G. CAMERON, Business Manager
PHILADELPHIA, PA

Frank G. Morrison, President

H. E. NEAVE, Secretary & Treasurer

General Offices, 24 Boulevard of the Allies, Pittsburgh, Pa. Zip Code 15220
Mail Address: P. O. Box 844, Pittsburgh, Pa.

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WEDNESDAY, SEPTEMBER 18, 1963

PAGE 26

Mediator Departs

THE years (six of them) that A. A. Desser has spent in Pittsburgh as the representative here of the U. S. Mediation Service have been busy ones. He has had strikes and threatened strikes of all kinds to handle—big, little, recurrent, sticky and bitter.

Al Desser has been able to field them all. He has some impressive qualifications for the work. He's a big man who made himself an educated man through his own efforts. He is a cultured, travelled and learned man who likes people and can talk on any level. He makes it his business to know the facts of the disputes he handles, he has faith that differences can be composed and he is everlastingly persistent, often keeping negotiations going night and day.

This good public servant now will go to a new assignment in New York. As a sort of parting message he tells friends that he believes there has been a big improvement in attitudes on both sides of the labor-management bargaining table. Both sides, he says, now appear to be more interested in finding a common ground and more aware of the high cost of failure to do so. Al Desser's work undoubtedly had a great deal to do with that improvement and all who knew him here will wish him well in his new assignment.

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1963 SEP 23 AM 8:44

FEDERAL MEDIATION AND
CONCILIATION SERVICE
WASHINGTON, D.C.

TEAMSTERS STRIKE A. & P. WAREHOUSES

The Great Atlantic & Pacific Tea Company was struck yesterday by its warehouse workers in the New York metropolitan area.

The workers, represented by Local 852 of the International Brotherhood of Teamsters, set up picket lines around the company's warehouses in Elmsford, N. Y., Garden City, L. I., and Brooklyn, preventing deliveries to A. & P. supermarkets.

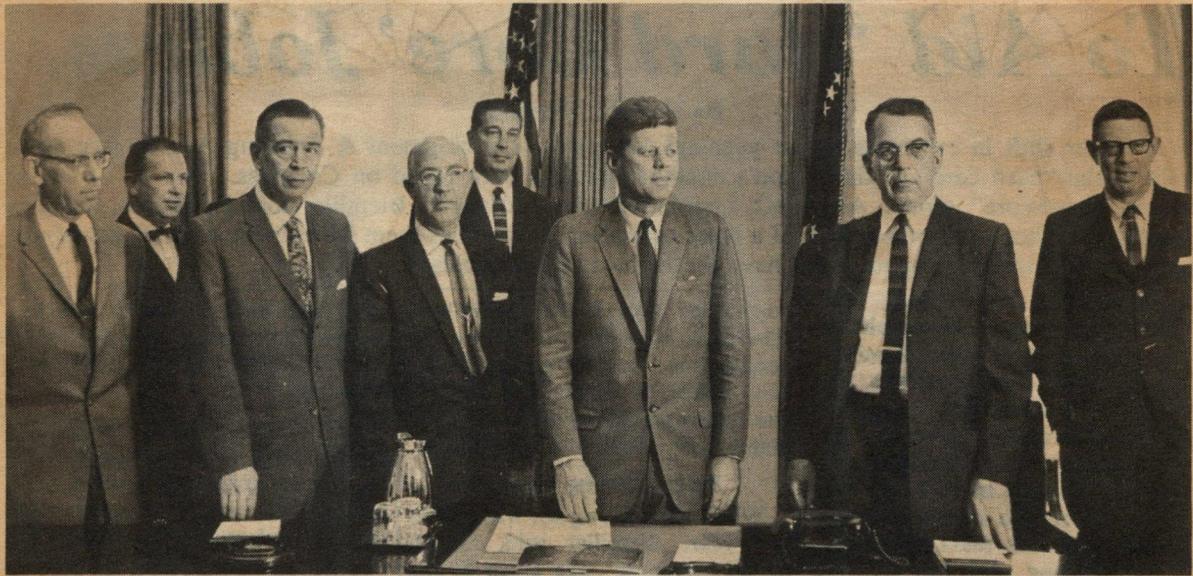
No immediate effect was reported at the company's stores. However, if the strike continues over the weekend a shortage of stock is expected.

The teamsters are asking for a contract similar to one they gained Wednesday from H. C. Bohack Company, Inc. The settlement called for an \$8.80 wage increase over two years and extensive fringe benefits, including a four-week vacation after 10 years and a five-week vacation after 25 years. A warehouseman's base pay is now \$114 a week.

The Federal Mediation and Conciliation Service is now assisting in the negotiations between the A. & P. and the union. Both A. & P. and Bohack contracts with the union expired last midnight.

AFL-CIO NEWS, WASHINGTON, D. C., JULY 20, 1963

Action 'Now' on Rights



MEMBERS of a newly-reconstituted Labor-Management Panel to advise the Federal Mediation & Conciliation Service met with Pres. Kennedy during a day-long initial session. Pictured, left to right, are some of the 12 panel members: Gerry E. Morse, Minneapolis-Honeywell Co.; J. Curtis Counts, Douglas Aircraft Co.; Deputy Dir. Robert H. Moore of the Mediation & Conciliation Service; Pres. Cornelius J. Haggerty of the AFL-CIO Building & Construction Trades Dept.; Pres. John H. Lyons of the Iron Workers; Kennedy; Mediation Service Dir. William E. Simkin; Stephen I. Schlossberg, assistant to the director. Labor members of the panel not shown are Thomas E. Harris, AFL-CIO associate general counsel; Vice Pres. Jesse C. McGlon of the Machinists; Marvin J. Miller, assistant to the president of the Steelworkers; UAW Vice Pres. Leonard Woodcock.

National Effort Is Required for a Full Employment Economy

Philadelphia Automation Symposium Finds
Collective Bargaining Fails When Issue Is
Elimination of an Entire Category of Jobs

By EDWARD F. WOODS
A Staff Correspondent of the Post-Dispatch

PHILADELPHIA, Sept. 28

AUTOMATION, or technological change, which only a few months ago ranked first in terms of dramatic impact on American industry and sometimes cruel effect on industry's employes, now has been joined by racial equality as a dynamic partner in the challenge for national consideration as the most pressing problem of the sixties.

And in the growing dialogue directed toward a formula under which the economic benefits and the burdens of the second industrial revolution may be shared equitably, a central theme emerging is that a coalition of the best efforts of business, labor and government is necessary to bring about full employment. There must be a national commitment before industry or the workers, Negro and white, appropriately can share in what has been called the American dream.

These thoughts and the idea that racial equality, without equal employment opportunity and sufficient job openings, is somewhat without meaning were a thread running through a day-long discussion here yesterday in a symposium of experts conducted by the Federal Bar Association.

The notion that full employment could be achieved by nibbling away at the problem of unemployment due to automation through collective bargaining, hastily contrived tax policies and limited public works, retraining and depressed areas programs, carried little weight with a majority of the experts.

THE EXPLOSION of the Negro revolution in recent months, with its goals not only for the privilege of getting a seat at a lunch counter but a job to obtain money to buy something with, have added a new dimension to the automation and unemployment problem.

None of the experts here could see a white man giving up his job to a Negro, but all saw the necessity of providing sufficient work for both races.

At least one of the panel members, Victor Reuther, brother of, and top assistant to, Walter P. Reuther, president of the auto workers union, foresaw a period of possibly severe civil disorder when, and if, the Negro and white unemployed join forces to compel recognition of the right of both to work as the Negroes have already done almost alone in other areas of national life.

The symposium was organized to discuss "automation and collective bargaining" for the benefit of about 400 lawyers, union and business leaders. Besides Reuther, the chief participants were William S. Simkin, Director, U.S. Mediation and Conciliation Service; Theodore W. Kheel, a New York attorney, and an arbitrator in many industries in which automation has been an element, and Fred W. Livingston, a lawyer, former assistant to the Secretary of Labor, member of the National Academy of Arbitrators, and a management representative on the Armour and Co. automation committee, recently under attack by union representatives.

THE VIEWS of all the participants were largely uniform on collective bargaining's role in attacking the problems created by automation. They felt that bargaining had its place in providing a measure of relief for persons displaced by machines in terms of severance pay, relocation allowances, supplemental unemployment benefits and the like. But none looked on bargaining as a panacea. None, for that matter, seemed to have the answer to the question always raised, as Kheel pointed out—whether automation creates as many jobs as it destroys.

The experts appeared to agree that

both industry and labor have been making accommodations to the new demands of automation and that collective bargaining has failed only when the negotiations reached the point, as in the cases of airline flight engineers and railroad firemen, where what was being negotiated was elimination of one of the parties.

Simkin, recalling his experience of 25 years ago when he was a teacher in the Wharton School of Finance at the University of Pennsylvania, said there have been significant changes in the attitudes of management toward persons replaced by machines and that collective bargaining is responsible for many economic considerations granted now to cushion the fall of the displaced worker.

The textbook guide for management bringing a machine into the plant a quarter of a century ago was simple, as Simkin related it: management figured the cost of the new machine, added up what he could get for scrap for the old machine and how much labor costs could be saved by eliminating workers. If these total savings enabled him to pay for the new machine in five years, the machine was "a good buy."

IN SIMKIN'S experience in a long series of disputes in which automation was the apparent villain, he finds that management now is being induced to give a measure of consideration to the value of the "scrapped" employe just as it does to a scrapped machine. And through collective bargaining, unions are devising share-the-work schemes such as three-month vacations to try to fend off the worst effects of technological change while the government tries to devise fiscal policies to create an economy of full employment. Simkin finds concern over jobs much more evident at the bargaining tables today than wages.

SUBSTANCE to this observation was added by Reuther who noted that the latest figures for the automobile industry show that in 1962 there were 8,188,000 cars and trucks produced with an average of 558,000 production workers. In 1947, automobile plant employment averaged 626,400 and motor vehicle production totaled 4,793,000. Thus, in 1962, about 68,000 fewer workers produced 3,395,000 more cars and trucks than 15 years earlier.

In the last decade, the United States has lost the equivalent of 25 million years of labor and, through unemployment and idle plant, the equivalent of 600 billion dollars in "wealth and well-being" above and beyond national production for those years, Reuther said, while Europe has had a boom, with not only full employment, but over-employment. The key: planning, a "dirty word" for most United States business men.

There is "stark reality" that must be faced, in Reuther's opinion, in the official estimates that in the decade of the sixties 28,000,000 American workers will be replaced by machines and 12,500,000 new entrants will pour into the labor market also looking for jobs.

"Before this technological displacement problem reaches the crisis stage and moves into the streets as did civil rights, the country better realize that all the nation's resources must be mobilized to meet it," warns Reuther.

If faces were put on the unemployment statistics, a disproportionate number of them would be black. The task of doing something to provide jobs for these Negro workers, bad enough with jobs disappearing at a startling rate, is aggravated by their being as a group inadequately equipped in education, work experience or transferable skills to take openings when they are available.

This is pointed up in the observations at yesterday's symposium by Fred Livingston, speaking from his experience as a member of the Armour automation committee. What that company found as automation displaced workers—one estimate is 38,000 in the last few years—was that Armour workers with skills such as carpenters, electricians and pipefitters found new jobs with relative ease. But for the production men, mostly Negroes in relatively menial jobs, qualifying for new jobs was difficult, if not impossible, because these persons, many of whom could not read or write, needed training, basic education and other tools of literacy, not retraining.

LIVINGSTON is of that school of students of change which feels that while considering solutions of the problems arising out of automation it is important to keep in mind its benefits and its contribution to society.

"Automation is not the culprit," says Livingston.

He feels that while the automobile abolished the blacksmiths something more important to the American economy and society took the blacksmith's place; the same with electrical refrigerators replacing the old ice box and the iceman. Livingston would appraise automation broadly as no more than the continuing process of producing more goods for more people with less work.

STEEL

The Metalworking Weekly

A PENTON PUBLICATION

JOHN R. BOTZUM

WASHINGTON EDITOR

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Steel
July 29, 1963

WASHINGTON

LABOR PANEL

New Labor Panel Off To Promising Start

PRESIDENT KENNEDY recently appointed National Labor Management Panel got off to a good start in its first meeting. Government officials believe it may become an effective top-level advisory group.

The 12-member panel is authorized under the Taft-Hartley Act to keep the government informed of potentially serious labor relations problems. The group will work most closely with William Simkin, director of the Federal Mediation & Conciliation Service.

At the first session, President Kennedy met with the panel for about 10 minutes, and indicated that it will have the widest range of influence of any citizens' group in labor affairs.

● Suggestion—One concrete result of the first meeting was the recommendation that mediators should have special training in current labor problems—particularly automation and featherbedding.

There appeared little doubt to observers of the first meeting that panel members will feel free to enter major controversies directly—though privately, Mr. Simkin could also use them publicly as advisers or mediators in disputes, thus bringing another sort of pressure on disputants to solve collective bargaining problems affecting the national welfare.

One direction the panel will be moving in is shown by Mr. Simkin's report on the first meeting. Emphasizing the number of successes in collective bargaining today, he singled out the steel industry and promised the panel will look into the "ingredients" of the Human Relations Committee approach. "We hope to encourage greater advance study and exploration of issues that otherwise might develop into work stoppages."

Mr. Simkin plans to call a second meeting early in September. Later, the panel may meet in other cities. Ultimately, regional panels may be established. Rates depend upon the credit of the officers report. The Panel—Labor members include Cornelius Haggerty, Building

Steel
July 29, 1963

LABOR PANEL

WASHINGTON

& Construction Trades Dept., AFL-CIO; Leonard Woodcock, United Automobile Workers; Thomas Harris, associate general counsel, AFL-CIO; Jessie McGlon, International Association of Machinists; John Lyons, Iron Workers; Marvin Miller, United Steelworkers.

Management members are Gerry Morse, vice-president-industrial relations, Honeywell; J. Paul St. Sure, president, Pacific Maritime Association; Wayne Brooks, director of industrial relations, Wheeling Steel Corp.; J. Curtis Counts, director, employee relations, Douglas Aircraft Co. Inc.; Joseph V. Cairns, director of industrial relations, Firestone Tire & Rubber Co.; and Jesse Freidin of Poletti & Freidin, a New York employers' counseling firm.

CAPITAL SPENDING

**Leasing Gets Boost
Via Entry Of Banks**

CAPITAL EQUIPMENT leasing got a hefty boost last week when



The Industrial Peacekeepers

by William E. Simkin

There is a striking parallel between recent trends in international relations and those developing on the American industrial relations scene.

Most of us have come to be convinced that world problems must somehow be resolved in a peaceful manner; that we may be unable to survive World War III. Some of that same feeling of necessity of achieving methods for the orderly resolution of differences is becoming increasingly apparent, as well, in labor-management relations.

The parallel may not be too strange. Just as citizens are fearful of surviving a nuclear war, they seem to be growing steadily more impatient and intolerant of the economic consequences and disruptions that mark modern industrial warfare. People everywhere are growing more interdependent upon each other.

The crying need of the times, therefore, in dealing with problems of every character, whether global or merely local in scope, is for reasoned solutions and compromises—answers arrived at through mature negotiation. From all indications it appears obvious this will be a growing tendency in industrial relations.

After all, it is the sum of wise decisions, voluntarily reached but with consideration given to the public interest, that has made our country great and makes it the showplace of freedom and success for the rest of the world.

We might carry our parallel a little further. Just as the United Nations attempts to conciliate troubles between nations, the Federal Mediation and Conciliation Service performs a similar function for labor and management. We like to regard the FMCS as the diplomatic service to the industrial world.

The FMCS, which is celebrating its 16th anniversary as an independent government organization, is a special kind of agency with a special mission. Our sole

aim is to promote labor-management peace. We have no axe to grind for anyone. We provide a free service of voluntary mediation. Our job is to listen and help disputants reach their own solutions.

We do not inhibit free collective bargaining; we encourage it. We explore problems and suggest possible areas of compromise. We attempt to persuade but, unlike the courts or the National Labor Relations Board, we have no power of compulsion. We operate on the theory there is an answer to every problem. It's our job to help find it.

We seek to maintain absolute neutrality. Our staff of seasoned mediation commissioners, deployed throughout the nation, comes from every walk of life, from labor unions, from business and from the professional world. They all have a common devotion to serving as constructive peacemakers.

The national labor policy, extending freedom of choice to both labor and management, carries with it the responsibility of tackling controversy with reasonableness and with the goodwill necessary to make those honorable concessions that can lead to a mutually satisfactory agreement.

It is a cornerstone of our industrial and economic policy that labor and management, while protagonists, will meld their differences into agreement that, in the mass, will point our nation ever forward on the path to progress and greater prosperity.

For example, while it is certainly to the national interest to improve productivity and efficiency, it is equally in the national interest to have our workforce as nearly fully employed as possible. Unemployment is as terrible an economic waste as obsolete production methods. Thus there are no easy answers to such contentious bargaining issues as "management rights" or "job rights" or "manpower problems." The important thing in my mind is that they are being discussed and settled, gradually but steadily, in the hot crucible

WILLIAM E. SIMKIN is Director of the Federal Mediation and Conciliation Service.

of thousands of collective bargaining situations throughout our land. Free bargaining is proving once again that it is an adaptable and elastic process fully capable of solving our industrial problems.

I have said that both management and labor have responsibilities in this field. If there are too many deadlocks, too many serious strikes, critics are likely to seek to impose new restrictions on the bargaining process, such as legislated requirements for compulsory arbitration, which will certainly hit both parties to the collective bargaining process.

Labor unions may want to examine their past policies and procedures to determine whether they have been making the most of the impartial help and advice that is available to both unions and employers.

Our commissioners can function best when informed well in advance on issues and problems that could develop later on into hardened attitudes and almost inevitable work stoppages. Many unions, as well as many employers, come to us regularly to brief us on upcoming negotiations with full confidence in the integrity and trust that is a recognized trademark of the men in our Service.

But some unions and employers have not as yet fully realized how the path through their controversies can be made smoother, with less loss of working time and production, provided they could only learn how to work more closely with the government's labor relations "diplomatic service."

I want to make clear that the doors of our offices in Washington—and those of our regional offices in New York, Philadelphia, Chicago, Cleveland, St. Louis, Atlanta and San Francisco, as well as our field offices in some 60 other communities—are always open to labor negotiators, both union and management, to tell us about problems they are likely to be facing in forthcoming negotiations. The better informed we are of symptoms and economic facts related to these problems the better we will be able to diagnose and advise on their solution.

It is also helpful to be acquainted ahead of time with negotiators. Personal relationships are always an aid toward unlocking the doors and surmounting the barriers standing in the way of settlement of the most seemingly insoluble differences.

Time is an important element in solving labor-management difficulties. If disputants can get an early start in exploring issues before them, they have a bit of extra insurance toward coming up with a more reasoned and acceptable settlement. In the past few years we have seen several of the more important industries establish study committees or adopt one technique or another looking toward more thorough and leisurely airing and discussion of problems.

In this connection, I was glad to read the advice given a few months ago by AFL-CIO President George Meany. He said the key to industrial peace is constant contact between labor and management throughout the period covered by a collective bargaining agreement. Labor and management, Mr. Meany said, should

not meet to do battle every two or three years, but should meet regularly during contract terms to discuss and attempt to solve the frequent problems that arise at the workplace.

In saying "amen" to those thoughts, I want to make clear that while we in the FMCS encourage this sort of mature approach to problem solution and feel that it is certainly the best method of dealing with ever-changing work and production conditions, our agency is also available for the crisis bargaining that still frequently occurs.

Disputing parties may feel they are getting along all right and not realize they have swept under the rug, until the last few days before a contract is due to expire, the very issues that are the most contentious and difficult. For some reason they feel that calling on the FMCS for help should be done only as "a last resort" and just ahead of an imminent strike.

We are accustomed to dealing in crisis and even in these tense last-ditch situations we want to be called in to try to help out and point the way to a peaceful settlement. Crisis bargaining is still our top priority



job but it should be said, however, that we have a better chance to make our advisory service work successfully if we have the time to become acquainted with the issues and a little working space ahead of the tensions of a coming strike deadline. Attitudes having become solidly frozen in expectancy of an economic showdown are less susceptible to thaw and reconciliation than is the case when there is more time to study and rationalize the issues at hand.

What we would encourage for unions and employers is a continuing and fruitful relationship of devoted attention to mutual problems on a year-around basis. This tends to ensure that both sides become fully acquainted with each other's problems and the economic factors involved. Frequent consultation also tends to encourage the orderly disposition of grievances and reduce the danger of their piling up unsolved, with consequent bad worker morale.

The FMCS is eager to help employers and unions establish such consultative arrangements, both the continuing sort during contract terms and the preparatory type in anticipation of the expiration or reopening of labor agreements.

In many situations across the nation FMCS commissioners are working hand in hand with employers and unions in establishing labor peace procedures of this sort tailored to the particular needs of the parties. We have films and slides and other educational techniques

which enable us to demonstrate how shop stewards and job foremen can be trained in methods that, hopefully, may be conducive to settling grievances and other daily problems as they arise.

For example, there is a situation in the midwest where a plant had been losing a great deal of money and was about to close down. Naturally this generated sore points between the company and the union. Our service helped the parties install a regular consultation procedure and now both the union and the employer are working together to keep that plant open and preserve the jobs involved.

In another case, a company manufacturing important defense components was plagued with frequent wildcat strikes. Somebody would get mad, signal a walkout and the entire workforce would quit. Upon request, we assigned a mediation commissioner to the problem. He established a grievance processing training course, helping school the stewards and strawbosses in orderly methods for solving job problems. The last I heard there just wasn't any sympathy around that plant any more for the quickie wildcat. Everybody is benefiting by using a little common sense.

I could cite similar instances where both sides in a deteriorating labor-management relationship, by turning to the help which the FMCS can provide, have developed machinery that has smoothed over their mutual problems and thus contributed measurably to industrial statesmanship and peace.

It should be carefully remembered, however, that like the neighborhood library the FMCS is a service waiting to be used. There must be some initiative on the part of the user. A great book can be recommended, but it is up to the individual whether he will read it.

Unions and employers have to really want to improve their relationship before we can have much success in helping them to accomplish that goal. There must be an affirmative desire to experiment.

For example, there have been a number of serious strikes in the oil refining industry in the past several years. In nearly every case employers were seeking to cut down what they considered to be surplus manpower. Unions were resisting any move to cut out jobs for their members. How much better it would have been to work out some orderly solution, rather than engage in serious strikes, some a year in length?

There is one development on the labor-management scene that bothers me. This is the matter of rejecting agreements after they have been tentatively reached among negotiators. There is a rising trend in situations where union and company negotiators, the duly chosen representatives of their principals, reach an agreement only to have the settlement overturned by the rank-and-file membership.

Sometimes company boards of directors are responsible for rejecting tentative settlements but, by and large, the rejections are by union members repudiating what their own union negotiators have agreed was reasonable. There is an element in such rejections, whether by management or labor, that is disturbing.

Too often it smacks of **welching** on a deal or at least the other side thinks so.

Union democracy should be encouraged. But democracy means self-government and it means wise and reasoned self-government. Union members have every right to, and should, veto a proposed settlement if they are genuinely convinced it is inadequate. But they should be genuinely convinced and not repudiate their own negotiating representatives without real reason.

That these rejections are a major problem will be evident when it is realized they happen in more than one out of ten of the tentative settlements reached with the active help of FMCS commissioners. Too much of this can badly hurt the fine reputation for keeping their word that AFL-CIO unions have traditionally enjoyed with employers. It has always been true on the American labor scene that while employers and unions may squabble and argue to the skies, once they have made a deal they can rely on each other to keep it. This integrity is worth preserving because it is the solid rock on which labor-management relations in America is firmly grounded.

Unions also should be reminded that under the Labor-Management Relations Act they are required to provide employers with a 60-day advance notice ahead of contemplated contract revision. The law also requires that, failing agreement, a 30-day advance notice of a deadline be submitted to the FMCS. The purpose is to alert this agency in advance of probable imminent labor troubles.

This reminder may be necessary because the National Labor Relations Board recently had occasion to rule that a union's failure to file the 30-day dispute notice with the government made a subsequent strike unlawful and cost the union's members their jobs. In other words, failure to file the required notice means that strikers lost the protection otherwise available under the law against workers being dismissed for engaging in a lawful strike.

The FMCS statistics indicate that quite a few strikes occur without any advance notice being given to the Service. Probably the bulk of these are cases where unions have recently won bargaining rights and are striking for initial contracts, in which case they are not legally obliged to file dispute notices. But the data indicate that some unions have been ignoring their dispute-filing obligation. This places their members in unnecessary jeopardy.

Finally, if I have left the impression that the FMCS feels it has all the answers to labor-management problems, I want to dispel it. Ours is an organization, like others, made up of human beings. We are likely to make mistakes. We are aware of our inability to ever achieve the pinnacle of perfection.

But one thing is for sure. Parties to labor disputes won't find us wanting in our desire and energy to engage in as much listening and encouragement as may prove necessary to achieve an orderly resolution of mutual problems. We offer an easily available and useful service. It makes good sense to use it.

A New World For Working Women



by William F. Schnitzler

Beneath the issues relating to the status of women is an undercurrent of a rather rigid and constrictorist set of notions about "the role of women"—sometimes sweepingly summed up in the phrase, "woman's place is in the home."

Unfortunately, this phrase and many of the ideas associated with it often constitute simply an excuse for not facing up to the aspirations, wishes and problems of more than half the human race. Sometimes it is an excuse for the most callous types of discrimination and injustice and for the most regrettable waste of individual talents and abilities.

It can be used as an excuse for not paying women full wages when they work; for discriminating against them in opportunities for jobs and for advancement; for discouraging high educational attainment; and for limiting occupational choices. The establishment of child care facilities for the children of working mothers can be neglected or even opposed on the ground that they merely make it easy for women to abandon home responsibilities.

Certainly the actual truth is that women have two roles—one inside the home and the other outside it. And the problem for most women is that of making a satisfactory combination of the two rather than being asked to decide, once and for all, on one or the other. Recognition of this fact is implicit in the Executive Order which established the President's Commission on the Status of Women. The Commission was charged with the responsibility for "developing recommendations for overcoming discrimination in government and private employment on the basis of sex and for developing recommendations for services which will enable women to continue their role as wives and mothers while making a maximum contribution to the world around them."

One of the most startling statistics of twentieth century America has been the extraordinary increase in the number of women who work in paid employment.

In the year 1890, for example, about 4 million women were "gainfully employed," most of them in domestic service or in "home manufactures" for which outside employers paid them directly. They made up only 17 percent of the female population aged 10 and over.

In the year 1962, an average of 24.5 million women were in the labor force and they made up 37 percent of women aged 14 and over. Industrial homework had virtually disappeared and domestic service in private homes was no longer the principal occupation of working women. The largest set of occupations for women today is in clerical work.

Women in 1890 made up only about one-sixth of the workforce. Today they account for one-third.

Perhaps even more striking than the simple increase in numbers of women at work have been two other

WILLIAM F. SCHNITZLER, Secretary-Treasurer of the AFL-CIO, has been serving as a member of President Kennedy's Commission on the Status of Women.

Longest Current Walkout Is to Halt in Texas

By JOHN D. POMFRET
Special to The New York Times

WASHINGTON, Aug. 4 —

The nation's longest current major strike was settled tentatively today after a 27-hour bargaining session.

The agreement was reached at Houston, Tex., by negotiators for the Shell Oil Company's refinery and chemical plant there and local 4-367 of the Oil, Chemical and Atomic Workers' Union.

The dispute was a vivid example of the ineffectiveness of labor's traditional strike weapon in highly automated industries. The struck Shell installations operated throughout the walkout at nearly full capacity despite the fact that only 48 of the 2,200 workers in the union unit stayed on the job.

Supervisors Operate Plant

About 1,200 non-striking supervisors and technicians kept operations going. They were aided by about 600 members of building trades unions, who performed some maintenance chores, although they were engaged principally in new construction.

The Shell strike began Aug. 18, 1962.

The strike had another aspect that is assuming even greater importance on the labor-management relations scene. It was touched off not by union demands for higher pay or larger fringe benefits, but by the company's insistence on changes in contract rules and work practices to allow it to use its manpower more efficiently.

In this respect it was similar to the present bitter railroad labor controversy in which the carriers are asking for work rules changes that would permit them to lay off thousands of employees.

Shell is the fourth major oil company against which locals of the Oil, Chemical and Atomic Union have called strikes in the last four years to resist such demands by the companies.

Although the terms of the settlement were not announced immediately, it was expected that they would add up to a company victory. With its Houston plant operating despite the strike and no walkouts at its other refineries, there was

SHELL STRIKE END SET AFTER A YEAR

no pressure on Shell to settle for anything less.

In only one of the three previous strikes does the union feel that it emerged with an agreement satisfactory to it. That involved a two-month walkout at the Gulf Oil company refinery at Port Arthur, Tex., in early 1962.

The company guaranteed the workers protection against layoffs and, in exchange, the union gave the company greater flexibility in making work assignments, according to union sources.

Three Strikes Lost

But the union lost strikes in 1959 at three American Oil Company installations that lasted variously from six to nine months and in 1962 at three Mobil Oil Company refineries lasting from five to six months.

The tentative settlement was announced by William E. Simkin, director of the Federal Mediation and Conciliation Service at Houston. Mr. Simkin has been in Houston since June attempting to mediate an agreement.

Last week he made written recommendations to both sides that laid the basis for today's agreement.

The settlement is contingent on ratification by members of the union. Its terms are not to be announced until they meet Tuesday. If they approve the agreement, those who are to be recalled will resume work Wednesday.

During the strike, however, lay-off of 433 of the workers

It was understood that these were not to be recalled.

Local 4-367 is one of the

four largest locals in the Oil, Chemical and Atomic Workers Union and is reputed to be the national union's most militant unit. The tenacity with which it fought may be judged by the handful of workers who broke the ranks to return to work and by the length of the strike.

Even so, confronted by a determined employer with a highly automated plant and a large corps of nonunion white collar and technical employes, it was in trouble from the start.

The course of the dispute has deeply troubled union leaders in a number of industries that are susceptible to a high degree of automation. They are casting about for strike substitutes.

The bitterness and duration of the Shell dispute was attributable partly to the head-on collision of the company's demand for contract changes that would allow it to use its manpower more efficiently with the worker's demand for more job security. The number of workers in the bargaining unit had been whittled down in the years immediately before the strike from 2,800 to 2,200 with no reduction in output.

Employment has been declining in petroleum refining as a whole. Between 1947 and now, production worker employment in the industry has gone from 146,000 to below 100,000.

This has caused problems for the Oil, Chemical and Atomic Workers Union whose membership, now 175,000, has declined by 10 per cent in the last four years. Its actual loss was more, but it has recouped some of the deficit by organizing new groups.

Labor-Management Panel Meets JFK

The newly appointed 12-member National Labor-Management Panel, which includes Marvin Miller, special assistant to USWA President David J. McDonald, met for the first time in Washington, D. C., last month.

Authorized by the Labor Management Relations Act of 1947, the panel was recently recreated by President Kennedy and consists of six management representatives and six labor representatives.

* * * *

PRESIDENT KENNEDY said he revived the panel structure in the hope that it could contribute to industrial peace. Its main function will be to lay the groundwork for preventing disputes between unions and management.

The first meeting included a brief White House visit with President Kennedy who expressed the view that rigid approaches to labor-management relations on the government's part were unwise.

The President indicated interest in the steel industry's Human Relations Committee experience. Mr. Miller and Wayne T. Brooks, director of industrial relations, Wheeling Steel Corp., are members of the panel who are expected to discuss this approach at future meetings.

William E. Simkin, Mediation Service director, said in a statement that he and the panel agree that public attention is focused more on bargaining failures than the successes.

"Our objective is to reduce the number of those failures," Mr. Simkin said. "But the failures should not hide the considerably greater frequency of bargaining successes."

Four More Companies Settle With Unions In Lumber Dispute

Accord, Subject to Union Vote,
Follows Georgia-Pacific Pattern;
6,000 Employees Still on Strike

By a WALL STREET JOURNAL Staff Reporter

PORTLAND, Ore.—The Northwest lumber and plywood strike appears to be nearing an end as four more companies reached agreement with negotiators for the International Woodworkers of America union and the Lumber and Sawmill Workers Union.

The new settlements, subject to a union referendum, are along the lines of a 30½ cents-an-hour three-year package agreement reached with Georgia-Pacific Corp. last week.

Pope & Talbot, Inc., Edward Hines Lumber Co. and Santiam Lumber Co., all of which have been struck, and Willamette Valley Lumber Co. reached agreement with the two unions, according to Harvey Nelson, president, Western council, International Woodworkers of America. Nearly 5,000 employees are involved.

This agreement reduces to 6,000 the number of men on strike at companies that haven't reached agreement with the unions, compared with 29,000 persons at the height of the dispute.

At its peak the dispute affected 30% of the country's fir plywood capacity and more than 10% of the softwood lumber capacity.

Still unresolved are negotiations with the "Big Six" companies, a strike against two of which began the walkout in early June. U.S. Plywood Corp. and S.T. Regis Paper Co. wood product operations were struck, then the other four companies in the negotiating group voluntarily closed, contending that "a strike against one is a strike against all." Last week the four companies—Weyerhouser Co., International Paper Co., Crown Zellerbach Corp. and Rayonier, Inc.—restarted operations.

A negotiating session between the Big Six and the two unions has been called for this afternoon by Federal mediators in Portland.

The Big Six has offered a 26-cent-an-hour package increase, while the unions have sought a 33½-cent-an-hour rise.

The Georgia-Pacific agreement last week appears to be setting a pattern. Subject to approval by union members, Georgia-Pacific employees are expected to return to work this week, as are employees of Pope & Talbot, Edward Hines, and Santiam Lumber.

The latter three companies are members of Timber Operators Council, Inc., an employer group representing 196 companies with about 55,000 employees. The three companies reached agreement independently with the two unions. They were among the few council members struck.

Settlement Comes In Long Oil Strike

The year-long strike of the Oil, Chemical and Atomic Workers Local 4-367 against Dutch Shell at Pasadena, Tex., has come to a close.

Settlement came after a 27-hour bargaining session. Terms had not been announced as the *IUD Bulletin* went to press. Settlement was announced in Houston, Tex., by William E. Simkin, chief of the U.S. Conciliation Service.

The OCAW strike was a shining example of union solidarity. Throughout the year, not a single person within the bargaining unit who went on strike crossed the picket line. Only 48 bargaining unit workers failed to heed the strike call. The firm sought to continue operations with white collar, engineering and supervisory personnel.

Strikers received \$20 weekly in strike benefits, and the union had distributed \$1.5 million in benefits by last April.

The strike was the first in 10 years and came only after steady deterioration of working conditions. Shell was not satisfied with ever-rising productivity gains which has seen the bargaining unit shrink from 2800 to 2200 without reduction of output. Contract terms were subject to membership ratification and a vote was in progress at press time.

ABC NEWS
September 1963

(Am. Bakery and Confectionery
Workers' Internatl. Union, AFL-CIO)

Local 4

St. Louis Bakers Win 25c Pay, 2c H&W Hikes

St. Louis, Mo.—Wage increases of 25 cents an hour and an increase of company payments toward health and welfare payments were won by ABC members of Local 4 employed in plants of the companies making up the St. Louis Bakery Employers Labor Council in an agreement ratified by the workers on August 3, 1963.

There are 700 workers involved in the settlement which covers two plants of Continental Baking Co., one plant of Wards Baking Co., two plants of the American Baking Co., and one plant each of Colonial and Freunds baking companies. In addition to the wage and welfare increases, a severance pay clause was secured as was a provision for workers with 25 years of service to receive four weeks of paid vacation. A number of additional improvements were also obtained.

- Nine cents an hour, across-the-board, constituted the initial pay raise and this was made retroactive to May 1, 1963. An eight cents an hour increase will go into effect on May 1, 1964, and a final general increase of eight cents an hour will become effective on May 1, 1965.

- Increased payments of two cents an hour into the ABC Union-Industry Welfare Fund will bring the total payments by the companies involved to 10½ cents per hour.

- The vacation clause now includes a provision for four weeks of paid vacation after 25 years of service.

list of classifications.

- Funeral Leave was secured providing for three days of paid leave.

- Jobbers are declared to be permanent employees after 21 weeks of service.

- A severance pay arrangement in the event of job loss resulting from the closing of a plant, the shutdown of a department or the introduction of labor saving machinery was also won.

Negotiators

International Vice President Russel B. Prince and International Representative John Klansek headed the negotiating committee along with Business Representative and Corresponding Secretary Howard Gallahue, Business Representatives Joseph Windish and Les Christian. Serving on the committee were shops committee members John Renner, John Chiglione, Grace Hasler, Local 4 President, Charles Bucher, William Gockel, Frank Vollinger, Joseph Huff, and Chas. Bell. Thomas Schaeffler of the Federal Mediation and Conciliation Service used his good offices in helping both parties to arrive

ABC NEWS
September 1963

(Am. Bakery and Confectionery
Workers' Internatl. Union, AFL-CIO)

Schlossberg Joins UAW Legal Staff

Stephen I. Schlossberg has resigned as special assistant to the director of the Federal Mediation & Conciliation Service to become associate general counsel for the Auto Workers.

Prior to taking his post with the Federal Mediation and Conciliation Service, Schlossberg was a member of the firm of Van Arkel and Kaiser, and served the ABC as an associate of the International Union's General Counsel Henry Kaiser. At the Second Constitutional Convention of the ABC, Schlossberg delivered his "maiden" speech as a federal employee before a labor organization.

A one-time organizer for the Ladies' Garment Workers, Schlossberg will handle UAW legal matters under Joseph L. Rauh, Jr., of Washington who was recently named UAW general counsel.

In announcing the resignation, FMCS Dir. William E. Simkin said Schlossberg would be succeeded by Herbert Schmertz, who has been the agency's general counsel, and that Schmertz in turn would be replaced by H. T. Herrick, for the past two years special assistant to Assistant Sec. of Labor James J. Reynolds.

- Washington Post, 9/1/63



Stephen I.
Schlossberg

Herbert
Schmertz

H. T.
Herrick

FMCS Announces Changes

Labor arbitrator Stephen I. Schlossberg has resigned as special assistant to Director William E. Simkin of the Federal Mediation and Conciliation Service and will be replaced by Herbert Schmertz, general counsel of the FMCS. The latter's post will be filled by H. T. Herrick, special assistant to Assistant Secretary of Labor James J. Reynolds. Schlossberg has been named associate general counsel of the United Auto Workers Union.

Builders' Report**Group Will Hear
Talk on Mediation**

William E. Simkin, director of the Federal Mediation and Conciliation Service, will address a luncheon meeting of the Washington Building Congress at 12.15 p.m. Monday in the ballroom of the Mayflower Hotel.

Ancle C. Tester, WBC president, said Mr. Simkin will speak on "A Mediation View of Current Problems." He will be introduced at the luncheon by Frank M. Reaves, WPC program chairman.

**Montgomery Group
To Hear Two Talks**

The Home Builders Association of Montgomery County will hear two talks during its first fall meeting at 6:30 p.m. Thursday in the Governor's House, 8400 Wisconsin avenue, Bethesda. Ralph Duffie, president, has announced.

John Ryan, code consultant to the National Lumber Manufacturers' Association and former executive director of the Building Owners' Conference of America, will discuss the latest developments in building codes and lumber standards.

Phil Anderson of the Anderson Lumber Co. will talk about new construction techniques, concepts and products that are being introduced in the home building industry.

**Builders to Hear
Development Officials**

The Suburban Maryland Builders Association will hear development officials from both nearby Maryland counties during a dinner meeting at 6:30 p.m. Thursday at the Indian Spring Country Club, Albert Turner, president, has announced.

The speakers will be Byron Sedgwick, director of public information and economic development for Montgomery County, and Harrison Wey-

mouth, jr., executive director of the Prince Georges County Economic Development Committee. Both will discuss industrial development in suburban Maryland.

**Three to Attend
Contractor Meeting**

Three Washington area men will be among those attending the mid-year board meeting of the Associated General Contractors of America Monday through Wednesday at the Greenbrier Hotel, White Sulphur Springs, W. Va.

The three, all members of the Master Builders Association which is the District Chapter of AGC, are Ancle C. Tester, of John Tester & Son; Robert A. Moyer, of Charles H. Tompkins Co., and Randall C. Wyant, secretary-treasurer of the Master Builders Association.

**Project Set
In Frederick**

Edwin Jacobsen, jr., of Bethesda has purchased the 200-acre Hillcrest Orchards near Frederick, Md., from Mr. and Mrs. E. Dwight McCain and the estate of Grover C. Miley.

The transaction on the property, which is within a mile west of Frederick on Route 40, was handled through Mrs. Ruth Farstad of Donald E. Younkin & Co., Wheaton.

The orchards once enjoyed a wide reputation for the excellence of their fruit. The new owner plans to establish educational and research facilities for the study of physics and related subjects, as well as building a number of homes on the tract, Mrs. Farstad said.

The Federal Mediation And Conciliation Service

Director



William E. Simkin

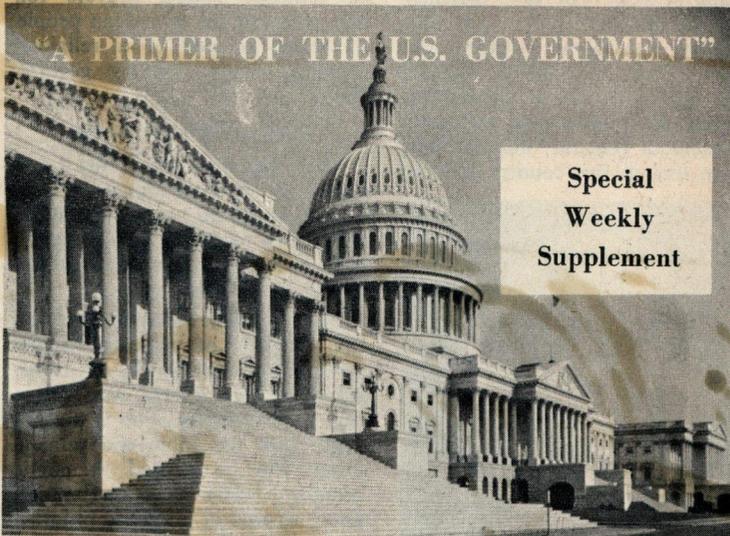
William E. Simkin, director of the Federal Mediation and Conciliation Service, is a 56-year old New Yorker with a quarter century of labor relations and negotiations behind him.

After getting his B.S. degree in Indiana, Simkin became a high school principal, whose sidelines were teaching mathematics and science. He attended Columbia University and the University of Pennsylvania, and became an instructor at the latter school's Wharton School of Finance and Commerce. In 1939, Simkin began his career in labor relations when he was named an associate of Dr. George W. Taylor, then impartial chairman of the Full Fashioned Hosiery Industry.

He served on the National War Labor Board during World War II and actively participated in both shipbuilding and steel labor negotiations, finally acting as an arbiter in the 1946 interstate bus labor dispute.

Independent Agency

The Federal Mediation and Conciliation Service is an independent agency of the U.S. government, unrelated to any departmental organization. Its central offices in Washington, D.C., with about 60 full-time employes, are concerned solely with matters of policy determination, major program establishment and coordination, mediation activity in disputes of importance, servicewide operations, audits and control, liaison with the Congress and other government organizations, public and press relations, administration of arbitration functions, training coordination, employe development and administrative management.



Special Weekly Supplement

By RICHARD L. HENSCHEL

Mediation is the cornerstone of government participation in labor disputes. As both international and domestic events and circumstances impose increasing pressures on the parties in collective bargaining, these same factors increase the need for effective mediation. Intensive mediation, arbitration, conciliation or plain "cracker barrel palavering" is nothing more nor less than the Federal Mediation and Conciliation Service's efforts to meet these needs and to attempt to perform its part in the vital task of preserving the institution of collective bargaining.

The Federal Mediation and Conciliation Service was established in 1947 as a result of the Labor Management Relations Act and succeeded the former U.S. Conciliation Service, which was a bureau within the Department of Labor.

Besides its central offices in Washington, D.C., it has seven regional offices, six field stations and 63 field offices. All regional and field offices are manned by varying numbers of full-time mediators and provide facilities for separate and joint mediation conferences with the parties involved in labor-management disputes.

Collective Bargaining Value Not Recognized

In this period of stress and strain encompassing most economic, political, social and emotional aspects of the international and domestic scenes, the importance of collective bargaining is too little recognized.

The declared national policy is that representatives of employers and employes can most satisfactorily attain "sound and stable industrial peace" and serve the best interests of themselves and the nation by the collective bargaining process.

The magnitude of the task is indicated by the fact that 100,000 labor agreements are negotiated and signed in the 50 states each year, exclusive of relationships that do not involve interstate commerce, and not including railroad and airline agreements.

Deputy Director



Robert H. Moore

A 56-year old Missourian, Robert H. Moore is deputy director of the Federal Mediation and Conciliation Service, with a long and active background in public service.

Deputy Director Moore attended the University of Missouri and the Kansas City School of Law, after which he was admitted to the Missouri and the federal bar.

24th in Series On Government

This is the 24th in The Washington World's continuing weekly series, "A Primer of the United States Government," which started with a 16-page supplement, under that title, on March 29, 1963.

Subsequently, weekly supplements were published describing the ten executive cabinet departments, and thereafter, many other federal agencies.

This week's subjects are The Federal Mediation and Conciliation Service and The National Mediation Board.

A limited number of the past issues can be obtained for 25 cents each by writing to The Washington World, P.O. Box 1040, Washington 13, D.C.

Advance orders are now being taken for The Washington World's Volume No. 1 of "A Primer of the U.S. Government," a heavy-covered, 100-page compilation of the original 16-page supplement, plus the descriptions of the ten Cabinet departments and their related feature articles and photographs, all fully revised and reedited. The price is only \$1 each, with a generous discount for quantity orders made on request. Please order from address above.

Next week: The National Labor Relations Board.

FMCS Statistics

PERSONNEL

The Federal Mediation and Conciliation Service employs 383 persons, according to Civil Service Commission statistics. More than half of them are mediators in the field and fewer than one third are administrative and clerical personnel.

EXPENDITURES

Fiscal Year	1962	1963	1964
	(Estimated)	(Authorized)	(Budgeted)
In \$ Millions	4.521	4.953	5.940

The Federal Mediation and Conciliation Service says that the increase will permit strengthening mediation and special consultant efforts in strike situations involving increasingly complex issues.

Service Seeks To Help All

The basic function of mediation and conciliation in general and the Federal Mediation and Conciliation Service in particular is to assist the parties in those cases where assistance is required.

Recognition of the basic health of the institution of collective bargaining does not mean that government has no responsibility in those instances where the process is unhealthy or faltering. This responsibility of the service has its legislative and legal foundation in the Labor Management Relations Act.

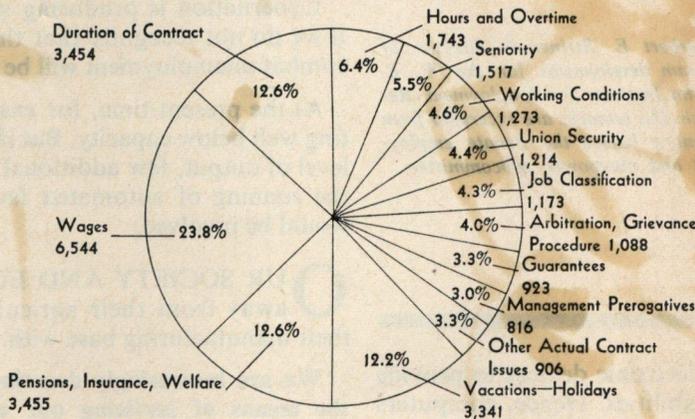


FEDERAL MEDIATOR ARBITRATES dispute between union representatives, left, and management, right. In Cleveland, Ohio, Federal Mediation and Conciliation Service mediator, Gilbert I. Seldin, (upper right), smokes his "peace pipe" as he discusses the differences which can avoid a strike, expensive to both sides.

Mediated 7,313 Cases

In 7,313 instances last year, or about seven per cent of all contracts negotiated, it was necessary for a service mediator to participate, at least to the extent of conducting one joint meeting. This "active" case load was 17.7 per cent above the comparable figure in 1961. In the most difficult cases, weeks and months of mediator time and attention were required.

The service offers its facilities in labor-management disputes in any industry affecting interstate commerce, either upon its own motion or at the request of one or more of the parties to the dispute, whenever in its judgment such dispute threatens to cause a substantial interruption of commerce.



MAJOR ISSUES BY FREQUENCY of occurrence and percentage of total issues involved in 7,313 joint meeting cases closed by the Federal Mediation and Conciliation Service last year.

Mediation Aids U.S. Economy

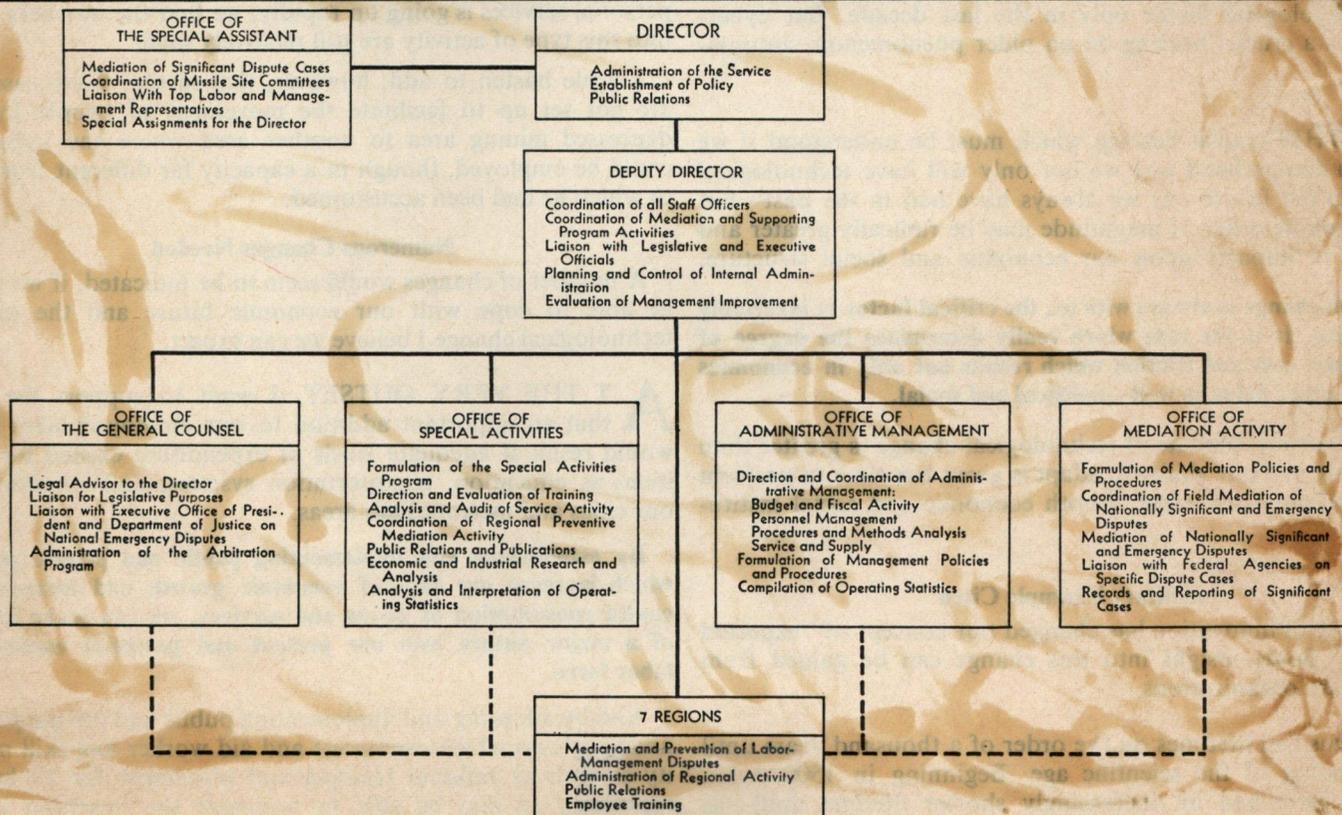
During the past two years, mediation and conciliation activities have had significant influence on the national economy in the fields of automobile manufacturing, with one million employed; aerospace, building and construction, material handling equipment; the electric and electronics industry; farm equipment, insurance, atomic energy and maritime activities.

Noteworthy Issues Mediated

The Federal Mediation and Conciliation Service participated in many cases during the past several years. Most successful and noteworthy are these:

- Contracts of the United Automobile Workers (UAW) with the big three car manufacturers, General Motors, Ford and Chrysler.
- Arbitration between and among the International Association of Machinists (IAM) and the UAW with Douglas, North American, Ryan, General Dynamics-Convair and Lockheed aircraft manufacturers.
- The IAM dispute with Yale and Towne Manufacturing Corp., and the Allied Industrial Workers Union disagreement with the Clark Equipment Co., Jackson, Mich.

The work of the service—to continually improve labor-management relations and to ameliorate the effects of disputes when they occur—is designed to strengthen the national labor-management relations policy favoring collective bargaining.



Washington Scene By George Dixon

It's Monstrous

AS A SENIOR Monster of some years standing I am especially beguiled by an appeal that has just been made to President Kennedy by the Junior Monster Club of Saratoga, Calif. The Junior Monsters exercised their right of petition as follows:



Dixon

"Dear President Kennedy: We've found out you help many people and their problems, please help us.

"We have a Junior Monster Club and raised \$6.72 cents, but the Senior Monster Club (The guys that helped us) topped helping us and we couldn't have meetings. Will you please send a letter to Linda Burnham, the president of the Senior Monster Club, and tell her to give us our money back.

"Her address is Linda Burnham, 18991 Lynbrook ct., Saratoga, Calif."

In accord with White House policy, President Kennedy turned the matter over to the Federal Mediation and Conciliation Service. Director William E. Simkin sent this official communication to the Senior Monsters' President:

"Dear Miss Burnham: The President has called to my attention a letter in which the Junior Monster Club makes a complaint about the activities of the Senior Monster Club of which you are apparently an officer.

"While the Federal Mediation and Conciliation Service has no direct responsibility in such problems, we are generally interested in promoting the achievement of harmonious relations. Therefore, it is suggested that the matter of the \$6.72 which the Junior Monster Club claims you owe them should be mediated by your parents."

No developments have been reported from Saratoga as yet,

but the Senior Monsters had better know that the Kennedy Administration is keeping an eye on the situation.

A SUBTLE echo of the big Freedom March on Washington was heard here the other day when 550 business executives descended upon the Capital to voice a cry for freedom from tax oppression and discrimination.

The tycoons, marching under the banner of the Business Committee for Tax Reduction in 1963, listened to President Kennedy appeal for prompt passage — without strings — of his 11-billion-dollar tax cut, but there was no violence, and no incidents.

When it was first announced, however that the Nation's most powerful corporate figures would march on the city, an executive of the Washington office of the NAACP told me:

"We're not going to close the office, but we'll send the girls home early."

6A

Mediation Chief Hails Labor Peace Record

Despite some major disputes that have received national attention, the last four years have been the best period of labor peace since World War II, the man who heads the Federal Mediation and Conciliation Service said here Tuesday.

"There has been entirely too much talk about the crisis of collective bargaining or collective bargaining being on trial," asserted William E. Simkin of Washington.

Mr. Simkin, whose independent agency plays a key role in settling local and national union-management quarrels, spoke to 150 delegates at the first convention of the new National Federation of Independent Unions at the Statler-Hilton Hotel.

Another speaker was John C. Shinn of Washington, deputy director of the Labor Department's Office of Labor-Management and Welfare-Pension Reports.

CRISIS DOUBTED

Mr. Simkin said collective bargaining has always been on trial but he does not believe "there is any particular crisis period at this time."

He took note of several big disputes, such as the railroad work rules disagreement now in arbitration and the long-shoremen and New York newspaper strikes last winter. But he quickly cited statistics showing that less than one-fifth of one per cent of working time in four years has been lost in strikes, which is "infinitesimal" compared with the loss from unemployment.

"In perspective," Mr. Simkin said, "we ought to look at the overall picture, not at the few cases where collective bargaining has broken down."

"Sure, there are situations, small and big, where collective bargaining is not doing its intended job. But by and large, it is functioning and in a climate giving it a much harder test than ever before."

The mediation service director said an increasing number of cases are coming before it where wages are not the major issue.



Mr. Simkin Mr. Shinn

FUTURE OF PLANT

"What's really involved is the future life of the plant, whether the plant will survive," he said. "I have great faith that collective bargaining as an institution is meeting that kind of problem."

Most of the staff of the regional mediation office attended the convention session with Mr. Simkin.

Mr. Shinn reported that during four years of administering the Landrum-Griffin Act his office has received reports from 52,000 labor organizations. He said this attests to the "basic honesty" of unions and union officials.

Observing that reports have been received from about 600 employers and 700 labor relations consultants, Mr. Shinn said the problem of this reporting is different under the law, explaining:

"Only those employers and consultants who engage in certain types of practices are subject to this particular act."

"These practices involve spying on employe or union activities and influencing employes in their collective bargaining activities. These are not the type of activities, of course, that employers want their employes to know about. There is a reluctance to disclose such activities."

STAFF FUNDS LACKING

"The Labor Department doesn't have the staff, funds or the authorization to investigate all employers and consultants or even to ask them about 'reportable' activities." Our two best sources of information on these matters are NLRB decisions on unfair labor practices and complaints from employes — usually union officials."

He said his office has "some problems" as to accuracy and completeness of union reports, but most are being worked out on a voluntary basis. Where dishonesty occurs, he said, his office moves with criminal and civil litigation.

Since the act was passed in 1959 there have been 196 criminal prosecutions, he reported. Of the 143 on which action has been completed, 118 have resulted in convictions, 18 in acquittals and seven in dismissals, Mr. Shinn said.

He said seven civil actions have been instituted to enforce the reporting provisions, includ-

ing three against employes, three against employer "middlemen" or consultants and one against a union.

"The task of administering such a sensitive and controversial law is difficult," Mr. Shinn said.

He said the chief interest of his office is in helping the wage earner and insuring that he is "able to move about in a democratic framework in his labor union."

2 More Firms Settle In Aerospace Dispute

Los Angeles—Two additional contract settlements in the aerospace industry were announced here as the Auto Workers and the Machinists prepared to submit the terms of earlier agreements with North American Aviation and General Dynamics' Convair Division.

In another key development, the Machinists acceded to personal appeals by Labor Sec. W. Willard Wirtz and Dir. William E. Simkin of the Federal Mediation Service for an indefinite extension of talks with Lockheed Aircraft.

Terms Undisclosed

The latest agreements came at Aerojet General Corp., where the IAM represents employees, and at Ryan Aeronautical Co., where the UAW has bargaining rights. Terms of the settlements were not immediately disclosed, but they were understood to follow generally the recommendations of a special White House panel, except that a union shop already existed at Aerojet and was not an issue in the negotiations.

It was the union shop formula proposed by Pres. Kennedy's special three-man board which broke the impasse in the current round of bargaining with the missile producers. North American and Convair were the first firms to agree to submit the issue to votes of their employees, with a two-thirds majority required to put the union security measure into effect.

Both firms have pledged a "hands-off" approach to the vote, but Ryan has announced it will campaign among its employees for rejection of the union shop.

UAW members at North American were scheduled to vote Sunday, Sept. 30, on whether to accept or reject the agreement. If they vote approval, unit-wide union shop balloting will be held Oct. 19.

If IAM members at Convair ratify the settlement, their union shop election will be held Oct. 23.

Extension of the Machinists' negotiations with Lockheed erased a Sept. 22 strike deadline the union

had set against the firm which has adamantly held out against the union shop. Negotiators for the company and the IAM were to resume bargaining under the auspices of federal mediators.

Details of the wage settlements at North American and Convair were withheld by the unions pending membership ratification. A White House board recommended an increase of from 5 to 8 cents an hour of the first year, effective last July 22; a hike of 6 to 8 cents the second year, and 6 to 9 cents the third year.

Meanwhile, another presidential board headed by Saul Wallen returned to Washington after hearings in Seattle on a separate dispute between the Machinists and the Boeing Co., one of the nation's largest defense contractors in the aerospace field.

A 60-day truce period urged by the President and accepted by the IAM expires Nov. 15. Boeing, too, has opposed a union shop vote among its employees.

Another Beginning For IUE

Nine years after the IUE held its ground-breaking ceremony which marked the beginning of construction of its present headquarters, it celebrated another such occasion. Some 100 persons, including the full IUE Executive Board and representatives of government and labor, gathered on Oct. 1 to break ground for the new, enlarged Philip Murray building in Washington, D.C.

It was a bright, autumn day, perfect for outdoor exercises and some (not too) vigorous—but very symbolic—digging into the ground on which will stand, a year from now, the \$1.5 million addition to the present headquarters.

To all present it symbolized the growth and the stability of a union which is relatively young. As Pres. Carey put it, "The 'Union in a Hurry' is getting ahead."

In seats of honor there were the IUE board members; William Simkin, director of the Federal Mediation and Conciliation Service; Congressman Joseph Minish (D., N.J.); Pat Conroy, Canadian labor attache; Joseph Beirne, president, AFL-CIO Communication Workers; William Farson, executive vice-president, American Newspaper Guild; and Victor Reuther, head of the Washington office, United Auto Workers.

To the reception which followed came Congressmen Elmer Holland (D., Pa.) and Edward J. Patten (D., N.J.), several labor attaches connected with embassies, a group of seven Japanese newspaper reporters currently visiting this country

and William Gaussman of the U.S. Information Service, and a number of newspapermen.

In a short address which preceded the ground-breaking, Carey recalled that when the IUE first occupied the building "it was quite adequate to the needs of our young organization. In fact," he continued, "we had space to house the international headquarters of the American Newspaper Guild and the Washington office of the United Auto Workers. We even had space for the Washington office of the Oil, Chemical and Atomic Workers, AFL-CIO. In the eight years that have intervened the IUE has grown in size, functions and services we perform for our members. As the political, social and economic world in which labor finds itself grows more complex, there are developing needs for more instruments and technicians to deal with those complexities.

"This growth, then, has dictated the need for this projected new building."

As Carey and Acting Sec.-Treas. George Collins prepared to pick up the shiny gold shovels, Carey jokingly invited the guests to help with the laying of the foundation. "We don't want this done by any automatic arrangement."

However, the unyielding, rocky ground presented too much resistance for the gold shovels, and the digging for the foundation of IUE's new addition really got under way as Carey climbed into the bull dozer, and with it moved the first several cubic feet of earth.

Bargaining a Help:

Automation Panel Cites Growth Need

Philadelphia—Collective bargaining can make important contributions to meeting the problems of automation, but the overriding factor is a full employment economy, participants in a panel discussion at the Federal Bar Association convention here agreed.

Representing labor, management and the public, the panelists tackled the knotty problems posed by introduction of new technology with Dir. William E. Simkin of the Federal Mediation & Conciliation Service acting as moderator.

Simkin noted that the impact of automation on jobs is being felt more and more at the bar-

gaining table and that at times wages are not an issue at all, with major attention given to labor force problems arising from technological change.

Collective bargaining, he emphasized, cannot solve all the problems of automation although solutions have been worked out in the areas of separation pay, early retirement, supplemental benefits and retraining.

The government, he said, is striving to implement programs to secure full employment, the public area of responsibility in the situation.

Victor G. Reuther of the Auto Workers, presenting the labor viewpoint, said the resistance to technological change is caused not by the introduction of new machines but by the fact that the full cost is paid by the worker who becomes unemployed.

He urged a greater sharing of information between labor and management and advance notice to unions of technological changes and how they will affect the work force.

He stressed the magnitude of the problem resulting from automation, noting that in the 1960s there is a need for 40 million new jobs if the nation is just to stay where it is now, let alone reduce the volume of unemployment.

Theodore W. Kheel, representing the public viewpoint, noted that automation is contributing to the problem of integration because job opportunities are decreasing at the same time new efforts are being made to bring the Negro into the labor force. Kheel pointed to the railroad work rules dispute as an illustration of the challenge automation poses.

Frederick R. Livingston, representing management, said that the pressures of competition at home and abroad have forced industry to introduce technological change at an accelerated rate and that management is now taking the initiative at the bargaining table.

"Realistic unions," he said, have not rejected change but have concentrated on negotiating agreements

Millworkers Strike Three Plants

Three Springfield millworking firms turned down the last offer of Millworkers Local 1842 and Monday morning 25 men went on strike.

The action culminated four months of negotiations between the union and their employers, Daily Woodworks, Grace Cabinet Shop, and G. F. Hentchel Co., according to Theron Redfearn, president of the union.

Redfearn stated that the main issue was money and added, "We made a presentation that we think is fair and equitable considering increases other crafts have received. Our local has been working at a scale lower than other millworkers in this area. Although we started at a lower scale, we don't like the idea that our craft gets lower and lower in relation to other crafts." He said that the accepted standard of millworkers wages was 75% of carpenters scale, which here is \$3.75 an hour, "so our last offer would still be considerably below standard millwork scale."

Claud Hawley, federal mediator, was making arrangements for another meeting between the employers and the union for Thursday morning of this week, Redfearn said. Walter Said, Carpenter and Millworkers International representative, of Kansas City, has been doing the negotiating for the Local, and Hawley has sat in on most of the meetings, Redfearn stated.

The last company offer, which the union members turned down in a meeting last Thursday night, was for a three-year contract with raises of 7½c—10c—12½c.

The union's counter offer made two alternatives. One was strictly money, with a request for 15c—10c—10c, for a three-year contract. The second listed increases of 10c—10c—10c, with an added week's vacation after three years and three additional holidays. At present they have one week's vacation and three holidays—July 4th, Labor Day, and Christmas.

The recent three-year contract expired June 30.

Boiler Strike Averted

An eleventh-hour agreement has averted an eight-state strike by 3500 boiler-makers originally set for 8 a. m. today.

The pact was announced Sunday night by U. S. Conciliator Oliver E. Goodwin after weekend negotiation meetings.

Goodwin said the terms will not be made known until they are submitted to members of the International Brotherhood of Boiler-makers.

The union members, who

now make \$4.75 per hour, asked for 25 to 68.5 cent hourly increases. Employers had offered 15 cents.

The strike would have affected California, Arizona, Nevada, Oregon, Washington, Alaska, Idaho and Montana.

cc: William E. Simkin
Edwin W. Scott

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1963 OCT 10 AM 8:43

FEDERAL MEDIATION AND
CONCILIATION SERVICE
WASHINGTON, D.C.

Hotel Union Bargainers In Philadelphia Accept Offer to End Strike

PHILADELPHIA—(AP)—Union negotiators accepted a new management proposal aimed at settling the week-old strike against 13 Philadelphia hotels and motels.

Federal Mediator Rex Marlowe and the mayor's labor adviser, S. Harry Galfand, in a surprise announcement, said the union representatives agreed to recommend the proposal of the hotel association for ratification by union members at a meeting today.

The announcement said the terms of the proposal wouldn't be disclosed until after a ratification meeting at which a secret ballot vote would be taken.

The proposal was made during a four-hour meeting between management and labor representatives at the Mediation and Conciliation Service's offices here.

Some 2,000 members of Local 568 of the Hotel, Motel, and Club Employes Union, walked out Oct. 1 in a contract dispute centering mainly on wages. The establishments continued to rent rooms, but were forced to close their restaurants and bars.

The Evening Bulletin

ESTABLISHED 1847

William L. McLean, President and Publisher, 1895-1951

PUBLISHED EVENING AND SUNDAY BY BULLETIN COMPANY
30TH AND MARKET STREETS, PHILADELPHIA 1, PA.

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WILLIAM B. DICKINSON, Managing Editor

24

THURSDAY, OCTOBER 10, 1963

H

Case Proved for Restraint

The hotel strike is fortunately over, and none too soon for the reputation of Philadelphia. Had it gone on much longer, not only the city's economy but its public image as a genial host to the convention and tourist trade would have suffered seriously.

One never knows, of course, whether this type of a strike could have been headed off before it started by the forceful intervention of the mayor, but it is doubtful that in this case it could have been.

Once the strike actually began, there was debate as to whether the mayor should or should not intervene openly. He chose not to, partly because the Fed-

eral Mediation Service seemed on top of the situation, and, partly, perhaps, because he was reluctant to try and perhaps fail in the midst of a campaign.

Events have justified his judgment. The federal mediators, with an able assist from the city's labor adviser, Harry Galfand, did their job well. It is proper to note, too, that in the long run it ill serves collective bargaining or the parties involved to have an elected official forever pulling their chestnuts out of the fire, and doing for them the job they should be doing for themselves.

It is thus healthier for the city, the hotels and the union that the strike was settled without need for the mayor's intervention.

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1963 OCT 13 AM 8:51

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WASHINGTON, D.C.

FEDERAL MEDIATION AND CONCILIATION SERVICE

ROUTING SLIP

TO	NAME	NAT'L, REGION, FIELD OFFICE OR STATION
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ANSWER OR ACKNOWLEDGE BEFORE _____

FROM	Norm Walker	DATE	10/14/63
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REMARKS

This is rather strange reasoning but we come out looking quite good!

Agree wel

FEDERAL MEDIATION AND CONCILIATION SERVICE

ROUTING SLIP

TO	NAME	NAT'L, REGION, FIELD OFFICE OR STATION
	Norman O. Walker Public Affairs Officer	
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ANSWER OR ACKNOWLEDGE BEFORE _____

FROM	Paul Yager <i>MY</i>	DATE	10/11/63
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REMARKS

Assistant Regional Director

For your information.

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1963 OCT 13 AM 8:51

FEDERAL MEDIATION AND
CONCILIATION SERVICE
WASHINGTON, D.C.

Mediator Praises Bargaining Talks

By ROBERT TRAUTMAN

Collective-bargaining is functioning smoothly.

And if talks between labor and management appear to falter now and then, it's only because the failures result in eye-catching strikes, while the string of successes runs mostly unnoticed.

These were some of the views expressed yesterday by William E. Simkin, Washington, director of the Federal Mediation Service.

Simkin commented on the present status of collective bargaining in an interview and later in an address at the Sheraton Hotel before the labor-law section of the Kentucky Bar Association.

He conceded that while Congressional action calling for arbitration to hold off a threatened nationwide railroad strike could set an adverse precedent, he felt it was a limited action and one that would be employed only infrequently.

It is imperative that collective-bargaining not take that tack, the Federal Government's chief mediator said. And there is no reason it should, he added, for free bargaining is working "quite well."

Despite lengthy strikes in the newspaper industry—in New York and Cleveland—and work stoppages among longshoremen, the United States is in a period of labor-management harmony unmatched since World War II he noted.

There has been a lower

level of time lost because of strikes the past three years than any time since 1945. And barring a lengthy strike this year, 1964 will set another record, he said.

One factor contributing to this labor peace has been the growing number of unions and companies agreeing to discuss contract issues and other labor-management issues well before contract deadline.

Because the talks are strictly off the record, and the participants are not permitted to make contract offers, labor and management representatives are able to lay their cards on the table, argue among themselves, if necessary, and "get the lay of the land" without making any commitments.

In another area of labor-management relations, Simkin noted that money is giving way to fringe benefits and job security as a main issue in work contracts.

Automation A Factor

Although job security always has been an object of the worker and his union, it has come to the fore in recent years because of the continued high unemployment rate and the threat automation poses to many industries.

It is estimated that today an average of 25 percent of the cost of labor contract is in fringe benefits. Simkin cited United Automobile Workers contracts which include vacations, supplemental-unemployment compensation, pension plans, and short workweek payments.

An automobile worker with a measure of seniority has what in effect is a guaranteed annual wage, with or without periodic unemployment, he noted.

Simkin called on the labor lawyers to help the Federal Mediation Service in its plan of "preventive mediation"—entering a labor-management situation to nip trouble before it breaks down relations.

"It is surprising to me how often labor and management find they have a great deal in common if they will only talk a little," he said.

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1963 OCT 24 AM 9:40

FEDERAL MEDICATION AND
CONVICTION SERVICE
WASHINGTON, D.C.

Lockheed, Union Hail Labor Plan

Experiment Hinges
on Co-operation of
Machinists, Firm

BY HARRY BERNSTEIN
Times Labor Editor

A unique experiment in labor relations at Lockheed Aircraft Corp. is a success so far, according to company and union officials.

The program of close co-operation between management and Lodge 727 of the International Assn. of Machinists, AFL-CIO, was initiated in January as part of a contract agreement which averted a strike.

The issue in the dispute was the company's refusal to accept a Presidential board recommendation that employees vote on whether two-thirds of them wanted a union-shop clause requiring all workers in the bargaining unit to become union members.

To Avoid 'Free Riders'

The union said the union-shop clause was needed to avoid "free riders" who get the advantages of unionism without paying for it. The company said it opposed compelling employees to join the union for any reason.

But as part of its settlement offer, the company agreed to, in effect, help encourage union membership and a broad program of union-management co-operation was set up.

The over-all estimate is that the program is working well, company-union relations are better than usual and union membership has increased from 62% of the bargaining unit in August, 1962, to 80% in August, 1963.

That doesn't mean all skeptics are satisfied. There are those who feel the company is beefing up the union strength, and might as well have given in on the union-shop issue.

Faction Sees Sellout

And on the other side there are those who feel the union has gone beyond the stage of co-operation, and has "sold out" to management.

This faction complains that the company is "brain washing" union shop stewards in the unique, jointly run shop steward training program, so that workers' grievances are now settled more often in favor of the company than for the aggrieved worker.

Union officials deny this, although they agree that without good faith on both sides, the basic interests of management, which wants a profit, and workers, who want better wages and working conditions, can be confused.

The Lockheed-IAM cooperative program has attracted close attention from

Please Turn to Pg. 3, Col. 5

LOS ANGELES TIMES

Monday,

October 14, 1963

Norm

LOCKHEED, UNION

Continued from First Page

the government's labor experts in Washington who feel it may serve as an important precedent for other company-union relationships.

Federal mediators Grant Haglund and Ralph Patterson have been assigned by Federal Mediation Service director William Simkin to work regularly with the Lockheed-IAM program.

Haglund said, "We are encouraged by its success so far, and would like to see similar operations in other firms."

The core of the program consists of four points:

1—The union shop-steward training program, jointly planned and taught by management and labor, so that the union representatives will have a chance to study such topics as the contract itself, labor history, mediation processes, grievance procedures and collective bargaining.

Critics of the program are calling for similar courses for supervisory personnel.

2—Weekly meetings between senior union stewards and department heads to keep everybody posted on employment plans, work

schedules and department problems.

3—Quarterly meetings of top-level union and management officials to discuss long range company operations and union problems, and, like the shop-steward training program, to discuss the economics of the firm.

4—A letter goes to new employees from the company urging them to consider union membership, and union representatives meet with the new workers on company time to recruit them for membership.

Tom McNett, Lodge 727 president, said 90% to 95% of new factory employees are joining the union.

Robert Simpson, IAM grand lodge representative, said, "I believe we have one of the best informed memberships on company and union affairs in the country."

The program has not diminished the need for a full union shop he said, because "now more than ever our members are made unhappy by the 'free riders' who won't pay their share of the union cost of operations."

McNett said that he is pleased with the fact that union membership is 80% of the bargaining unit—"highest in our history. And this is

not fully reflective of the potential, because the company is not hiring now, and our greatest gains are among the new hires."

Harry S. Winston, Lockheed California division industrial relations director, said, "Management is enthusiastic about the results so far."

Winston emphasized the key aspect of the program: a sincere effort for both sides to work together and "understand each other's point of view."

He, like the union officials, also predicted the program will make bargaining for a new contract in 1965 easier because "at least there will be no surprises at the bargaining table — we will have talked about issues in advance. And we may have even settled some before we get to that stage."

Aerojet strike off, negotiators hard at work in Washington, D.C.

Efforts to work out a fair and equitable settlement of labor disputes in the aerospace industry are continuing after a busy week.

HIGHLIGHT was a two-day strike by members of IAM Lodges 946 and 1893 at Sacramento, and Azusa, Calif., against Aerojet-General Corp. The strike followed a vote by members of both Lodges rejecting the company's proposals.

Work was resumed at all points last Friday after a preliminary understanding had been reached with company officials in negotiations at Washington, D.C.

The understanding was worked out by a committee which flew into Washington, met with IAM President Al Hayes and with him went to the U.S. Labor Department to resume negotiations with the company.

BOTH UNION and company negotiators joined with William E. Simkin, director of the Federal Mediation Service, in announcing that a preliminary understanding had been reached which would result in immediate resumption of work at all Aerojet operations. Here is the statement:

"At a meeting in Washington today, it soon became apparent that unfortunate misunderstandings between the parties were the primary cause of the short work stoppage that has occurred.

"Negotiations will proceed in Washington to find an early settlement. In the interest of national defense and security, both parties agree that work will be resumed while remaining differences are being settled.

"In 20 years of the company's existence, this is the only serious disagreement between the parties, 15 of these years being under union shop provisions. The company wishes to state that it is proud of the skill and patriotism of its workers and regrets the misunderstandings for which it was responsible. Both parties assure the nation that production schedules vital to the nation's defense will be met."

IN ADDITION to Mr. Hayes and Grand Lodge Rep. Bob Lease, the union negotiating com-

mittee included, for Lodge 946, Charles Simpson, business representative; Charles Quigley and Peter Fernandez, chief stewards, and four members of the negotiating committee, Fred C. Petersen, John R. Graham, Dave Ross and James Doherty.

From Lodge 1893 there were Eugene Marotta, business representative; Harvey Freeman, chief steward, and Charles Doren and Joe Provenza, members of the negotiating committee.

Next day, the committee began intensive negotiations to settle all issues in dispute.

Meanwhile, at the White House President Kennedy announced that he had extended the deadline for a report and recommen-

dations on the dispute between the IAM and the Boeing Company. The extension, from Oct. 15 to Nov. 5, was requested by the Presidential Board headed by Saul Wallen. Both Boeing and IAM negotiators agreed to the Board's request for an extension.

The negotiating deadline in the dispute remains Nov. 15.

AT LOS ANGELES, IAM negotiators resumed their meetings with Lockheed. Officials of the Federal Mediation and Conciliation Service were on hand to mediate.

The parties are operating under an indefinite extension of their contracts, covering Lockheed's California plants and missile sites from coast to coast.

When the rank-and-file balks

It's not usually over money, these days, but over demands for job security that their negotiators cannot extract from management to relieve their worries

Federal mediators see disturbing signs of new bargaining troubles ahead. Reports from field offices around the country show that deep feelings of insecurity and frustration among workers are causing problems that could become serious.

Nevertheless, William E. Simkin (picture), director of the Federal Mediation & Conciliation Service, sees "no particular crisis period at this time" despite "problems made even more contentious than [those] of the past because of automation and unemployment." Simkin looks for "matured" bargaining to produce solutions to new problems.

Many of the new troubles are a result of pressures from the unions' rank-and-file. Members are worried about high unemployment and the impact of automation on jobs, as well as about mergers and consolidations, plant removals, subcontracting, and other plant-level developments that could affect them individually. They want more in the way of contractual safeguards than their negotiators can get. They then show their dissatisfaction by balking at contracts.

More rejections. This is evident in the growing number of negotiated settlements turned down in local union votes. The trend is not new, but it is now considered more important—and more serious—than ever before.

The situation in Monsanto Chemical Co. bargaining earlier this month is typical of what can happen: On Sept. 29, negotiators for the company and a plant local of District 50 of the United Mine Workers reached a tentative agreement on a contract for 22¢ in raises through 1966, and additional fringe gains. Union negotiators took the proposal to the local; members rejected it, 287-126, and sent the bargaining committee back to Monsanto on a work rules issue. After a one-week strike by 500 workers, an agreement finally was ratified.

Similarly, Erie Forge & Steel Corp. in Erie, Pa., pleading economic troubles, worked out with the United Steelworkers a plan for par-



Chief mediator William E. Simkin says new problems require new remedies.

ing payroll costs by 7½% (Erie Forge had wanted a 12% cut) and dropping a cost-of-living clause. USW recommended this to members as a way to help the company keep its plants open—and save jobs. Workers first voted down the agreement by a 3-2 ratio, then last week-end accepted a 24½¢-an-hour cut.

Federal mediators are worried about this trend, but hardly more than many union officials are. Labor politics requires them to win popular settlements—but popular settlements are increasingly hard to win.

Troublesome points. Many federal mediators place the problem of rank-and-file rejections of settlements at the top of their lists of most troublesome problems in today's bargaining. Among others:

- Negotiations between employers who are in a competitive bind or in economic trouble and unions that are determined to maintain contract standards—fearing that concessions to one employer or one branch of an industry will undermine hard-won gains in other contracts.

- Sharp clashes between management-rights demands and union in-

sistence on job security, particularly in industries or plants where automation or technological developments raise fears that jobs may be reduced; subcontracting is an increasingly critical issue and work rules disputes—as at Monsanto—are as troublesome as ever.

Most strikes this year have involved such issues as these, more in deadlocks over matters of principle than over economic gains. Wage increases, once a major cause of strikes, have been a secondary issue for some time. And a big proportion of this year's strikes have been in resistance to employer demands.

Problems again? However, the Federal Mediation & Conciliation Service's field people see signs that wages and hours—a reduction in the work week—may push toward the top of the problems list again.

Union leaders have been championing at the bit against the shrinkage of wage increases in recent years [BW Oct. 12'63, p119]. Many say it's a result of the Administration's "guidepost" formula for keeping wage increases in line with productivity increases—at a rate of about 2½% a year. They protest that this formula has favored employers who have insisted on following the formula although, a labor spokesman said, the formula often is "unrealistic in the light of actual productivity gains and rising profit levels."

Two recent Labor Dept. reports are being studied by union bargaining strategists who seek grounds for bigger wage demands as a help against high unemployment. One report shows that wage gains have leveled off at about 7¢ a year. The other, as interpreted by labor, indicates that productivity has been rising at a significantly higher rate.

Nathaniel Goldfinger, AFL-CIO's chief economist, pointed out to federation affiliates last week that this means "gains in real earnings are lagging behind the productivity rise." He said this situation has existed since the mid-1950s and has been reflected in "the insufficient de-

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Talking troubles out at the plant level

UMW's District 50 is pushing the company-union dialogue idea —so successful in the steel industry—a step further by promoting union-management talks at individual plants

The trend toward labor-management talks away from the bargaining table —popularized by its success in the steel industry—is getting a big nudge forward from District 50, the United Mine Workers' fast-growing affiliate. But there is a significant difference in the District 50 plan.

Since steelmakers and the United Steelworkers formed their joint Human Relations Committee after the bitter 1959 steel strike, and followed it up with two peaceful contract settlements, major employers and unions have taken to the idea in electrical manufacturing, auto, rubber, and other industries.

But, up to now, the approach generally has been patterned after that in steel—the talks are either industry-wide or at least at a top company and union level.

Local level. District 50, the UMW's "catch-all" union, and many of its employers have set up labor-management non-contract discussions at the local plant level. The give-and-take over mutual problems is to be handled by local company and union officers.

District 50's move can be especially significant for several reasons:

- The UMW unit's 210,000 members are spread through 30 to 35 industries and have contracts at 3,408 separate plants. This, in itself, would give the labor-management conference program a broad new influence.

- The plant-site approach is now beginning to show up elsewhere. The Steelworkers have set up such a Human Relations Committee with one smaller employer, and others are being talked about.

- Many managements are particularly receptive to the idea of talking out problems at the local level. District 50 employers have responded enthusiastically, for the most part. In the oil industry, union-management negotiations on a plan have been hung up on the breadth of coverage, with employers favoring the plant-site method.



Elwood Moffett: "We feel you have to go right to the grass-roots . . ."

Same goals. Whatever the system, such conferences are designed for essentially the same reasons: to find solutions for problems of labor and management. In District 50's case, the union's willingness to give employer problems an equal rating on the agenda may go further than many other plans do, but in all the intent is to share the problems involved in day-to-day industrial relations.

I. Where it stands

District 50's approach is the brainchild of its president, Elwood Moffett (picture). It is being offered to all managements that deal with District 50, and has been adopted by half-a-dozen major chemical firms, the Pennsylvania Contractors Assn., and many employers in the refractory industry where District 50 is a major representative.

"We should be well on the way to general coverage by the end of

mand for goods and services that keeps unemployment high."

If management reports continue to show high profit margins, unions will ask for bigger raises.

Shorter hours. Generally, the rank-and-file in labor is less interested in more pay than in shorter hours at the same weekly pay they now have. Close observers are convinced that, despite the union leaders' talk of shortening hours through bargaining, pressure for reductions does not come from the top—where problems of a cut are recognized realistically—but from a job-worried rank-and-file.

When Pres. Kennedy conceded recently that the present 40-hour week is going to be shortened sometime because of automation [BW Oct. 5 '63, p120], the probability of new shorter work week demands from unions increased—and so did the probability of new and bigger wage demands. It's a matter of union politics.

Union negotiators no longer can use Administration opposition as an argument against immediate and intensive 35-hour-week demands. They see little possibility of winning reduced hours and will press harder for alternatives to offer their insistent rank-and-file: long vacations, other fringes, and more money in weekly checks—something hard to turn down when a negotiated settlement is before the local for ratification.

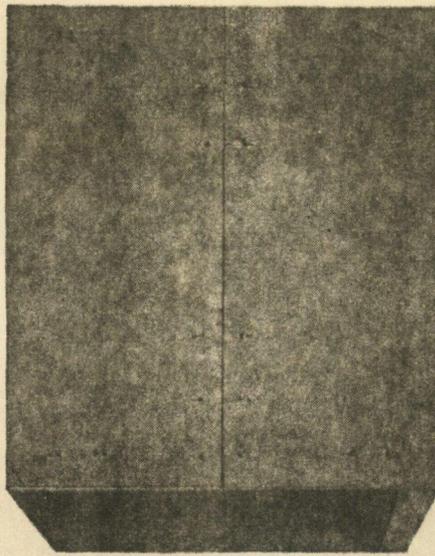
With management determined to resist sharply increased employment costs, serious problems could develop.

Signs of hope. FMCS believes the bargaining process can meet even tougher challenges.

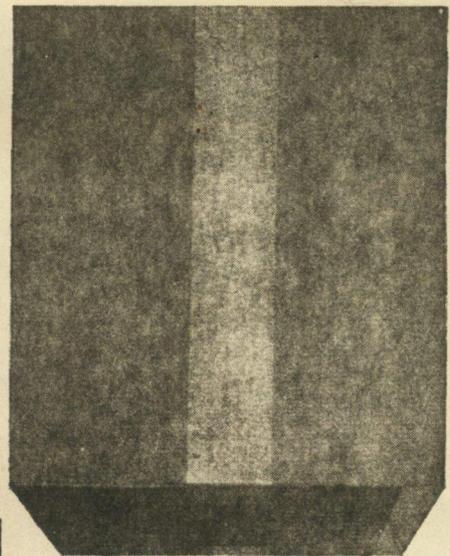
Work time strike losses have been cut to their lowest point since World War II, and the number of workers involved in strikes has dropped to the lowest proportion of the work force in nearly a quarter-century. Simkin credits "prenegotiation, study, and consultation" for the labor peace record, and looks for the trend to continue.

"The assumption of rigid conceptual positions and refusal to try new methods and approaches is a way of playing Russian roulette with collective bargaining," he warns.

One new "mature and responsible" approach to changing problems is the Human Relations Committee machinery, first devised in basic steel and now spread widely to other industries (page 74), for labor-management consideration of mutual problems away from bargaining tensions and timetables. FMCS field agents are working quietly to spread the committee idea wherever they consider it practical. **End**



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Boycott Called Off:

Gould Battery Pact Ends IBEW Strike

Ratification of a nation-wide agreement between the Intl. Brotherhood of Electrical Workers and the Gould National Battery Corp. ended a 22-week strike and sent employes at 15 plants back to work Oct. 15.

The new 30-month pact brings major gains to more than 1,600 workers. It includes wage hikes averaging 35.1 cents an hour, according to an IBEW estimate, and a single contract with one terminal date instead of separate contracts at each plant—a major objective of the strikers.

Workers at Gould's plant in Leavenworth, Kan., struck when their contract expired May 22. The other 14 plants were struck June 13 after a bargaining stalemate caused by the refusal of management to agree to a single contract with the Gould Battery Workers Council for all plants.

Basic wage increases agreed to are 10 cents an hour this year, and an additional 10 cents on Jan. 15, 1965 at all plants except the Nicad unit at St. Paul, Minn., where the second round increase will be 13 cents. Inequity increases will bring total wage boosts as high as 72 cents in some classifications, the union reported.

Other improvements include an eighth paid holiday—each worker's birthday; full job-bidding rights, up, down and horizontal; and a six-cent increase in fringe benefits in-

cluding improved health, welfare and hospitalization provisions for all workers and their families.

Agreement was reached with the aid of William Rose of Washington and Thomas Cleland of Chicago, both with the Federal Mediation & Conciliation Service. The union announced it has called off its recently launched "Don't Buy" campaign against battery products made for some 60 nationwide firms.

The strike was prolonged, union sources said, by the refusal of local plant managements to implement an agreement reached in New York by top management with IBEW Pres. Gordon Freeman on recognition of the Gould Battery Workers Council.

Gould plants are at Denver, Colo.; East Point, Ga.; Chicago Heights, Kankakee and Rock Island, Ill.; Marlboro, Mass.; Zanesville, O.; Salem, Ore.; Memphis, Tenn.; Dallas, Tex.; Leavenworth, and St. Paul.

The firm makes batteries under other names for major retailers including Montgomery Ward, Standard Oil Co. and Western Auto Supply Co.

U.S. WILL ENTER CONTRACT ROW

Westinghouse Electric, 3
Unions Are Involved

[Dow Jones News Service]

Washington, Oct. 18 — Federal mediators announced today they will enter the stalemated contracts between the Westinghouse Electric Corporation and three unions.

Negotiations have been continuing at Pittsburgh on a day-to-day basis since the several contracts expired at midnight last Monday.

[One of the unions involved represents about 2,600 of the more than 10,000 persons employed at Westinghouse installations in Baltimore.]

The Federal Mediation and Conciliation Service team will be headed by Joseph Piconke.

The mediators will meet separately with the parties before scheduling joint company-union bargaining sessions.

Westinghouse and IUE Agree on New Contract Covering 34 Locations

Pact Provides Pay Rise Averaging
13½ Cents an Hour, Benefits;
2 Other Unions Continue Talks

By a WALL STREET JOURNAL Staff Reporter

PITTSBURGH—The International Union of Electrical Workers and Westinghouse Electric Corp. agreed on a new labor contract covering 36,000 Westinghouse employees at 34 locations.

The pact was accepted by the union's national Westinghouse conference board Saturday, 12 days after the previous contract expired. The new pact provides for wage increases averaging 13½ cents an hour, longer vacations for workers with between 10 and 20 years seniority, and insurance, hospitalization and pension improvements.

The basic wage contract is for three years; vacations, pensions and insurance were covered by a five-year agreement. Negotiations between the union and Westinghouse lasted 12 weeks; meeting since Oct. 19 were conducted with Federal mediators sitting in.

Since the Oct. 15 expiration date, talks had been held under day-to-day contract extensions.

Talks With Other Unions

Westinghouse still is negotiating with two other unions with which it bargains nationally—the United Electrical Workers, representing about 6,000 employees, and the International Brotherhood of Electrical Workers, with some 12,000 Westinghouse members.

Westinghouse and IUE officials declined to estimate the total cost of the new contract. An IUE official, however, said it was "similar" in cost to the pact the union and General Electric Corp. signed last month.

Talks between Westinghouse and the UE are scheduled to resume tomorrow. The company-UE pact also expired Oct. 15, and negotiations are continuing under day-to-day extensions. Joseph Dermody, secretary of the UE's Westinghouse conference board, said his union would continue to press for greater wage and pension benefits than were included in the IUE-Westinghouse pact.

Westinghouse's contract with the IBEW expires Friday.

Terms of Agreement

Main features of the IUE-Westinghouse agreement include:

Two pay raises, one for 6½ cents an hour, effective immediately, and another from 5 to 10 cents an hour, averaging 7 cents, effective April 19, 1965.

Three weeks vacation for workers with 10 years' service instead of the previous 15 years, with an added day of vacation for each year of service between 15 and 20 years.

An increase in maximum hospital room and board allowance to \$25 from \$22 a day, and a further increase to \$28 a day beginning Nov. 1, 1966. Coverage is extended to a maximum 180 days from 120.

An increase in the amount of life insurance retained after retirement to 33 1-3% of the insurance in effect at retirement, up from 25%, with minimum coverage of \$2,500 instead of the previous \$2,000.

Full accumulated pension with no reduction because of early retirement if an employe with 30 years' service retires at 62, instead of the previous 65.

An increase to 60% from 50% of weekly pay in layoff income benefits.

Seniority Provision

The contract also provides that total accumulated company service, regardless of interruptions, be counted for seniority purposes as well as for pensions and vacations. Previously, a worker would lose past seniority after an involuntary separation of four years or a voluntary separation of 30 days.

In addition, a supplement to the pact limits until 1966 transfers of long-seniority employes to some newer plants where they might "bump" workers already there. Workers at newer plants had feared company-wide seniority would endanger their seniority at the local level.

However, the union failed in its attempts to win company-wide recall rights for laid-off workers, formal plant committees to consult on automation changes and subcontracting, and inclusion of job assignments and incentive pay rates in arbitration provisions.

New Phone Strike Talks Scheduled

By **IVOR DAVIS**
Evening Outlook Staff Writer

A fresh round of talks aimed at settling the almost three-week-old General Telephone Co. strike will begin in Santa Monica Friday afternoon, the Evening Outlook learned today.

E. Marvin Sconyers, chairman of the federal mediation panel which has been trying to end the strike, told the Evening Outlook by telephone from San Francisco that he and William Rose, a personal representative of William E. Simkin, director of the mediation commission in Washington, will fly in for separate talks with both parties.

New Approach Sought

"We will be trying to find a new basis for approaching this dispute," Sconyers said. "It is not so much the problem of bringing the groups together but of finding avenues of approach."

The new talks announcement was the outcome of a meeting Arthur G. Viat, Western regional director of the Mediation and Conciliation Service.

About 9,000 members of the Communications Workers of America (CWA) walked off their jobs on Oct. 19 after new contract talks were deadlocked.

Restraining Order

Dick Hacklen, CWA strike director, is scheduled to travel to San Bernardino on Monday to testify in court about General Telephone's temporary restraining order on pickets there.

The restraining order was

Turn To Page 10 Column 1

Phone Strike

Continued From Page 1

sought by the phone company shortly after the strike began. According to the union, the order "severely restricts picketing in San Bernardino County."

The union also plans to file unfair labor practice charges with the National Labor Relations Board (NLRB) over striking employes who have received notification from the facility that they have been replaced and their jobs will not be available when the strike ends.

'Scare' Tactics Changed

The CWA says these actions are "scare tactics." The phone company contends that it is perfectly entitled to replace employes if jobs are open.

Those workers who received dismissal notices will be able to collect unemployment benefits, according to the union.

Pickets in Santa Monica today were expected to come on duty in Halloween costumes.

STEEL LABOR
Nov., 1963



A. A. DESSER
Federal Mediator

A. A. Desser, Federal Mediator assigned to the New York District, congratulate District 7 on its progressive leadership and urged continued high-plane relations between labor and management.

'Mature' Bargaining Urged

The need for "sophisticated and mature collective bargaining" and for unions with enlightened leadership has never been greater, Dir. William E. Simkin of the Federal Mediation & Conciliation Service told the AFL-CIO's 5th convention.

Speaking for 240 mediators involved actively in more than 7,000 disputes a year, Simkin decried the "prophets of doom" who say the organizing surge in the 30's and early 40's was the high-water mark for American unions, that the subsequent "very substantial improvement in wages and working conditions has almost milked the cow dry" and that little can be done in the future.

The implication, he observed, is that unions might just as well go out of business and leave any remaining problems in the hands of management.

It has also been suggested, Simkin noted, "that labor leadership is addicted to middle-age spread and is hanging on to the institution of collective bargaining for personal job security reasons."

Union leaders are not flawless, he said, but the institution of collective bargaining has "potentials that can result in achievements more realistically significant," though perhaps less glamorous, than any of the past.

"Nor can we trust management to produce these achievements by unilateral action," he said. "Instead, the need for industrial democracy, in the form of really sophisticated and mature collective bargaining, has never been greater."

The mediation chief cited the fact that for four consecutive years the nation has had a consistently low record for time lost by strikes and lockouts.

This "exceptionally good record is a tribute to your leadership," he said, adding that "the occasional failure of collective bargaining promotes public hysteria that is not justified by the record."

Over all, the institution of collective bargaining is "doing a better job today than would be performed by most of its critics" if they had the power to decide rather than to criticize, Simkin said.

The future of the bargaining process, he added, probably lies in the field of continuing consultation and communication throughout the term of a labor agreement.

As evidence of this "new bargaining maturity" he listed new agreements recently achieved by union and management in steel, autos, electrical manufacturing, aerospace, maritime and numerous scattered small plants.



El señor William E. Simkin, Director del Servicio Federal de Mediación y Conciliación en Washington (segundo desde la derecha). Junto a él, de izquierda a derecha, los señores Julio Machuca, Herbert Schmerz, William S. Pierce, Simkin, y Adolfo D. Collazo.

De Visita en la Isla

Jefe Agencia Mediación EU No Actuará en Paro Hilton

Por Luis Sánchez Cappa

El director del Servicio Federal de Mediación y Conciliación en Washington, D. C., señor William E. Simkin, está en Puerto Rico en unión a dos de sus ayudantes y aunque la visita de estos coincide con la huelga en el Caribe Hilton, explicaron que su viaje no tiene relación alguna con dicha controversia obrero-patronal.

Acompañan al señor Simkin los señores Herbert Schmerz, director asistente de la agencia que dirige el señor Simkin, y William F. Pierce, director regional de la agencia en Atlanta, Georgia.

Hablando a nombre del grupo, el señor Simkin declaró que su visita a la isla tenía el propósito de entrevistarse con el director del Negociado de Conciliación y Arbitra-

je del Departamento del Trabajo de Puerto Rico, señor Adolfo Collazo, y hacer observaciones sobre la labor que realiza dicho negociado.

Agregó que no tenía su visita relación alguna con la huelga en el Hilton y que no se proponía intervenir como conciliador en dicha controversia, señalando que bajo el acuerdo existente entre el Servicio Federal de Conciliación y Mediación y el Nego-

ciado que dirige el señor Collazo, la agencia local es la que generalmente interviene en las controversias obrero-patronales locales.

Dijo además que el viaje del grupo a la isla fue acordado hace varias semanas y que la ocurrencia de la huelga del Hilton y su visita es pura coincidencia.

Explicó más adelante que su agencia en Washington co-
(Continúa en Pág. 20, Col. 2)

THE WALL STREET JOURNAL
Tuesday, November 5, 1963

Sunshine Mining Co.'s Big Idaho Silver Mine Struck by Steelworkers

Special to THE WALL STREET JOURNAL

SPOKANE, Washington — Silver output at Sunshine Mining Co.'s Kellogg, Idaho, mine was halted by a United Steelworkers of America strike.

The big mine turns out about 15% of all silver produced in the U.S.

Sunshine's contract with the union expired last Thursday but work continued Friday. The strike began yesterday morning after an unsuccessful weekend attempt by the Federal Mediation and Conciliation service to settle the dispute, a company spokesman said. About 380 employees were off the job.

The dispute centers on a company proposal to eliminate free bus service for employees between the mine and surrounding communities. The company offered wage increases totaling 9.5 cents an hour, provided bus service is eliminated. A union official said employees won't accept any offer that doesn't include the bus service.

The union represents all production and maintenance employees at the mine.

U.S. TO MEDIATE PIER STRIKE HERE

Machinists and Ship-Repair
Owners to Meet Friday

By JOSEPH CARTER

Federal mediators will intervene Friday in a machinists' strike against private shipyards in the port, where work has halted on navy ship repair contracts totaling \$339,000. The stoppage has made 800 to 1,000 men idle.

Commissioner Thomas G. Dougherty said yesterday that representatives of Lodge 1972, International Association of Machinists, would meet with representatives of 16 ship-repair companies at 10 A.M. Friday at the offices of the Federal Mediation and Conciliation Service, 341 Ninth Avenue.

About 200 members of Lodge 1972 struck Monday against the repair and maintenance concerns in a dispute over labor contracts that expired at midnight last Saturday. Joseph A. Long, business representative of District 15 of the I.A.M., said Lodge 1972 sought improvements in wages and fringe benefits in any new contract.

Under the old three-year contract, the machinists' hourly wage was \$3.30, with a 5-cent-an-hour tool allowance.

Picket Lines Honored

Members of other unions employed at the repair yards are respecting the machinists' picket lines. The strike is centered on the Brooklyn waterfront, where most of the companies are situated.

The machinists struck in November, 1960, in a similar dispute over their contracts with the repair concerns. These companies, according to an executive of one concern, are equipped to do most marine maintenance work except for that requiring drydocking.

The current stoppage has halted work on two ships of the Navy's Military Sea Transportation Service, the Gen. Maurice Rose, a passenger transport, and the Mirfak, a cargo vessel of 1,850 dead-weight tons. Work on the \$269,000 contract for the transport vessel was being handled by Atlantic Wharf Industries, Inc., according to a Navy spokesman, and work on the \$70,000 freighter contract by the S. J. Farrington Iron Works, Inc., both of Brooklyn.

Other Concerns Affected

Other concerns affected by the stoppage in addition to Atlantic Wharf and Farrington, according to union and company sources, are:

Ardell Marine, Brooklyn Marine, Cardinal Engine and Boiler Works, Continental Marine, Dennis Marine, H. & S. Valve, Nordic Diesel and Machine, Legault Industries, Main Ship Repair, Voyage Ship Repair, Metro Marine, Caldwell Machine, Lavan Marine and Viking Marine.

Four concerns, according to the union, have "agreed to agree" to whatever settlement is reached with Lodge 1972 by the other companies and were not struck or picketed. These companies are Active Contracting, William J. Burke & Sons, Atlantic Ship Rigging and Meier & Oelhaf.

The union contract of still another company, Arthur Tickle Engineering Works of Brooklyn, does not expire until next Jan. 25, according to a spokesman for the employer group. He said the other companies were pressing Lodge 1972 to arrange an expiration date for the Tickle concern that would be the same as their own.

Jersey Commuters Get to Jobs Despite Walkout by Bus Union

Despite a strike that halted about half of New Jersey bus service to New York, most Jersey commuters got to their jobs in the city yesterday with a minimum of difficulty.

The 50,000 commuters normally carried by the strike-bound Public Service Coordinated Transport altered their travel habits, turning to other bus lines, the railroads, the Hudson Tubes and private cars.

The result was some congestion at bus stations, some commuters had to wait when buses already filled passed by without stopping, and some passengers had to stand on buses and trains. No abnormal highway congestion developed, although fog hung over the Jersey Meadows in the morning.

Federal and state mediators arranged to meet this morning with representatives of the striking Association of Street, Electric Railway and Motor Coach Employees of America and tomorrow afternoon with representatives of the company.

The strike began at midnight Sunday after the union had rejected a proposed contract. The chief issues in dispute are reported to be a change from two to three years in the life of the agreement and a number of fringe benefits.

The walkout involves 6,161 employees of P.S.C., New Jersey's largest bus companies. It operates 2,500 buses throughout the state and to New York and Pennsylvania. All told, the company serves about a million riders. The 50,000 commuters it transports to New York are

among 115,000 bus commuters to the city each day.

Extra Trips Run

New Jersey-New York commuters got help yesterday from the 16 bus lines that compete with Public Service in northern New Jersey. By walking an extra block or two, many persons reached alternative lines. Some of these operated extra buses and extra trips.

The Erie-Lackawanna Railroad reported it carried 10,000 more riders than its normal daily load of 36,000 each way. Extra riders also were reported by the Pennsylvania Railroad, the Central Railroad of New Jersey and the Port Authority Trans Hudson tube trains.

Newark became the transfer point for thousands of commuters from Essex County. By 3 A.M. most of the city's parking lots were displaying "Sorry All Full" signs. Leaving their cars in Newark, the commuters reached New York by the railroads or tube trains.

Some drove directly into the city. The Kinney System, parking operators, reported business

at its West Side facilities was up from 15 to 20 per cent.

However, the Port of New York Authority said that traffic volume at the Lincoln Tunnel and George Washington Bridge was about normal. A municipal parking lot at Fort Lee near the bridge was only one-third filled.

Little effect of the strike was apparent here. Such large employers as the Metropolitan Life Insurance Company said there had been no increase in absenteeism or in late arrivals.

Some of the greatest inconvenience of the strike came in New Jersey communities that depend on Public Service buses for local transportation. In Passaic the downtown area at mid-morning had a holiday-like desertion.

Many schools were affected. Attendance at the Essex Catholic High School in Newark was only 50 per cent.

Taxis were in great demand everywhere in New Jersey. In Newark the city licensing supervisor suspended a prohibition on cab pools and permitted separate, full fares for each passenger.

GOULD BATTERY STRIKE

The International Brotherhood of Electrical Workers has long taken pride in the fact that strikes among its membership have been few and far between. We are proud that our reputation for living up to our agreements and insisting that IBEW members give a "good day's work for a good day's pay," has created respect for our Brotherhood with employers of two nations. No union can claim better over-all good labor-management relations than this union.

With the above brief paragraph for a preface, we now make crystal clear our position with regard to employers who refuse to bargain in good faith with our members, whose actions indicate a desire and intention to break our union. In such circumstances the IBEW *will strike* and the full strength of our 793,000-member union and the staff and resources of our entire Brotherhood will back up our beleaguered local unions.

This is our position with regard to the strike now underway with Gould National Battery Incorporated. This strike has been in effect for 14 weeks and involves some 1500 IBEW members in 14 locations. The strike grew out of the company's refusal to bargain in good faith with the IBEW and its refusal to pay fair wages. Unfair labor practice charges against Gould have been filed with the National Labor Relations Board.

Behind these mild and simple statements there is a grim and ugly story. The Gould Company has played a despicable "cat-and-mouse" game with our people—pretending to bargain, promising to consider issues, even making commitments—then repudiating all within a matter of hours. In one instance the company has attempted to have the National Guard called out against our people. Every action seems calculated to bring about a single end—destruction of the union.

The offer of the Federal Mediation and Conciliation Service to attempt to arbitrate the issues, quite acceptable to our local unions, was flatly rejected by the company.

We call the attention of every member of our Brotherhood to this deplorable situation. We are now initiating an immediate boycott of Gould Batteries in 20 major cities and will extend our boycott if no agreement can be reached and the company persists in its refusal to submit the issues to arbitration. We ask the support of every member of our Brotherhood in making this boycott effective. Gould makes batteries for such companies as Montgomery-Ward, Standard Oil and Western Auto Supply. In addition, Gould makes batteries for some 60 other companies which are sold under their own brand names.

Locations where Gould batteries are made by members of the IBEW include plants at Kankakee, Illinois; Chicago Heights, Illinois; Rock Island, Illinois; St. Paul, Minnesota; Salem, Oregon; East Point, Georgia; Dallas, Texas; Marlboro, Massachusetts; Memphis, Tennessee; Zanesville, Ohio; Denver, Colorado and Leavenworth, Kansas. In all these cities IBEW members are standing firm—standing firm for fair treatment, decent wages and to preserve their union.

**ALL MEMBERS OF THE IBEW PLEASE NOTE: DON'T BUY GOULD BATTERIES!
ASK YOUR FRIENDS NOT TO BUY GOULD BATTERIES! HELP YOUR FELLOW UNION
MEMBERS!**

Thursday, November 14, 1963

Labor— Duty to Spur U.S.

By Joel Seldin

Of The Herald Tribune Staff

The AFL-CIO should do more than it has done to foster revitalization of the nation's economy, the leaders of the labor federation agreed yesterday.

With the AFL-CIO biennial convention to begin today, the federation's Executive Council met and approved a "major effort" to stimulate employment and reduce unemployment, a spokesman announced. The proposal will be brought before the convention.

The council did not spell out details of the "effort," but left drafting of the program to the convention's Resolutions Committee. The top officers and vice-presidents of the federation did agree, however, the spokesman said, that there could be no single or simple solution of the nation's economic ills, and that a many-faceted program would be required.

First on the union leaders' list was the 35-hour week with no reduction in pay, a policy the council adopted last year which will come before the convention for ratification. They also mentioned double time for overtime, increased public works, a tax cut, and an increase in minimum wage and in coverage under that law.

KENNEDY

President Kennedy, who will address the convention tomorrow at 11 a.m. at the Americana Hotel, still is opposed to the 35-hour week, although he favors the other proposals mentioned in the council discussion. Mr. Kennedy may restate his views on the shorter work week in his speech.

At the AFL-CIO's last convention, in 1961 at Miami Beach, the President spoke out against the shorter work week at no pay reduction even before it had been adopted as council policy. He said the nation's domestic and foreign commitments required full production with everyone working the present legal work week of 40 hours.

The council also approved a program for the opening days of the convention, which is scheduled to end on Thursday, Nov. 21.

SPEAKERS

The opening session today will be addressed by Harry Van Arsdale, president of the New York City Central Labor Council; Raymond Corbett, president of the New York State AFL-CIO; Mayor Wagner and Gov. Rockefeller. It will also hear the keynote speech by George Meany, president of the federation.

An afternoon session will hear speeches by Harlan Cleveland Assistant Secretary of State, and Labor Secretary W. Willard Wirtz.

Preceding the President tomorrow will be George Leader, former Governor of Pennsylvania, and William E. Simkin, director of the Federal Mediation and Conciliation Service. In the afternoon, Omar Becu, secretary-general of the International Confederation of Free Trade Unions, and other fraternal delegates will speak.

CIVIL RIGHTS

The convention will recess over the weekend, and resume on Monday with a discussion of civil rights. A. Philip Randolph, president of the Brotherhood of Sleeping Car Porters, will deliver the major address on the subject. In the past, Mr. Randolph has differed sharply with federation policy on civil rights, but more recently he has patched up his differences with the other officers of the AFL-CIO.

On Monday afternoon, the federation's General Board will hold a closed session dedicated to labor's political activity in the next two years, including the Presidential campaign next year. It is expected to indorse an increase in the expenditures and activity of the unions with regard to politics.

Drivers Strike 221 Safeways

Stores Stay Open, Mediator Steps In

Truck drivers went on strike at 8 a.m. today against 221 Safeway stores in the Washington area after last-minute efforts to negotiate a new contract failed.

A Safeway spokesman said the stores would remain open "as long as they have merchandise."

Picketing was expected to start first at the Safeway distribution center in Prince Georges County and spread by Saturday to the individual stores.

Meanwhile, company and Teamster Union spokesmen were scheduled to meet with James Holden of the Federal Mediation and Conciliation Service to try to settle the dispute.

Expired October 31

Mr. Holden has asked the union to give its negotiators the authority to agree on a new contract. The old labor contract with the union, Local 639, expired October 31.

Intensive negotiations, which had been going on since the old contract expired, broke off last night. The Teamsters International Union issued strike authorization for the local at 8 o'clock this morning.

The contract dispute centers on the length of the contract, wages and holidays.

The union membership has rejected a management offer of a three-year contract with hourly pay raises of 43½ cents for meat-truck drivers, 42 cents for other drivers, 40½ cents for loaders and 39 cents for helpers.

Other Benefits

The proposed contract also included an increase in the night differential of 1 cent,

SAFEWAY

Continued From Page A-1
from 13 to 14 cents an hour, and three weeks of vacation after eight years, instead of after 10 years.

The union has asked for a two-year contract with an hourly pay raise of 56 cents for every one—31 cents the first year and 25 the second.

The union also has asked for a night differential of 22 cents an hour, four weeks of vacation after 15 years and two extra holidays a year.

Hourly pay scales under the old contract were: Meat truck drivers, \$2.91; other drivers, \$2.77; loaders, \$2.66, and helpers, \$2.54.

1,000 Now Involved

It was estimated that some 5,000 members of various union locals, including other Teamster locals and Bakers, eventually could be affected by the strike.

Those immediately involved will be nearly 1,000 workers at the Safeway distribution center—the 265 members of the bargaining Teamsters local and about 700 warehousemen.

It was reported that telegrams would be sent by the local union to clerks, butchers and warehousemen asking them to honor the picket lines.

Unions Back Guild Strike at Toledo Blade

TOLEDO, Ohio, Nov. 18 (AP).—A strike against the Toledo Blade Publishing Co. by Local 43 of the American Newspaper Guild went into its third day today with assurances given by seven other unions at the company's two papers that they would respect the Guild's picket lines.

The Toledo Council of Newspaper Unions—made up of eight of the nine unions at the afternoon Blade and morning Times—said after a meeting yesterday the Guild's picket lines would be honored. The eight unions have about 850 members at the papers.

The strike began Saturday morning when pickets were placed at the Blade building. The Guild has said main issues in the dispute are wages, Guild shop, severance and merit pay. The Guild claims management wants to eliminate a Guild shop, provisions for severance pay and merit raises contained in the contract which expired October 21.

The strike began while negotiations were still in progress, the Guild contending management was not bargaining seriously. The talks have been going on since August.

A negotiating session is scheduled at 10 a.m. tomorrow with Federal Mediator Harry Gray sitting in.

Yesterday was the first time in the 135-year history of the Blade that the newspaper failed to publish. Seventy-two pages were prepared Saturday by supervisory editorial personnel and set in type by day-shift printers who crossed the picket line. Work on the edition stopped in the stereotype department when other unions began respecting the Guild's picket line.

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Mediator Sets Up Meeting In WJW Radio-TV Strike

CLEVELAND, Nov. 16 (AP) —A Federal mediator stepped into a strike against WJW radio and television stations today and set up a meeting.

Broadcasting continued as management used supervisory and production personnel, many of whom were flown in from Storer Broadcasting Company stations in Atlanta and Miami. Storer owns WJW.

The Cleveland local of the American Federation of Radio and Television Artists maintained picket lines at the stations and at the transmitter site in North Royalton. The strike started at midnight last night.

What divided the two sides was not clear as they went into a meeting with Federal mediator Gilbert J. Seldin.

THE NEW YORK TIMES, MONDAY, NOVEMBER 18, 1963.

Outlook Dim In Safeway's Strike Talks

The six-day-old Teamsters' union strike against the Safeway stores chain in this area continued today with little prospect of early settlement.

Now negotiating with two locals instead of one, Safeway management representatives met today with the Warehousemen's Local 730 and with Drivers' Local 639.

The contracts of both teamsters' locals expired on October 31 but the warehousemen are not on strike. They are, however, honoring the drivers' picket lines and so are an undetermined number of the retail clerks' union membership.

Federal Mediator James Holden is attempting to bring both sides to an agreement in the strike that has closed most of the chain's 221 area stores. He said yesterday's talks adjourned at 6 p.m.

There are two main stumbling blocks to settlement. One is wages and the other is a union demand that only Teamsters unload food supply trucks at the retail stores. The position of company division manager J. Arnold Anderson is that other employees should be allowed to help in this work.

Approximately 16 cents an hour separates the Teamsters and the company on a wage settlement now that Safeway has agreed to a two instead of a three-year contract and the union has dropped demands for two additional holidays.

Drivers' Strike With Safeway Still Unsettled

Tentative agreement has been reached between Safeway Stores and Warehouseman's Local 730 for a new contract. But discussions will resume at 1 p.m. today on the still-unsettled strike of the truck drivers' Local 639 of the Teamsters Union.

The warehousemen, who also are Teamsters members, are not on strike in the dispute that has closed most of the Washington area's 221 Safeway Stores. However, the approximately 700 warehousemen have been respecting the drivers' picket lines. Both contracts expired October 31.

Henry G. Butler, sr., business agent and secretary-treasurer of the warehousemen's local, said today the agreement was reached about 10 o'clock last night in sessions with Safeway officials. The negotiations then switched to the drivers' contract proposals until a halt was called about 3 a.m. today.

The warehousemen's local official declined to give details of the tentative agreement with Safeway, which requires ratification by the local membership. He said he was preparing a draft of the agreement to show Safeway officials and to be initialed today.

However, Mr. Butler said the tentative agreement would not be presented to the warehousemen membership until the drivers' local reaches an agreement with Safeway. The drivers have authorized a 15-man union committee to agree to a new contract with Safeway without coming back for membership approval, a spokesman said.

Today's session is being moved from the Hay-Adams Hotel to the office of Federal Mediator James Holden, who has been sitting in on the session since the drivers' strike began last Thursday. Also joining in the negotiations have been several representatives from the Teamsters' Eastern Conference.

Involved in the walkout are about 265 union truck drivers who transport supplies to the chain's stores. However, several thousand other employees have been affected by the work stoppage.

THE EVENING STAR

Washington, D. C., Thursday, November 21, 1963

Safeway Strike Talks Fail, Will Resume Today

Negotiations in the week-old Teamsters strike against 221 area Safeway stores are scheduled to resume today. No progress was reported after a four-hour session yesterday ended without a strike settlement.

"There's been no change in the truck driver situation," Federal Mediator James A. Holden said yesterday.

The strike, which involves 265 truck drivers, loaders and helpers of Teamsters Local 639, has closed all but about 30 of the Safeway stores, J. Arnold Anderson, Safeway division manager, said. The stores were told to remain open as long as they could.

The Teamsters have been asking higher wages and more benefits in a new contract. The old contract expired October 31.

Record on Missile Sites Praised as 'Near-Perfect'

New York—Special tribute to labor for its “complete cooperation” with the work of the Missile Sites Labor Commission was paid by Dir. William E. Simkin of the Federal Mediation & Conciliation Service.

The record is “as close to perfect as can be expected in a society of free human beings,” he told the AFL-CIO convention in recalling that at a time when some congressmen were crying for restrictive legislation in 1961, labor gave the government a voluntary no-strike pledge.

The commission was established and since then, local missile site committees headed by federal mediators have resolved most disputes without resorting to commission decisions. This could not have been, Simkin said, without the “able and resourceful leadership” of many of the “men who are in this room today.”

Labor Sec. W. Willard Wirtz, who addressed the convention earlier, said a report filed recently with the White House showed a record of only one man-day lost because of labor disputes out of every 1,288 days worked from June 1962 to June 1963. That works out to less than one hundredth of 1 percent of potential working time.

Mediation Chief Urges 'Mature' Bargaining

New York—The need for "sophisticated and mature collective bargaining" and for unions with enlightened leadership has never been greater, Dir. William E. Simkin of the Federal Mediation & Conciliation Service told the AFL-CIO's 5th convention.

Speaking for 240 mediators involved actively in more than 7,000 disputes a year, Simkin decried the "prophets of doom" who say the organizing surge in the 30's and early 40's was the high-water mark for American unions, that the subsequent "very substantial improvement in wages and working conditions has almost milked the cow dry" and that little can be done in the future.

The implication, he observed, is that unions might just as well go out of business and leave any remaining problems in the hands of management.

It has also been suggested, Simkin noted, "that labor leadership is addicted to middle-age spread and is hanging on to the institution of collective bargaining for personal job security reasons."

Union leaders are not flawless, he said, but the institution of collective bargaining has "potentials that can result in achievements more realistically significant," though perhaps less glamorous, than any of the past.

"Nor can we trust management to produce these achievements by unilateral action," he said. "Instead, the need for industrial democracy, in the form of really sophisticated and mature collective bargaining, has never been greater."

The mediation chief cited the fact that for four consecutive years the nation has had a consistently low record for time lost by strikes and lockouts.

This "exceptionally good record is a tribute to your leadership," he said, adding that "the occasional failure of collective bargaining promotes public hysteria that is not justified by the record."

Over all, the institution of collective bargaining is "doing a better job today than would be performed by most of its critics" if they had

the power to decide rather than to criticize, Simkin said.

The future of the bargaining process, he added, probably lies in the field of continuing consultation and communication throughout the term of a labor agreement.

As evidence of this "new bargaining maturity" he listed new agreements recently achieved by union and management in steel, autos, electrical manufacturing, aerospace, maritime and numerous scattered small plants.

Wage, Seniority Gains Won In IUE-Westinghouse Pact

The International Union of Electrical Workers has signed a new three-year contract for 36,000 workers at the Westinghouse Electric Corp.

Among the major gains were a 13½ percent hourly wage increase; an improved vacation schedule; wider service credits for pensions, seniority and vacations; an increase in weekly layoff income benefits, and improvements in pension and insurance benefits.

The contract was concluded two weeks after the expiration of the last agreement. Talks were held on a day-to-day basis with the U. S. Mediation and Conciliation Service sitting in for the final week.

Stating that the "gains made during the negotiations will have a great impact on IUE members and their families," the union's Westinghouse Conference Board said the company "must show a new spirit of equitable adjustment of grievances" in the future, "or face continuous court tests on the arbitrability of unresolved complaints."

Under the agreement, the years of service necessary to qualify for three weeks' vacation was reduced from 15 to 10, with an added day of vacation for each year of service between 15 and 20 years.

Retirement at 62, after 30 years of service, with full accumulated pension was also won by IUE. Retired employees will be

allowed to retain one-third of their life insurance coverage, with a minimum of \$2,500, an increase from the previous 25 percent and \$2,000 minimum.

Workers on layoff will receive 60 percent SUB instead of the current 50 percent. Hospital room allowances increase to \$25 a day now and \$28 on Nov. 1, 1966.

Total accumulated service with the company, regardless of interruptions, will now be counted in determining seniority, pensions and vacations. In the past, workers lost past seniority after four years on layoff or after 30 days' voluntary separation.

Six hundred IUE members at the Westinghouse plant in Muncie, Ind., remained on strike after the national agreement was signed. The authorized strike began 10 days before the settlement, and involves local seniority rights.



“... The accelerated pace of technological change has produced a whole host of new problems all too familiar to all of you... I am convinced that we have just begun to scratch the surface of possible ways and means to meet and solve these challenges, even within the area of collective bargaining.

...“I know we also realize that some of these problems can't be solved at the bargaining table. And this puts a great burden on labor leadership because it involves the question of making a determination as to what can be done and what should be done by means of collective bargaining and what requires broader governmental action or other action on a national basis.

“... In addition to our role in crisis bargaining, we believe that as mediators we can be useful in helping unions and employers establish and maintain some of the new and dramatic steps being adopted in labor-management relations to study and solve problems outside the final, frantic few days before a contract deadline. . . .”

—William Simkin, Director,
Federal Mediation Service

Auto Strike Deadline Tomorrow

Associated Press

Detroit

The United Auto Workers Union said yesterday that unless contract agreement is reached by midnight tomorrow, it will strike Ford Motor Co. even if President Johnson asks it not to.

"I don't care who asks it," said UAW president Walter P. Reuther, there will be no delay.

Asked if this includes the President, he said, "That's right."

Reuther insisted that a strike against Ford would have "no appreciable impact" on the national economy, arguing that increased production and employment at GM and Chrysler would, to some extent, offset the loss of employment and production.

REASONING

He said "If we were in a critical industry, and if defense production was involved, we'd find some way to accommodate the President if he asked an extension," Reuther said.

The UAW leader said, however, that Ford is not a critical defense producer and that a strike against it would "in no way affect the health and safety of the country."

Reuther said he asked the company yesterday whether it was willing to consider an economic agreement "in the framework of increased pro-

See Page 15, Col. 1



UPI Telephoto

WALTER REUTHER
Not even the President

Auto Strike: Deadline Tomorrow

From Page 1

ductivity or the company's profitability."

LETTERS

Reuther said he got a "No" to both parts of his query, although he told newsmen he had two letters from Ford written in past years in which the company said wages were based on increased productivity and company profit.

With less than 60 hours remaining before the strike deadline, both the company and the union were pessimistic, even though William E. Simkin, director of the Federal Mediation and Conciliation Service has joined both sides at the bargaining table.

It was the first time in 20 years that a Federal mediator sat in on main contract negotiations in the auto industry — at the union's invitation with company agreement.

Simkin said he had no script or plan whatever to avoid a walkout.

TALKS

Malcolm L. Denise, Ford vice president for labor relations, said the possibility of reaching agreement before the deadline is "extremely dim." He reported no progress in yesterday's first round of talks.

"I think the Ford Motor Co. has decided they want a strike, and I think they're going to get one," Reuther said.

A shutdown of Ford Motor Co. would idle 160,000 hourly rated workers in 27 states and knock the company out of production of 1968 models with only some 85,000 now in the hands of dealers. Ford normally produces about 50,000 cars a week.

GM

General Motors Corp. is expected to give the UAW an answer today on the union's proposal that their current three-year contract be extended while a pattern-setting settlement is sought at Ford.

In the only development the UAW reported that Ford had agreed to discuss Canadian wage parity in its current bargaining here.

The UAW estimates that Canadian auto workers now average about 40 cents an hour less than their American counterparts.

Since the new United States and Canadian agreement abolished tariffs on automobiles and parts flowing across the border, the union insists that lower Canadian wages are a threat to the job security of American workers.

A Record Worth Noting

Lost in the avalanche of news that pours out of Washington daily was the second annual report of the President's Missile Sites Labor Commission which was issued last month. This is a typical tragedy of news coverage — when the situation is bad it gets widespread coverage, when it is good there is little attention paid to it. This is an indictment of both the news media and the public it serves, for the public seemingly wants to read and hear about tragedy or trouble and the news media meets the public's desire to a greater degree than it should.

Think back to the five years from 1956 to June 1961, when, with Russia obviously forging ahead on missiles, space shots and its entire space program, our nation's effort seemed continually crippled by labor disputes and strikes. The record of labor wasn't pretty — 185,478 man days of work lost out of 17,781,000 worked on vital defense installations—and the American public was naturally aroused and upset, just as it was back in World War II days before labor, management and the Federal government got together with no-strike, arbitration and mediation programs.

Since May 1961, when the late President John F. Kennedy established the President's Missile Sites Labor Commission, the picture has changed drastically. The Commission's second annual report shows that since that time a total of 30,690,900 man-days were worked and only 26,158 man-days were lost due to labor disputes at all missile sites. This represents an improvement of over 1200 per cent as related to the lost time experience at missile sites for the five year period prior to establishment of the President's Missile Sites Labor Commission. In another

realistic comparison, all industry in the United States during 1962 showed a percentage of .16 in days lost due to strikes to days worked, contract construction for the same period showed .60 per cent but the per cent of days lost to days worked on missile sites from June of 1962 to July of 1963 was only .077. The missile site record, incidentally, was .014 per cent under the 1961-62 record.

"This achievement," says Secretary of Labor W. Willard Wirtz, who is also chairman of the Missile Sites Labor Commission, "is directly attributable to the work of the local missile and space committees established at all sites and to the wholehearted cooperation that these committees have had from the workers at the sites. As a result of the success of the local committees, official Commission action has been necessary in only a few instances. It was," the Secretary added, "in a very real sense, a year in which the interests of labor and management were honorably and peacefully met in an exercise of industrial democracy that has served well the interest of the nation and the free world."

It is interesting to note the nature of the work stoppages that did occur. Of the 62 occurring during the year, 35 involved grievances, 16 were jurisdictional disputes (more than 30 major labor unions are involved in missile work), four involved union versus non-union disputes and seven were over contract negotiations. Ninety per cent lasted less than 2½ work days, only two lasted five work days or longer.

What was behind this remarkable work record? Primarily it was the work of 24 tripartite committees, composed of representatives of labor, management and government, which resolved literally thousands of labor problems on the local level. Particularly noteworthy, too, in the words of the report, was "the contribution of the Federal Mediation and Conciliation Service. These mediators, as chairman of the local committees, performed yeoman service in thorny and burdensome situations." But the success of the President's Missile Sites Labor Commission and its local Missile Site Labor Relations Committees is attributed, in the words of the report, to the support and cooperation given by the representatives, both national and local, of labor, management and government; and the unstinted efforts of the missile site workers. "Motivated by the sense of urgency, this team is accomplishing timely completion of missile and space sites," the report emphasizes.

Smooth operation of our missile site construction with a minimum of labor dispute doesn't make news but none the less deserves reporting. Labor and management in the non-defense field could well follow the example set in the missile-space field of industry.