

A
Very
Joyous
Holiday
Season
To All
Of You
From
UAW
Officers,
Board
Members,
And
Staff

(and Solidarity, Too)

UAW SOLIDARITY

INTERNATIONAL UNION, UNITED AUTOMOBILE, AIRCRAFT & AGRICULTURAL IMPLEMENT WORKERS OF AMERICA-UAW

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'Inflation-Proof' U.S. Bonds Needed by Senior Citizens, UAW Advises Senators



CONTRIBUTIONS to the ICFTU International Solidarity Fund are placed into special globe-shaped containers by (left to right) Tom Mboya, general secretary of the Kenya Federation of Labor; M. M. Kamaliza, from the Tanganyika Trade Union Congress; Arne Geijer, president of the ICFTU and UAW President Walter P. Reuther, during a pause in the sessions of the ICFTU Sixth World Congress held in Brussels, Belgium. (For more on the ICFTU, see page 3).

'Peace, Freedom,' Theme Of Free Trade Unions

BRUSSELS, Belgium — The International Confederation of Free Trade Unions, which brings together the labor movements of the free world, held its Sixth World Congress and celebrated its Tenth Anniversary here in early December.

UAW President Walter P. Reuther was a member of a large delegation representing the AFL-CIO and served as chairman of a key committee on economic, social and political questions. AFL-CIO President George Meany headed the American delegation.

The congress, attended by some 400 delegates from 101 countries and

On the Inside

Read the news about your favorite region — yours — on pages 2 and 7. And for the "inside" on what big business is doing in political action, see page 6. Then run — don't walk — to your next Citizenship meeting.

representing 57 million workers, adopted several resolutions reaffirming the ICFTU's determination to continue battling against dictatorships, aggression, discrimination, poverty and exploitation.

Delegates also took action to reorganize the structure of ICFTU to place greater emphasis on the organization of workers in Asia, Africa and Latin America.

Plans were made to step up support for the ICFTU's International Solidarity Fund, maintained through voluntary contributions. The fund is used to give practical assistance to education programs for workers in under-developed areas of the free world, to contribute to refugee relief, to help build free labor unions, and similar projects to strengthen democracy.

The ICFTU was founded in London in 1949 by trade union leaders from throughout the free world, includ-

ing Reuther, who was chairman of the delegation representing the former CIO. Reuther also chaired the commission which drafted the original — and now historic — manifesto entitled "Bread, Peace and Freedom," now used by the ICFTU as a basic slogan.



EROSION of retirees' income by rising living costs can be off-set by "constant-purchasing-power bonds," UAW Secretary-Treasurer Emil Mazey (right) told a Senate subcommittee in Detroit. With him is Charles Odell, director of the UAW older and retired workers' department.

A practical, down-to-earth proposal for offsetting inflation's destructive effects on the living standards of retirees has been urged on the Federal government by UAW.

The plan, which calls on the government to issue "constant purchasing power savings bonds" for the nation's senior citizens, was detailed by UAW Secretary-Treasurer Emil Mazey in recommendations to the U.S. Senate Subcommittee on Problems of the Aged and Aging.

Value of the bonds would increase along with rises in the Consumer's Price Index.

Mazey, a principal witness during the subcommittee's three-day Detroit hearings, said the bonds would help "provide protection against rising prices for the retirement savings and pensions of older people who are least able to protect themselves."

The subcommittee, headed by Sen. Pat McNamara (D., Mich.) has been conducting hearings throughout the country for more than a month. It highlighted the purchasing power bonds proposal in questioning the UAW Secretary-Treasurer about the 12-point program he presented.

The broad program, Mazey said, was pointed at "providing the basic security those who have contributed

Continued on Page 8

AT PACKARD:

UAW Wins Pension Dispute

Some 2,000 retired Packard workers are no longer living on pins and needles.

The UAW has reached an out-of-court settlement of pension fund litigation begun last year against Studebaker-Packard Corp. that assures Packard retirees guaranteed lifetime pensions and provides lump sum payments to all Packard workers aged 60 to 65.

For nearly a year, while the UAW carried the pensioners' case to federal court, Packard retirees were never sure from one month to the next if another pension check would arrive.

The pension dispute and tension began 13 months ago when Studebaker-Packard (after merging) tried handling Packard workers' pensions unilaterally, at one time announcing a drastic cut in pensions.

The settlement negotiated by the UAW was significant on two counts:

- Packard retirees will receive pensions equal to 85% of the level provided at the time of the closing

Continued on Page 8



—To Relieve Pain Caused by High Cost of Medicine, See pp. 4, 5

UAW Staffer Goes to Jail—Here's Why

PHILADELPHIA — A UAW staff member went to jail here not long ago, but nobody made a fuss about it. Charles A. Guensch, Region 9's citizenship and education director for the state of Pennsylvania, went to Philadelphia's Holmesburg Prison for about an hour and a half—not as a convict, of course, but as a lecturer.

He spoke on "What I Should Know About Labor Unions" to a group of prisoners.

"I have addressed all kinds of groups in the past," Guensch told Solidarity; "businessmen, librarians, lawyers, high school and college students and Lions and Kiwanis Clubs, but this is the first time I was ever asked to lecture at a prison. It is certainly the most unusual request I have ever received and fulfilled.

"It came about because one day an official of Holmesburg Prison here called me and told me about the 'self-improvement group' which some of the inmates had voluntarily formed. The group meets every Saturday morning and listens to lectures from people from all walks of life."

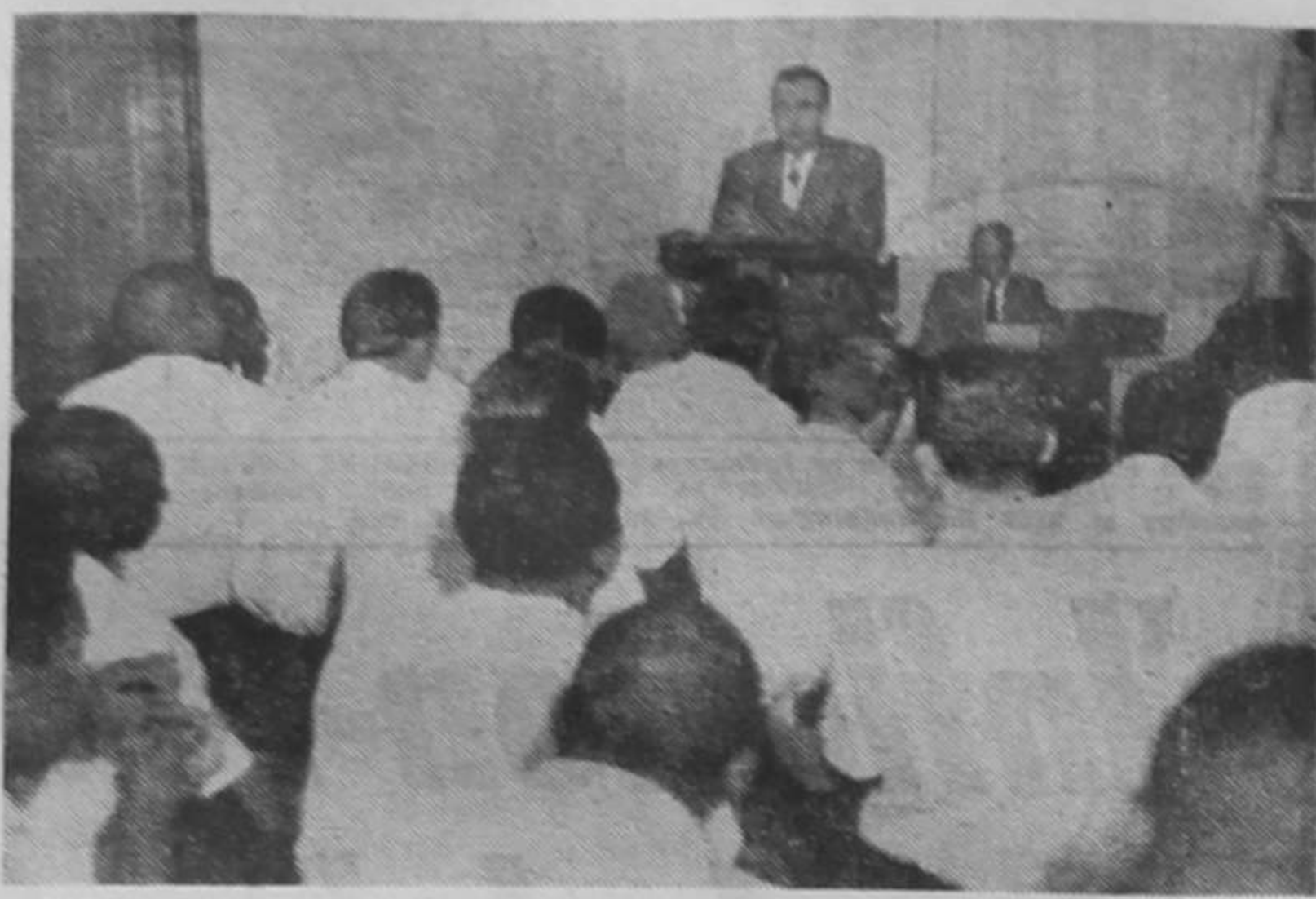
Guensch said a questionnaire had been circulated among members of the group to determine their interests,

More Regional News On Page 7

and a request to hear from a representative of the labor movement was high on the list. The call from the prison official, David Kaplan, followed.

"I spoke to the inmates — there were about 75 present — for 20 minutes, and spent another hour or so answering their questions," Guensch reported. "I never spoke to a more attentive group. The questions they asked were intelligent and indicated a genuine interest in unions. However, I found that only a handful had ever belonged to a union.

"It was a novel experience for me—going through locked doors to reach your audience and then being locked in the room until the end of the program. But it certainly was worthwhile."



INMATES of Philadelphia's Holmesburg Prison listen to Charles Guensch talk about the labor movement. Guensch is a UAW Region 9 education-citizenship representative.

New Jersey UC Law Inadequate, Says CIO

NEWARK, N. J.—New Jersey's unemployment compensation law is grievously inadequate and is growing progressively worse, according to Joel R. Jacobson, State CIO legislative director.

Jacobson made the statement in a report submitted to the members of the State CIO Council's legislative committee which met last month at the council's headquarters here to plan the CIO's 1960 legislative program.

In his report, Jacobson emphasized that New Jersey's UC law was previously one of the best in the nation. He added, however, that "as a result of the refusal of the state senate to act upon any improvements during its last two sessions, New Jersey's unemployed workers are now being treated shabbily when compared to other states.

"The inadequacy of our state law becomes apparent by a few simple comparisons," he said, citing these examples:

1. In 1955, New Jersey's weekly maximum benefit was surpassed by only 9 states. Today, New Jersey's \$35 maximum ranks 29th throughout the entire nation.

2. In 1953, New Jersey's average weekly benefit was the highest in the country. Today, New Jersey ranks 12th in this computation.

3. Computed as a percentage of the average wages in the state, New Jersey's \$35 benefit is one of the lowest in the country.

"The improvement of the New Jersey UC law should be one of the first actions of the new legislature," Jacobson declared.

Need \$91 Wk. to Live in NYC

NEW YORK—In this city, an average family of four persons with one wage earner needs an income of about \$91 a week to sustain an adequate but modest level of living, the Community Council of Greater New York reports. The cost of living is lower in New York City than in most metropolitan areas.

The amount cited will buy the goods and services in the family budget standard and will pay the federal, state and social security taxes.

Living costs for this "average family" have risen more than 12% since Oct. 1954, when the council first established its standard. It is estimated that about 20% of this city's families do not have incomes sufficient to achieve this standard.



FIRST OUTSTANDING CITIZENSHIP award is presented by the UAW Philadelphia Citizenship Council to Presiding Judge Adrian Bonnelly of Municipal Court for his "devotion to humanitarian and unselfish efforts in behalf of his fellow man and for his wisdom and energy on the bench and an unstinting lifetime in public service." Shown presenting the plaque to the judge is Charles T. O'Malley, council president and head of Budd Red Lion Local 92, as fellow council members look on. Left to right: Edward McElroy, president of Local 293; Matthew Adams, president of Local 585; O'Malley; Charles J. O'Reilly Jr., council secretary treasurer and secretary treasurer of Budd Hunting Park Local 813; Judge Bonnelly; Joseph F. Ferrara, president of Local 813, and William Overton, president of Local 416.

It Pays to Be A Republican

NEWPORT, R.I.—Henry P. Fletcher, former national chairman of the Republican Party who died last summer, left a personal estate estimated at more than \$4.5 million, according to probate court records here.

N.J. State CIO Council Asks TDI Improvements

TRENTON, N.J.—The New Jersey State CIO Council has recommended the liberalization of the state's Temporary Disability Insurance law to provide additional benefits of \$5 per day for any claimant who is hospitalized.

The CIO's recommendations were presented by Joel R. Jacobson, State CIO executive vice president and legislative director, before a public hearing of the TDI Advisory Council here.

"The deadly monotony of repeated—and unjustified—increases in the Blue Cross rates accentuates the need for this additional benefit under our New Jersey TDI law," Jacobson declared.

"This specific proposal to provide hospitalization benefits as part of our state's disability insurance program can hardly be called revolutionary or even new. In cen-

tral Europe, as far back as 1854, disability insurance and hospitalization benefits were available for workers and their dependents.

"A study conducted by the Health Information Foundation of New York City has disclosed that the rate of hospital utilization has increased 20 per cent in the last 25 years.

"With hospital use increasing and with Blue Cross rates zooming upward, a severe financial drain is being imposed upon workers and their families. The expansion of our state's TDI law to provide such additional hospitalization benefits is a logical and progressive step to ease this burden," he continued.

Jacobson also urged an increase in weekly benefits and the inclusion of pregnancy as a compensable item under Temporary Disability Insurance.

Region 9 Bowling Tourney Opens Jan. 31 in Edison

EDISON, N.J. — The New Jersey Recreation Council will hold its tenth annual Region 9 Bowling Tournament at the Edison Bowling Lanes here on Route 1, near the Lincoln-Mercury plant, on January 31 and Feb. 7, Regional Director Martin Gerber has announced.

The tourney is open to all Region 9 locals in New Jersey and Pennsylvania and their members, and is sanctioned by the ABC and the WIBC. It will be divided into men's and women's divisions and into three events — teams, doubles and singles, according to Joseph Lisi, Region 9 representative.

Closing date for entries is Jan. 15. The entry fee is \$4 per person per event. The trophies which will be awarded to the winners of each event are being donated by the regional recreation fund.

Local union presidents and recreation committee chairmen were advised that checks should be made payable to the "UAW Region 9 Recreation Fund" and should be mailed along with the entries to the chairman of the tournament committee, Pete Mershon, 77 Deborah Court, Plainfield, N.J.

For further information and entry blanks, contact your local union or the Region 9 office at 855 Sixth Avenue, New York 1, N.Y. Phone LOngacre 4-5656.

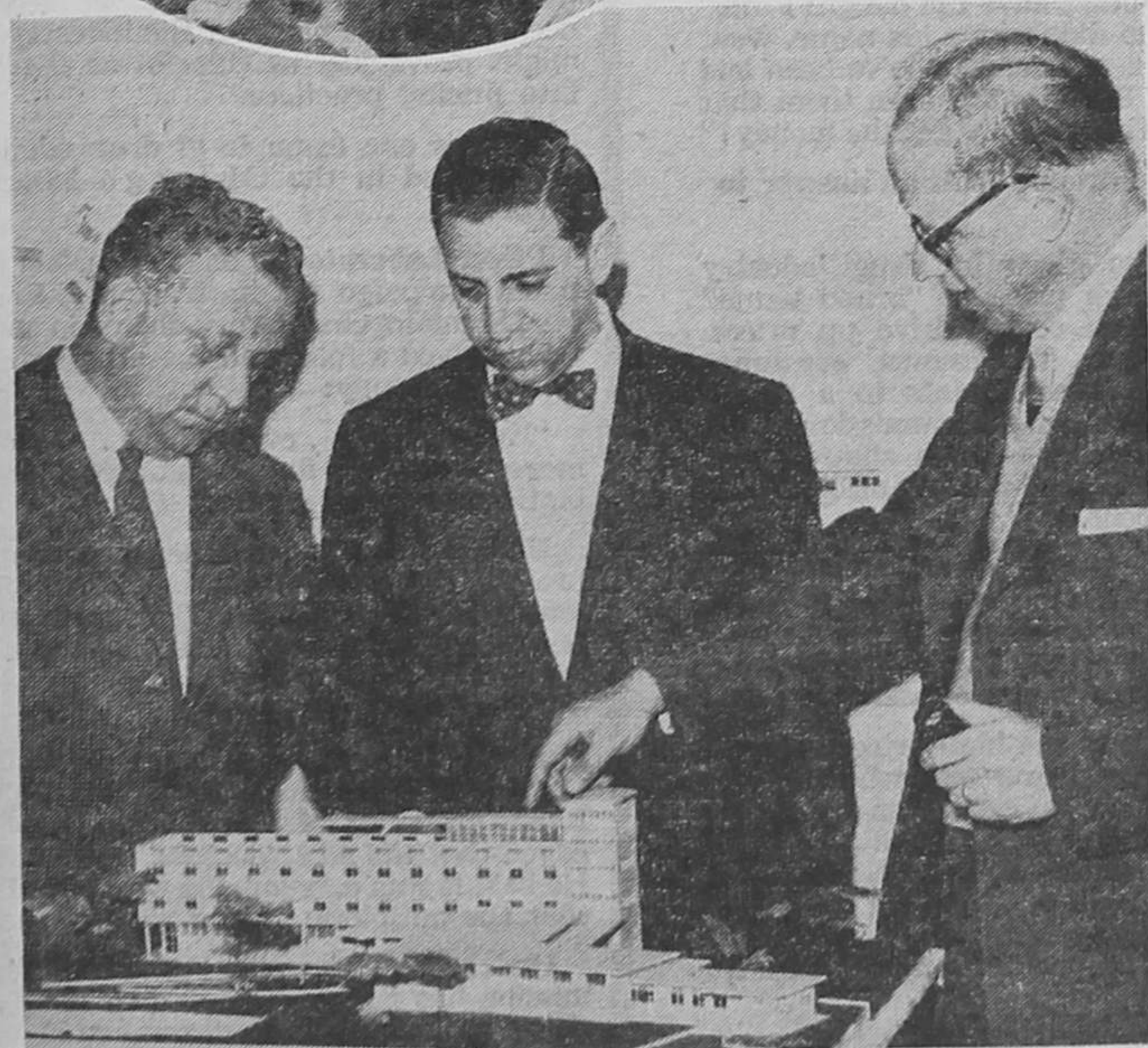
Assisting Mershon, a member of Local 726, are committee members Lou Iannicelli, Local 267, Union, N.J., Tom Orlando, Alcoa Local 1189, Garwood, N.J., and Ralph DiSiano, Mack Truck Local 343, Plainfield.

Mershon advised those unfamiliar with New Jersey that Edison is near the city of New Brunswick.

BUFFALO, N.Y.—The UAW's ninth annual International Bowling Tournament will be held at the Thru-Way Lanes here beginning Feb. 13 and continuing through April 24.



Whether it's a worker in a cotton mill in India,
A hungry child somewhere in Africa,
Or women workers in an Asian silk factory—
You can reach around the world to help them
By supporting the ICFTU Solidarity Fund.



ONE OF THE PROJECTS carried on by the ICFTU Solidarity Fund was the financing of an African Labor College in Kampala, Uganda. Above (left to right) Robert Shebal and Irving Bluestone, UAW international representatives, examine a model of the college with Victor Reuther, director of the UAW's international affairs department, while visiting ICFTU headquarters in Brussels last year.

WHEN THE TRADE UNION LEADERS OF THE free world gathered together in London in 1949 to launch the International Confederation of Free Trade Unions they chose « Bread, Peace and Freedom ! » as the title of its first Manifesto. In the ICFTU the workers of the free world have forged for themselves an instrument to fight for social justice everywhere and to make international solidarity a living reality.

'Bread, Peace and Freedom'

A DECADE AGO in December 1949 there was established the International Confederation of Free Trade Unions (ICFTU).

THE TENTH ANNIVERSARY of the ICFTU was celebrated at its Sixth World Congress the first week in December 1959 in Brussels, Belgium.

IN ATTENDANCE was a large delegation of American trade unionists, including UAW President Walter P. Reuther, a member of the ICFTU executive board.

AT THE FOUNDING CONGRESS of the ICFTU, there were delegates from 70 trade union organizations in 53 countries, representing 48 million workers.

TODAY THE ICFTU includes 131 affiliates in 101 countries in North and South America, Europe, Asia, Africa, Australia and New Zealand, representing 57 million workers. In the United States, the AFL-CIO and United Mine Workers are affiliated. In Canada, the Canadian Labour Congress is affiliated.

IN TEN YEARS, the ICFTU has become a strong and increasingly influential organization truly representative of the free workers of the world, and a recognized force of world importance.

BUT THERE IS STILL a tremendous job to be done in strengthening and consolidating the forces of free trade unionism throughout the world, in winning higher material and cultural standards for workers everywhere and in reinforcing and invigorating democracy.

THE RATE OF ADVANCE towards these objectives will depend on the continued support of all free trade unionists, and their awareness of the urgency and importance of the tasks facing the international trade union movement.

PURPOSES OF THE ICFTU:

TO STRIVE for an ever-rising standard of living for working people everywhere;

TO PROTECT and promote world peace without appeasement;

TO STRENGTHEN free trade unions in the struggle against totalitarianism, whether Communist or Fascist;

TO SUPPORT colonial peoples in their struggle for liberation;

TO FIGHT for the economic and social advance of the workers in colonial and dependent territories;

TO PROTECT and strengthen workers' rights everywhere.

The High Cost of Prescription Drugs— It's Enough to Make You Sick!!

Most UAW members have been complaining for years about the high cost of prescription drugs, but little did they suspect just how great the markup was and how greedy the industry has been in its search for higher and higher profits.

Now, thanks to Sen. Estes Kefauver (D., Tenn.) and his Congressional investigating committee, the shocking facts have been spread across the front pages of every newspaper in the country.

"Sen. Kefauver's probe has shown that the drug industry has used the misfortunes and miseries of the ill, the crippled and the elderly to enrich itself beyond all reason. It has used pain and suffering as a vehicle to become the most profitable of all American industries," UAW Secretary Treasurer Emil Mazey said in a statement.

"I urge every UAW member to write to Sen. Kefauver to express our gratitude for the great public service he is performing with this investigation, and to urge him to keep right on digging when the hearings are resumed," said Mazey, who is director of the union's community services department.

While the sky-high cost of drugs is of concern to every working man and woman who has a hard enough time trying to make ends meet, it assumes near-disaster proportions for those most in need of medicines at low cost—the elderly and retired living on extremely limited incomes who often suffer not just one but a variety of ailments.

Harry W. Springer is an 85-year-old Detroit resident with a problem. A widower, he lives on a pension of \$79 a month. By the time he pays out at least \$25 a month for the drugs and medicines he needs to stay alive, and \$17 for heat and utilities, he is left with about \$37 a month to live on — \$37 a month for food, clothing and other essentials, and taxes on his home.

"You can see why I can't make it," he told Solidarity.

Like so many of his fellow retirees, Springer suffers from several ailments. "I've paid as much as \$40 for a little bottle of medicine," he said. "Of course they never tell you what it is; they just hand you the prescription and say—'go have it filled'."

Springer's wife died about two and a half years ago. Before her death, her weekly bill for medicines sometimes ran as high as \$50, he said.

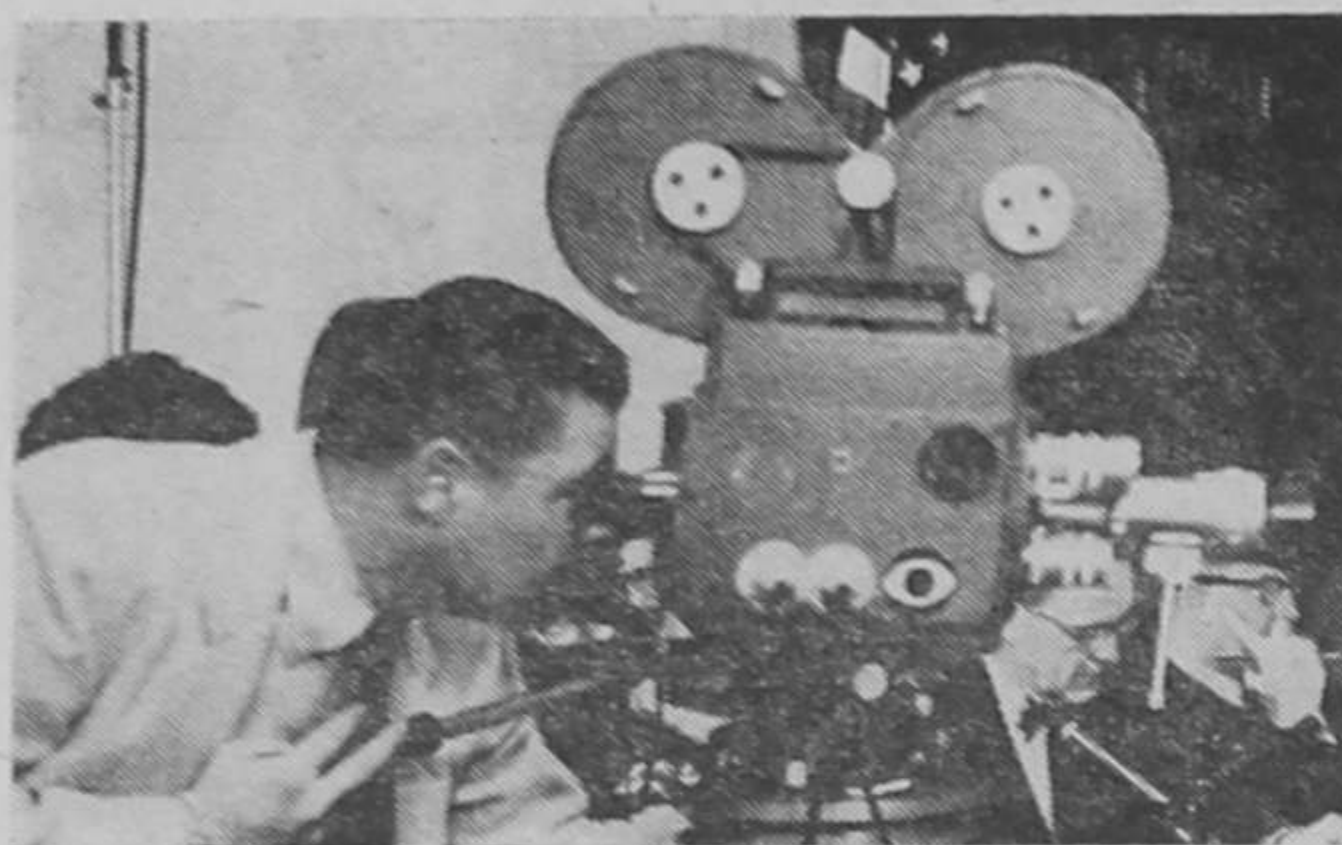
Of course those without funds to buy expensive medicines can always do without, as at least one drug industry official has suggested. What's a little arthritic pain? And some of the older folks are better off dead anyway, these apostles of high prices seem to feel.

Tragically, some of our senior citizens do exactly what the heartless cynics suggest. According to W. B. Brown, a retired Dodge Local 3 member, many retirees "simply are not able to buy the drugs they are supposed to have because the prices are just enormous."

Brown knows what he is talking about. He is on the Local 3 retired workers steering committee and is active in the UAW's retired workers program in the metropolitan Detroit area. One of his duties is visiting the sick.

"About 75 per cent of the retirees I come in contact with need to take medicine to keep themselves going, but a lot of them just don't have the money, once they pay for rent and food," he told Solidarity.

Mary E. Logan is an 80-year-old retired rural Michigan school teacher who gets no pension and no social security. Her total yearly income amounts to a few hundred dollars, which she gets for baby sitting or doing anything else she can to keep body and soul together.



She is forced to subsist on two small "meals" a day—breakfast, and "dinner" consisting of a bowl of soup and crackers. Often, she says, she "walks a long way to a dime store to get a bowl of soup for 20c; other places it's a quarter."

Miss Logan suffers from pernicious anemia. The drug she is supposed to take costs \$18 a bottle, and "then they charge you another \$5 for each hypodermic needle shot.

"There's just no way I can afford it," she says. "I starved myself this past year just so I could pay \$150 in taxes to keep them from taking my home away.

"The other day I had to get something for an earache. At one drug store it was 75c for a tiny little bottle, so I walked about three miles to another drug store which I thought might be a little cheaper. There the same bottle was only 35c," she said.

A member of Ford Local 600 who said he had been working "fairly steady" told of having a prescription filled the other day which cost him \$7.50 for "twelve little antibiotic pills."

"I'm not saying I didn't have the dough; I did," the Ford worker, who didn't give his name, went on. "But I have a lot of friends who've been laid off for a long time. Suppose it'd been them that had to pay \$7.50? Where'd they get the money?"

There was no one around with an answer to that question.

One of the reasons given by drug industry spokesmen for the high price of "brand name" drugs is that "research costs" drive up prices. But Sidney Margolius, well-known consumer counsel for the labor press, points to a recent study by the Federal Trade Commission — a federal government agency—which showed that the research cost of brand-name antibiotics is less than seven per cent.

Research really gets only about 3.3c of the antibiotic sales dollar, Margolius told a New York State legislative committee last October, when he was testifying in behalf of the Metropolitan New York Consumer Council.

"The real gainers from the high prices of modern drugs are Wall Street investors who saw the profit possibilities in life-saving drugs marketed under brand names," Margolius testified. "The market price of the shares of ten leading companies doubled from 1956 to 1958. In 1958, one of these drug manufacturers made a profit of 17 per cent on sales and 28 per cent on investment," he pointed out.

Many of the dramatic advances in medicine were not developed by the drug industry at all. Salk polio vaccine, for example, was developed through funds made available by the March of Dimes, to which most Americans have been contributing for many years.

Streptomycin, it has been pointed out, was developed by an underpaid professor working in a university laboratory. Other research has been financed by grants from the federal government

—that is, from taxpayers' money—and from institutions supported by public funds.

Of the 28 winners of the Nobel Prize in medicine since 1945, only one did his research in a drug industry laboratory, Margolius noted.

Some industry spokesmen, in testifying before the Kefauver committee, asserted that, after all 30c or 60c a day is "not too much to pay for the relief of pain," and that a \$20 prescription is a cheap price for saving a life.

That is not the point, however, Margolius noted. We need water to live, too, but don't expect to pay \$5 a bottle for it.

Dr. Alexander Fleming, the famed British physician who discovered penicillin—the forerunner of most modern antibiotics—didn't make a cent from his discovery because he didn't patent it.

"He intended the benefits to be his legacy to humanity, not to the drug companies and speculators who found a bonanza in drug stocks," Margolius declared.

Penicillin, not a "brand drug," now costs only about 5c a dose, though most doctors will charge their patients \$1 or more in addition to their regular fee for administering a shot.

The drug industry's attitude is exemplified by a statement made by Dr. Austin Smith, president of the Pharmaceutical Manufacturers Association, which is in the best "let 'em eat cake" tradition. Said the good doctor (as quoted by The New York Times):

"I am sure that all of us feel the greatest compassion for elderly people who find it difficult to pay for medication. If the pharmaceutical industry is at fault here, it is because it has helped create a pool of millions too old to work by prolonging their lives."

A Phony Ad? No, It's 'Symbolic!'

The drug industry not only believes in charging enormous prices, but also engages in phony and misleading advertising. The committee's probe has not yet delved too deeply into this phase of the industry, which might prove just as colorful as the inquiry into pricing practices.

Here is one example of drug advertising, as revealed in the Chicago labor paper "Work:"

Pfizer Laboratories once ran a big promotional campaign for its trademarked antibiotic, Sigmamycin. Every doctor in the country received a folder on the drug which contained this copy:

"Every day . . . everywhere . . . more and more physicians find Sigmamycin the antibiotic therapy of choice."

Underneath this headline were printed the professional cards of eight doctors from various parts of the nation. The cards included name, medical degree, street address, phone number and office hours.

When skeptical newsmen checked, they found that the eight doctors did not exist. Confronted with this information, John McKeen, president of Pfizer, readily acknowledged that the ad's "doctors" were fictitious. He said it was a "symbolic way of indicating that the antibiotic was in wide-spread use."

Under federal law, the Federal Trade Commission has no jurisdiction over drug advertising as long as it is disseminated only to members of the medical profession. Which may be why the industry advertises primarily in medical journals and through direct mail instead of using the daily newspapers.

Which may in turn be the reason why the newspapers haven't hesitated in playing the drug hearings big — after all, they're not offending a big advertiser.





The Brutal Facts

So much has been printed concerning the hearings of the U.S. Senate's Antitrust and Monopoly subcommittee on administered prices in the drug industry that the reader sometimes loses sight of what the Senate probers found. Here, in summary, are some of the more sensational findings:

Item: An official of the American Association of Retired Persons charged that Parke, Davis & Co. of Detroit cut off supplies to a non-profit, discount pharmacy in Washington, D.C., patronized by retirees, which had been buying drugs from the firm for 15 years. A company spokesman said the official was "misinformed."

Item: The Upjohn Co. of Kalamazoo, Mich., brought female sex hormones for 14c a gram and sold them to druggists for \$15 a gram, an increase of 10,000 per cent, committee investigators said.

Item: Schering Corp., a former German-owned firm seized under the enemy alien property laws during World War II, was sold by the U.S. government in 1952 to a group of private investors who recouped their entire investment out of profits in about five years.

Item: Restricting agreements have resulted in the domination of three big firms — Schering, Upjohn and Merck — who control the market in certain cortisone derivative drugs used by arthritis sufferers.

Item: The drug industry, with an after-taxes profit averaging 21.4 per cent of investment, had the highest profit ratio of industries surveyed by the FTC.

Item: Schering, which still charges druggists \$170 per thousand tablets of prednisone, an anti-rheumatism drug it markets under the brand name corticorten, first charged the Veterans Administration \$136 under a "negotiated" contract. When the government switched to competitive bidding, Schering dropped the price to \$23.63 and still lost out to a smaller firm which quoted an even lower price.

Item: Schering bought a quantity of the drug

Estradiol from a French firm, bottled it at a cost of 11.7c for a bottle of 60, sold it to druggists for \$8.40, with a retail price tag of \$14.

Item: Sen. Kefauver charged that "most drugs clearly fall within the definition of administered prices. They are set, not by the changing forces of supply and demand, but by administrative decision and held constant over extended periods of time."

Item: The drug industry has hired a number of public relations firms to counter-act the "bad

racy just because these companies squeeze the life blood out of our hides for more profits?"

Item: One factor which increases drug costs is the industry's habit of entertaining doctors like aircraft companies entertain generals — for example, Pfizer Laboratories arranges yearly golf tournaments for MD's only, with all expenses paid. Also fishing contests, bowling tournaments, skeet shoots and sport smokers.

Item: Like the auto industry, drug firms believe in "planned obsolescence." They feel they have to come out with new products "to meet the competition." This is another factor making for increased costs.

Item: Drug companies employ hordes of so-called detail men (salesmen) who try to persuade doctors to prescribe drugs using their firm's brand name rather than the generic or chemical name, thus hiking patients' costs.

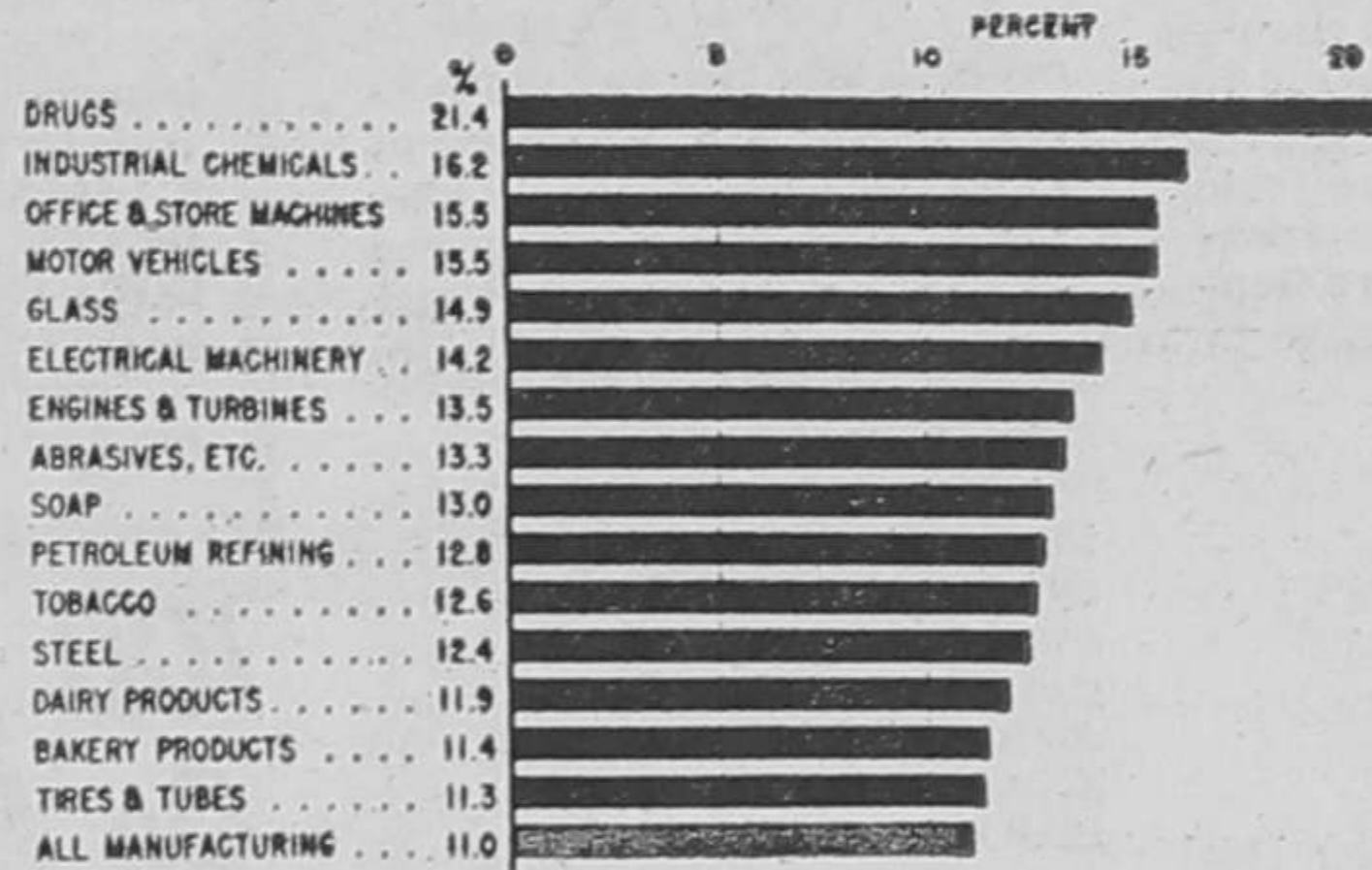
Item: American drug companies sell their products at much lower prices abroad than in the United States, though added shipping costs alone would normally tend to make prices higher in foreign countries.

Item: Francis C. Brown, president of Schering, gets \$75,000 a year, is eligible for a pension that could pay up to \$33,000 a year for life and has been given options to buy his company's stock that could net him in excess of \$300,000 at current prices.

Item: Penicillin tablets marketed by Squibb under the trade name "Pentids 400" sell for \$14.85 per hundred. The same tablet sold by a small company under the generic penicillin name costs \$3.75 per hundred.

Item: A Johns Hopkins University professor accused drug firms, in their advertising, of selling "bushfuls of sow's ears for silk purses." He said they dump "miserable" medicines on the market every year with the aid of exaggerated ads and persistent detail men.

Comparison of Rates of Return After Taxes in Selected Industries, 1957.



SOURCE: INDUSTRIES: Federal Trade Commission
ALL Mfg. FTC-SEC

DRUG PROFITS are almost twice the average rate for all manufacturing, according to this chart which was submitted in evidence at the Kefauver hearings.

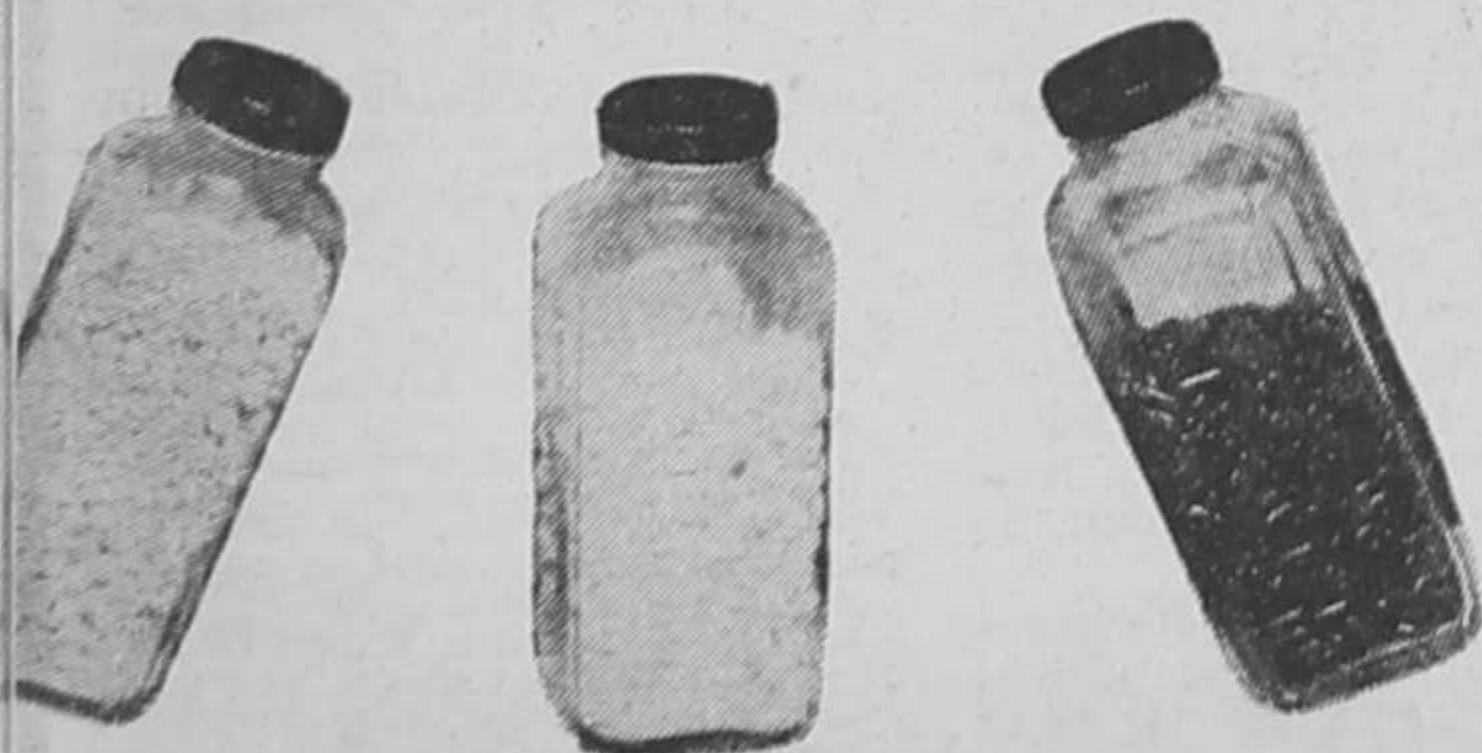
publicity" it is getting. Among the firms reportedly hired is Selva & Lee, which also handles the Kohler Co.'s "public relations."

Item: A man in Arkansas wrote to the committee and asked: "Must some of us die in this democ-

The Detroit News SECTION A

12, 1957, VOL. 87, NO. 113 THE HOME NEWSPAPER—ESTABLISHED 1875

CHARGE FIRM SOLD DRUG ON 10,000 PCT. MARKUP



Price Gap Defended by Upjohn

Hidden-Factors Increase Costs, Senators Hear

(Related Story on Page 17A)
WASHINGTON, Dec. 12 — (UPI)—Senate investigators said today that Upjohn Co. bought female sex hormones for 14 cents a gram and sold them to druggists for \$15 a gram, an increase of 10,000 per cent.

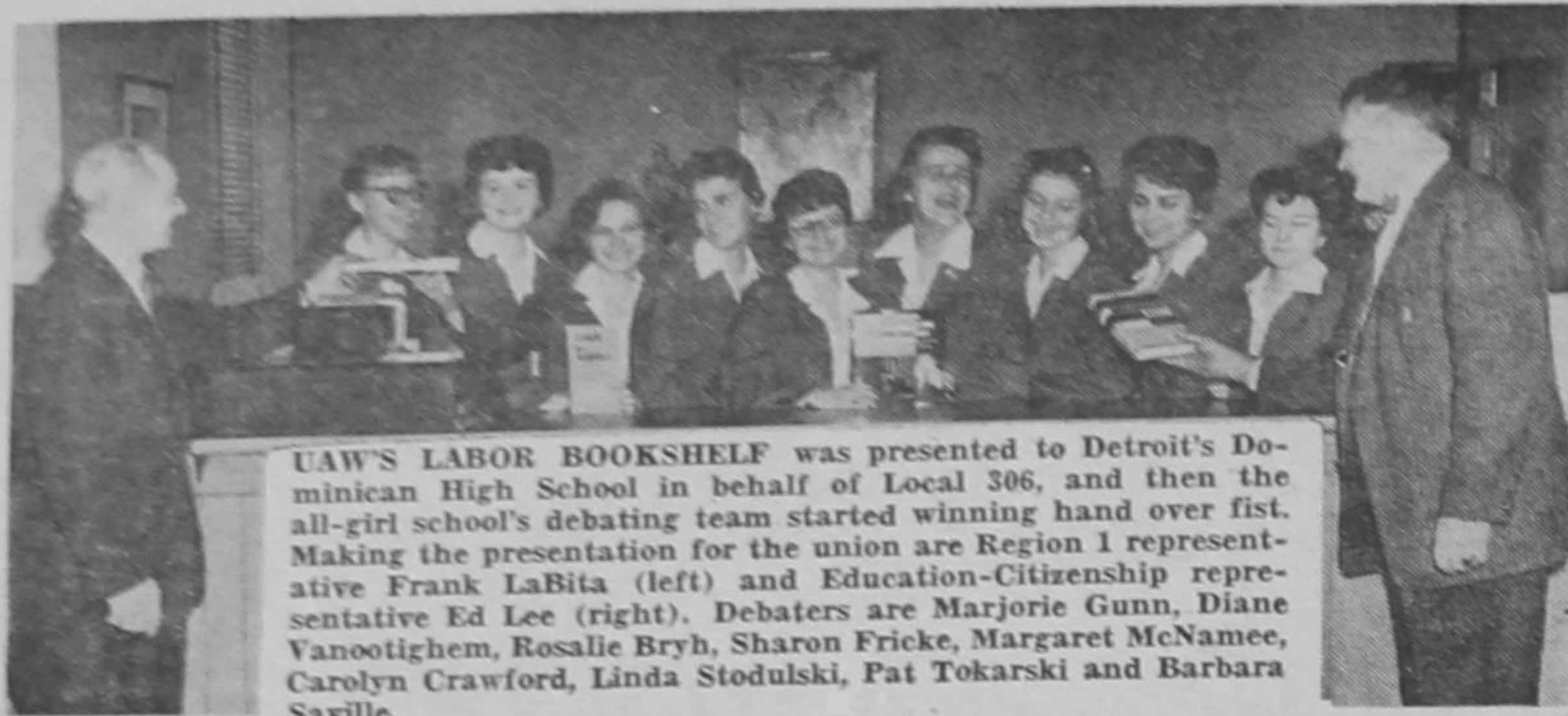
What You Can Do To Lower Drug Costs

Here's what you can do to combat the high price of some prescription drugs:

1) Urge your doctor, when he writes a prescription for you, to use the generic rather than the brand name of the medicine, whenever possible. This gives the pharmacist an opportunity to sell you a lower-cost product, especially if you tell him you can't afford the high-priced stuff.

2) Whenever you do have to pay a high price for a drug, make your complaint known to the druggist. If enough of his customers complain, he will in turn complain to his supplier, and it goes on from there. Such grass roots pressure may perhaps persuade the drug manufacturers to lower their prices, if this Congressional inquiry doesn't.

3) Get together in your local union, or with a group of locals in one city, and with such groups as credit unions and consumer co-ops, and discuss the possibilities of discount or co-op drug buying to reduce costs.



UAW'S LABOR BOOKSHELF was presented to Detroit's Dominican High School in behalf of Local 306, and then the all-girl school's debating team started winning hand over fist. Making the presentation for the union are Region 1 representative Frank LaBita (left) and Education-Citizenship representative Ed Lee (right). Debaters are Marjorie Gunn, Diane Vanootighem, Rosalie Bryh, Sharon Fricke, Margaret McNamee, Carolyn Crawford, Linda Stodulski, Pat Tokarski and Barbara Saville.

'Bookshelf' Aids Girl Debaters

An all-girl high school's team couldn't find words to help them win a debate—until they visited UAW's Solidarity House and received the union's Labor Bookshelf.

Up to that point, the debaters, students at Dominican High School in Detroit, had been on the short end of the score in contests involving labor-management subjects. They'd been getting a lot of management propaganda material, and just didn't know labor's case.

During the Solidarity House visit, they heard the union's position on issues from UAW Education Director Brenda Sexton and Region 1 staff member Frank LaBita. Then LaBita and Ed Lee, education-citizenship representative for Region 1, presented them with a set of the union's Labor Bookshelf in behalf of Local 306.

"The two events reversed the situation completely," Sister Frances Maria, their coach, said. "They've now won ten debates in a row."

'Fortune' Tells All:

Big Business Plunging Into Political Action

Big business is gearing up a well-oiled political action program which it hopes to have rolling smoothly by the time the 1960 Presidential campaign gets underway.

A "progress report" on this calculated operation being pushed by certain wealthy, influential corporations appeared in the December issue of Fortune magazine, the lush publication put out by Henry Luce (Time, Life) for his big business peers.

"The hottest extracurricular activity of many corporate managements today," says Fortune, "is not golf but a more complex game—politics. . . . They are marshaling executives in training courses for practical politics and issuing ready-made arguments for the fray."

The Luce magazine said that the "pioneers" in corporate political action were Gen-

eral Electric, Ford and Johnson and Johnson. GE and Ford "have fairly elaborate departments that are exclusively concerned with government and political affairs, and are headed by executives of standing who have the full confidence and backing of top management."

Other large companies making "fairly comprehensive political action efforts" are American Can, Borg-Warner, Gulf Oil, Monsanto and Republic Steel, while hundreds of other companies, big and little, have sponsored political action training courses for what Fortune calls "middle-management people."

A "practical-politics course" brought out early in 1959 by the U.S. Chamber of Commerce has been used by 162 business firms and 479 local chambers, the magazine said, with over 20,000 people taking it.

Another program put out by the NAM has been purchased by about 100 companies, and some 5,000 people have undergone it. A corporation-sponsored group that calls itself the Effective Citizens Organization (ECO), has presented special seminars at universities all over the country in which more than 1,000 executives have taken part since 1956. And ECO reported it can no longer stay up with requests for their programs.

The Manufacturers Association started a "practical politics" program in 1957 in Syracuse, N.Y., where General Electric is the city's largest employer.

By the end of 1959 almost 1,400 Syracuse business people from 25 companies had completed 20 to 30 hour courses—and the movement is "still growing so strong," reports Fortune, "that applications—all voluntary—exceed the number of slots available for participants."

The applications may be "all voluntary," as the Luce magazine reports, but the words of Ralph J. Cordiner, GE's chairman, could hardly have been more pointed: "Perhaps in the past the manager has not felt that (political activity) was a part of his assignment. It is now."

Get Ready to Roll

Detailed information and materials about the Ninth Annual UAW International Bowling Tournament has been mailed to all local unions and former participants in the U.S. and Canada, Olga M. Madar, UAW Recreation Department Director, announced.

The tournament, which will run concurrently each weekend from Feb. 13-14 until April 23-24, except for the Easter holiday weekend April 17-18, will be held at Tru-Way Lanes, Buffalo, N.Y.

Keep an Eye on EYE OPENER

Guy Nunn promises to see to it that EYE OPENER gets off on the right foot in the new year—by giving the publicity-boot-treatment to the Big Business Few in this country who profit from present tax inequities and rigged, bloated drug prices. Be sure and hear the series on these subjects on your radio program, EYE OPENER.

UAW "Eye Opener" Station List

STATE	CITY	STATION	KC	TIME
California	Los Angeles	KRDK	1150	6:30—7:00 AM
Connecticut	New Britain	WHAY	910	6:15—6:45 AM
	Waterbury	WATR	1320	6:15—6:45 AM
Illinois	Chicago	WCFL	1000	5:45—6:15 AM
Indiana	Evansville	WJPS	1330	6:00—6:30 AM
	Indianapolis	WISH	1310	6:00—6:30 AM
Maryland	Baltimore	WCBM	680	6:00—6:30 AM
Michigan	Detroit	CKLW	800	6:15—6:45 AM
	Grand Rapids	WMAX	1480	6:15—6:45 AM
	Muskegon	WKBZ	850	6:00—6:30 AM
Missouri	Kansas City	KCMO	810	5:30—6:00 AM
	St. Louis	WEW	770	6:00—6:30 AM
New Jersey	Newark	WNTA	970	6:30—7:00 AM
	Trenton	WTTM	920	6:00—6:30 AM
Ohio	Cleveland	WJW	850	6:15—6:45 AM
Pennsylvania	Pottstown	WPAZ	1370	6:15—6:35 AM

Political Memo from COPE

More than \$3 million was spent on politics by 43 political groups during the first eight months of 1959, according to financial reports filed with the Clerk of the U.S. House of Representatives. Of the exact total of \$3,023,705.50 in political expenditures, the REPUBLICANS spent \$1,575,329.42—or 52.1% of the total; DEMOCRATS spent \$957,764.80—or 31.7%; COPE SPENT \$78,941.52—or 2.6%.

Four extreme reactionary groups consisting chiefly of a few very wealthy men spent more than two and a half times as much as COPE did. They were Americans for Constitutional Action, Christian Nationalist Crusade, For America, and Pro-America. Their expenditures amounted to \$201,764.93.

The REPUBLICANS, as expected, also led the parade in receipts during the January 1-August 31 period. They took in a total of \$1,494,449.45—or 45.7% of the total of \$3,271,866.85 that all groups reported in receipts. The DEMOCRATS were given \$1,002,368.85—or 30.6% of the total. COPE COLLECTED, IN VOLUNTARY DOLLARS, \$132,654.39—OR 4%.

The four extreme reactionary organizations raked in \$284,606.67. What's that about "slush funds"?

Rural Electric Co-Op Survey Predicts \$1 Billion Buying Of Union-Made Products

Members of America's rural electric cooperatives are going to buy an estimated billion dollars worth of products manufactured by union members in the coming year.

This fact emerges from a survey of the rural buying market conducted by the National Rural Electric Cooperative Association. The study underscores once again the importance to each other of America's farming and working populations.

The NRECA, which conducted the study, is an association of almost 1,000 local electric cooperatives in 46 States, serving over 16 million people. The co-ops, celebrating their Silver Jubilee this year, came into

being as a result of New Deal legislation designed to spur the electrification of isolated farm homes, which private power systems showed little interest in serving.

Clyde Ellis, NRECA's general manager, interprets the survey findings as one more indication of the close economic ties between city industrial populations and their neighbors "down on the farms."

Nearly 3,000,000 rural electric co-op families will be interested in purchasing one or more major electrical appliance items in the months ahead, a projection of the NRECA consumer survey discloses.

Strike Fund Report

TO PRESIDENTS AND FINANCIAL SECRETARIES OF ALL LOCAL UNIONS—UAW

RE: STRIKE FUND REPORT

Greetings:

The following is a summary of Strike Fund Income and Expenditures for the month of November 1959.

INTERNATIONAL STRIKE FUND FOR NOVEMBER, 1959

BALANCE IN FUND, OCT. 31, 1959	\$18,128,438.53
INCOME IN NOV. 1959	1,325,338.63
TOTAL TO ACCOUNT FOR	\$19,453,777.16
DISBURSEMENTS IN NOV. 1959	303,878.17
BALANCE IN FUND NOV. 30, 1959	\$19,149,898.99

There are 10 strikes in effect at the present time, involving 1,767 members of the UAW.

Fraternally yours,
EMIL MAZEY
Secretary-Treasurer

IUD Holds Conference On Retirement, Leisure

WASHINGTON — The problems of older people will command the "increasing attention of Congress in the immediate future," Rep. John Brademas (D., Ind.) told an AFL-CIO Industrial Union Department conference meeting here early in December.

Brademas was the main speaker at a luncheon session held during the two-day conference on retirement and leisure in an industrial society attended by more than 80 union and university technicians in the fields of labor education, social security and retirement education.

Charles Odell, director of the UAW's older and retired workers' department, described the union's program in this field at an evening session.

Odell pointed out that "there is no formula or blueprint that can be set down for every union or every community, because people differ, communities differ and unions differ."

Given enlightened leadership, older people can perform many roles and functions in a retiree program for themselves, Odell said.

Prof. Max Kaplan of Boston University's sociology department urged unions to negotiate "for the whole family" in the fields of leisure and retirement.

Modern management hires the "whole family" and family benefits are increasingly part of the terms of employment, he pointed out.

The conference discussed what could be accomplished through bringing the strength of the entire labor movement behind a program for older and

retired workers. Suggestions were made about what could be done to increase the activity of central and state labor councils in such programs.

The conference, first of its kind in the labor movement, was opened by Al Whitehouse, IUD director. Russ Allen, IUD education director, was general chairman.

UAW SOLIDARITY

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CANDID SCENES from the Region 9 staff training institute held last month at Kiamesha, N.Y. (Photos courtesy Bernard Rifkin).

MONTICELLO, N.Y. — The entire staff of Region 9 spent a week at nearby Lake Kiamesha last month at an unusual staff training institute which delved into virtually every phase of union activity, Regional Director Martin Gerber reports.

Using a self-instruction method, each staff member was assigned to research a particular problem and then lead the discussion on that problem at the institute.

The regional staff was aided by a large number of international union staffers from Detroit and Washington.

Among the problems discussed were these:

- Is the changing nature of collective bargaining undermining the role of the shop committeeman?
- Arbitration as a changing process.
- What every staff member should know about local financial procedures.
- What every staff member should know about the strike benefit program.
- Health and welfare problems at the local level.
- Are we meeting the challenge of minority groups?
- Labor Law.
- Union rules and regulations.

—The UAW and the direction of the American labor movement.

—The challenge of organizing new workers.

—The special problems of white collar workers.

The UAW's citizenship and education programs were also discussed.

Participating staffers included Education Director Brendan Sexton; Jack Conway and Larry Gettlinger, administrative assistant to Vice President Leonard Woodcock; Dan Cassey, assistant director of the Auditing Department; Red Roche of the legal staff; Jerome Pollack, program consultant in the Social Security de-

Hold Area Sessions On New Labor Law

NEW YORK — A series of area orientation conferences have been held throughout Region 9 for local union presidents and financial secretaries to acquaint them with the do's and don'ts of the new Labor-Management Reporting and Disclosure Act of 1959 (the Landrum-Griffin Act).

The sessions were chaired by Regional Director Martin Gerber and arranged by Gabe DeAngelis, assistant director, and Ed Gray, education-citizenship representative.

Conferences were held in Philadelphia for Pennsylvania locals, in Linden, N. J. for Jersey locals and in Buffalo for New York State locals.

These meetings served to clear up a great deal of misinformation about the new law, Gerber reported.

department; Lew Carliner of the Washington office; Andy Brown, assistant director of the Community Services Department, and Bill Dodds, assistant coordinator for citizenship activities.

And in Region 9A:

Classes for Mass. Locals

BOSTON — Region 9A's annual education institute for Massachusetts locals will be held the end of this month, Regional Director Charles Kerrigan has announced.

The institute will be held on the campus of Massachusetts Institute of Technology (MIT) at Cambridge Jan. 22 through 24 and will feature four workshops and a general assembly. Delegates will be able to register Friday evening and Saturday morning. The registration fee is \$3.50 per delegate.

The general assembly will be held Friday evening, with workshops all day Saturday and Sunday, Kerrigan said.

The workshops are on Time Study, Steward Training, Parliamentary Procedure and Effective Speech, and Political Limitations on Collective Bargaining in 1960.

The conference address is: Sloan Bldg., 52 Memorial Drive, Cambridge, Mass.

Booklet Gives 'How' Of Co-op Housing

NEW YORK — Thousands of families in the New York City area are paying rent 20 to 45 percent below comparable private housing because they pooled their savings to help themselves.

Other families caught in the middle—earning too little to carry the burden of high-priced private housing and too much to qualify for public housing—may find a few answers in the new booklet on cooperative housing available from the United Housing Foundation, 500 Fifth Avenue, New York 36.

International Harvester Council Holds Busy 1-Day Session in Ohio

SPRINGFIELD, O.—A detailed report on past arbitration decisions and the schedule of future arbitration hearings was given to the delegates attending a busy one-day session of the UAW's International Harvester Council by Art Shy, assistant director of the International Harvester Department.

The council met here early last month.

Labor Grads At UConn Hear Sexton

STORRS, Conn. — UAW Education Director Brendan Sexton and Mitchell Sviridoff, assistant director of UAW Region 9A, were among the speakers who addressed 105 graduates of the labor education program of the University of Connecticut's Labor-Management Institute last month.

The program is sponsored by the Greater Hartford Central Council, AFL-CIO.

Sexton spoke on "Labor Education and Democracy." Sviridoff, who is also president of the Connecticut State Labor Council, AFL-CIO, discussed "Labor's Public Responsibility in Internal Union Affairs." The students also heard from Dr. Wilber Griswold, director of the university's Hartford branch.

The four-course program in labor relations, which began Oct. 9, is taught at the Hartford branch. Those responsible for setting the program up include John Glynn of the institute and Don Beecher, president of UAW Local 405, West Hartford.

Subjects studied by the students included collective bargaining, arbitration of grievances, union rights and responsibilities, and improved leadership communications, according to John Dillon, Region 9 education representative.

Shy also gave the council an up-to-date report on the UAW's negotiations involving the company's announced shutdown of its famous McCormick Works in Chicago (Solidarity, July, 1959). Delegates also received a complete rundown from Shy on the department's contract administration throughout the huge farm implement chain.

The council, which met in the Amalgamated Local 402 Hall, was welcomed to Springfield by Warren Troyer, Local 402 president, and by another member of Troyer's local, Region 2A Director Ray Ross, who is also a Harvester worker.

Vice President Pat Greathouse, director of the union's I-H Department, who had intended to fly here from California to attend the council session, missed his plane connection and was unable to get to Springfield in time. He was represented at the meeting by his administrative assistant, Herschel Davis, who discussed the "state of the union."

The council adopted a recommendation of its executive board, giving the council's policy committee full authority to work with the International on a final settlement of the McCormick shutdown dispute and on other pending policy matters.

Honor Norman Thomas

NEW YORK (PAI)—Many of the nation's top trade union leaders were among the sponsors of a 75th birthday dinner for Norman Thomas, long-time Socialist and civil liberties champion. They included AFL-CIO President George Meany, UAW President Walter P. Reuther, IUE President James B. Carey, Pullman Porters' President A. Philip Randolph and ILGWU President David Dubinsky.

More than half of the pedestrians killed annually in auto accidents reportedly jaywalked or acted in an otherwise unsafe manner, according to the National Safety Council.



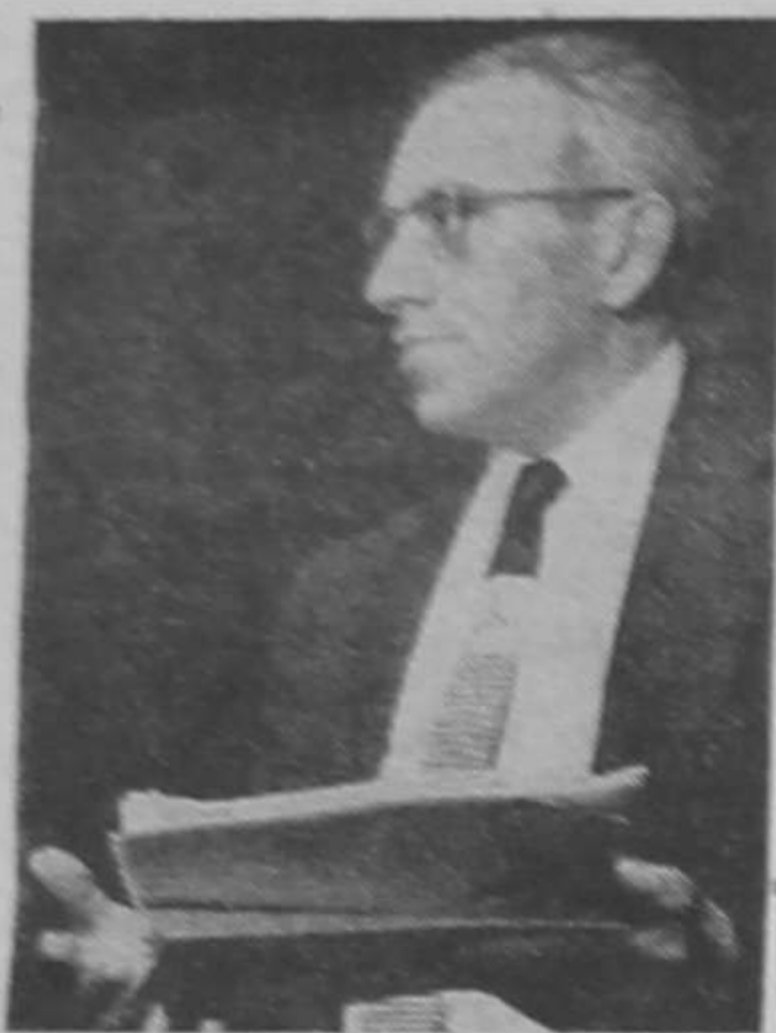
PARTICIPANTS in graduation ceremonies for students taking labor education courses at the University of Connecticut's Hartford branch get together for an informal chat. Left to right: John Glynn, coordinator of the labor program of the university's labor-management institute; Donald Beecher, president of UAW Local 405; Mitchell Sviridoff, president of the state AFL-CIO and assistant director of UAW Region 9A; John Dillon, Region 9A education representative, and Brendan Sexton, UAW education director. (Photo courtesy University of Connecticut).

Things Are Tough All Over

WASHINGTON—"Nixons live from paycheck to paycheck," says the headline on a newspaper story.

The Vice President of the United States receives a salary of \$35,000 a year plus \$10,000 for expenses.





Sam Jacobs, Wife, Killed In Accident

WASHINGTON — Samuel Jacobs, 49, former production worker in a Detroit auto plant who rose to become a highly respected legislative and research consultant here in the nation's capital, and his wife died together Dec. 14 in an auto accident.

He and his wife were buried in Detroit following services attended by trade union and political leaders from many parts of the country.

He had been on the UAW's staff for 11 years, most of the time attached to the union's Washington office.

Victor Reuther, director of the UAW's Washington office, issued the following statement:

"We are deeply grieved at the sudden death of Sam Jacobs, a consultant to the UAW Washington office on tax and consumer problems, and his wife, Pearl Jacobs.

"For 20 years Sam Jacobs has been an informed and courageous spokesman on behalf of consumers, as a school teacher, as a leader of the consumer movement, as an officer of the Office of Price Administration, as an administrative assistant to Senator Pat McNamara and more recently as a consultant to the UAW."

NAA, Douglas Councils Meet

Rapidly approaching 1960 aircraft industry negotiations were top topics at meetings last month of UAW's Douglas and North American intra-corporation councils, Vice President Leonard Woodcock, director of the union's National Aircraft Department, reported.

With Douglas bargaining sessions scheduled to start in March, reports covering progress in shaping the union's collective bargaining demands were delivered at the Douglas council meeting at Tulsa, Woodcock said.

A total of 22 delegates from Locals 148, Long Beach, Calif.; 1093, Tulsa, and 243, Charlotte, N.C., together with international union staff members, attended the two-day session.

Preliminary bargaining proposals were talked over during the union's North American Council two-day session at Columbus, O., Woodcock reported. The meetings were attended by 24 delegates from Locals 887, Los Angeles, Calif.; 927, Columbus, and 1070, Neosho, Mo.

Pension Dispute Settled

Continued from Page 1
of Packard's Detroit plant in 1956.

● Cash settlements ranging from \$490 to \$1,980 will go to all former Packard workers (some 350) aged 60 to 65. Average cash settlement will be \$1,200.

UAW Region 1 Co-Director Ken Morris' office and officials of Packard Local 190 contacted all Packard pensioners and those near retirement. At a series of meetings the details of the proposed settlement were carefully spelled out. Letters detailing the proposed agreement were mailed to all those affected.

The plan was approved almost unanimously.

The settlement was termed a "significant victory" for Packard retirees and those in the pre-retirement group by Morris who led UAW negotiations.

Morris said: "If we had not been able to negotiate this agreement, there was a possibility the case might have been in the courts for years, during which time

Gains Won In Martin Agreement

BALTIMORE — Broad gains, including benefit boosts of about 30%, were won by UAW in negotiations for workers at three Martin Aircraft Co. plants across the country, UAW Vice President Leonard Woodcock reported.

Woodcock, director of the union's national aircraft department, said the new agreement scored advances in future pension service credits and automatic retirement, broadened early retirement eligibility provisions, established vesting gains, raised disability retirement benefits, and reduced the disability retirement age.

The pension pact, which opens up during the life of the UAW-Martin contract, covers about 15,000 workers who are members of UAW Local 738, Baltimore, Md., Local 766, Denver, Col., and Local 788, Orlando, Fla.

It increased normal retirement benefits from \$1.75 to \$2.25 per month per year of service, Woodcock said.

Under terms of the agreement—on which members of the three locals were voting for ratification as Solidarity went to press—future service credits now will include the following:

Absence due to compensable injury; call-in pay; local union and international union leave of absence; holiday pay; vacation pay, sick leave pay and jury duty pay. None was included previously.

Early retirement eligibility was changed from 60 years of age with 25 years service to 60 years of age and 15 years service, the UAW Vice President noted.

All current retirees will receive the new benefits, Woodcock said. Participating in negotiations for UAW were Woodcock, Region 8 Director E. T. Michale, and officers of UAW's Martin Council: John Alden of Local 738, president; Ken Hopkins of Local 788, secretary-treasurer and Joe Ivy, Local 766, Council vice-president. Representatives of each of the three locals also took part in the bargaining sessions.

Packard retirees would be forced to live without assurance they would have a pension check from month to month.

"The corporation is to be commended for recognizing the very real problems involved for each individual retiree and worker affected and for a willingness to meet this problem by working cooperatively with us in efforts to find a solution that resulted in this agreement.

"This settlement guarantees each Packard retiree a pension annuity for life of more than 20% higher than appeared in prospect under the company's plan at the time we instituted suit. The settlement also requires the

immediate payout of more than \$400,000 in cash settlement to those in the 60 to 65 age bracket that will assist them in the transitional period between now and the time when they reach 65 and qualify for social security benefits."

Morris estimated the typical Packard retiree with 30 years' service would receive approximately \$57 monthly in guaranteed annuity. When added to social security to which he and his wife are entitled, it means an assured monthly income of about \$207.

Under terms of the pension agreement negotiated in 1955, retired workers both

at the Studebaker plant in South Bend and at Packard in Detroit were to receive pensions from a consolidated pension fund. Less than a year after the agreement was signed and only two years after Studebaker and Packard merged, Packard car manufacturing was ended permanently in Detroit.

Alongside Morris, negotiating for the UAW, were O. M. Hawkins, administrative assistant to UAW Vice President Norman Matthews; John K. McDaniel, international representative; Harry Kujawski, Local 190 president; Redmond Roche, UAW attorney and Willard Sollenberger of the union's social security department.



REACHING to shake the hands of old friends, UAW Vice President Norman Matthews, who had just addressed their meeting, joins with retirees from Packard in rejoicing over the out-of-court settlement won by the UAW which assures them lifetime pensions.

'Living-Cost' Bonds Urged

Continued from Page 1

so much to our society so richly deserve" and "increasing and extending opportunities for the older person to contribute to our society and to maintain his dignity and self-respect even though he is retired from full-time employment."

It included higher social security benefits; improved disability pensions under the social security program; lowering the social security retirement age, and special early retirement provisions for workers thrown out of jobs by technological changes or geographic redistribution of industrial plants who, because of their age, are unable to obtain other suitable work.

Other points included better surplus food distribution; hospital and surgical coverage for men and women drawing social security benefits, as provided in the Ford and Bill now before Con-

gress; improved public housing for the aged, and better mental health programs.

Mazey stressed that the nation easily can afford the cost of the program if it is willing to achieve a growth rate of five per cent a year and "to recognize and accept our responsibilities."

With the suggestion for "constant purchasing power savings bonds" the cardinal point in Mazey's testimony, the UAW officer emphasized these would provide retirees with "a genuinely risk-free and inflation-proof form of investment." He explained the proposal has been presented to the Congressional Joint Economic Committee by Prof. H. S. Houthakker of Stanford University.

Mazey pointed out the program would help UAW and other unions settle the thorny problem of how to provide pension plan protection for the buying power of retirees.

"Issuance of constant purchasing power bonds for the financing of constant purchasing power pensions would provide a means to enable pension funds to give effective protection to pension recipients," Mazey said, indicating this also would protect younger workers now accumulating pension credits.

"Employers would be able to guarantee pension payments of constant purchasing power with no financial risk to themselves," he said. "The fact that such a method of protecting the living standards of retired workers was available would assure its speedy incorporation into negotiated pension plans.

"Constant purchasing power bonds will fill a great need also for the millions of people who are not covered by group pension plans but have to depend on their individual savings," Mazey stressed.



AN OFF-THE-CUFF CHAT between UAW Vice President Pat Greathouse (third from left) and leaders of the union's Agricultural Implement Council followed his comprehensive report to the group on developments affecting the union and the farm machinery industry since the UAW Convention. The Council met in Detroit last month.

New Dues Structure Will Forge Tools for a Better Tomorrow

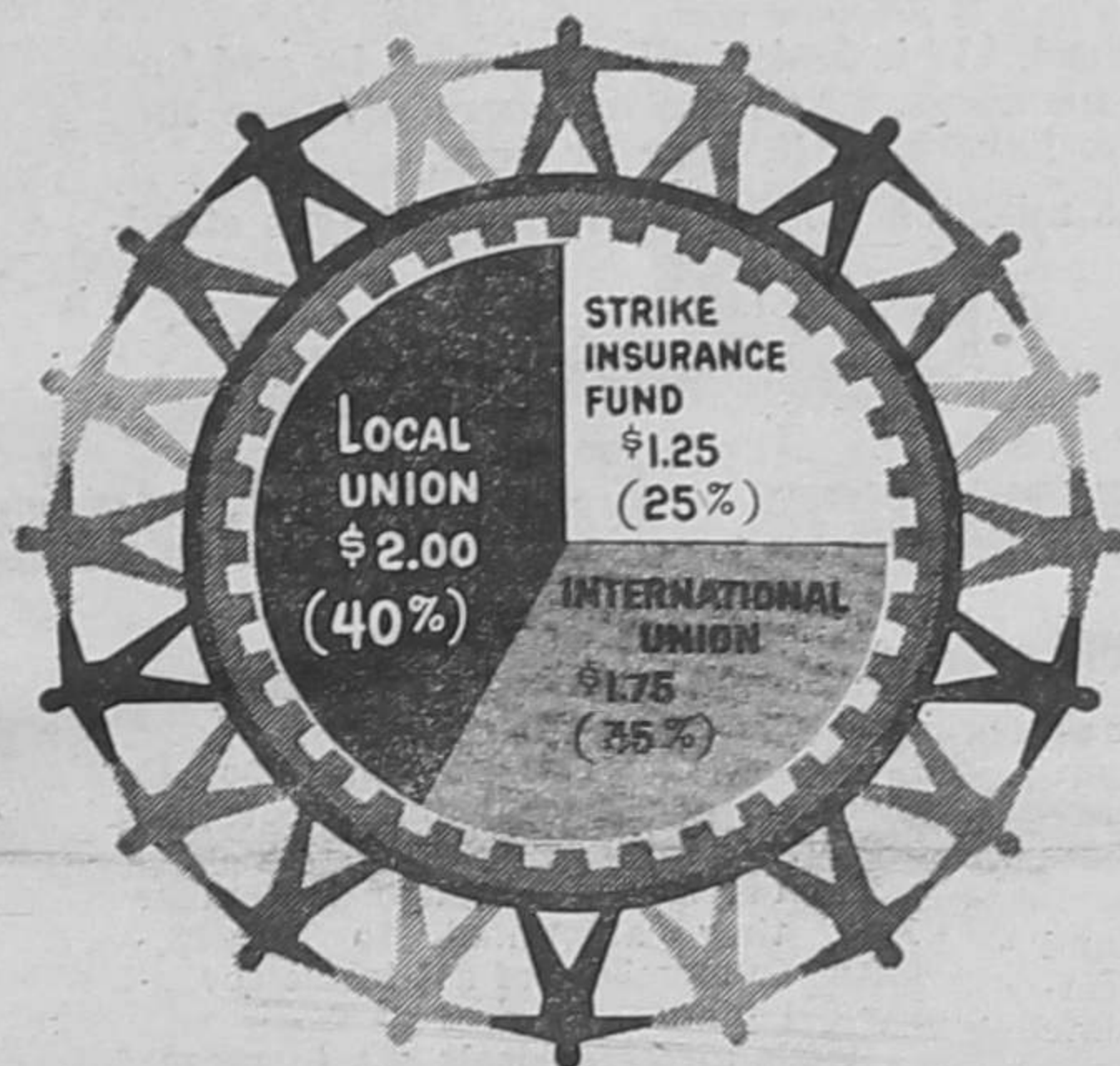
'Cost of Membership in UAW Still World's Best Investment'

The new dues structure which went into effect January 1, 1960 calls for basic administrative dues of \$3.75, and strike insurance fund dues of \$1.25, for a minimum dues of \$5 a month.

Under the provision, each local retains \$2 from the administrative dues. The remaining \$1.75 goes to the international as per capita payments.

Thus, local union minimum dues were increased 50c a month from \$1.50 to \$2, while per capita payments to the international also went up 50c, from \$1.25 to \$1.75. Payments into the strike insurance fund went up \$1, from 25c a month to \$1.25.

In 1958, a provision was put into the constitution to build the strike fund which temporarily added \$1 to strike fund dues in recent months.



This Is How UAW Dues Are Shared

That \$1 has now been integrated into the new strike insurance fund.

Based on a 40-hour week, 50-weeks a year, the new dues structure of \$5 a month amounts to less than 3c an hour.

"The simple and un-

deniable fact remains, that the cost of membership in the UAW and the privilege of sharing the benefits won by UAW members is still the world's best investment," said Emil Mazey, secretary-treasurer.

Overwhelmingly approved by better than a 90% vote of convention delegates to provide the tools for meeting important, far-reaching needs of UAW members, the union's new minimum dues structure of \$5 a month went into effect Jan. 1, 1960.

The rank-and-file delegates aimed it pointblank at UAW's urgent goals for insuring steady progress on the bargaining and organizing fronts as well as improving and protecting gains already made.

These include wage advances and improvements in SUB, pensions, health, medical and life insurance and other vital benefits for all UAW members.

The solid vote of approval for the dues hike, amounting to less than 3c an hour, came after almost two days of equally-distributed pro and con discussion by the delegates representing UAW's 1,400,000 members in the U.S. and Canadian auto, aircraft, agricultural implement and related industries.

Heavily emphasized by the delegates in connection with what adequate dues can provide were:

- Their demand for the union to be strong enough to win bargaining goals to meet current and future needs such as those stemming from automation's growing impact on workers and jobs;
- The vital target of organizing the unorganized, particularly in white-collar fields;
- The need for continued gains and protection covering principles already won by UAW such as SUB, pensions, insurance benefits and others;
- The urgency of building an adequate strike insurance fund in preparation for major negotiations coming up, including those covering aircraft workers in 1960 and auto and agricultural implement workers in 1961;
- Recognition of the impact of today's administered economics, stepped-up management opposition and legislative influences on how hard the union and its members must fight on all fronts, and
- Gains made possible in previous years as the result of a then-adequate UAW dues structure.

In the past five years, the union's aircraft, auto and agricultural implement workers have averaged pay increases of at least 52c an hour.

This does not include additional increases such as those covering skilled workers or those aimed at eliminating or lessening inequities.

Nor does it cover the vast gains won by the union in fringe benefits such as pensions, SUB, hospital, medical and life insurance, severance pay, paid vacations, cost-of-living and improvement factor protection, shift premium improvements, holiday pay, health and safety coverage and much more.

Stacking these huge gains — at least 52c an hour in basic wages plus much more in fringe benefits—against the dues boost cost of only 3c an hour—clearly and accurately shows the value of an adequate union dues structure.



More Democratic, Too

The UAW 17th Constitutional Convention was much more representative of the membership than the Congress is of America's citizens.

Each of the 2,491 delegates represented an average of 454 dues paying members. Each Congressman represents about 350,000 citizens.

Delegates Debated — Then Voted

DEMOCRACY DECIDED the dues issue at the UAW's 17th Constitutional Convention—after ten full hours of debate, extending over a day and a half, delegates voted by a majority of 90% in favor of modifying the union's dues structure. During the debate, the number of speakers was divided equally between those for and those against the dues increase. Thus, those speaking for the minority position were given 50% of the time, although they were supported by only 10% of the delegates.

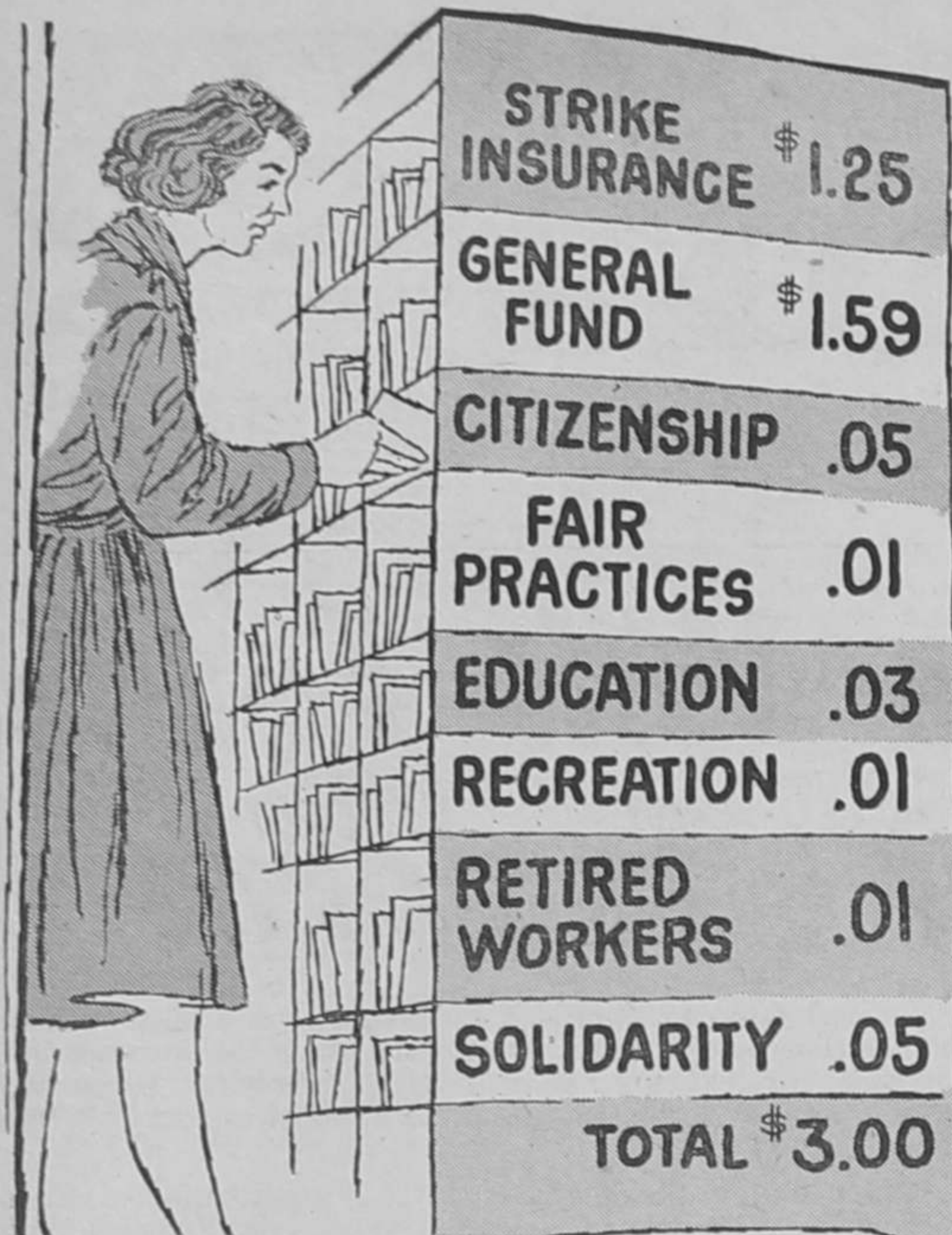
Aircraft Up First in 1960

First UAW members to get the benefit of the new dues structure — with its growing strike insurance fund — will be the nation's aircraft, rocket and related electronics workers whose collective bargaining agreements are set to expire at 30 major plants in 1960.

In addition, their second basic round of pension negotiations already is under way. One major corporation — Martin — already has settled its UAW pension agreement. Other negotiations will follow throughout the year.

Included in the 30 plants at which UAW contract negotiations are approaching fast are a dozen basic agreements with giant companies. Bargaining goals were categorized in August at the first joint conference of the UAW and the International Association of Machinists, the two major unions representing aircraft, rocket and electronics workers.

'We Dared to



J. MASCHHOFF

DISTRIBUTION of the dues paid by UAW members is democratically controlled by UAW members. The constitution (Art. 16, Sec. 12) spells out how dues received by the international shall be allocated (see drawing above). The constitution also provides (Art. 16, Sec. 4) that local unions shall set aside from their portion of monthly dues 5c for a special citizenship fund; 2c for education; 1c for recreation and 1c for a retired members fund. The constitution, of course, is democratically determined by majority vote of delegates at conventions.

The UAW is a great union—made great by the millions of workers who are the UAW and proud of it.

The essence of the union's greatness was stated by UAW President Walter P. Reuther in his keynote address to the 17th Constitutional Convention:

"... We are important because we are about people, we are about people who have problems, who have needs. And we are about the practical democratic tools by which people can deal with these problems and can meet these needs and can begin to realize their common hopes and aspirations.

"... We do more than dream about that better tomorrow that the poets and the ancient philosophers have talked about for the many centuries. We dared to organize, we dared to build, and, when need be, we dared to fight to bring our dreams to practical fulfillment—and that is why we are important."

How do you measure a union's greatness? Not in the size of its membership alone, but in what it has done for the members, and in what the members are willing to do to build and safeguard their union.

The UAW is first of all a union of, by and for the members. And the members who are the union have built it, year by year.

The milestones have been many: wages stead-

ily improved; health, medical insurance plans; pensions; supplementary unemployment compensation; severance pay; income tax equity; improved grievance procedure contracts, firmly and justly enforced.

And the services of the union continue constant organizing activity; broadening programs; increased legislative, community relations activities; research projects; extended communication programs for retired workers, war veterans, protections for minorities—members—the list grows steadily in importance.

Example: April 1, 1960, will mark the anniversary of the mailing of the checks to UAW members under the new pension plan. Since then, 110,000 UAW members in the United States and Canada have retired under the plan. About 90,000 are still living on the benefits.

Example: SUB plans negotiated in more than three years of bargaining have more than \$100 million in benefits paid out to UAW members. SUB was negotiated by the UAW and now many other union contracts, have contributed to the security of the purchasing power of the nation.

Example: Wages have climbed

Stronger Strike Insurance Fund Backs Up Union's

A \$30 million strike insurance fund will back up UAW members at the collective bargaining table and minimize sacrifices in case any members have to hit the bricks.

Those are the chief purposes for rebuilding the union's strike insurance fund.

The \$1.25 a month you'll be paying into it lessens the chance you'll have to strike.

A \$30 million fund carries a lot of weight at the bargaining table. Management is a lot less anxious to force you out on strike when it knows you have that kind of UAW support backing you up.

But just in case the need arises, that \$1.25 a month also insures you of funds for your necessities.

Reason why the delegates to the convention made that \$1.25 a month part of the UAW dues structure is easy to see. Under the old setup, the strike insurance fund had been greatly depleted.

By Nov. 30, 1959 it had dropped to

\$19,149,898.99, Secretary - Treasurer Emil Mazey reported.

This was the situation with major aircraft negotiations coming up in 1960, and auto and agricultural implement contract bargaining following closely in 1961.

UAW's democratic bigness and strength is the major reason its members need—and raise—an adequate strike insurance fund.

Proportionately, not many members and locals find it necessary to hit the bricks. The great majority settle their bargaining differences without this.

But in the management climate which has developed in the past few years, industry after industry, company after company not only has curtly refused workers' reasonable and justified contract proposals but one after another—like the steel industry in recent months—tried to turn the clocks back to wipe away fair conditions won by workers in years of hard, bitter struggle, striving and sacrifice.

In 1958 and 11 months of 1959, strike fund expenditures amounted to \$34,513,974.59.

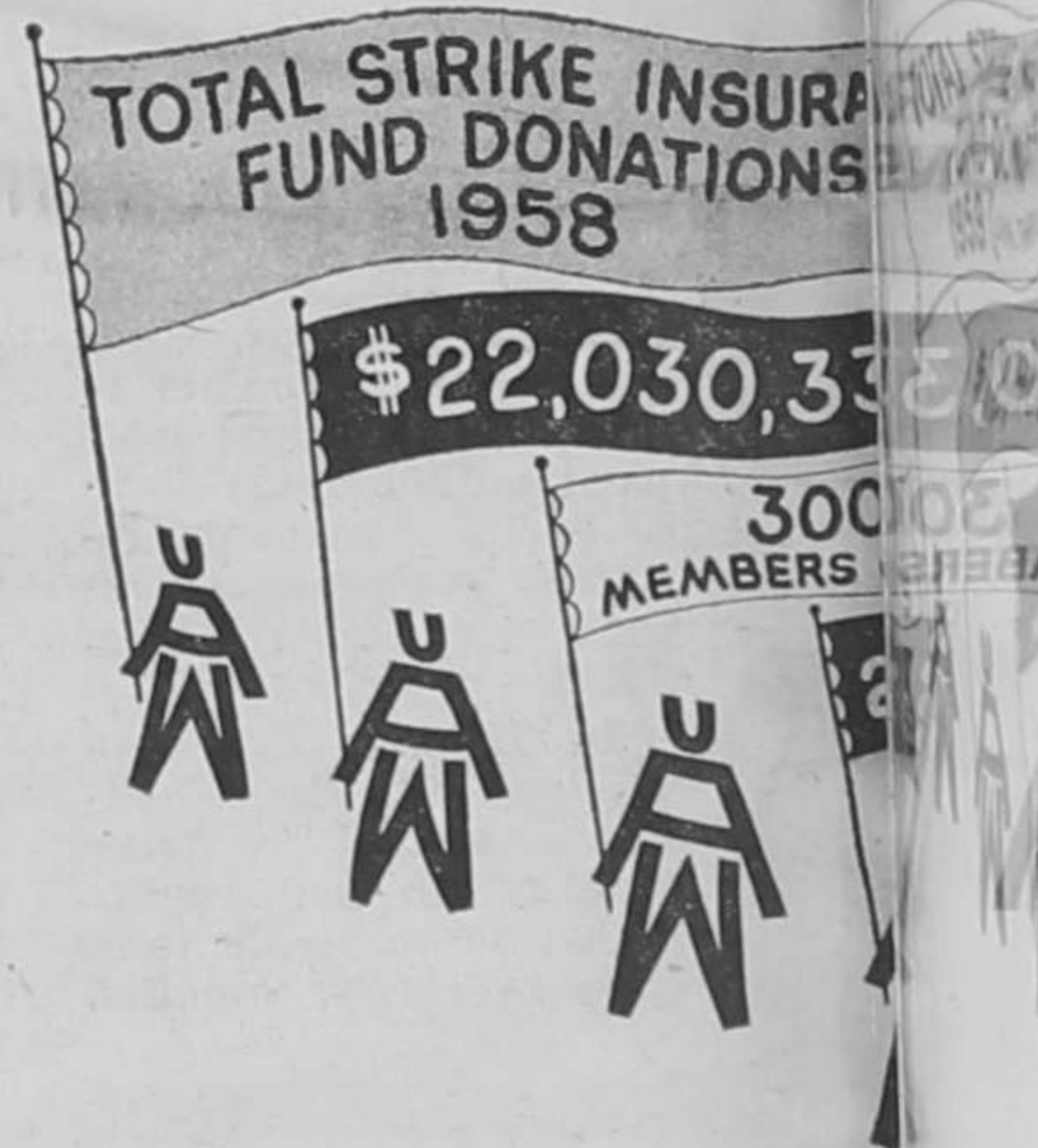
During 1958, strike donations to members of 254 local unions covering 279 plants totalled \$22,030,331.91.

From January through November 1959, they amounted to \$12,483,642.68 to members of 261 locals covering 291 plants.

With aircraft locals set to move into their major negotiations in 1960, more than a year ahead of those covering auto and agricultural implement locals, UAW President Walter P. Reuther noted to the convention that there's no way of knowing what will happen at their bargaining tables.

But, he emphasized, "if the aircraft workers have to fight, then we are going to back their fight up with every dollar we have in our strike fund."

That also goes for auto workers, agricultural implement workers and any other workers to get justice at the bargaining table, he made clear.



New Dues Will Carry Out Mandates



THE CONSTITUTION COMMITTEE (above) did the hard work of working out the resolution brought before the convention which changed the dues structure. The committee members toiled long, tiring hours to get the job done. Result: support for their recommendation voted by an overwhelming majority. Note the cluttered table, piled with work.

Delegates to the 17th Constitutional Convention debated modification of the dues structure for a full ten hours, extending over a day and a half of the convention, during which both sides of the question were given equal time.

The debate went on against a grim background of economic recession, wide-spread unemployment and a deep dip in the UAW's financial resources. These were some of the background facts:

1. The 1957-58 Eisenhower-Republican recession hit hard at America's economy, throwing millions of workers out of jobs;
2. UAW lost 289,000 members in 1958 primarily because of the economic slump;
3. The International's income dropped \$5,200,000 in 1958;
4. UAW's net deficit in 1958 totaled \$2,721,094.91 or \$226,757.91 a month;
5. The UAW strike insurance fund was down to \$17,076,718.63 as of Aug. 31, 1959;
6. The International took several drastic economy steps, including laying off a total of 188 staff members, sharp curtailment of the radio and television programs and cut-back of Solidarity from a weekly to a monthly paper;
7. UAW officers, board members and staff members took two voluntary pay cuts —

10% for 18 weeks

weeks in 1959.

Mindful of the recession, by the recession, at the challenges of

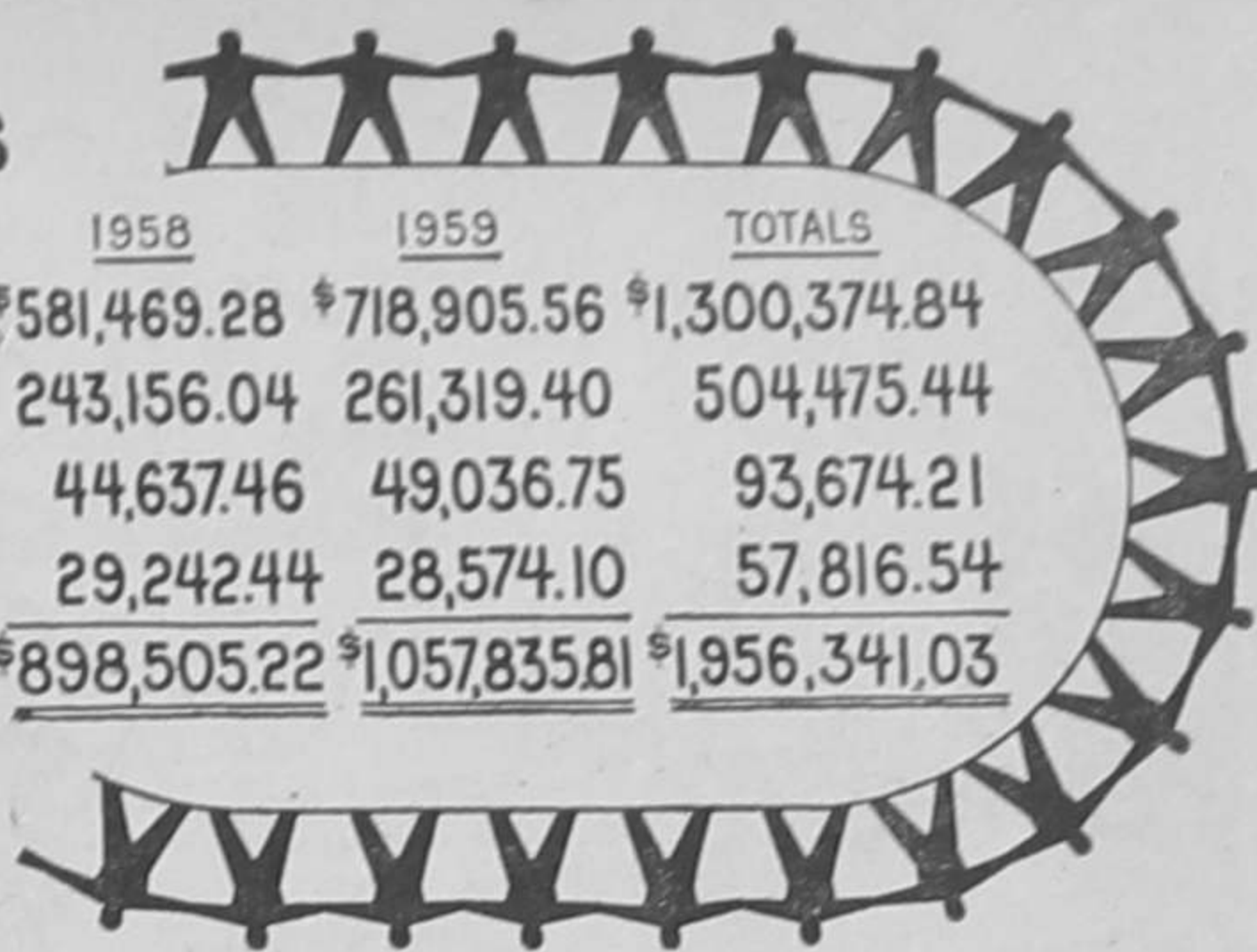
The additional funds will be earmarked for importance to the and-file members.

- More adequate locals. This had a result of recession
- Providing support and police new handle the grievance members.
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Build . .

INTERNATIONAL UNION PER CAPITA TAX PAYMENTS 1958 - 1959

	1958	1959	TOTALS
AFL-CIO	\$581,469.28	\$718,905.56	\$1,300,374.84
INDUSTRIAL UNION DEPT. (AFL-CIO)	243,156.04	261,319.40	504,475.44
CANADIAN LABOUR CONGRESS	44,637.46	49,036.75	93,674.21
INT'L METAL WORKERS FEDERATION	29,242.44	28,574.10	57,816.54
TOTALS	\$898,505.22	\$1,057,835.81	\$1,956,341.03



UAW IS PART OF the American trade union movement and of the free world trade union movement. As a responsible, active part of these great labor movements, the UAW pays "dues" in the form of per capita tax to several basic labor federations. In addition to the organizations shown in the chart above, the UAW also plays an important role in the International Confederation of Free Trade Unions (ICFTU).

increases have been negotiated by the UAW. Since the 1957 UAW convention, the majority of the UAW members in the United States have received a minimum of 18c an hour in improvement factor increases, and 14c an hour in cost-of-living adjustments. Total: 32c an hour.

In Canada, the improvement factor increases have also totalled 18c an hour in this period, while cost-of-living allowances have added another 12c. Total: 30c an hour.

The basic minimum dues of \$5 a month approved by the overwhelming majority of the delegates to the 17th convention is less than one-tenth of the minimum monthly gains made by most UAW members since the 16th convention in 1957. In other words, wage increases since the 1957 convention have totaled more than ten times the amount of the new basic minimum monthly dues.

In the UAW, democracy is a firm tradition, an unalterable principle and a constant practice. In keeping with the UAW's high level of democracy in fully informing the membership on union finances, this special edition of Solidarity has been prepared under the direction of UAW President Walter P. Reuther and Secretary-Treasurer Emil Mazey and mailed to the entire membership in accordance with the instructions of the International Executive Board.

Convention Votes Officers Modest Salary Increase

The 3% salary adjustment for UAW officers, board members and international representatives, which went into effect Jan. 1 after being voted by the delegates to the 17th Constitutional Convention, adheres to the basic wage pattern of the UAW for salaried workers in many of the UAW-organized plants, according to UAW Secretary-Treasurer Emil Mazey.

Delegates viewed it as an extremely modest increase, and many of them said a larger pay boost was justified. Among factors Mazey cited were these:

- In 1958 and 1959, all UAW officers, board members and international representatives took voluntary pay cuts when the union faced serious financial problems. In the case of a staff member making \$8,000 a year, the total pay cut came to about \$400. Since the adjustment voted by the Convention will provide only a \$240 increase the first year, staff members will still not have "caught up" with their regular pay.

- The cost of living has been rising in the neighborhood of 2% per year and is expected to continue to rise at the same rate for some time to come. While workers in most UAW-organized plants have a cost-of-living escalator clause, and while office and maintenance workers and some technicians employed by the UAW also enjoy c-o-l increases, staff members do not.

- Since the last adjustment in staff salaries, the cost of living has risen about 5%, with another 2% rise likely in 1960. Thus, a 7% hike in the cost of living is only partially offset by the 3%

- The basic \$8,000 annual pay for staff members is less than the pay received by many workers in UAW shops, considering the hours involved. Most staff members work far more than a 40-hour week, without any additional pay.

- The pay of the union's top officers ranks low when compared with the pay provided by 20 of the country's largest unions (see chart).

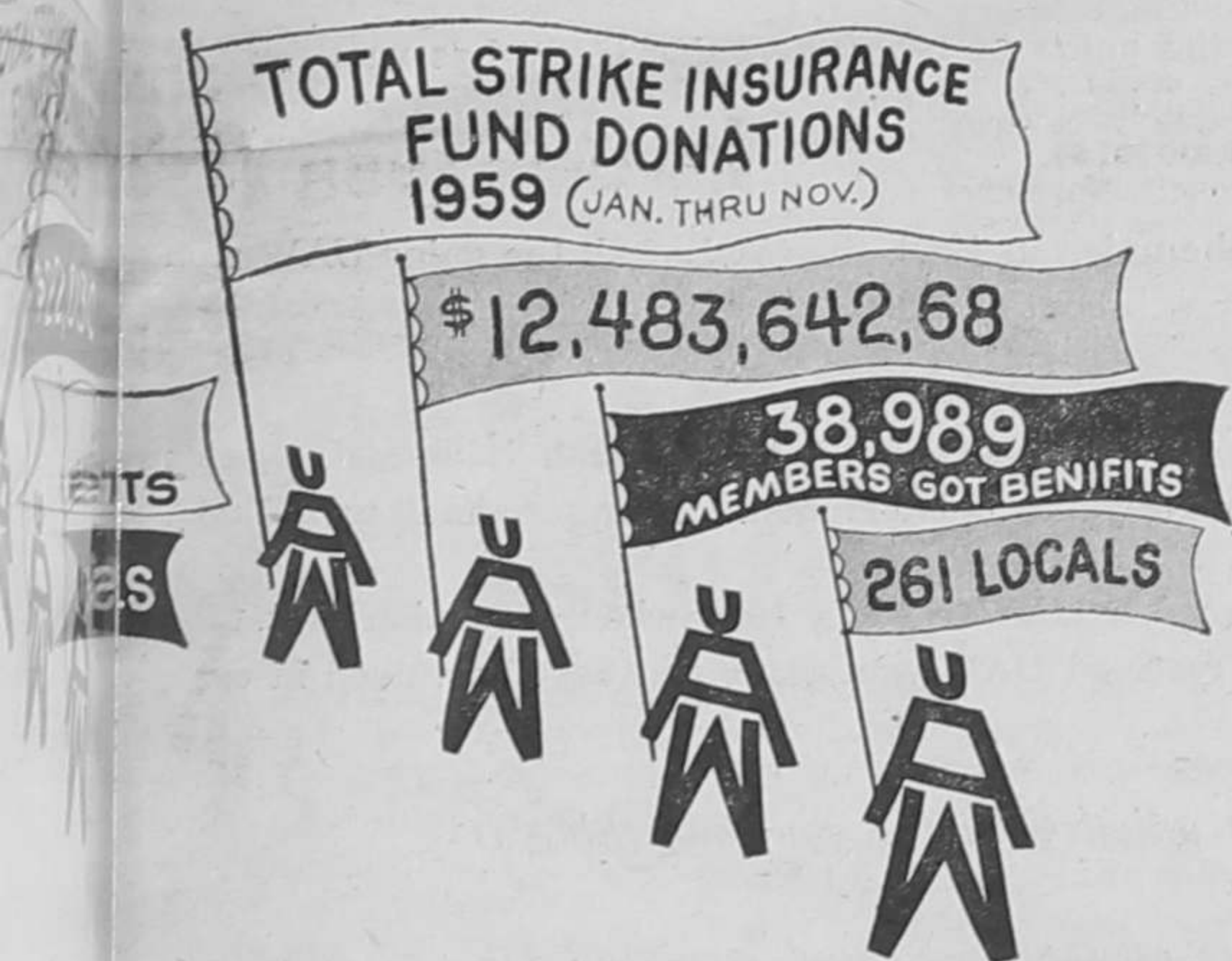
Though the UAW is the second largest union of those compared, the president's pay ranks 16th and the secretary-treasurer's 18th.

The chart, Mazey said, was prepared not for the purpose of seeking a large pay raise, but to show that the leadership of the UAW "believes in maintaining a proper and fair balance between the salaries of the officers and representatives of our union compared to the earnings of the members of our union."

- The 3% increase is the basic wage pattern of our union governing the pay boosts of salaried workers in many plants organized by the UAW, such as Chrysler engineers, technicians and office workers. The latter, however, also receive cost-of-living adjustments which amounted to \$370 between June 15, 1957 and Oct. 1, 1959.

- UAW staffers must possess the same bargaining skills as the management people they face across the bargaining table and who are paid considerably more.

Remaining Demands



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union such as unemployment and automation.

"Whether on the bargaining front or the political action front or the world front, a resolution outlining a program is of little value except as we put the words into action," UAW President Walter P. Reuther told the convention in discussing the dues increase.

"It is of little value except as we translate the spirit of our resolves into practical trade union work at the bargaining table, in the organizational field, in the field of political and legislative action," Reuther said.

Detailing additional reasons why the dues increase was needed, Secretary-Treasurer Emil Mazey emphasized its importance "to carry out the basic programs and the basic will of the membership of our union."

Stressing the vital task of continuing to organize the unorganized, Mazey said workers are in trouble "on the question of adopting social legislation because we don't have a sufficiently large economic base in certain sections to elect people to political office who will place human rights above property rights, who believe that the purpose of government is to advance the common welfare of all people."

Officers' Salaries For Twenty Of The Nation's Largest Unions

Union	Membership	President	Secretary-Treasurer	Vice Presidents	Executive Board	International Representatives
AFL-CIO		\$45,000	\$43,000			
1. UAW	1,150,000	22,600	18,540	\$16,995	\$12,875	\$8,240
2. Teamsters	1,230,000	50,000	50,000			
3. Steelworkers	1,000,000	50,000	35,000	35,000	16,000	9,000
4. IAM	825,000	25,000	22,500	20,000		12,000
5. Carpenters	750,000	35,000	22,100	27,300 (1st VP) 24,700 (2nd VP)	18,200	11,700
6. IBEW	630,000	26,000	25,000	16,500	Senior (Other Reprs)	14,000 10,400 12,000
7. ILGWU	440,000	28,600	20,800			
8. Mine Workers	400,000	50,000	40,000	40,000		
9. Meat Cutters	330,000	20,000	20,000	12,000		8,000
10. Retail Clerks	325,000	50,000	32,500		15,600	
11. IUE	300,000	25,500	22,000			7,000
12. Hotel & Restaurant	300,000	30,000	25,000			
13. Clothing Workers	300,000	20,000	20,000	20,000 Ex. VP		
14. CWA	265,000	22,500	18,000	16,500	13,000	8,300
15. Musicians	255,000	35,000	25,000			
16. Operating Engineers	250,000	35,000	22,500			7,800
17. Railway Clerks	250,000	60,000	22,500	17,500		
18. Building Service	236,000	35,000	20,000	15,000		
19. Textile	200,000	16,000	12,500	Chairman of the Board		15,000
20. Plumbers	200,000	30,000	25,000	20,000		15,000

Your
Dues
Make
Possible



Your UAW Dues Buy Big Bargains

Every UAW member, every local union — large or small, aircraft, agricultural implement, auto or any other — is benefitted by the progress made possible through UAW, the most democratic union of workers anywhere. The dues you pay in support of your union makes this progress possible.

The dues you pay also makes possible a broad range of services and activities (a few of which are listed below) which benefit all UAW members. Renowned authorities on labor unions recognize these as the most extensive and effective provided by any union.

a
Broad
Program
of
Services

- \$ 5,000
- \$23,000
- \$35,000
- \$39,000

— If you joined the union in 1953, the gains UAW has won for you are valued at approximately \$5,000.

— If you joined the union in 1946, the total of all the gains UAW won for you is valued at about \$23,000.

— If you became a union member in 1940, the cash value of the gains you've made through your union amounts to approximately \$35,000.

— And if you signed a UAW card in 1936 when the union first was organized, you've received UAW-won gains and benefits valued in cash at some \$39,000.

With the wage increases and benefits your union wins for you, one thing is sharply clear:

UAW is your best insurance policy for your own progress and security. On the basis of how much it returns to you in dollars as well as dignity and protection, it's the best investment you ever made.

1 Wage Increases—\$3,300

Through your union, you have won WAGE INCREASES which have increased the security of you and your family. Since 1940, these increases have totaled about \$1.65 an hour, or about \$3,300 a year.

2 Pensions—\$145

Through your union, you have won PENSION PLANS protected by union contract which will help make your senior years much more secure. Your union contracts require companies to pay about \$145 per worker per year for pensions.

3 Vacation Pay—\$165

Through your union, you have won VACATION PAY which is worth about \$165 a year for the average UAW member.

4 Paid Holidays—\$150

Through your union, you have won PAID HOLIDAYS which have a cash value each year of about \$150.

5 SUB or Paid Sick Leave—\$105

Through your union, you have won SUPPLEMENTAL UNEMPLOYMENT BENEFITS, if you are an auto or agricultural implement worker, or PAID SICK LEAVE, if you are an aircraft worker, in which the average amount each year paid by the companies for each worker is \$105.

6 Premium Pay—\$115

Through your union, you have won PREMIUM PAY for the average second or third shift worker which amounts to about \$115 a year.

7 Insurance—\$145

Through your union, you have won MEDICAL-HOSPITAL-SURGICAL and LIFE INSURANCE plans protected by union contracts which require companies to contribute about \$145 a year per worker.

8 Organizing

ORGANIZING, stepped up on a broad scale, protects every UAW member — including those newly organized—and strengthens the union.

9 Additional Benefits

Through your union, you have won many other additional benefits which have a great value. Among these are SENIORITY, GRIEVANCE PROCEDURE, OVERTIME RATES, PROMOTION RIGHTS, TRANSFER RIGHTS, CALL-IN PAY, JURY DUTY PAY—and many more.

From

The

Union

THE PENNIES YOU PAY BRING YOU DOLLARS, DIGNITY, SECURITY