

The United Automobile Worker

INTERNATIONAL UNION, UNITED AUTOMOBILE, AIRCRAFT AND AGRICULTURAL IMPLEMENT WORKERS OF AMERICA — U.A.W.-C.I.O.

VOL. 15, NO. 3

Entered as 2nd Class Matter, Indianapolis, Indiana

MARCH, 1951

Printed in U. S. A.



LABOR ACTS IN PUBLIC INTEREST

Page Three

Escalator Clauses Preserved; Five-Cent Wage Adjustment Won

Page Two



Above is a scene from the "showdown" meeting between representatives of the United Labor Policy Committee and Defense Mobilization chiefs. Around the table, left to right, are: AFL President William Green, Economic Stabilizer Eric Johnston, Defense Mobilizer Charles E. Wilson, Defense Mo-

bilization General Counsel Herbert Bergson, CIO Secretary-Treasurer James B. Carey, UAW-CIO President Walter P. Reuther (back to camera, speaking to Wilson), and Machinists' President Albert J. Hayes.

—Acme Photo.

Crime Investigation Reveals Big Business-Gangster Links

Pages Five, Six

Determined Fight Preserves Escalator; Million Workers Get Five-Cent Raise

The UAW-CIO, in a series of determined fights in Washington, has succeeded in heading off moves to set aside the Union's escalator and annual improvement factor clauses.

Regulation No. 8, issued by the Wage Stabilization Board February 16, authorizes operation of the escalator clause through June 1 of this year. The annual improvement factor clause was not covered in the order, and its status remains in doubt. It has been neither approved nor disapproved.

President Walter P. Reuther, who has been carrying the main load in the fight on the Washington front, informed all local unions of the latest developments in an Administrative Letter dated March 2. The text of that letter follows:

"On December 23, 1950, in Administrative Letter Number 23, I reported our successful fight in Washington to protect our membership from a wage freeze that would have set aside our cost-of-living clauses and our annual wage improvement clauses. On February 16, the public and industry members of the Wage Stabilization Board voted to issue Regulation No. 6, freezing wages at 10 per cent above the January, 1950, level which also jeopardized the cost-of-living and annual wage improvement clauses in our contracts and would have denied UAW-CIO members wage adjustments to which they were entitled under the contracts. The issuance of Regulation No. 6 precipitated a showdown between labor and the government on the over-all economic stabilization program, and the United Labor Policy Committee voted unanimously to direct the three labor members of the Wage Stabilization Board to withdraw from such board.

"During the past several weeks, we have been working continuously on the problem of protecting our contracts, and we have held numerous conferences with top government officials, including President Truman, Director of Defense Mobilization Charles E. Wilson, Economic Stabilization Director Eric Johnston and others. In these conferences, we have repeatedly taken the position that the problem of economic stabilization must be met by immediate and effective government action rolling back the cost of living, and that the government could not continue in its failure to effectively control the cost of living and at the same time tamper with collective bargaining agreements that afforded workers protection against inflation by the operation of escalator clauses.

POSITION CLEAR

"The position of the UAW-CIO was made abundantly clear in all of these conferences. We left no doubt that if the government tampered with our contracts and denied the workers protection that such contracts provided, we would consider our contracts invalidated. We stated that we were prepared to fight as hard to maintain the protection of our

contracts as we had to fight to win our contracts in the first place.

"Our determined and uncompromising position in defense of our contracts has once again won results. On March 1, 1951, Mr. Eric Johnston, Economic Stabilization Director, issued General Regulation No. 8, which authorizes the full operation of our cost-of-living escalator clauses above the 10 per cent wage freeze until June 1 of this year.

"The major UAW-CIO contracts provide for the operation of the cost-of-living escalator clause, effective the first pay period in March and the first pay period in June. General Regulation No. 8 authorizes both the March and June adjustment. In UAW-CIO contracts which provide for cost-of-living adjustments on dates other than the first week in March and the first week in June, such payments are also authorized by General Regulation No. 8 up to June 30.

IMPROVEMENT FACTOR

"General Regulation No. 8 deals only with the escalator clause. The status of the annual wage improvement factor still remains unresolved. However, as we have advised the local unions repeatedly, the International Union is confident that in the long run we will be able to maintain both the escalator clause and the annual improvement clause. Our position in support of both of these clauses is sound, and the justice of our position is reinforced by our determination to fight to defend these contract provisions. We are confident that the annual improvement factor will be approved by the government in advance of the date on which it is due.

"The government authorization and approval of our escalator clause will make it possible for workers covered by UAW-CIO contracts to receive wage adjustments over and above wage adjustments permitted to other workers under the 10 per cent ceiling. The UAW-CIO, working through the United Labor Policy Committee, will support the efforts and the rights of other workers to secure comparable wage adjustments to compensate for the increase in the cost of living."

WSB Goes Back on Its Own Statement

WASHINGTON — In voting for Wage Regulation No. 6, the industry and public members of the Wage Stabilization Board walked out on their own December 18 statement, joined in by the labor members, that wage stabilization was only one of 18 types of action necessary to achieve economic stabilization.

The December 18 statement, the first one issued by the Board, was "an excellent statement of the problem," the labor members said in their dissent.

"It is necessary," said the labor members, quoting from the full Board's December 18 basic statement of policy, "to place the wage and salary stabilization function in proper perspective and to assess accurately the nature and extent of the contribution it can make to the anti-inflation drive."

Wage stabilization was the LAST of 18 actions listed as necessary parts of a sound economic stabilization program in the Board's basic policy statement.

Emphasizing this point, the labor members said:

"The statement sets forth three major types of measures necessary to control inflation: (1) measures to increase the volume of essential production; (2) measures to minimize the volume of money and credit in circulation; and (3) measures to control specific areas of the economy. Wage stabilization was listed as one of the 18 types of action necessary. Moreover, the Board recognized that wage stabilization 'will not by itself attack inflation at its sources.' The Board stated, further, that it was necessary to achieve 'an equality of burden and sacrifices among groups and individuals.'

"Regulation No. 6 adopted by the public and industry members of the Board deliberately ignores these basic principles, first expressed in the Defense Production Act and subsequently unanimously agreed upon by the members of the Wage Stabilization Board.

"The net result is a series of restrictions which, in effect, continues the wage freeze and makes wage stabilization the basis of the anti-inflation drive. The Board has done this well knowing that the basic causes of inflation have not yet been seriously attacked. Prices are still rising rapidly, although allegedly frozen; profits, although fantastically high, are being guaranteed; an equitable tax program for this period has not been adopted. This list could be greatly lengthened, but it is enough to say that none of the 17 measures, aside from wage stabilization, deemed necessary by the Board has been effectively implemented, and some are not even in prospect.

"This is an issue of more than academic importance. Successful wage stabilization must start from the assumption that it will supplement, not supplant, collective bargaining relations. It is important to remember that collective bargaining itself provides a significant measure of stability. As the United Labor Policy Committee pointed out in its January 11 statement, 'Negotiated wages, unlike many prices which can change from day to day, eliminate uncontrolled fluctuations. Collective bargaining itself develops realistic and stable procedures for determining work standards on the basis of the first-hand experience of those most familiar with the facts of a particular situation.'

Paychecks of a million workers covered by UAW-CIO cost-of-living escalator clauses were swelled this month by a five-cent-an-hour wage adjustment.

The adjustments, in most cases, were effective March 5.

UAW-CIO President Walter P. Reuther announced March 3 that more than a million workers would be entitled to the increase. Reuther's announcement was made at the same time that agreement was reached with the General Motors Corporation on the five-cent figure.

Other companies fell into line quickly following the GM agreement. Negotiations with each employer had been made necessary when the Bureau of Labor Statistics issued a new Index. GM and the other companies agreed to continue the original Index, plus a rent factor, in effect. The new Index would have allowed a four-cent adjustment, as would the old Index if no rent factor had been included.

The GM agreement was reached after two meetings with the Corporation, in which Vice-President John W. Livingston, GM Director T. A. Johnstone, and Assistant GM Director E. S. Patterson represented the Union.

On March 5, Norman Matthews, UAW Chrysler Director, announced agreement with the Chrysler Corporation, as did Ford Director Ken Bannon with the Ford Motor Company.

Others who had agreed on the five-cent adjustment at Auto Worker presstime were: Nash-Kelvinator, Packard, Hudson, Briggs, International Harvester, Oliver Plow, Bendix, and other smaller companies.

Livingston said that 15,000 Deere and Company workers, who have an escalator clause which operates under a different formula, would receive adjustments averaging 7½ cents an hour.

First UAW-CIO Region to report was Region 5, where Director Rus-

sell Letner reported that all companies in the Region having escalator clauses had put increases into effect.

In Reuther's announcement of March 3, he said:

"We must point out again that this five-cent cost-of-living adjustment does not mean one cent of increased purchasing power for UAW members and their families. It means simply that they have caught up temporarily with increased prices. The truth is that the price increases that brought about the present wage adjustments are working a great hardship on millions of American people not protected by escalator provisions in union contracts. The UAW members who are so protected would be far better off if prices were rolled back, since their savings, insurance and bonds are being robbed of their value by continued and increased inflation.

"To date, the government has failed the American people on the anti-inflation front. The halfway, half-hearted steps taken so far will not do the job.

"The recent mark-up system announced by the Office of Price Stabilization provides for guaranteed, built-in inflation, and the cost of living will continue to rise in the months ahead.

"Congress must act to provide for an immediate rollback of the cost of living, and for an effective price freeze after prices have been rolled back.

"We cannot win the fight against Communism on the battlefield unless we win the fight against inflation on the home front."

Labor Representatives Quit Government Posts

WASHINGTON (LPA)—All labor representatives on mobilization boards and agencies are resigning, the United Labor Policy Committee announced late February 28.

The decision was announced after an all-day meeting of the committee, which speaks for 15,000,000 members of organized labor. The step was taken because in almost two weeks of conferences with government officials, from President Truman down, the labor leaders were unable to persuade the Administration to give labor an equal voice in the mobilization program, and labor's plea for equality of sacrifice was rejected.

The statement declared labor representation in defense agencies is "merely for the purpose of window-dressing"; that the price markup issued February 27 was "legalized robbery of every American consumer"; that Wilson "had absolutely no desire to give labor a real voice in the formulation of defense policy."

The Committee added that labor is ready to meet with "responsible representatives of our government to continue to seek a remedy for the insupportable conditions facing us."

To continue to serve on defense agencies "would merely delude the

public and the wage earners we represent into believing that labor acquiesces in what is being done," the statement declared.

Union officers who are submitting their resignations in accordance with the decision follow:

Labor Advisory Committee to Office of Defense Mobilization: William Green, George Meany, Philip Murray, James B. Carey and George Leighty.

Advisory Committee to Economic Stabilization Agency: William Green, Philip Murray and A. J. Hayes.

Labor-Management Advisory Committee to Office of Defense Manpower, Department of Labor: William Green, Daniel W. Tracy, Philip Murray, Jacob Potofsky, A. J. Hayes and A. E. Lyon.

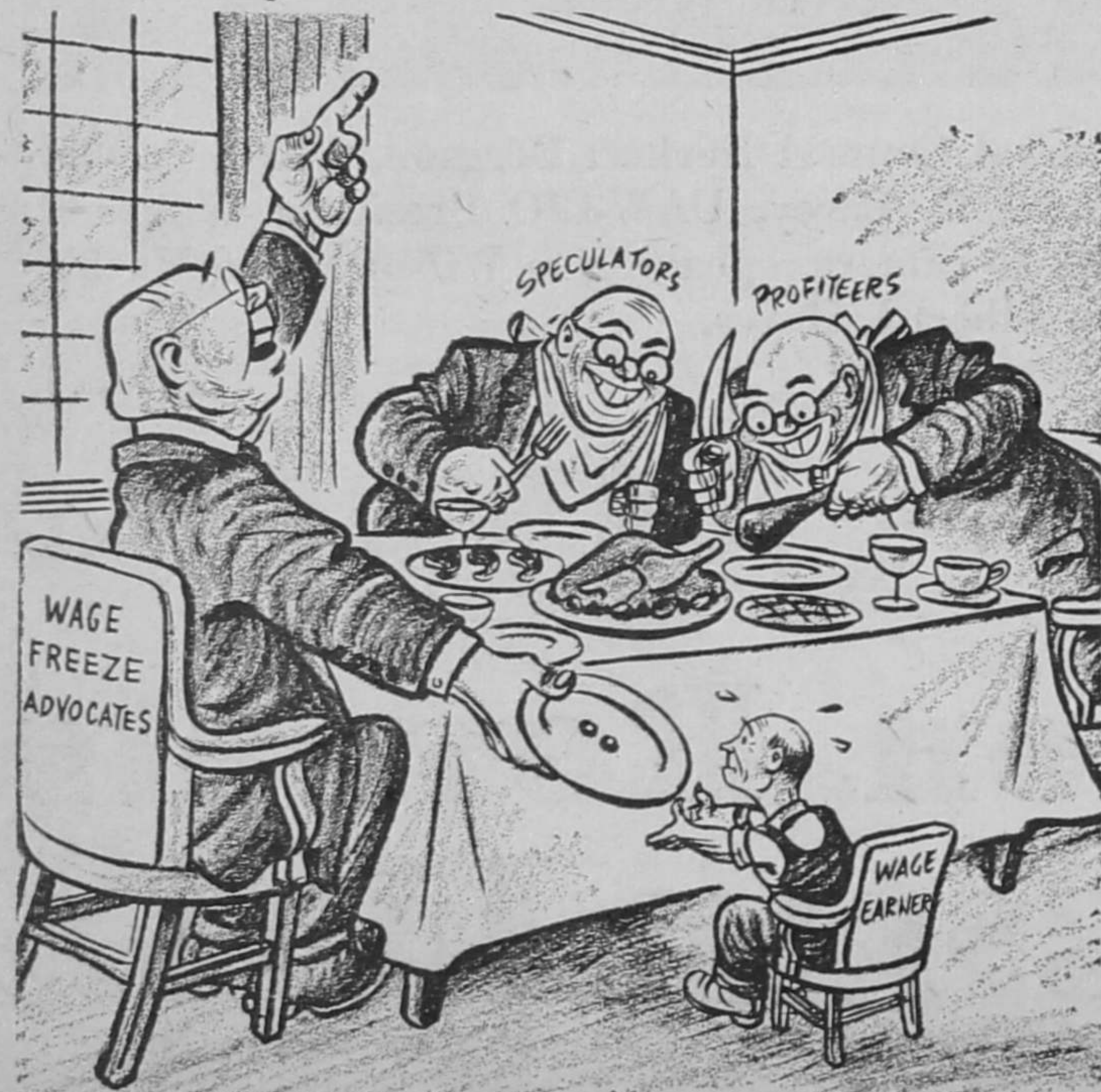
Advisory Committee to National Production Authority and Secretary of Commerce: William Green, George Harrison, Daniel W. Tracy, James B. Carey, Walter Reuther and George Leighty.

Special Assistant to Eric Johnston: George Harrison.

Special Assistant to Anna Rosenberg—A. J. Hayes.

Consultants to William H. Harrison—Joseph D. Keenan and Ted Silvey.

"Everyone Must Make Sacrifices"



"Defense Program Is Adverse to the Interests of the People"

STATEMENT BY UNITED LABOR POLICY COMMITTEE

There is no group in America more alert to the dangers of Communist aggression against the free world than the 15 million American wage earners we represent. There is no mass group in the nation more definitely committed to all-out resistance against Communism than the members of our free trade union movement.

We have offered our full support to the defense program. We have accepted in advance our responsibility for making all necessary sacrifices. We have willingly volunteered to bear our fair share of the burden because our hearts are in this fight. From the very beginning of the national emergency, American labor has led the fight for effective control of the cost of living and other measures necessary to insure economic stabilization.

We had hoped that our government would take advantage of our earnest determination to cooperate to the fullest extent in advancing the national defense program. Instead, our offers of cooperation have been rejected.

This is not a question of an isolated incident. Our decision here cannot and must not be interpreted merely as a protest against an unfair and unworkable wage formula which is now being imposed. That formula culminated a whole series of shocking developments which we find insupportable.

These developments add up to nothing less than a crisis in our defense mobilization program.

That crisis must be quickly resolved if America's mobilization program is to move ahead with the speed which our national skills, techniques and resources make possible.

The crisis has developed because the men who are in control of the mobilization program have ignored the necessity for "equality of sacrifice" by all the people. Only through such equality of sacrifice can we fully and effectively win the voluntary cooperation and the intense will to win of every American citizen.

The unworkable and unfair wage formula adopted by the Wage Stabilization Board is both a symbol and a symptom of this crisis in our domestic affairs.

It is a symptom of unconcern for the needs and welfare of the plain people of this country. It is a symbol of ill-considered action, lacking an understanding of the problems and viewpoints of wage earners.

The withdrawal of the labor representatives on the Wage Stabilization Board did not create the crisis; it merely called public attention to the dangers which confront us.

That problem affects not only wages but prices, taxes, rent control, manpower and housing, and the general management of the defense program.

WAGES

We insist, as we have always insisted, that wage stabilization must rest upon effective control of the cost of living.

The only aspect of the defense mobilization program in which representatives of labor have been in a position to influence policy has been in the wage stabilization program. But the marriage between public members and industry members on the WSB is complete.

Our representatives on that Board were called into a meeting and presented with a proposal. Industry members had already been consulted and their approval obtained before the meeting.

From the beginning, the major effort of the public members has been directed at winning the approval of industry representatives in complete disregard of the interests of labor.

The wage stabilization formula adopted by the industry and public members of the Wage Stabilization Board manifestly fails to consider the serious and legitimate economic needs of America's wage earners.

It is, in effect, a formula to un-stabilize peaceful labor-management relations throughout American industry. Rank-and-file workers in industry—the men and women who produce and transport the

equipment for our defense needs—will recognize it as a blow to their living standards and security.

The formula for wage control approved by the Wage Stabilization Board is not a means of securing economic justice for millions of American wage earners. It is, in fact, a series of penalties and restrictions—imposed at a time when prices are continuing their upward rise. The wage formula is inflexible, inequitable and unworkable.

More than that, it constitutes a repudiation of a pledge by the government that the wage stabilization program would not result in the abrogation of union-management collective bargaining contracts.

Contracts between management and labor—many of them containing express provisions for cost-of-living increases or productivity improvement benefits and other provisions that contribute to stability—are threatened. Any order that will deprive millions of workers of benefits accruing to them under existing contracts will create instability and will impose unequal burdens of sacrifice not only on union members but on the overwhelming majority of wage earners—white-collar and industrial workers alike—who compose the great proportion of our lower- and middle-income groups.

The results of this wage policy can only be dissatisfaction and serious unrest in industry.

The formula blocks any fair adjustment of wage inequities now and in the future affecting millions of employes in the low-income brackets. It freezes such injustice. We are convinced that the wage order of the WSB was dictated by the Director of Defense Mobilization. The people, the Congress and the President must act quickly to repair this damage before it ruins the entire defense production program.

PRICES

In the past, the United Labor Policy Committee has repeatedly pointed to the serious shortcomings of the Defense Production Act, which serves as the basis for our anti-inflation program.

We warned that loopholes and deficiencies in the Act rule out any chance of its effectiveness as a barrier to inflation. The Act must be changed. Until it is changed, we can expect no fundamental improvement in our anti-inflation program.

The price stabilization program is a cynical hoax on the American people. A so-called freeze on prices was announced at a moment when prices were higher than ever before in history.

Although "frozen" prices are rising steadily, Economic Stabilizer Eric Johnston and Price Stabilizer Michael DiSalle have both announced that nothing they can or will do under the Defense Production Act will stop the cost of living from rising another six per cent by next summer. We point out that from March 15, 1950, to December 15, 1950, living costs also rose six per cent—without any freeze. Profit margins are being guaranteed. Every consideration possible is being given by government price agencies to enhance the position of business and to protect fat profits. Flexibility, which has been denied in the wage stabilization order, is being guaranteed by the price stabilization orders.

RENT CONTROL

The present Federal Rent Control Act expires on March 31. Large sections of the nation have already been exempted from rent control. No authority exists to permit the government to control rents in defense areas. Instead of moving quickly to extend and to tighten the rent control law, the government is moving placidly toward the March 31 deadline, when all rent controls expire.

TAXES

Individuals already have received a stiff increase in their taxes. The Congress is now considering a program to raise all taxes in such a manner that people in the lower-income brackets will be forced to bear a still heavier share of the tax burden.

In 1943, individuals and corporations paid an almost equal share of the expenses of government. Today, individuals are asked to bear 68 per cent of the expenses of rearmament. Among individuals, the Congress is considering raising income

taxes another 20 per cent on low-income groups, while the increase to families with incomes of \$25,000 a year would be only 14 per cent.

This proposal would lift tax rates on low-income families 45 per cent over pre-Korean rates. The increase on the highest incomes would be almost nil. Many industries are escaping their taxation through special privilege loopholes in the law. No serious attempt is being made to plug these loopholes.

MANPOWER

The utter lack of concern with the viewpoints and experience of American labor was clearly shown in the arbitrary decision of Mobilization Director Charles E. Wilson to transfer control of manpower policies from the Department of Labor to his own agency. There was no need for such a move. The Department of Labor, with its expert knowledge of manpower problems and its deep-seated belief in traditional American policies of voluntary cooperation, is ideally equipped to formulate and direct the nation's manpower policies.

There can be no justification for Mr. Wilson's transfer of the manpower functions to the Office of Defense Mobilization other than a desire for monopoly power in preparation for the possible imposition of compulsory job controls upon the workers of this nation.

SMALL BUSINESS

Small business, whose facilities played an important part in the success of armament production in the last war, is being frozen out of rearmament contracts this time. No attempt has been made to revive the Smaller War Plants Corporation, which enlisted small business so successfully in World War II.

PARTICIPATION IN GOVERNMENT

So far, virtually the entire defense mobilization program has been entrusted to the hands of a few men recruited from Big Business who believe they have a monopoly on experience, good ideas and patriotism. Not a single policy decision so far has reflected in any way the recommendations of labor or any other group except Big Business. In many decisions, the considered recommendations of labor have been totally and arbitrarily disregarded.

Our defense program cannot succeed without the full and wholehearted participation of every group in the country. So far, it has succeeded only in disaffecting and disillusioning men and women who must do the real work and make the major sacrifices.

Let no one doubt that labor is willing to bear its share of sacrifice. But we cannot bear the whole load. We cannot be a party to any program so adverse to the interests of the plain people.

"Well, that'll hold it!"



Mazey Statement to Kefauver Committee

Statement of Emil Mazey, Secretary-Treasurer, UAW-CIO, before the Senate Crime Investigating Committee, Friday afternoon, February 9, 1951:

"My name is Emil Mazey. I am Secretary-Treasurer of the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America, affiliated with the Congress of Industrial Organizations. Our Union is commonly called the UAW-CIO.

"The Union I represent consists of approximately 1,250,000 members, organized in 1,050 local unions throughout the country. I speak here today with the full approval of our President, Walter P. Reuther, and the other officers of the Union.

"The leadership of our Union has watched the work of your Committee with great interest. We approve the objectives laid down for you by the Senate. We believe that you are performing a necessary public service; and we sincerely hope that your investigations of organized interstate gambling, gangsterism and racketeering will result in effective remedial legislation.

CRIMES AGAINST UAW

"We have a special interest in the hearings and investigations being conducted by your Committee. We are hopeful that your Committee may uncover evidence that will result in the solution of the attempt to assassinate our President, Walter P. Reuther, and our Educational Director, Victor Reuther, and the attempted bombing of our International Headquarters.

"We are hopeful that your Committee may be able to expose the people responsible for the beatings administered to Ken Morris, the President of Local Union 212, the Briggs Local, and other representatives of the Union, including Arthur Vega, Roy Snowden and Genora Dollinger.

"We hope that your Committee can also solve the beating of Union representatives who were members of Local 835, UAW-CIO, employed at the Detroit Stove Works. Beatings of leaders of the Detroit Stove Works, Unit of Local 835, created such intimidation and coercion that it led to the dissolution of our Union in that plant. I refer specifically to the beating of Sam Mazolla.

"We confess to a feeling of deep bitterness against these gangster elements. During our first efforts to organize our Union, we were continuously and forcibly attacked by organized gangs of hoodlums and criminals, who repeatedly acted as muscle-men against our people for the benefit of anti-union employers.

"You will doubtless recall the vicious beatings given Walter Reuther and other Union men at the Ford overpass in 1937. Gangster elements were identified among the assailants, who were employed by Harry Bennett of the Ford Motor Company. It was only because I had been forcibly seized by four of the Ford 'servicemen' thugs and thrown into jail that I missed being beaten myself at the time.

"You may also recall that Reuther's home was invaded by similar thugs during the same period, and that it was only by extreme good fortune that he missed being beaten again or killed.

LAW ENFORCEMENT LAX OR CORRUPT

"These violent acts by organized criminals and hoodlums against the leadership of our Union have not been solved by the law-enforcement agencies in our community. We believe that law-enforcement agencies were not really interested in solving some of the crimes committed against our Union because they were being paid off by the organized rackets.

"In the early days of our Union, another Senate Committee—the LaFollette Committee—and the National Labor Relations Board threw considerable light upon the motives and connections of the union-smashing operations of these organized gangs. Because of these partial exposures, and because of the shoulder-to-shoulder fight waged by our Union members, this sort of danger was greatly reduced. But we believe firmly that criminal elements connected with gambling and other forms of racketeering are still used to this day in union-busting activities—even though on a reduced scale and in more limited areas.

"There is no doubt that the racketeers believed then, and believe now, that the Union is a menace to them and their lucrative enterprises.

"I have been requested to comment on inter-plant gambling. I wish to say that the Officers and Executive Board members of our Union are completely opposed to any form of organized gambling inside the plants. We are opposed to organized gambling because it robs the members of our Union of millions of hard-earned dollars annually. We are further opposed to inter-plant gambling because, as long as it exists, there is always the possibility of corrupting the secondary leadership of our Union, which can lead to the weakening of our Union, destruction of their moral fibre, and the deterioration of good relationships with management and the general public.

"We are of the opinion that the organized gambling rackets in the plants can be cleaned up completely whenever management and law-enforcement agencies decide to tackle the problem honestly and aggressively. Gambling cannot exist in any plant without the knowledge and consent of some level of management.

"Individual citizens are reluctant to cooperate with law-enforcement agencies in cleaning up gambling and racketeering



—Detroit News Photo.

Above (left) is Crime Committee Counsel John Burling, with Senator Herbert O'Connor (D., Md.). Both were praised by Emil Mazey for their conduct of Committee hearings.

because they do not have complete confidence in the integrity and honesty of public officials.

"A few years ago, the Mayor of Detroit, the Prosecutor and the Sheriff of Wayne County, the Superintendent of Police in Detroit and numerous other public officials were convicted of receiving payoffs from the numbers racket.

"It is understandable why the average citizen hesitates to bring law violations to the attention of law-enforcement agencies. I ask this Committee to imagine what would have happened to any union official or any other citizen, back in 1938 or 1939, should he have gone to public officials with the evidence of gambling that he had uncovered. If he had appealed to Mayor Reading of Detroit, to Prosecutor Duncan McCrea and Sheriff Wilcox of Wayne County, or Superintendent of Police Fromm, or any number of other high-placed police officers at that time. In all probability, the union officer or any other citizen who presented conclusive evidence to public officials at that time would not have lived long enough to see the outcome of his charges.

"We believe that the majority of law-enforcement officers are honest and incorruptible men. Nevertheless, the suspicion still exists and will continue to do so as long as powerful criminal gangs continue to spread so brazenly and continue to occupy mansions in Grosse Pointe.

PROVEN CORRUPTION

Because of proven corruption of elected governmental officials and police officials which has made the average citizen afraid to cooperate in cleaning up organized crime, we believe that your Committee should recommend to Congress the passage of necessary federal legislation that will enable federal authorities to prosecute the violators of gambling laws both inside and outside the plants that local law-enforcement agencies have demonstrated their unwillingness or inability to cope with.

"The UAW-CIO pledges its whole-hearted and full cooperation in every way to help eliminate the parasites who create cancerous sores of gambling and racketeering in our plants and in our communities. We have seen public officials corrupted. We want to do everything we can to make certain that criminal elements do not corrupt union officials.

"We have a clean, democratic, progressive Union, dedicated to the improvement of the lives of men and women who work for a living. We will not and cannot stand idly by and allow any elements in our society to weaken our Union and prevent it from carrying on this vital work."



—Detroit News Photo.

Above is aging Harry Bennett, retired Ford muscleman-in-chief. Bennett was quizzed on the letting of haulaway contracts to Eastern gangster Joe Adonis, and on handing over a profitable Ford dealership to another Michigan gangster. Bennett said that all he ever did was what "Mr. Ford told me to do."

Like Mazey Says, 'Who Can You Trust?'

In New York City, a city magistrate grabbed a lot of publicity by delivering a long speech from the bench denouncing alleged gambling in defense plants. Exactly two weeks later police arrested an assistant bailiff in the same court and charged him with taking bets in open court even while trials were in session.

UAW-CIO MEMBERS TO SEE HOW CITY DEPARTMENTS RUN

DETROIT—UAW-CIO members are going to have a close-up look at Detroit's city government and law-enforcement agencies. The Union's Education Department is holding a series of monthly study tours beginning March 12.

First of the studies will be on housing and law enforcement. About 30 UAW members will take part in each tour. They will spend three days making personal inspections of actual government operations; and each evening after the inspections they will meet with city officials to ask questions and discuss plans for the future.

UAW-CIO Secretary-Treasurer Emil Mazey said, "As the result of what was revealed during the short hearings conducted by the Kefauver Committee here in Detroit, I've become convinced that there is an urgent need for a thorough investigation and an understanding of the operation of our government by rank-and-file citizens in Detroit."

"With this in mind I asked the UAW-CIO Education Department to begin a new education program for UAW members immediately in the city, designed to explain to Union members the operation of government and law enforcement in the city.

"I suggested that the Education Department, in cooperation with the city, organize a detailed study tour of the city government and the law-enforcement agencies in the city, for 30 to 40 UAW Union leaders, once each month from now on.

"The people to take part in this study program will be selected from every section of the city and it is planned that they will use what they learn on these study tours to hold discussions in their neighborhoods.

"By this method, I hope that we will train people throughout the city who will take a new responsibility for cleansing Detroit of the corruption which apparently has invaded the law-enforcement agencies, and the business community."

UNITED AUTOMOBILE WORKER

OFFICIAL PUBLICATION, International Union, United Automobile, Aircraft and Agricultural Implement Workers of America, affiliated with the CIO. Published monthly. Yearly subscription to members, 60 cents; to non-members, \$1.00. Entered at Indianapolis, Ind., November 19, 1945, as second-class matter under the Act of August 24, 1912, as a monthly.

Please send notices of change in address on Form 3578, and copies returned under labels No. 3579 to 2457 East Washington Street, Indianapolis 7, Indiana.

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BRIGGS' ROBINSON ↔ SCRAP'S RENDA ↔ GANGDOM'S PERRONE ↔ STOVE CO.'S FRY



Above is a group of Detroit business associates. At left, we have Dean Robinson, President of the Briggs Manufacturing Company, who gave a scrap metal contract worth some \$100,000 a year to Carl Renda for no other apparent reason than Renda's being the son-in-law of gangster Sam Perrone, who

breaks strikes and heads for John Fry, President of the Detroit Michigan Stove Company—and for other business associates. The looks of some concern on each of their faces is because the pictures were made during their testimony before the Crime Committee.

Crime Committee Hearings in Detroit Disclose Big Business-Gangster Ties

DETROIT—The Senate Crime Investigating Committee came here looking for in-plant gambling information; but, instead, came up with sensational evidence linking big industrialists with gangsters and racketeers.

Testimony provided solid evidence showing that the destruction of unions through physical violence and terrorism was the objective of the industry-gangster hookup.

Even the appearance of fading Harry Bennett, Ford's former ace union-buster, failed to take the headlines away from the disclosure of the activities of the notorious

Perrone brothers, Sam and "Gas-per."

Most of the facts made public by the Committee came from the rec-

ord of the 1946-47 Grand Jury, turned over to the Committee by Judge George Murphy.

Those records showed:

• That the Briggs Manufacturing Company gave a \$100,000 scrap metal contract to Carl Renda, son-in-law of gangster Sam Perrone; and, at about the same time, Union leaders at Briggs were beaten nearly to death;

• That Briggs knew it was dealing with racket-connected elements; and that it knew it was

losing money on the scrap contract; and that it didn't mind losing money.

• That the notorious Perrone brothers broke strikes not only in Detroit but in Battle Creek as well.

• That the Detroit Michigan Stove Co.—which gave the Perrones their start—knew it was dealing with gangsters, called on them to break strikes, and also didn't mind losing money on a scrap deal.

• That there was in existence a "master plan" to trade scrap con-

tracts for union busting at major auto plants.

• That John Lovett, Republican "brain truster" and manager of the Michigan Manufacturers Association, was linked to the Detroit chapter of the Ku Klux Klan.

The story of the alleged link between Lovett and the Ku Klux Klan and its role at Briggs hasn't been printed by any daily newspaper. It came out in the testimony of a former Klansman, Grady Woodson, given to the Murphy grand jury on June 25, 1946.

Here's How the Bitten Dog Howls

At right is the best that Detroit industrial bigwigs could think of to say about the revelations of the Senate Crime Investigating Committee.

Big business operators found themselves tossed around in the same pot of hot water with common garden variety hoodlums and racketeers. Notable among these was the Briggs Manufacturing Company, whose Walter O. Briggs, Jr., is a Director of the Detroit Board of Commerce.

Nearly alone among all elements of the city of Detroit, the Board of Commerce's mouthpiece—a puffy windbag named Harvey Campbell—is telling the Kefauver Committee: "Look somewhere else."

Campbell protests that Detroit's industrialists, always noted for their enlightened social attitudes, will now fear to employ ex-convicts to beat up unionists and break strikes.

The shoe seems to fit, but the Board of Commerce doesn't find it easy to wear.

THE DETROITER

WEEKLY PUBLICATION OF THE DETROIT BOARD OF COMMERCE



320 West Lafayette Avenue, Detroit 26, Michigan—WO 3-3700
O. L. DORWORTH, Manager; O. H. JENNINGS, Editor

DETROIT'S BUSINESS WEEKLY

Entered as Second Class Matter at the Post Office at Detroit, Michigan
Price to Members \$2.50 a Year

VOL. XLII

Detroit, Michigan, February 19, 1951

No. 19

What Goes On Here . . .

YOU can remember when, in a free economy, we were well on the way toward having a three-hundred-dollar automobile. Now the tamperers have fixed it so your tax on a car will amount to more than that.

Letters to newspapers show that the Kefauver Committee continues to undermine citizens' faith in government. The inquisitors diagnose their desired findings—even then, fail to prescribe cures. The public chorus queries, "Where's the high up collusion in top law enforcing agencies that allows nationally known criminals to enter our country, despoil it—and avoid deportation?" *** When will Kefauver subpoena Federal appointees and televise their personal dealings with thugs? And when will the Committee get around to mentioning prostitution and dope, fundamental profit elements of Prendergast-type gang syndicates?

John Burling has done much harm if factory executives stop hiring ex-convicts. They'll rot in prison unparoled—unless Kefauver clears up social misunderstandings created by the mean emphasis of John's probe.

Too bad, but somebody is giving

When will somebody adopt the sound economical practice of building highways to fit motor carriers instead of limiting trucks to save weak roads?

WE could discuss railroad labor featherbedding, but it is now overshadowed. The palsying hand of the labor union racketeer has gone much further than to throttle carrier efficiency with the creeping paralysis of featherbedding. They actually paralyzed certain carriers by alleged outlaw strikes which they threatened to make nationwide if their drooling greed and avarice be not satiated in full. This is no news to you. I simply mention these facts as justification for strong public action against those who would prostrate the public. Strikes no longer are against railroad management. They are against the public. No group has the right to sacrifice public interest to serve their own selfish ends. Liberty is not License, and any self-interested sacrifice of the public weal under the banner of Liberty and Freedom is worse than License. In my opinion it is treason during the awesome existing national emergency.

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Shaving is a prime industry. You can't count the number of retail items or the number of retail stores that could be indexed under shaving equipment. *** Bud Guest recently stumbled into a broadcast on shaving because a friend used toothpaste instead of soap. We never did that, but we have cleaned our teeth with Molle—and don't recommend it. *** Radio rules of good-taste prevent Bud from telling the why of shaving. Not being so inhibited, we can cite documented proof that ever since men were able, they have shaved in self-defense—because they were lousy. They shaved their heads, too. So did women. The wig business flourished in the neighborhoods of continental courts, and here in colonial times. You can see museum wigs of Founding Fathers that bear proof of the presence of nits and lice. Isn't history cruel? None of Washington's cabinet members were whiskered. *** By the time Lincoln became President, his cabinet looked

UAW Asks Reopening of Crime Hearings

UAW-CIO Secretary-Treasurer Emil Mazey February 26 sent the following letter to Senator Estes Kefauver, Chairman of the Senate Crime Investigating Committee:

Hon. Estes Kefauver,
Senate Office Building,
Washington, D. C.

Dear Senator Kefauver:

In behalf of the UAW-CIO and its membership in the Detroit area, I should like to pay highest tribute to the work done by your Committee here. The hearings were ably and fairly directed by your colleague, Senator O'Connor; and Counsel Burling's interrogation of the many witnesses was incisive and brilliant. Law-abiding citizens of Detroit are applauding your work—both here and elsewhere.

There is no doubt that it was in Detroit that real "pay dirt" was struck. The revelations of your Committee were significant principally in what they started. We sincerely believe that the hearings here paved the way for the setting off of a chain reaction which could conceivably lead to the solution of a number of crimes and criminal actions. The UAW-CIO, of course, is most immediately concerned with the Briggs beatings and the shooting of Walter and Victor Reuther; but we are equally concerned with the whole crime situation, as our statement to your Committee indicated.

For the UAW-CIO, and for this whole community, I join with Wayne County Prosecutor Gerald K. O'Brien in urging you to return to Detroit and reopen hearings here. In doing so, you will be not only performing a notable service to our people, but you will unquestionably uncover much more information necessary to the purposes laid down for your Committee by the Senate.

Sincerely yours,
/s/ Emil Mazey.

Briggs Told To Clean Up

Emil Mazey, UAW-CIO Secretary-Treasurer and Director of the Union's Briggs Department, together with the officers of Briggs Local 212, demanded last month that the Briggs Manufacturing Company take immediate steps to "correct the disgraceful conditions that exist in the Company's relationship with known hoodlums and gangsters."

The Union group directed its demands to Walter O. Briggs, Sr., Chairman of the Board of Briggs. Signing the letter to Briggs were Mazey, Jess Ferrazza, Assistant Director of the Union's Briggs Department; Ken Morris, President; Pat Caruso, Vice-President; Steve Despot, Financial Secretary; and Jack Pearson, Recording Secretary of Local 212.

Specifically, the Union spokesmen demanded:

1. The removal of William Dean Robinson as president of the Company.
2. Cancellation of the Company's scrap contract with Carl Renda and negotiation of a scrap agreement with a reputable firm.
3. Dismissal of any Company executive having any connection with the Renda deal.
4. An immediate conference with Walter O. Briggs, Sr., to "discuss future collective bargaining relationships between our Union, the UAW-CIO, and the Briggs Manufacturing Company."

At *Auto Worker* presstime, no reply had been received from Briggs.

Congress Sees Farm Hands As Livestock

WASHINGTON — Senator Hubert Humphrey (D., Minn.) and other members of the Senate Labor and Public Welfare Committee are challenging Congress' practice of treating 1,200,000 hired farm workers as livestock by referring farm labor bills to Senate and House Agriculture Committees instead of to Labor Committees.

This is in violation of the La Follette-Monroney Reorganization Act which defined the functions of Standing Committees giving to the Labor Committees jurisdiction over all bills referring to "education, labor or public welfare generally, wages and hours of labor, regulation or prevention of importation of foreign laborers under contract, labor standards," etc.

The Agriculture Committees' jurisdiction is "agriculture generally, inspection of livestock and meat products, animal industry and diseases of animals, agricultural production and marketing and stabilization of prices of agricultural produce," etc.

Three bills relating to farm labor, particularly to the importation of workers from Mexico and other countries, have been introduced by Senators Chavez, Ellender and Anderson. All have been referred to the Agriculture Committee.

The Chavez bill, S 949, had the support of the CIO, the National Farm Labor Union-AFL, rail labor (which is concerned about the leakage of farm workers into track maintenance work), and the National Council on Agricultural Life and Labor, representing farm, labor, religious, civic and welfare groups.

Referral to the Senate Commit-

Labor Plans Nationwide Campaign For Sound Mobilization Policies

WASHINGTON—More than 600 CIO, AFL, railway labor and machinist union delegates from city, county and state councils, federations and lodges throughout the U. S. A. will meet here March 20-21 at the call of the United Labor Policy Committee to

1. Get the facts about the attempt of big business clique to take over the mobilization effort;
2. Consider a positive, affirmative program of administrative and legislative actions essential for a long-range mobilization program that will work because it will be fair to wage earners, small businessmen and consumers, no less than to big business;
3. Undertake to get both the facts and the programs to the American people on both sides of Main Street and at the grass roots;
4. Plan for the organization of an informed and aroused public opinion that will demand the action by administrative agencies and Congress necessary to prevent continued inflation and collapse of the mobilization effort, the home front disaster that the Kremlin is waiting for and counting on.

The number of delegates had to be restricted because of crowded hotels and other housing in Washington. CIO and AFL will each have 250 and rail labor and the machinists 50 each. Each group will meet separately on March 20 and together on March 21.

Decision to call the conference was made at the United Labor Policy Committee meeting March 5 attended by UAW-CIO President Walter P. Reuther who, with IUE-CIO President James B. Carey, represents the CIO on the ULPC Subcommittee named to draft the program for the conference.

Following its February 16 withdrawal of labor members from the Wage Stabilization Board and its February 28 withdrawal of labor representatives from all defense mobilization agencies, the ULPC's March 5 action made it plain that labor's challenge is not limited to the immediate question of money wages and fringe benefits under old and new collective bargaining contracts.

The challenge is to the entire method and policies being applied by Defense Mobilization Director Charles E. Wilson. Even if an enlarged wage stabilization and disputes board were to be set up and operate under equitable wage stabilization policies, as proposed by the ULPC in its February 28 statement, the ULPC is committed to continue the fight to a showdown on the entire structure and policy of defense mobilization, including

Real price control;
Effective nationwide rent con-

rol;
Adequate defense housing and community facilities;
Fair tax and credit policies;
Voluntary man power mobilization;
Procurement and production policies that will dovetail shifts from civilian to defense production without unnecessary unemployment and dispersal of trained labor forces;
Labor participation in mobilization operations.

CIO President Philip Murray launched the ULPC campaign of information and the organization of all groups and segments of the American people behind a fresh start in mobilization with an NBC broadcast March 5 in which he declared that continuing price increases and inflation are taxing food from the tables of American families and bullets from our armed forces.

Reuther was assigned the job of answering reporters' rapid-fire questions on the TV show "Meet the Press" broadcast Sunday, March 11.

Other ULPC members are scheduled to broadcast at frequent intervals as labor's campaign is stepped up, before and after the March 20-21 conference.

tee on Agriculture, of which Senator Ellender (D., La.) is Chairman, means that the Chavez bill would be discarded for the Ellender bill.

In introducing his bill, S 984, Senator Ellender stated that it included a requirement that employers would "be required to pay certain amounts in lieu of the costs of returning fugitive workers to reception centers."

Meantime, in the House, Representative Poage, who with Senator Ellender attended a State Department conference in Mexico City regarding renewal of an international agreement for the importation of perhaps 250,000 Mexican workers, is putting a bill through the House Committee on Agriculture.

The following notice regarding this bill appeared in the Congressional Record March 3, 1951, (Page D141) under the heading, "Committee Meetings":

FARM MANPOWER

Committee on Agriculture: The Special Subcommittee on Farm Labor-Livestock met for executive discussion of the new farm labor bill which is to be introduced in the House by Representative Poage."

This frank linking of farm labor with livestock is in line with Congress' policy of excluding farm labor from protection under the National Labor Relations Act, the Wage-Hour Act and, until recently, the Social Security Act.

A Subcommittee of the Senate Committee on the Economic Re-

port, headed by Senator Sparkman (D., Ala.), recently published a report stating:

"There are approximately 1,200,000 male hired wage workers whose main activity is farm work. These hired wage workers were employed an average of 218 days at farm work and 14 days at nonfarm work in 1949 and earned an average of \$980. Approximately half are married.

"Under-employment among farm wage workers is a special problem. Partly because of days not worked and partly because of inefficient employment, these workers appear to be only about half as productive as workers on medium-sized commercial family farms."

The Sparkman report surveyed all farm employment and concluded that rural under-employment is denying to the nation the services and products of the equivalent of 2,500,000 workers.

Canadian Ford, GM Workers Get Cost-of-Living Raises

WINDSOR, Ont.—Although they have no escalator clause of their own, 12,000 Ford of Canada UAW-CIO members picked up a three-cent-an-hour cost-of-living wage increase March 6. The increase followed by a day the announcement by General Motors of Canada that the escalator clause in its contracts with the UAW had raised wages by that amount.

Area-wide Seniority At Ford's

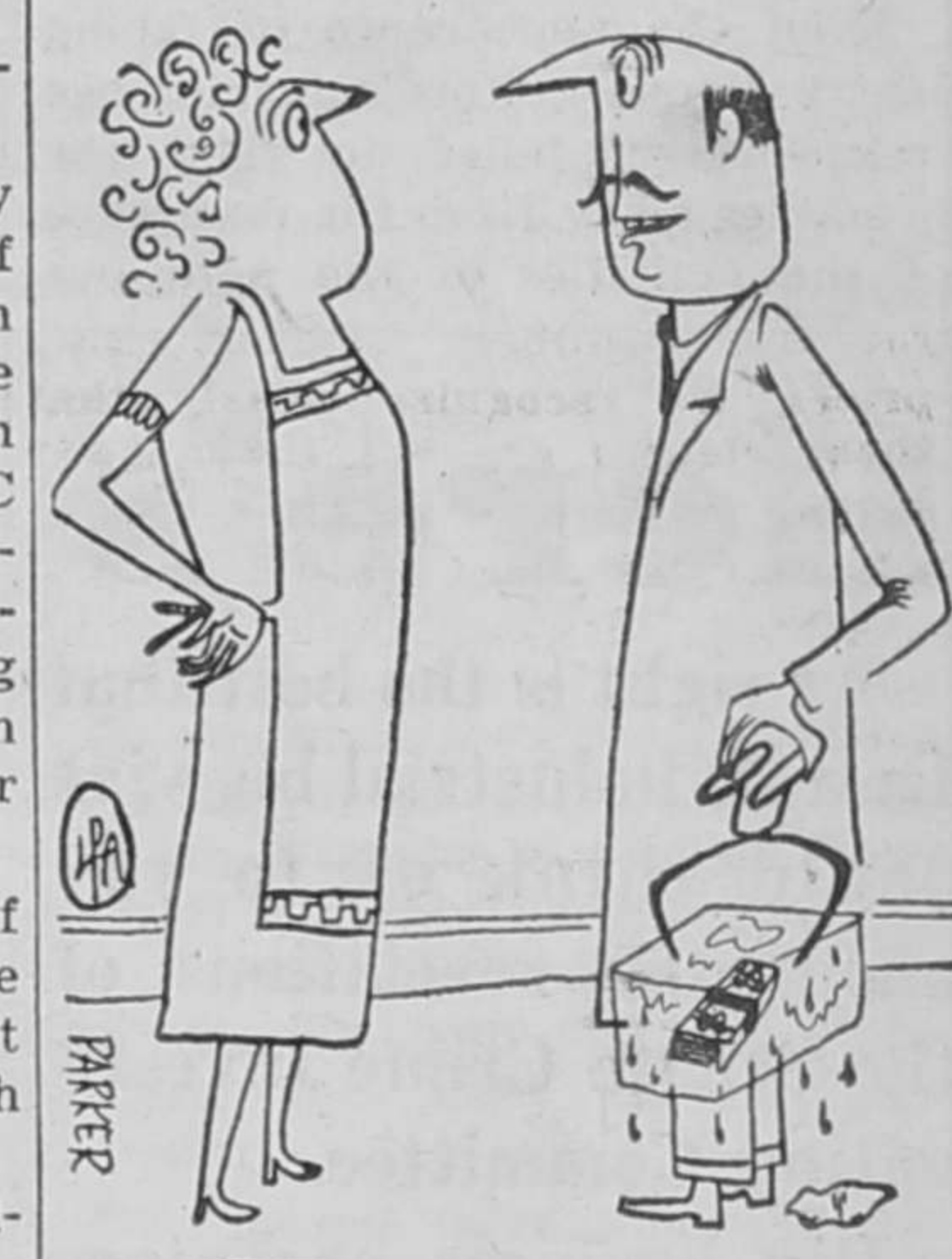
DETROIT — Signing of an area-wide seniority agreement between the UAW-CIO and the Ford Motor Company was announced last month by Ken Bannon, Director of the Union's National Ford Department. The pact will cover approximately 80,000 production workers in five Detroit area plants.

The plants covered are Rouge, Highland Park, Lincoln, Mound Road and Dearborn Engineering.

Under terms of the new contract, seniority employees who are laid off from any of the five Detroit area plants will be rehired into any other of the five plants where work is available before any new workers are hired.

Workers who are hired in a plant other than their home plant will retain and accumulate seniority in their home plant. They will also accumulate service credits toward pensions, vacation pay, holiday pay and any other economic benefits provided in the present contract in which seniority is a factor.

The new agreement was negotiated by Bannon and Local Presidents Carl Stellato (600), Al Musilli (400), Art Valenti (900), Andy Hrabchek (228) and Andy Neideffer (245).



"I told you they would freeze our wages."



"See? We all suffer from the cold."

Senate Asked to Hold Hearings on Inflation, Defense Program

Walter P. Reuther, UAW-CIO president, proposed this month that the Senate Labor and Welfare Committee hold public hearings "on the problem of inflation and its relationship to defense mobilization."

Reuther made his proposal in a letter to Senator James E. Murray, chairman of the Committee.

Reuther told Murray that the UAW-CIO would vastly prefer to have the cost of living rolled back and controlled than to have the wage increases its members have received as a result of increased living costs under the terms of cost-of-living escalator clauses.

"Our Union is prepared," Reuther said, "if the cost of living is rolled back to the pre-Korean level, to accept a corresponding rollback in wages that have been increased during the last six months through cost-of-living escalator clauses."

The text of Reuther's letter to Murray follows:

"Dear Senator Murray:

"As you know, Mr. Eric Johnston, Director of Economic Stabilization, has issued General Regulation No. 8, which preserves intact until June 30, 1951, the cost-of-living escalator clauses in contracts which the UAW-CIO holds covering a million workers.

"We fought vigorously to protect our escalator clauses, because they are the only protection our members have against increased living costs, and we are happy that we have won the fight so far. We are confident we can win it again if it becomes an issue next July with the termination of Regulation No. 8. We are confident we can win continuance of the escalator clauses as well as approval of our annual wage improvement factor provisions, because our position is sound and just and our contracts really create the industrial stability so necessary to the mobilization program.

"Although our cost-of-living escalator clauses provide insurance for our members against rising prices, we recognize clearly that those clauses are not the answer to the problem of inflation. Actually, our members are not gaining anything; they are simply holding their own. The increases they receive under the cost-of-living escalator clauses are paid to them in the wooden nickels of inflation.

"Under the terms of these contracts, our members received a five-cent-an-hour increase in September, 1950, and three cents in December, 1950. They will receive another four or five cents this month. That's a total of 12 or 13 cents in six months. Yet they would be better off and the nation would be better off if the cost of living had been held down and they had not received those increases.

REAL ANSWER

"The real answer to the problem of inflation is to roll back the cost

of living and freeze it through the institution of effective price controls.

"Our Union is prepared, Senator, if the cost of living is rolled back to the pre-Korean level, to accept a corresponding rollback in wages that have been increased during the last six months through cost-of-living escalator clauses.

"Our million members who have received such increases would be in a far better economic position under those circumstances than they are now. Although their escalator increases have protected them against current increased living costs, their savings, their insurance and their war bonds have all depreciated in value as a result of the inroads of unchecked inflation. Obviously, the millions of Americans who do not enjoy the protection of cost-of-living escalator clauses would be in a vastly improved economic position if the cost of living is rolled back and then frozen.

"Rising prices can be stopped. Inflation can be checked. And they must be if our economy is to be protected and if our mobilization program is to succeed. The government must demonstrate the same courage fighting inflation at home as our men in Korea are demonstrating in the fight against Communist aggression.

"Every one per cent rise in the Bureau of Labor Statistics Cost-of-Living Index costs the American people two billion dollars. We have been informed by highly respected authorities that they estimate the Cost-of-Living Index as compiled by the Bureau of Labor Statistics will go up to 195 points by July of this year if price controls are not established and enforced. In June, 1950, the index stood at 170.2 points. If it goes up to 195 points by July of this year, that will be an increase of approximately 15 per cent. This increase will mean

an annual cost to American consumers of 30 billion dollars.

"That much money could build 250,000 medium tanks or 200,000 jet fighters.

OTHER STEPS NEEDED

"While we realize that price controls and price rollbacks are the most important immediate steps, they alone will not solve the problem of inflation. Inflation must be attacked on every front.

"We must have effective and universal rent control.

"We must have a fair tax law. Congress must enact a pay-as-you-go tax program based on ability to pay. The present tax law forces low-income families to pay more than their fair share. The proposed tax bill is even worse. Families of less than a \$5,000 income are now paying as much in taxes as they paid during the last war, while a family with a \$500,000 income is paying \$40,000 less than it paid during the last war. A fair tax program must first reduce the standard of luxury of wealthy families before it cuts the standard of living of low-income families. Corporations now enjoying the highest profits in history (48 billion dollars before taxes in 1950) must be made to carry their proportionate share of the cost of defending freedom. The little people of America—workers, farmers, school teachers, white-collar groups—are prepared to tighten their economic belts and make whatever sacrifice is necessary to defend freedom.

"They insist, however, that the burden of sacrifice be shared on the basis of ability to pay and that America's corporations pay their fair share out of their huge profits.

100-CENT DOLLARS

"We must encourage inflation-proof voluntary savings by having the government issue special E bonds that will be redeemable in purchasing power equal to the purchasing power of the dollars originally invested plus interest. An E bond purchased in 1941 for \$18.75, and which is supposed to be worth \$25 this year, is really only worth \$14.40 in actual buying power. Thus, instead of the bondholder's earning \$6.25 on his investment, he has actually lost \$4.35.

"We must control bank credits, which are adding new fuel to the fires of inflation at the rate of over seven billion dollars a year.

"We must have quality controls as well as price controls. Experience during the last war proved conclusively that unless quality is assured, consumers will be victimized by having to pay high prices for inferior products.

"And we must do everything in our power to encourage increased production and overcome material shortages by breaking the bottlenecks of monopoly control.

"Many of these measures will require legislation. This includes the establishment of effective price controls, because the present provisions of the Defense Production Act have loopholes in them big enough to drive a 10-ton truck through.

"I am addressing this letter to you, Senator, because I believe the Committee on Labor and Welfare can perform for the nation a very valuable service in this emergency. The problems brought about by mobilization are so big and so complex that their solution requires the help and the ideas of all who are able and willing to make a contribution to them.

"I propose, therefore, that your Committee hold public hearings on the problem of inflation and its relationship to defense mobilization, so that all citizens and all groups may have an opportunity to testify and make their contribution to the solution of this serious and urgent problem.

"I will appreciate your giving this proposal your consideration.

"Sincerely,
"WALTER P. REUTHER,
President."

Union-Shop Voting in Chrysler Plants Will Begin March 19

Chrysler workers will begin voting Monday, March 19, for the union shop, it was announced early this month by Norman Matthews, UAW-CIO Chrysler Department Director.

The National Labor Relations Board will conduct the election and times and places to be announced in the individual plants, Matthews said.

In a bulletin to the Chrysler workers, Matthews said:

"Chrysler workers have long awaited this opportunity to write in the contract the security for our Union. We have fought and struggled over the years to build our UAW-CIO. We are now ready to insure our collective bargaining future by voting YES on the NLRB ballot.

"This is the first of several bullet-

tins which we will bring you. As fast as the information gets to us on the exact time, dates and places for voting at the various plants, we will let you know through future union-shop election bulletins.

"When your turn comes to vote, remember that if you fail to vote, your vote is counted as being AGAINST the Union.

"Let's all vote—and vote YES!

"Let's show the world and the rest of the UAW-CIO that we have real Union men and women at Chrysler."

Under the New Tax Program, The Rich Will Get Richer and The Poor Will Get Poorer

"An unbalanced tax program, which would place its heaviest burdens on the lower-income groups, is in the process of enactment," stated the United Labor Policy Committee on February 28.

Here is how the proposed new tax at each income level, for a man and wife with two children, compares with the tax paid on that amount of income under the pre-Korea tax law.

At this income level	For each \$1 of tax paid under the pre-Korea law, the proposed tax will take
\$ 3,000	\$1.44
10,000	1.39
25,000	1.31
50,000	1.25
500,000	1.18

The low-income family will be paying 44 per cent more income tax, the millionaire, 18 per cent more.

When that increase has been enacted, a proposal will be brought forward to reduce the personal exemption from \$600 to \$500. Here is how this kind of "equality of sacrifice" will affect a family of four at each income level.

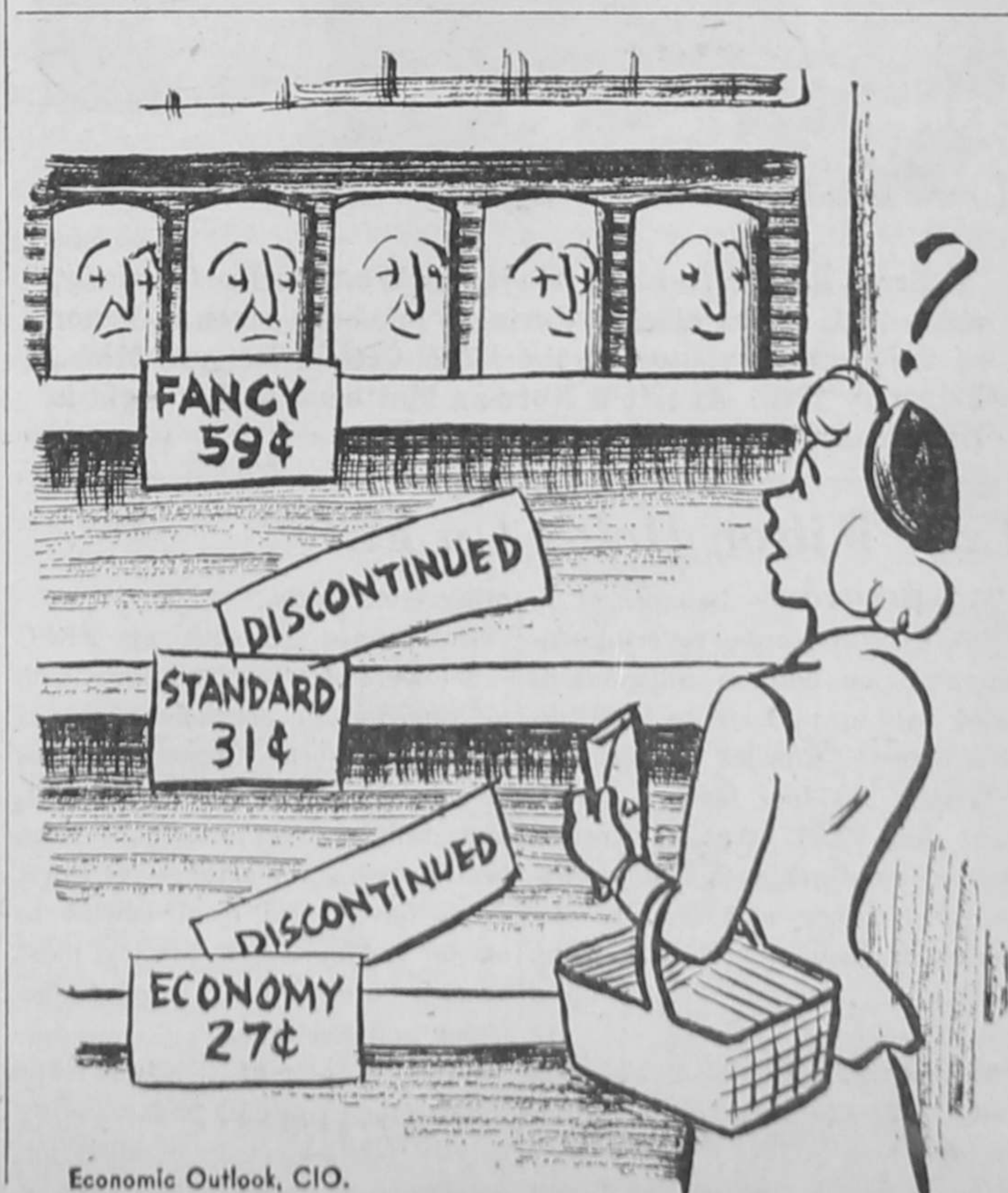
At this income level	For each \$1 of tax paid under the pre-Korea law, the new tax will be
\$ 3,000	\$2.40
10,000	1.47
25,000	1.34
50,000	1.27
500,000	1.18

Compare these figures with those above. The difference is due to the proposed reduction of the personal exemption. It hits the low-income family terrifically. The millionaire doesn't feel it at all.

The same inequality of sacrifice is written into the proposed new tax on corporations. The following figures show how the proposed law will increase taxes among corporations of different sizes.

Size of corporations, by taxable net income	Proposed increase in taxes
Under \$25,000	32%
\$25,000-\$50,000	24%
\$50,000-\$100,000	18%
\$100,000 and over	15%

As is proposed for the tax on families, the smaller incomes will pay the larger increases.



Price Order Rewards Chiselers; Invites Them to Grab Still More

Retailers not only are permitted—they are invited—to raise prices under the price-thaw order issued February 27 by the Office of Price Stabilization.

That order takes the freeze off of clothing, house furnishings and furniture prices. A similar thaw is being prepared for food retailers.

The order rewards retailers who have boosted their profit margins since Korea by legalizing the inflated percentage mark-ups which they have been adding to what they pay for the merchandise.

With no actual enforcement of the ceiling prices of manufacturers, this new order works like an inflation pump to pull prices to higher levels. When the cost to the retailer goes up, his profit is increased. Trade sources say that prices covered by this regulation will rise five to 10 per cent by mid-summer.

No control of food prices is yet in sight. Ceilings cannot be put on farm products selling below parity, and there has been no effort to roll back meats and other foods that are selling above parity. From January 15 to February 15, beef cattle rose from 141 per cent to 149 per cent of parity, veal calves from 143 per cent to 153 per cent and lambs from 143 per cent to 156 per cent. A ceiling has just been put on the price of raw cotton at 125 per cent of parity.

Food processors get special rewards out of this parity deal. The freeze order allows them to raise their prices when farm prices go up, but they are not required to lower their prices when the farm price goes down. Wheat and rye prices have fallen recently, but bakers need not reflect this drop in the price they charge for bread. It's a one-way street—uphill.

Wool and cotton textile manufacturers have gone on strike against price ceilings, refusing to quote on government contracts and refusing civilian orders. Already OPS has removed ceilings from cloth going into government orders. A flexible cost-plus-profit order will probably soon be issued by OPS to get these

manufacturers back to work on civilian products.

Effect of all this "write your own ceiling" policy on prices is clearly reflected in the weekly government reports of wholesale prices. In the five weeks since the so-called price freeze, average wholesale prices have risen at almost the same weekly rate as during the very rapid rise that occurred between last June and January. Farm products rose very rapidly immediately after the freeze, but fell slightly during the last two weeks of February.

Wholesale prices of non-farm commodities have risen steadily. In spite of the freeze, their recent rate of increase has amounted to 60 per cent of the extremely rapid rate at which they advanced between last June and the price-freeze date.

This is no freeze. This is only a slight slow-down. And now the "thaw" orders are coming out to legalize this extortion of consumers.

No end of the rise in wholesale prices is in sight for months to come. Living costs for a long while will reflect the rise at wholesale.

The inadequate price control powers provided by the Act are deliberately not being put to work by the OPS. Meanwhile, Wilson, Johnston and DiSalle have indicated that they plan to ask Congress to deny parity prices to farmers.

Labor is demanding now, as during the last emergency, that the hundreds of millions in subsidies provided for the farm program be used to assure farmers fair prices while retail food processors and retailers are put under tight controls. The administration has made no move in this direction.

Reuther Hits Price Policies On "Town Meeting of the Air"

FREDERICKSBURG, Va.—UAW-CIO President Walter P. Reuther, speaking here February 20 in a Town Meeting of the Air broadcast with Price Administrator Michael V. DiSalle and National Grange Master Hershel Newsom on the subject "How Can We Stop Rising Prices," said in part:

"To defend freedom, we must fight both Communist aggression on the battlefield and profiteering and run-away prices on the home front.

"The recent so-called price control order is a fraud upon the American people. Prices were frozen at the stratospheric levels to which they had soared.

"The government has rolled back the price of Cadillacs and scrap iron, but the price of foods keeps going up. In Detroit, hamburger and stew beef are 79 cents a pound.

"There is no substitute for effective price and rent control. The half-way, half-hearted steps taken to date will not do the job and the cost of living will continue to rise.

"Congress must take immediate action to amend and strengthen price control by putting teeth into the law and rolling prices back.

"We must attack inflation on every front. Congress must enact a pay-as-you-go tax program based upon ability to pay. The present tax law forces low-income families to pay more than their fair share. The proposed tax bill is even worse. Families of less than \$5,000 income are now paying as much in taxes as they paid during the last war, while a family with \$500,000 income is paying \$40,000 less.

"A fair tax program must first reduce the standard of luxury of wealthy families before it cuts the standard of living of low-income families.

"Effective control of the cost of living and a fair tax program are the keys to wage stabilization.

"American labor recognizes the need and is prepared to accept wage stabilization as part of an over-all economic stabilization program.

"Realistic wage stabilization must provide for wage adjustments to compensate for increases in the cost of living, the correction of substandard wages, the right to workers to share in the benefits of technical progress, and finally, the government should not upset or tamper with existing collective bargaining contracts.

"Industrial stability and high levels of production are not possible unless they rest upon equity and justice for workers and their families.

"Working farmers, like city workers, are entitled to economic justice. Fair prices for farmers should be guaranteed through parity, with subsidy payments where necessary to prevent price increases to consumers.

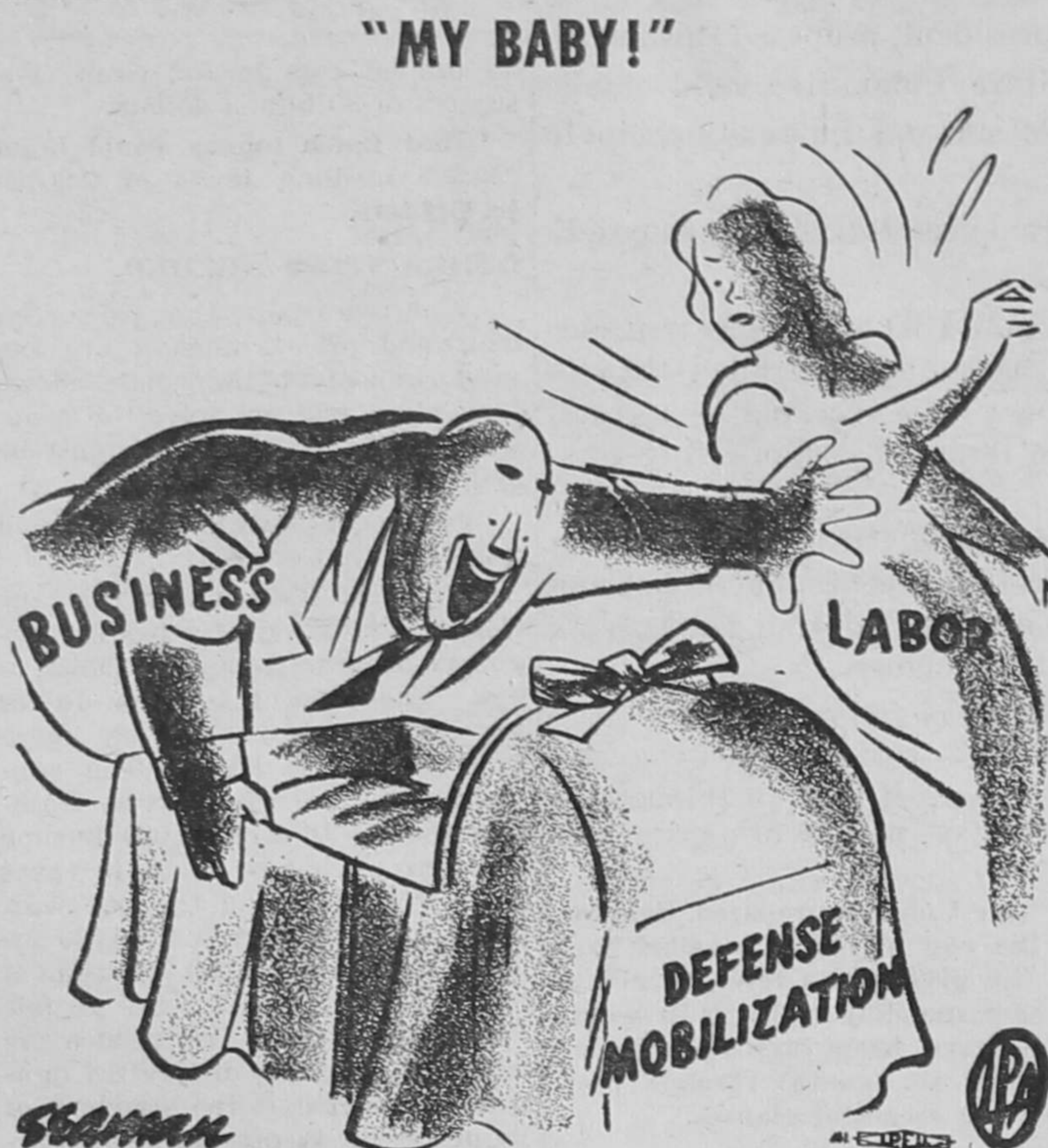
"We must reduce the tremendous price gap between what the farmer gets and what the city consumer must pay.

"Maximum production is a powerful anti-inflation weapon. To get full production, we must break the bottlenecks of monopoly.

"Eight months of delay and inflation have already cost us \$20 billion. Mr. DiSalle tells us prices are going up at least 5 per cent more. This will cost the American people another \$12 billion.

"This is not price control. America can and must stop rising prices.

"The government must demonstrate the same courage fighting inflation at home as our men in Korea are demonstrating in the fight against Communist aggression."



General Motors' Profits

The editors of the *Auto Worker*, looking through back copy files of the paper for the past several years, find that the following adjectives have been used to describe General Motors profits:

- scandalous
- gigantic
- huge
- record-breaking
- fantastic
- monstrous
- enormous
- outrageous

With the release of GM's 1950 figures, we find nothing in the dictionary that will describe them. So we have decided to just put them down on paper and let the readers see if they can find the words.

General Motors profits for 1950, before taxes, were:

One billion, eight hundred and eleven million, six hundred thousand dollars.

That is \$686,000,000 more than in 1949.

GM's 1949 profits, before taxes, represented 62.4 per cent on investment.

GM's 1950 profits, before taxes, represented 86.5 per cent on investment.

If any scholarly UAW-CIO member has a word on hand that can describe those profits, we'd like to hear from him.

NLRB ORDERS REHIRING OF 3

DETROIT—Three UAW-CIO members will collect approximately \$4,000 each in back pay as a result of a National Labor Relations Board ruling which found the Bendix Corporation's Detroit branch guilty of unfair labor practices. The decision was announced by Ed Cote, UAW Region 1 Co-Director.

NLRB Trial Examiner Robert E. Mullin found that the three workers, Stephen Jacob, Carl Steinhoff and Nick Bidnock, had been fired for union activity—specifically for attending a UAW meeting.

Mullin also ruled that Bendix had illegally helped a rival labor organization at the plant in an attempt to "get rid" of the UAW.

The NLRB examiner also recommended that Bendix be ordered to "cease and desist" discouraging membership in the UAW; to refrain from coercion and threats; and to cease aiding the other labor organizations.

The case was handled for the UAW by International Representative Phil Maggio. The workers were also ordered reinstated to their jobs.

UAW Adds Two Die Cast Shops

Vice-President Richard T. Gosser, Director of the Die Casting Department, announced a few days ago the organization of two new plants into the UAW-CIO. One plant is the Spangler-Loomis Company in Rockford, Illinois. The workers in this plant have joined UAW-CIO practically 100 per cent and are now waiting to participate in a formal election to be ordered by the NLRB. The UAW-CIO is the only union on the ballot and the election is but a mere formality to gain collective bargaining rights with the Company.

The plant, engaged primarily in die casting, employs around 165 workers.

Practically the same situation prevails at the Globe Imperial Company, a firm that is also engaged in die casting and plastic molding. This plant employs 200 workers. The NLRB has concluded its formal hearing on our application for bargaining rights and we are now awaiting the order for an election. There is no other union involved, thus making the election but a formality.

Organizational work was stepped up recently at the Matson Machine and Foundry Company. The Union is getting ready to file an application for an election through the NLRB.

Everybody Voted For Union Shop

Every single worker that voted in the NLRB union-shop election among the workers at the Ford Cincinnati Parts Depot voted "Yes." Three out of 73 eligible failed to vote—but they all had good reasons.

Meanwhile, the Ford Cincinnati Transmission Plant workers were rolling up almost as good a score. The vote:

- For the Union Shop 1,231
- Against Union Shop 39



—Acme Photo

Ernst Reuter (center), Mayor of West Berlin, Germany, chats with Union officials during a luncheon given in honor of the German visitor by the UAW-CIO in Detroit, Mich., February 27th. At left is Norman Matthews and at right is Emil Mazey.

Czar Wilson Holds Up FEPC

WASHINGTON—Issuance of an FEPC executive order covering employment on defense contracts is being held up by Defense Mobilization Director Charles E. Wilson.

Wilson has told leaders in the fight for FEPC that the order, drafted months ago in the Department of Labor and sent to the Budget Bureau, was being held up because of fear of stirring up a row in Congress.

Wilson was Chairman of the President's Committee on Civil Rights which in 1947 recommended action "now" to secure FEPC and

other civil rights.

Efforts to get such an FEPC order were started last August and, as reported in previous issues of the *Auto Worker*, representatives of minority groups, the CIO, AFL and religious organizations have been pressing for action ever since. They have gone from official to official and agency to agency, most of the time walking through flypaper and red tape.

FEPC is one of the important items which the CIO is demanding in any fresh start in mobilization policies.

37-Day Fairchild Strike Ends in Complete Victory

The 37-day strike of employes of Fairchild Aircraft Division, of Hagerstown, Md., ended February 13, when more than 3,000 members of Local 842 voted unanimously to accept an agreement which eliminated the Company's so-called "merit" rating system in favor of a length of service increase set-up.

Congratulations on a "successful and victorious strike and on their determination, solidarity and militant stand," were given Local 842 members by Vice-President John W. Livingston and Region 8 Director Thomas Starling.

It was one of the most solid and united strikes recently conducted by the UAW. It was a complete victory on all points for the strikers, who stood solidly against the Company, and against every effort made by both the Company and the community to divide the strikers, weaken their strength and break up the strike.

During the fifth week of the strike, Company-inspired rumors were given much publicity by community citizens acting as stooges for the Company, that the strikers' forces were divided and a back-to-work movement was imminent.

When mere word of a back-to-work movement failed to cause anyone to report for work, the Company then attempted to obtain signed petitions by Fairchild employes who would be willing to return to work without elimination of the merit rating system. This plan fell flat on its face and then the Company attempted to get the foremen to have these petitions signed. This also failed.

REUTHER AT MEETING

At a mass meeting of Fairchild workers, held on February 11, President Reuther, both at the meeting and over the Hagerstown radio stations, challenged Richard Boutelle, President of Fairchild Engine and Airplane Corporation, to enter negotiations with President Reuther and Vice-President Livingston. This public challenge created considerable discussion on the morning of February 12 in the surrounding community of Hagerstown, Maryland.

Early Monday afternoon, February 12, Fairchild management contacted the Union office and requested a meeting for that evening at 8 p. m.

SUDDEN SURRENDER

Capitulation of Fairchild management was as sudden as it was dramatic. On February 10, at a meeting in Washington, D. C., called by U. S. Conciliation Service, Fairchild management insisted that it would not budge off its position that the merit system would not be eliminated.

However, at 8 p. m. on February 12, prior to the Union Committee entering negotiations, announcements were made over the radio stations by Fairchild management that important announcements would be made to Fairchild workers later in the evening.

Immediately upon entering nego-

tiations, the Union Negotiating Committee was handed a signed statement by the Fairchild management committee, which stated that the so-called merit rating system would be eliminated immediately and requesting the Union to arrange for the return of the strikers to work beginning Wednesday, February 14.

The settlement provided for 15 cents per hour increase across the board on all rates and granted to all employes, effective on the date of return to work; of which 12 cents would be retroactive to October 30, 1950. All strikers would return to work without prejudice and time spent during the strike would be computed as time worked toward vacation pay and accumulation of seniority. Various changes were made in the vacation pay provision, and several very important changes were made in the wage rules as it applies to individuals when transferred from one job to another.

OFFICE WORKERS INCLUDED

This settlement also applied to the Office and Clerical Unit, of which there are approximately 300 employes, and the Engineering and Technical Unit, of which there are approximately 200 employes.

The Office workers and the Engineering Department marched the picket lines and stood solidly behind this strike with the Production and Maintenance workers.

Local committees operated the strike under the leadership of International Representatives Bert Bothe and Ed Burton, with very few picket line incidents, even though a few unwise and uninformed citizens had attempted on occasion to disorganize and provoke back-to-work movements and put unwarranted pressure on the striking workers.

Credit must also go to Regional Director Thomas Starling, Assistant Director E. J. Moran, Assistant Director of the UAW-CIO Aircraft Department Paul Russo, International Representative Glenn Brayton and the Local 842 Committee headed by President E. T. Michael.

UAW SUPPORTS VETS' SENIORITY PROTECTION

Members of the U. S. Senate were asked by Walter P. Reuther, UAW-CIO President, to amend the Selective Service Act to incorporate the proposals made by CIO Secretary James B. Carey to give returning servicemen job protection and to limit the life of the bill to two years.

In a letter to all members of the Senate, February 28, Reuther urged that the bill be amended from the floor to give returning servicemen full seniority rights in their old jobs as those rights apply to re-employment, to promotion rights, insurance benefits and pension and medical benefits.

The CIO proposes, Reuther said, that the bill be adopted for a period of two years with the thought that its policies and methods be reviewed in 1953 in the light of international conditions then existing and the requirements of our national security. As presented to the Senate, the bill from now on would commit eight years of the life of every male youth to service, two years active and six years in reserve.

"We need not and should not adopt as permanent national policy a system of universal military training and service that, in itself, would be incompatible with the programs of disarmament and collective security through such an agency as the United Nations to which our greatest statesmen have subscribed," Reuther continued.

"We urge amendment of the bill before you to provide for two years of operation and the substitution of the original title. The Defense Production Act is limited to one year, and when renewed will undoubtedly be labeled temporary emergency legislation and again limited for a short period. Certainly a law to draft lives should be no more permanent than a law to allocate and use materials."

GIFTS FOR SERVICEMEN

Appreciative letters are being received by the officers of UAW-CIO Local 870 from its members who have entered the armed services.

Some time back, the membership of the Local voted to give pen and pencil sets to each member leaving for the service.

One member wrote: "It is good to know that the Union is thinking about its members in the armed forces. The fellows in the barracks admired the beauty of my gift very much."

Organization Moves Ahead At Cadillac Tank Plant

CLEVELAND — Organizational progress at the Cleveland Cadillac Tank Plant, projected as one of General Motors' largest facilities, moved into full swing following a formal hearing for representation before the National Labor Relations Board here.

Employment is still at a minimum level because of construction and tooling requirements, but at full capacity the plant will employ about 15,000. At present, the UAW-CIO has obtained approximately 70 per cent of the employes' signatures authorizing the Auto Workers Union as the bargaining agent. The UAW-CIO is seeking a ruling from the NLRB directing an industrial bargaining unit.

At the hearing, several AFL craft unions sought bargaining rights for small groups of employes. One was thrown out because it failed to present cards to demonstrate an interest showing. In another case, the workers claimed by the craft union were shown to do work unrelated to the jobs the union argued for.

Regional Director "Pat" O'Malley, who is directing the drive, said of the craft union intervention: "While we are confident

that these craft units have no status in an industrial operation, the simple fact remains that there is no substitute for votes. These we intend to have in overwhelming numbers come the election.

"The AFL's intervention in this plant can result in only one thing — to delay the election and deprive workers of bargaining rights through the union of their own choice, the UAW-CIO. We will work for an early election and welcome its results."

An organizational headquarters has been set up at 5519 Riverside Drive, across from the Administration Building of the Cleveland Airport, and shift organizational committees are set up to keep the cards rolling in and get the signatures of every new hire the minute he starts on the job.

Meanwhile, legal counsel for the UAW-CIO is working for an early determination from the NLRB.



Fred Wehner, left, 8054 Rathbone, recently became the first employe to retire under the terms of the Kaiser-Frazer UAW-CIO Employee Retirement Fund. Seventy-three, Mr. Wehner will receive a monthly retirement payment equivalent to \$1.50 for each of his 19½ years of credited service, plus his regular Federal Social Security pension. The K-F-UAW retirement program provides for maximum pensions, including Social Security, of \$125 a month upon retirement. Tom Stanley, right, Local 142 representative on the retirement board of trustees, and Earl Gilman, K-F representative, presented the first check.

IHC TOOLROOM WORKERS AGAIN REJECT FE-UE

The ability of the UAW-CIO to adequately and effectively represent International Harvester workers was given emphatic approval and recognition on February 21, when workers in the tool room and experimental divisions of the Company's McCormick Works in Chicago rejected by a four-to-one vote the efforts of the completely discredited FE-UE to recapture these workers through a National Labor Relations Board election.

A petition for an election had been filed by the FE-UE while this group of skilled workers was on a valiant strike to improve their wages and working conditions. Ironically, it was the strike of these skilled workers plus UAW-CIO members of the office workers' local in this same plant that caused a complete shutdown of FE-UE Harvester plants during the recent UAW strike, even though the FE-UE top leadership had previously issued a back-to-work order to its members who had walked out in support of the UAW-CIO.

Agricultural Implement Department Director John W. Livingston stated, "The results of this election prove conclusively that Harvester workers who are familiar with both organizations choose the strength and democracy of the UAW-CIO and reject the weak and perverted FE-UE. It serves as an example to all FE-UE members in

Harvester plants and will encourage efforts to achieve complete unity among workers in the Company."

The exact totals of the election were 252 votes for UAW-CIO, 68 votes for FE-UE, and 14 votes for no-union.

Much credit goes to the officers of Local 1101 and to Region 4 for their work in the pre-election campaign.

With the election behind them, the members of Local 1101 will direct their full efforts toward the solution of many serious classification problems which were created by the Company just prior to the election and which presently threaten a strike by this Local Union. These classification problems, intended to create dissatisfaction with the UAW Local Union, only strengthened the determination of the membership to preserve their Local Union and solve the Company-created problem.



Assistant Aircraft Department Director Paul Russo is wearing a victory smile, as are the Fairchild workers in his audience, as he reports on the strike settlement agreement to the membership of Local 842, Hagerstown, Maryland.

Nunn Looks Behind "Scrap Iron Curtain"

DETROIT—Demands for a full-scale investigation into union busting and strikebreaking became intensified this month as the UAW-CIO took to the air lanes to expose grand jury information left untouched by the Kefauver Crime Investigating Committee.

For over a week, Guy Nunn—the Union's radio commentator—devoted his nightly broadcasts over CKLW and WDET to disclosures of grand jury testimony linking organized industry and organized crime in anti-labor schemes.

The UAW has urged the Senate crime probes to come back to Detroit and finish the job they started. Prosecutor O'Brien has made the same request.

In his radio broadcasts, Nunn has dug deeply into testimony before Judge Murphy's 1946-47 labor rackets grand jury—testimony which was made a matter of public record, but not thoroughly aired, by the Kefauver probes.

Nunn's broadcasts quickly brought big business and racketeer pressure on CKLW. (WDET is owned by the Union.) Spokesmen for the Detroit Board of Commerce and the Michigan Manufacturers Association have made personal visits to the station. So have attorneys for W. Dean Robinson, Briggs president, and Carl Renda, scrap "broker" for Briggs.

But the united front displayed by big business in trying to hush up the disclosures and prevent a full-scale investigation into un-



GUY NUNN

ion busting and strike breaking developed some cracks.

While Harvey Campbell, executive director of the Board of Commerce, was launching a bitter attack on the Kefauver Committee, the Detroit Citizens League—a political group long backed by many of the B of C's members—joined in the demand that the Senate crime probes come back to the Motor city.



Doubling in brass, Mrs. Lena Uberti, Traffic Manager of the UAW station WDET-FM, is also mistress of ceremonies of "Italian Melodies," half-hour program of Italian music, old and modern. "Italian Melodies" is aired from five to five-thirty Monday through Friday evenings. This is followed by 30 minutes of Ukrainian music and news under the direction of Nicholas Shustakewich.



Harold Ickes, former New Deal official, was one of the many prominent speakers heard on WCUO's recent broadcasts of the annual convention of Americans for Democratic Action. Other speakers included National ADA Chairman Francis Biddle and Senator Hubert H. Humphrey. For all the news about labor in Cleveland and central Ohio, turn to your labor station, WCUO, 103.3 on FM.

More Education, Less Bunk on TV, FCC Member Asks

Commercial TV broadcasters were taken to task by Frieda Hennock, Federal Communications Commissioner, for their failure to produce educational shows at the Sixth Annual Michigan Radio-Television Conference held at Michigan State College March 3.

Miss Hennock strongly advocates the allocation of 25 per cent of the remaining television channels for the use by non-commercial educational institutions.

Only in this way, Miss Hennock asserts, will the American public be assured that this new and powerful medium will be reserved for educational purposes. She expressed little confidence of the willingness of commercial operators to produce good educational shows in any quantity or frequency.

Expressing a stern warning that opportunity for making good use of the TV airways is slipping through our hands, Miss Hennock asserted, "TV is the finest opportunity for vitalizing and expanding our education system that has come in generations. But let me also state the warning right from the start, that this opportunity is one that may not remain available for years to come, to be exploited at will.

"It is one that may almost disappear before many institutions have made a single move to realize it. The efforts of our educators in the near future will determine to a great extent whether television is to become an educational miracle or remain a mirage that taunts us with its limitless possibilities."

She appealed to educators and all those interested in reserving television channels for public service to continue and intensify their claim for television frequencies. She urged wide public support of the recently organized "Joint Committee on Educational Television" which is spearheading the drive for the reservation of channels.

Evidence of the value and practicality of educational shows was cited by Miss Hennock in a number of cities where college, public schools and universities have cooperated to put on well-produced interesting classes, forums and discussions of current events.

Announce Convention Broadcast Schedule

Highlights of UAW-CIO convention proceedings will be broadcast at 7:15 p. m. Monday, April 2, through Friday, April 6, on CKLW and WDET in Detroit and WCUO-FM in Cleveland.

It is also anticipated that the convention programs will be aired in large UAW centers such as Chicago, Buffalo, New York City, Baltimore, Springfield, Ohio, and other communities. UAW members living in these cities are asked to check with their local unions for further information on station and time.

The CKLW and WDET broadcasts from Detroit will reach UAW members throughout Michigan with the exception of the Upper Peninsula. These stations can also be heard in Toledo and other sections of northern Ohio, northern Indiana and southern Canada. UAW locals in these sections are urged to check their radio sets to determine if either CKLW or WDET-FM is heard in their community. CKLW is at 800 on the AM dial, WDET is at 102 on FM.

If either station is heard, locals are requested to publicize the programs in their local union papers, in shop leaflets and by announc-

ing the series at their membership meetings.

The broadcasts will consist of excerpts of speeches and floor debate direct from the convention. Able UAW-CIO commentator Guy Nunn will produce and narrate the introductory portions.

Similar broadcasts at the last convention attracted wide favorable comment both from UAW members and the general public.

Local unions interested in securing recordings of the five 15-minute programs either for broadcast on local stations or for use at membership meetings may order them from the UAW-CIO Radio Department, 411 W. Milwaukee, Detroit, Michigan. A charge of \$5.00 for each recording to cover production cost and mailing will be made. Orders should be sent in as quickly as possible and not later than March 27.

The UAW station in Cleveland, WCUO, will air the entire convention proceedings.



Safety problems of Ford Rouge workers were discussed recently on "600 at Seven," popular Local 600 show on WDET-FM week nights. Above, Dave Averill, editor of Ford Facts, who handles the Monday evening commentary, interviews John Gruden, Health and Safety Director of the Rouge Local. "600 at Seven" is indispensable listening for those interested in keeping up with events and issues at the tremendous Rouge Local. Tune in to WDET, 102 on FM, Monday, Wednesday and Fridays at 7:00 p. m.

TUNE IN! "KORN"EGIE HALL



The band with a thousand gadgets and more laughs is the usual description of the versatile "Korn Kobbler" which is a new program feature on WDET-FM sponsored by the Lasky Furniture Company weekdays at 4:45 p. m. The two Lasky Furniture stores are located at 13300 Joseph Campau, next to the Lasky Theater and at 14260 Gratiot at Seven Mile.

FM Production Sabotaged, Co-op Station Charges

In a ringing indictment of radio set manufacturers for their neglect in failing to provide sufficient FM sets to satisfy the growing demand of radio listeners, the Co-op Broadcasting Association demanded a Congressional Investigation of the radio manufacturing industry.

The action was taken at the annual meeting of the Cooperative Broadcasting Association, owner of Radio Station WCFM which has over 2,700 stockholders.

The text of the resolution follows:

"WHEREAS THE DEVELOPMENT OF FM BROADCASTING IS IN THE PUBLIC INTEREST, and Whereas public acceptance and desire for FM broadcasting has been demonstrated by a constantly increasing demand for FM receiving sets, a demand which is not now being met by the radio manufacturing industry, and Whereas this public interest and desire is being thwarted by the radio manufacturing industry through its failure to manufacture in sufficient quantity and promote FM receiving sets and by failing to acquaint the general public with the advantages of FM broadcasting and reception; and Whereas such restraint and neglect by the radio-manufacturing industry seriously interferes with the

free and full use of radio channels for the public interest; BE IT RESOLVED THAT

"Radio Station WCFM act through its Board of Directors and in concert with other interested groups to recommend that the Congress of the United States investigate the cause of such neglect and in action by the radio manufacturing industry and take necessary corrective action."



99. © 1951 CARL STAMWITZ "If you want to read me a real bedtime story, Pop, read one of those Big Business press releases!"

Ford Uses Bennett Tactics in Buffalo Election Drive

The workers in the new Ford Stamping Plant in Buffalo, New York, have chosen the UAW-CIO as their bargaining agent by more than a 2½-to-1 majority. In an NLRB election held on February 21st, the employees voted 543 for the Union to 215 against.

This overwhelming vote in favor of the UAW-CIO followed on the heels of a vicious anti-union campaign by local Ford management, reminiscent of the Harry Bennett days at Ford. And the person apparently directing the campaign against the Union was none other than John J. Maroone, formerly personnel director of the Buffalo Assembly Plant, who was cited by the NLRB for espionage, coercion and brutality in connection with the UAW's 1940 organizing drive at that plant.

As the new Stamping Plant began operations late last fall, it was announced that Maroone would take over as personnel director of the new plant. Applicants for employment thereafter were carefully screened to sort out those with any background of union activity. Free lectures were passed out to the effect that the Union, any union, would be unnecessary and undesirable at the new plant.

Still later, when Union representatives began organizing activities at the plant, the firings began. Employees who assumed leadership in the Union's campaign were soon marked for discharge. Unfair labor practice charges were filed with the NLRB for eight of the Union's leaders discharged from the plant.

LOVE LETTERS

Representatives of the Company's personnel office began interrogating workers concerning their Union membership and activities. Employees were called to desks of these Company agents in the plant, questioned about the Union and told how the Company intended to save them from paying dues or initiation fees to the Union while giving them all the benefits received by the Union in other shops. As the date for the NLRB election neared, the Company intensified its anti-union campaign. Altogether, a total of three letters were sent to the workers and their wives urging them to

vote against the Union. On the eve of the election, a 10-page leaflet, prepared by the Company, was distributed through the plant and placed inside all cars in the parking lot. Signed by a fictitious "Veterans No Union Committee" the leaflet urged workers to "Vote No" for various reasons including one to "maintain job security by voting No."

WORKERS DIDN'T SCARE

Following this type of aggressive campaign against the Union, the overwhelming "Yes" vote in favor of the Union is a tribute to the courage and intelligence of the workers in the plant who refused to be frightened or coerced out of their Union. Special mention should also be given Gene Morrison, Myles Barnes, Ben Szymczak, Walter Plecha, and Patrick O'Leary who served as the Union's committee in the final critical period prior to and including the election. Ed Gray, Sub-Regional Director, and Frank Holland, International Representative, headed up the drive for the International Union and were assisted by John Ferenczi of the National Ford staff.

Other local unions in the Buffalo area pitched in (especially Ford Local 425, the Buffalo Assembly Plant and its president, Frank Gordon) and Ken Bannon, Director of the National Ford Department, made several trips to Buffalo to help out. Naturally, everyone was pleased at the outcome of the election and general consensus seems to be that Ford should now be convinced once and for all that anti-unionism just doesn't pay.

Irving Levy, Auto Workers' Counsel, Dies

A great friend of the labor movement and a fighter for civil rights was lost at Washington, D. C., February 16 with the death of Irving J. Levy, general counsel of CIO Auto Workers. Levy, 46, plunged from a bridge in Washington.

"Irving Levy made a great contribution to our Union during the three years he served it as our general counsel," said UAW President Walter P. Reuther. "During a long period of years prior to his association with UAW, he had been a staunch and courageous fighter for labor and the cause of civil rights."

"He was a man of great integrity and sincere convictions. He had been ill for some time before his tragic death. UAW and the whole labor movement and the cause of democracy itself suffer a severe loss with his death."

Among the causes in which Levy was most interested was the fight to end racial segregation. He was prominent in litigation for equal treatment of Negro railroad firemen, and in ending the segregation rules of the American Bowling Congress.

A graduate of City College of New York, Levy entered private practice in that city. In 1934 he went to Washington as an enforcement attorney for the NRA. Later he was with the Resettlement Administration and the Agriculture Department, and was general counsel of the Farm Security Administration.

He joined the Labor Department in 1938 as assistant general counsel of the Wage and Hour Division. In 1940 he was named assistant solicitor of the Labor Department and later associate solicitor. In 1943 he joined the Justice Department's War Claims Division and later participated in prosecution of war claims cases in Germany.

Levy left a wife and two children, John, 11, and Susan, 15.



Right to Strike Upheld by Court

CIO General Counsel Arthur J. Goldberg issued the following statement with respect to the decision of the Supreme Court last month, invalidating the Wisconsin public utility anti-strike law:

"Today's decision by the Supreme Court makes it again clear that the right to strike is guaranteed by federal law in industries affecting interstate commerce. The Taft-Hartley Act modified and limited that right but today's decision again illustrates the fundamental principle that the states may not impose further or additional limitations."

"Today's decision has an effect far beyond its immediate impact on the Wisconsin statute. The statutes in such states as Kansas, New Jersey, Pennsylvania and Nebraska which similarly prohibit or limit strikes in public utilities are now clearly adjudicated to be unconstitutional."

"In addition, there can be no question that other types of state regulation of the right to strike would be declared invalid. Congress has declared that the public policy of the United States is in favor of free collective bargaining. Today's decision of the Supreme Court makes it clear that the states may not pass legislation which runs counter to that policy."

UE OFFICIAL GOES TO JAIL

WASHINGTON (LPA)—Julius Emspak, 46, Secretary-Treasurer of the United Electrical Workers, has been found guilty on 68 counts of contempt of Congress. He refused to answer questions about Communism when he was quizzed in 1949 by the House Un-American Activities Committee.

U. S. Judge F. Dickinson Letts refused bail, and Emspak went to jail. Sentence will not be pronounced until after the judge sees the probation officer's report. Maximum sentence on a contempt conviction is a year in jail and a \$1,000 fine.

The decision may set a precedent for the cases of six other UE officials also accused of contempt. These include Thomas J. Fitzpatrick, former chief steward of the UE Pittsburgh local. Later in the day, Thomas Quinn, Pittsburgh field organizer for the UE, was found guilty by Judge James R. Kirkland and drew 12 months in jail and a fine of \$1,000. The UE was expelled from the CIO in 1949 for following the Communist party line.



Housing Snarl Endangers Defense Program, Ups Costs

WASHINGTON—Housing costs were shoved through the ceiling March 6 when the House Banking and Currency Committee adopted a series of amendments proposed by the real estate lobby, leaving all defense housing to private enterprise under the same kind of program which since World War II has produced chicken-coop apartments renting at 80 dollars per month and up.

The Committee filed the experience in building low cost war housing in World War II in the waste basket.

The Committee adopted the motion of Representative Ralph Gamble (R., New York), increasing the mortgage limit by \$1,000 and thereby boosting the price of all new houses by another \$1,000 and pulling up the price of old housing.

The Committee increases the FHA-guaranteed mortgage bankers' gravy train by another \$3 billion, although Congress has been urged to investigate FHA.

Under the bill as reported to the House, no housing will be built by the government, except in isolated areas.

Consistent with the handling of other parts of the defense mobilization program, the real housing needs of defense workers are being left to the tender mercies of real estate profiteers whose

gouges in defense areas are front-page copy across the nation.

The CIO and AFL and other housing experts told the Committee how speculators had moved into tight housing areas and boosted land costs so high that it would not be possible to build housing to rent within the ability of workers to pay.

Evidence was presented showing aircraft workers living in their cars in San Diego and Wichita.

Workers building the H-bomb in South Carolina would face minimum rents of 125 dollar per month unless the whole emphasis of the bills were changed, according to Leo Goodman, the CIO and UAW Housing Director.

Goodman also urged the Congress to adopt the provisions which were in the Lanham Act which prevented discrimination because of race or color in the housing units

Tell Congress

WASHINGTON — If you want housing in defense areas at prices and rents workers can pay, urge Congress to:

1. Remove credit regulation "X" in all defense production areas.
2. Enact middle-income housing legislation—long-term loans at low interest.
3. Sell World War II housing to present occupants.
4. Sell government owned (FNMA) mortgages — use funds to finance new defense housing program.
5. Build as many homes as possible with available materials and manpower; use allocations if necessary.
6. Give priority to low rent military housing needs.

built under its provisions. He urged the Committee to require the immediate suspension of credit regulation "X" in all defense areas and to set up a priority for housing on military establishments and for low rent public housing projects for low-income families. Quoting from personnel directors of Michigan

plants, he pointed out that hundreds of workers are being recruited into the Detroit area only to quit because of a lack of housing, thus slowing the defense mobilization program.

"The employment supervisor of Fisher Body said that the inadequacy of housing for that Company's employes was demonstrated by the fact that of 1,400 workers hired from outside the state since April 1, 1950, at least 200 had resigned and returned home because of their inability to secure accommodations for their families."

"The chief of personnel of Great Lakes Steel Corporation reported an average of three resignations a week because of inability of the employes to find family housing."

"Officials of the Civilian Personnel Section, Detroit Tank Arsenal, reported that no rental units of any type were available in the vicinity of the plant. The arsenal is beginning a program to recruit 4,000 new workers."

"The director of personnel of Dodge Truck Division anticipated an increasingly difficult problem in employe housing, with an abnormal labor turnover if adequate accommodations were not available."

"The director of personnel, Chrysler Motor Car Division, said that while present labor turnover was normal, the average of five resignations a week was attributed to difficulties of the employes in finding housing."

"The branch manager, Wyandotte office, Michigan State Unemployment Compensation Commission, pointed out that workers arriving

in the area must find shelter in the semi-rural communities, and that this would become increasingly difficult in the near future. As illustration of accelerated employment programs he cited those under way at the McLouth Steel Company in Trenton and the Great Lakes Engineering Works in River Rouge, which will require a total of 3,500 new employes. The chief of the real estate department, Ford Motor Company, said that there were no rental units available at less than 100 dollars per month in the area convenient to the plant, and that average Ford employes could not pay such rents."

The CIO pointed out to the Committee that UAW-CIO had experience with the Willow Run housing problem which was left to private enterprise until the production schedule was delayed by the lack of manpower. Then when Willow Run Village was built, it consisted of ramshackle units.

Rent Decontrol Looms Again; Government Stalls and Drifts

WASHINGTON—Thanks to stalling by the Administration and Congress since January 1, millions of American families in Detroit, Cleveland, Indianapolis, Kansas City and 1,437 other areas of more than 1,000 population face rent decontrol March 31, followed by rent increases or evictions at a time when a nationwide housing shortage is being made worse by shifts for defense work. The present rent control law expires March 31, unless renewed between now and then, except for 1,066 cities that have acted to extend coverage to June 30.

In some cities, strong public demand by tenants and others may get the 90-day extension by action of the local governing body provided in the law that otherwise expires March 31. But such action will have to be taken before midnight March 31, against the opposition of the local real estate lobby and its allies.

Because any decent bill providing effective nationwide rent control will be fought step by step through the Banking and Currency Committees of both Houses, the only course now is for tenants and their organizations to

1. Insist upon a short-term renewal of the present Swiss cheese rent control act that has more holes than controls (1,066 cities covered to June 30; 1,441 uncovered after March 31 unless law is extended) and

2. Demand the enactment at the earliest possible date of a real, effective nationwide rent control law that will include:

rent control for the duration of the emergency;

power to recontrol areas which have been decontrolled by local action;

ceilings for all housing in controlled areas;

rent control in all areas around military establishments;

strong eviction controls with at least six months' notice;

effective enforcement with triple penalties for overcharges;

reduction in rent for reduction in services.

Months ago, National Security Resources Board Chairman W. Stuart Symington told Congress that the mobilization program will require the migration of at least seven million workers. This means a tremendous turnover in rental housing units and, in the absence of effective rent control, highjacking of tenants.

The Senate Banking and Currency Committee has reported out a short bill to extend rent control for 90 days. The House Banking and Currency Committee should be urged to do likewise.

Even with such a renewal out of committee, the enemies of rent control will fight extension by every delaying device, hoping to prevent floor action until midnight March 31. Their final ace in the hole will be Senator Cain (R., Wash.) who can be counted on to conduct a last-minute filibuster or to insist upon weakening amendments as the price for allowing the bill to come to a vote in the Senate.

Only a few days are left to save even the shadow of rent control. Action later will not restore homes to evicted tenants and a rollback of rent increases will be as hard as getting butter out of a dog's mouth with a hot awl.

Senate Gets Bill Barring Espionage Against Unions

WASHINGTON (LPA) — Six liberal Senators have introduced a bill aimed at labor spies in interstate commerce.

They would fine a man up to \$5,000 and give him two years in prison if he accepted "any verbal or written report" intended to "coerce" an employe in regard to his labor rights.

Sponsors of the bill are Sen. James E. Murray (D., Mont.), Sen. Matthew Neely (D., W. Va.), Sen. Hubert Humphrey (D., Minn.), Sen. Paul Douglas (D., Ill.), Sen. Herbert Lehman (D., N. Y.), and Sen. Wayne Morse (R., Ore.). All six are members of the Senate Labor Committee.

Murray, now chairman of the Labor Committee, was chairman last year of a subcommittee on labor-management relations which surveyed the working of the Taft-Hartley Act in a number of industries.

In a speech on the Senate floor, he declared that most employers have long since abandoned labor espionage "but in some of our industrial byways it still sprouts and poisons labor-management relations."

He pointed out that his subcommittee found espionage practiced in the textile industry, the furniture industry, and others. He said the worst cases were in the oil tanker industry.

Last September the subcommittee heard testimony indicating that the Cities Service Oil Company's marine division supported a spy system run by ex-Coast Guard officers in an effort to keep the Seafarers' International Union-AFL off its tankers. The Union finally obtained a contract despite the espionage.

Fired Kohler Veterans



Harold Neuwirth (left) and Floyd Schuette (right) are the two Kohler workers who were fired because they insisted on their rights under Wisconsin law and refused to sign scrap deduction slips.

UAW-CIO IN SHOWDOWN WITH KOHLER KINGDOM

SHEBOYGAN—UAW-CIO is knocking hard at the gates of the Kohler kingdom which sprawls over the country-side just outside this city.

Kohler of Kohler, the Company calls itself. This title was coined by the founder, the deceased Walter Kohler, Sr., who thought so well of himself and his empire that he ordered a village erected in the name of the king.

Few industrial baronies of this kind have survived the onslaught of American labor unions. It is a petty, paternalistic monarchy, rotten with bootlicking and favoritism, holding thousands of workers in vassalage.

Thousands of acres are held by King Kohler. These include the farms, the factory and the village itself. The guiding hands of the municipality have been recruited from the loyal ranks of supervision and office help in the Kohler factory. There is a tavern called the American Club, where Kohler workers rent rooms, eat meals and sip a beer or two when they can spare the cash for such a luxury.

Hundreds of homes are owned by the Kohler Company and rented or leased to workers.

All in all, it is a very clubby affair—except for the fact that a substantial portion of the Kohler workers have grown weary of having the king riding on their backs and guiding them where he wants them to go.

This is not the first time that the royal hierarchy has had to cope with a rebellion among the serfs. In 1934, the AFL organized the plant and went on strike in an effort to win recognition. Two workers were shot dead and many others wounded after King Kohler turned his supervision and village government into a special force armed with guns, clubs and tear gas.

Then the Company formed the Kohler Workers' Association (KWA), a company union, which has kept the waters muddied down to this very day. It is at present the certified bargaining agent with

a so-called contract which the workers call the "Kohler Joke-Book."

UAW-CIO's drive is based on young men, mostly World War II vets, who have never known the fears hanging over from the bloody trouble of 1934. Some of these youngsters have been in other cities; they know the score—they know that Kohler is years behind in wages, hours, working conditions. And they're out to do something about it.

Kohler has hit back with the terror that is its only weapon. Two young veterans in the enamel department, Harold Neuwirth and Floyd Schuette, have been fired. The Company tossed them out for refusing to sign a loss sheet authorizing the Company to clip their pay 60 cents each for making a faulty bathtub. The bad tub was not their fault.

Previous to the UAW-CIO drive, Kohler docked paychecks for bad work to the tune of about \$125.00 per year per worker. UAW-CIO dug up a Wisconsin law showing that these deductions were illegal unless authorized in writing. Resentment over these deductions is one of the strongest factors in the organizational drive.

As the *Auto Worker* went to press, the date for the NLRB election had not yet been set, although it was ordered to be held on or before March 26.

Harvey Kitzman, Director of UAW-CIO Region 10, is giving personal attention to the drive and giving it the full backing of the regional staff plus a crew assigned from national departments to assist in this mopping up operation.

Labor Papers Nix Awards

VALLEY FORGE, Pa. (LPA)—Four labor publications have rejected prizes awarded them in the second annual awards made by the anti-labor Freedoms Foundation on Washington's birthday.

They are: *The American Federationist*, official AFL publication; *Light*, edition of the CIO News, published monthly by the CIO Utility Workers; *Electrical Workers' Journal*, monthly of the AFL Electrical Workers, and *Machinists' Monthly Journal*, of the AFL Machinists.

The awards were made "for outstanding defense and extension of the American way of life." But Freedom Foundation's version of the "American way of life" is anti-union, anti-labor, anti-liberal, anti-democratic and is the line peddled by the National Association of Manufacturers.

Says Chamber Helps Moscow

Senator Burnet R. Maybank, of South Carolina, is not the kind of man to seek a quarrel with the U. S. Chamber of Commerce, but it exhausted his patience this week and he "blew up."

Maybank's committee was holding a hearing on the Defense Housing bill. As usual, a C. of C. spokesman, Norman P. Mason, was opposing any such measure. Finally Maybank leaped to his feet angrily and said:

"I wish that when the C. of C. comes before this committee it sometimes would suggest something for the good of the country, and not always delay, delay, delay. Every time we delay, we help one person—the fellow in Moscow."



"Even if there were a Mrs. Stalin, dear, I doubt whether you'd get very far with an organized appeal by women's clubs."



"I wouldn't mind being a dollar-a-year man, if I could clear that much."



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