

# The United Automobile Worker

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

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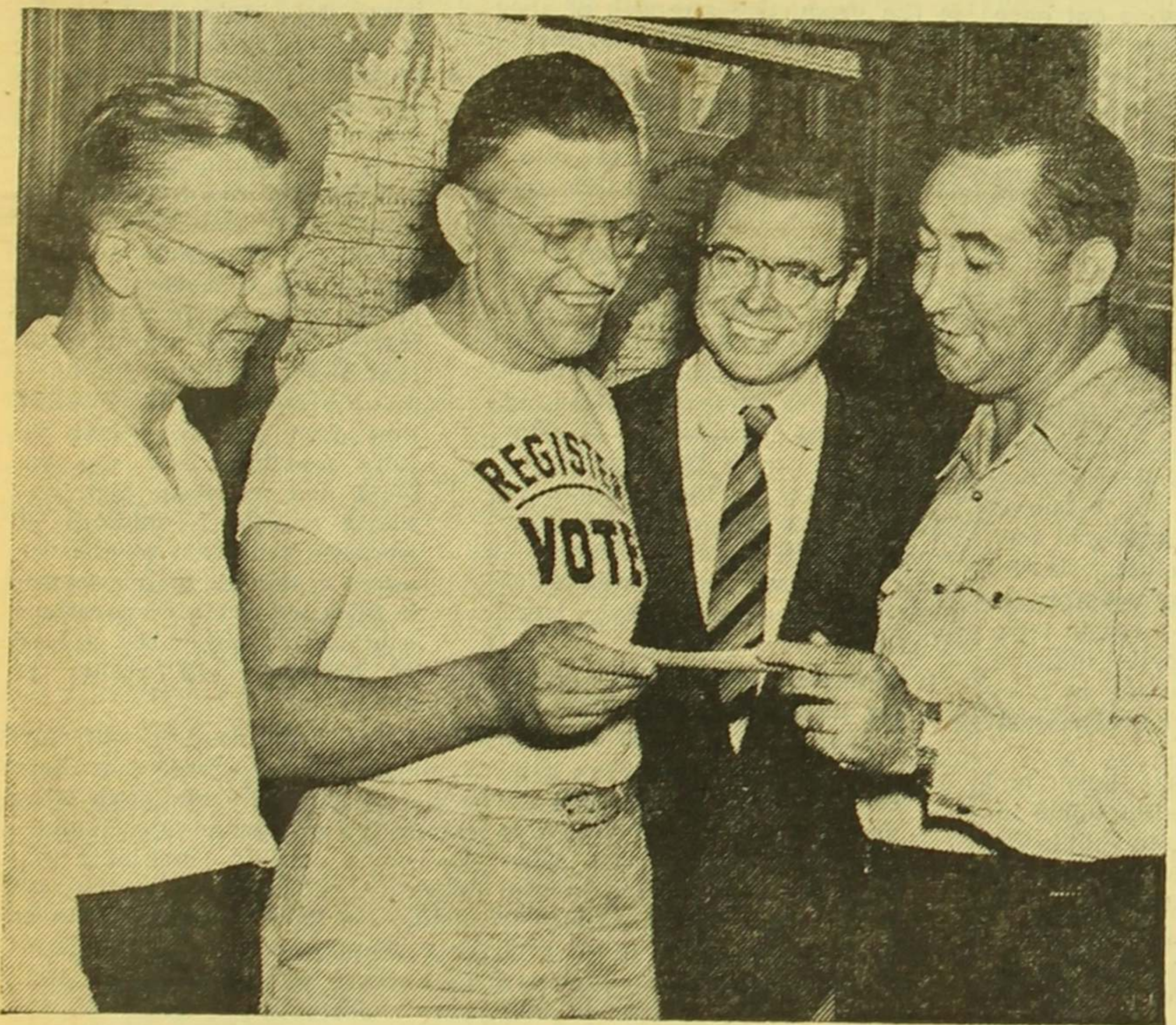
AUGUST, 1950

## STEEL SHORTAGE GETS WORSE

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## Reuther Explains Peace Plan

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UAW-CIO Local 238 went over the top and collected 104 per cent of its PAC Dollar Quota, delivered a \$240 check to the International Union. Left to right, are: Stanley Frederick, 238 member in charge of Dollar Drive; Leonard Klue, 238 President; Roy Reuther, UAW-CIO PAC Coordinator; and Emil Mazey, UAW-CIO Secretary-Treasurer.

### State of the Union's Finances

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## AUDIT REPORT

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## PENSION PLANS ARE FOR SMALL SHOPS, TOO . . .

A feature story about "Grandma Brozman" and her fellow workers

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Teamwork by these men put 35 CIO members in the posts of Precinct Committeemen in the Illinois Primary. Left to right: John Alesia, Illinois CIO-PAC Director; Russell J. Goldman, liberal attorney from Rockford, Ill., Congressional Candidate; President William Pierce, of Local 449, UAW-CIO, Rockford, Candidate for State Representative; and Willard Allen, Intl. Rep. UAW-CIO, and 16th District CIO-PAC Leader.

# Reuther Asks for Conference On Mobilization Problems

President Walter P. Reuther last month proposed to the automobile industry a joint labor-management conference to discuss the problems confronting workers and management resulting from Communist aggression in Korea and the partial war mobilization ordered by President Truman.

Reuther's proposal for such a conference was addressed to the heads of all automobile manufacturing concerns and to the president of the Automotive Parts Manufacturers Association.

The text of his letter follows:

Dear Sir:

Communist aggression in Korea, and the resulting partial war mobilization ordered by President Truman, confront both labor and management in the automobile industry with serious and immediate problems.

Since the automobile industry is the largest consumer of steel, the President's partial mobilization order will undoubtedly require a cut in the allocation of steel to the automobile industry.

This cut in our steel supply will quickly be reflected in reduced levels of production and employment.

I should like to suggest, therefore, the convening of a joint meeting of representatives of management and labor in the automobile industry for:

the purpose of discussing the impact of the President's partial

mobilization order on the level of production and employment in the automobile industry; and to explore possible and practical steps to be taken to minimize dislocation and unemployment, and; to give consideration to the working out of joint recommendations to the government on steps which should be taken to expand steel production; and

to discuss and to make recommendations on other matters related to the full mobilization of the production potential of the automobile industry in support of the efforts of our government and free people of the world to resist Communist aggression.

The steel shortage is not a new problem for the auto industry. Prior to the Korean situation, inadequate steel supply was the most important limiting factor blocking the

achievement of maximum automobile production.

The refusal of the steel industry to expand basic steel production capacity jeopardized our national security immediately before and after Pearl Harbor. The compelling needs of World War II forced government financing and construction of steel production facilities in order to overcome our serious deficit in steel supply. The steel industry steadfastly refused to expand steel capacity following V-J Day despite our repeated warnings that steel supply was wholly inadequate to insure a healthy peacetime economy or a strong wartime economy.

The steel industry, in its rush back to the economics of normalcy and scarcity, seriously restricted production of needed railroad rolling stock and other essential requirements. Once again in an hour of world crisis America faces the problem of national security with its economy weakened by a serious shortage of steel.

We cannot know whether or not world developments will compel a shift from partial mobilization to total mobilization.

We cannot know what action the power-drunk men in the Kremlin will take next in their planned program of provocation and aggression.

We owe it to ourselves and to our country to take practical steps now to expand basic steel productive capacity and to wipe out once and for all the serious deficit in steel which twice in a decade has weakened our national effort.

A free people must be strong to remain free. To be strong we must take immediate and effective steps to overcome shortages in basic materials.

We can no longer permit the steel industry to make private economic decisions which jeopardize our national wellbeing and security.

We must free the steel industry from the economics of scarcity and achieve the volume of steel production that will keep our economy healthy in peace and strong in war.

The automobile industry is the outstanding example of the strength and productivity of American technology. The automobile industry has been the pace setter in mass production and toward achievement of abundance.

It is suggested that labor and management in the automobile industry jointly give leadership in the formulation of practical recommendations directed toward breaking the production bottlenecks in the steel industry and in other industries responsible for the production of materials which are in short supply.

In view of the unprecedented high levels of production and employment in the automobile industry, a sizable reduction in steel allocation can create considerable unemployment and hardship in many communities. Prompt and effective joint action will minimize economic loss to the workers and their families and loss of productive man hours to the nation.

Our joint leadership on the matters I have suggested for discussion and action will be a distinct service to our country in the present world crisis as well as a contribution to the welfare of the workers, consumers, and communities dependent upon the automobile industry.

This is an opportunity to again prove to the world that free labor and free management can rise to the challenge and through practical cooperation give leadership in mobilizing our productive power to defeat the forces of totalitarianism and aggression.

We in the UAW-CIO are prepared to meet with the representatives of management at a time and place mutually satisfactory. We await your reply.

Sincerely yours,

s/ Walter P. Reuther,  
President, UAW-CIO.

## WIRE TO PRESIDENT TRUMAN

The following wire was sent to President Truman on July 20, 1950:

IN RESPONSE TO YOUR ORDER FOR PARTIAL WAR MOBILIZATION, PLEASE BE ADVISED THAT MORE THAN ONE MILLION MEN AND WOMEN IN THE RANKS OF THE UAW STAND UNITEDLY BEHIND YOU IN THE COURAGEOUS AND DETERMINED LEADERSHIP WHICH YOU ARE GIVING THE FREE PEOPLES OF THE WORLD IN RESISTING COMMUNISTIC AGGRESSION. FREE LABOR OUTPRODUCED SLAVE LABOR UNDER HITLER. YOU CAN COUNT ON FREE LABOR TO DELIVER THE GOODS THIS TIME. BE ASSURED OF OUR FULL COOPERATION IN EVERY PHASE OF THE PARTIAL MOBILIZATION PROGRAM YOU HAVE PROPOSED.

WALTER P. REUTHER  
UAW-CIO President

## Locals Get Letter on UAW Mobilization Activities

UAW-CIO and CIO activities with regard to the partial mobilization order of President Truman were summarized by President Walter P. Reuther in an administrative letter to local unions on July 27, 1950.

The matters discussed in the letter were in addition to President Reuther's proposal to auto industry management that a joint labor-management conference be convened to discuss problems arising out of the mobilization order.

In his administrative letter, President Reuther said:

"I have advised President Truman that we in the UAW-CIO are prepared to cooperate in the fullest in doing everything possible to mobilize the productive strength of the automobile, agricultural implement and aircraft industries to meet the threat of Communist aggression. I have already participated in a number of meetings with Mr. Stuart Symington who, as the Director of the National Security and Resources Board, is charged with the responsibility of developing overall plans for mobilization.

"On July 11, 1950, representatives of the CIO, AFL, Railroad Brotherhoods, United Mine Workers and International Association of Machinists met with Mr. Symington and Secretary of Labor Tobin to discuss labor's role in the mobilization plans. In the first meeting I, along with other representatives of labor, expressed the following point of view:

1. American labor, while pledging its fullest cooperation and support in the job of mobilizing maximum productive power and military strength to meet the threat of Communist aggression, insists that labor be given effective representation in the agencies charged with mobilization. Only such representation would afford labor the opportunity to fully participate in the policy-forming and administrative functions of the mobilization operation. We pointed out that such labor participation on an equal basis with industry is

not a matter of jobs but rather a matter of affording labor an opportunity to make its full creative contribution in the mobilization effort.

2. We stated that the experience in the last war proved conclusively that free labor could out-produce slave labor. Accordingly, we insisted that free labor could be mobilized on a voluntary basis more effectively than through a system of compulsory controls.
3. That while labor was prepared and willing to make whatever sacrifices were necessary to meet our national, military and security requirements, we would insist that labor's basic rights and standards be protected, and if it became necessary for labor to make sacrifices, that we would insist that the industry make comparable sacrifices. We insisted that free people cannot be fully mobilized nor can we build and maintain high national morale if millions of workers and little people are asked to tighten their economic belts while big corporations continue to enjoy the luxury of business and profits as usual.

"At the first meeting with Mr. Symington it was agreed that there would be created a nine-man labor committee with whom Mr. Symington would consult concerning mobilization problems. This nine-man committee is composed of three representatives of the National CIO, three of the National AFL, one representative each of the Railroad Brotherhoods, United Mine Workers and International Association of Machinists. I have been designated by the National CIO as one of its three representatives on this committee."

## Box Score on Automakers' Response to Reuther Letter

Here is the box score on responses to President Reuther's proposal for a joint labor-management conference in the automobile industry to discuss problems arising out of the Communist aggression in Korea and President Truman's partial mobilization order:

**General Motors**—President C. E. Wilson wrote in part: "Your concern over the possible reduction in the amount of steel available to General Motors that might result in the layoff of employees is mutual. . . . We recognize your proper concern over the possibility of reductions in steel to General Motors and ensuing unemployment before defense production can be organized. It is desirable and important to have the facts in the situation thoroughly understood in order to minimize such a possibility and thus avoid needless fear and unrest on the part of employees. . . ."

"From my experience, I doubt that any large group conference such as you suggest in your letter would be of assistance to our government in this emergency or help solve the problems for our employees and ourselves.

"I would be pleased, however, to discuss our present situation with you and such members of your organization as you may elect to bring along at any time that is mutually agreeable."

**Chrysler**—President K. T. Keller assigned the job of replying to Chrysler poison-pen expert, Vice-President and General Manager Herman L. Weckler. Mr. Weckler seems usually to get the assignment of hatchet man for Chrysler, and obviously his attitude hasn't improved any since he had the job of blocking settlement of the dispute between Chrysler and the Chrysler workers last winter and spring.

Weckler tried to distort President Reuther's letter to make it mean a proposal for the nationalization of the steel industry which he knew the newspaper headline writers would grab on to, even though President Reuther had made no such proposal.

Mr. Weckler's reply was probably best described by UAW-CIO News Commentator Guy Nunn in his broadcast over radio stations WDET, Detroit; WCUO, Cleveland; and CKLW, Windsor, when he said:

"Chrysler Corporation—that most expert rejector in the auto industry—put out one further rejection today—by turning down a

recent proposal by UAW President Walter Reuther for a joint labor-management auto industry conference to deal with impending problems of employment dislocation, possible conversion to defense production, and the impact on car production of the growing shortage of steel. The Corporation assigned the task of issuing a rejection to this suggestion to its most accomplished rejector—and poison-pen expert—Vice-President Herman Weckler, who is President K. T. Keller's office-boy in charge of answering communications from labor unions addressed to K. T. Keller. Mr. Keller, you understand, is far too busy to waste any time answering letters about trivial things like the war and its effects on the jobs of Chrysler workers. Mr. Keller takes care of the money. . . . Mr. Weckler takes care of the mail."

**Kaiser-Frazer**—President Edgar F. Kaiser wired: "We appreciate the invitation and will hold ourselves in readiness to meet at such date as you may designate."

**Ford**—Henry Ford II said he hadn't had time to give complete consideration to the proposal and that the Union would hear from him again in the not too distant future.

**Nash**—President George W. Mason doubted that present military requirements will involve more than nominal cuts in steel supplies for the automobile industry and that they would not "seriously reduce production or employment." He did not say whether he would come to the conference or not.

**Packard**—President H. J. Ferry said he would write further if it seemed such a conference might be constructive.

**Studebaker**—President H. S. Vance said he doubted if the situation was as serious as it has been made out to be, and that he would "be glad to hear from you further if you think there is anything of a more constructive nature which we can do."

**Hudson**—President A. E. Barit's secretary said he was out of town and would reply when he returned.

## "AFTER YOU . . ."



# Reuther Answers Questions on Total Peace Offensive

(Following UAW-CIO President Walter P. Reuther's presentation of his plan for a "Total Peace Offensive" to President Truman, he went on the air in a nation-wide broadcast over CBS to answer questions on the plan put to him by Guy Nunn, UAW-CIO radio commentator. The script of the broadcast follows:)

**GUY NUNN:** MR. REUTHER, THE FIRST THING A LOT OF PEOPLE WOULD LIKE TO KNOW IS WHY YOU PROPOSE A "PEACE OFFENSIVE" AT THIS PARTICULAR TIME?

**WALTER REUTHER:** I have submitted my proposal for a total peace offensive—not as a substitute for an adequate program of military defense, but in the sincere belief that we must meet the challenge of Communism by a bold program that combines adequate military defense with a positive peace offensive. We must mobilize our full strength to defeat Communist aggression in Korea or wherever it raises its ugly head.

But we must do more than this. We cannot defeat Communism with guns alone. We must achieve total and continuous all-out mobilization of our resources and our productive power so that we can fight the threat of Communism both on the military front and on the economic front.

If we are to defeat the forces of Communism, we must fight both with the weapons of war against aggression and with the tools of peace against poverty, human insecurity and injustice.

Since 1945 the number of people under Communist domination has increased from 180 million to more than 800 million. The Communist tyrants in the Kremlin plan to exploit the manpower of these millions of enslaved people to strengthen the Soviet war machine and to use these people as puppet troops in their plan of aggression.

In their drive for world domination, the Communists have perfected the technique of exploiting poverty and human insecurity and are forging human misery into a political weapon of aggression. We must strip the Communists of this powerful weapon by launching a total war against poverty, insecurity and injustice?

In addition to meeting the threat of Communist aggression on the battlefields of Asia, we must also meet the challenge of Communist propaganda in the rice fields of Asia. Freedom's fight in China was lost in the rice fields—not on the battlefields. When millions of people are hungry and diseased and denied even the smallest measure of security and human dignity, they are easy victims of Communist propaganda. Our propaganda must be the propaganda of the deed.

The cold war is essentially a struggle for men's minds and hearts and their loyalties. The propaganda of the Communists is based upon deceit, distortion and outright falsehood. We must meet the challenge of Communist propaganda not by pious slogans about democracy's virtues, but by a positive program of action that will win a fuller measure of economic and social justice for the millions of under-fed people who struggle eternally to keep body and soul together. We must get food into millions of hollow bellies, and hope into millions of heavy hearts, if we are to effectively counteract Communist propaganda.

By such a program of economic aid, helping people to help themselves, we can win hundreds of millions of people to freedom's cause as partners in peace or as allies in war.

**NUNN:** WOULD YOU TELL US SPECIFICALLY WHAT YOUR PROPOSAL FOR A "TOTAL PEACE OFFENSIVE" INVOLVES?

**REUTHER:** Specifically, I have proposed that the American people make a peace pledge to the people of the world as follows:

That during the next 100 years, the American people will contribute to a United Nations Fund for Peace and Economic and Social Construction a sum equal to the money which the American people will pay to meet the cost of the last war. This amounts to \$13 billion dollars per year.

Aid from the United Nations Fund for Peace and Economic and Social Construction would be made available to the peoples of all nations on an equal basis subject to the following conditions:

Upon acceptance of the proposal by a majority of the member nations of the United Nations, the United Nations shall convene an international conference for the purpose of achieving total disarmament, establishment of universal inspection and other appropriate security controls, and the creation of an international police force.

The refusal of one or more nations to cooperate in disarmament shall not affect the commitment of the people of the United States. Aid from the fund would in that case, however, be made avail-

able only to those remaining nations which agree to cooperate in a program of mutual defense until such time as a disarmament program is universally accepted.

After acceptance of this proposal in principle by all or a majority of its member nations, the United Nations would convene a People's World Assembly for Peace to discuss the peace proposal in detail and to make recommendations to the United Nations concerning its implementation.

Each member nation of the United Nations shall be entitled to be represented in the People's World Assembly for Peace by 18 delegates in all, composed of two of each of the following: dirt farmers, industrial workers, housewives, youths, veterans, educators, scientists, professional persons, businessmen, and religious leaders.

The United Nations shall take the necessary steps to expand existing agencies and to create such new agencies as may be needed to administer and carry out the program of economic and social construction.

A special agency shall be created for the development and application of atomic power and energy for peacetime uses within the limits permitted by security measures.

Other nations would be asked to make contributions to the United Nations Fund for Peace and Economic and Social Construction according to their ability, but the U. S. contribution would not be conditional upon payments by other nations.

The ideas suggested in my proposal are not set forth as a finalized plan of action, but rather as an effort to contribute to the thinking and discussion of meeting the challenge of Communism.

**GUY NUNN:** BUT ISN'T THE \$13 BILLION DOLLARS YOU SPEAK OF A LOT OF MONEY?

**MR. REUTHER:** \$13 billion dollars is a lot of money. But if we are to defeat Communism, and make freedom secure in the world, we must take the price tag off our peace effort. Thirteen billion dollars is 1/100th of the cost of the last war to the American people. Mr. Paul Hoffman, Director of the ECA, testified recently that the last war cost the American people \$1,300 billion dollars.

According to Mr. Hoffman, the war cost:

\$29½ billion dollars per month;

\$985 million dollars per day;

\$41 million dollars per hour.

Thirteen billion dollars represents less than the cost of waging war for two weeks.

I believe the American people are prepared to spend, over a 100-year period, for peace, what they spent in 44 months fighting World War II.

**GUY NUNN:** MR. REUTHER, WHILE APPLAUDING YOUR PROPOSAL IN PRINCIPLE, PEOPLE ARE ASKING, "HAVE WE GOT THE MANPOWER?" "CAN WE AFFORD IT?"

**MR. REUTHER:** We can afford it providing we achieve total all-out mobilization of our economic resources and productive power. The American economy, if fully mobilized, is equal to this challenge. We must mobilize on an all-out basis now to meet the present world situation, as we mobilized to defend our freedom following Pearl Harbor. If we mobilize our present population on a basis comparable to the degree of mobilization we had in 1944, we will have sufficient manpower to increase our armed forces to two and one-half million men and add six million new workers to our productive labor force. Such a total mobilization would enable us to produce both weapons to meet military aggression and the tools and goods to launch a total peace offensive.

**GUY NUNN:** HOW MUCH MORE ECONOMIC WEALTH COULD SIX MILLION WORKERS PRODUCE IN A YEAR?

**MR. REUTHER:** For each person now in civilian employment, we have been turning out approximately \$4,500 dollars a year in goods and services. By providing productive jobs to an additional six million, we could expect to step up our total national output by a sum approximating \$27 billion dollars a year. If we worked overtime hours as we did in 1944, we could add at least another three billion dollars to our output. This increase in our annual production would be greater than the total of the \$13 billion dollars I have proposed for a peace offensive and the \$10½ billion dollars requested by President Truman for military expenditures.

**GUY NUNN:** THIS IS FOR THE FIRST YEAR. BUT CAN WE KEEP GOING AT THAT RATE?

**MR. REUTHER:** We certainly can if we make up our minds to achieve and maintain total mobilization of our productive power. As a matter

of fact, it will be less difficult in the years ahead, since we have a normal increase in our national production of \$9 to \$10 billion dollars a year.

**GUY NUNN:** WHAT ABOUT THE PROBLEM OF STEEL AND OTHER MATERIALS WHICH ARE IN SHORT SUPPLY?

**MR. REUTHER:** We must take immediate and practical steps to break production bottlenecks in steel and other basic materials which are blocking the achievement of total economic mobilization.

We cannot continue to tolerate the program of planned economic scarcity being followed by the steel industry. The steel monopoly jeopardized our national security in the period before Pearl Harbor by its continued refusal to expand steel capacity. Faced with the compelling needs of war, the government of the United States was forced to intervene in the steel industry and finance the expansion of steel production capacity. If the steel industry does not take immediate steps to expand steel capacity to meet fully the needs of our nation in this present period of world crisis, the government must act to do so. We cannot permit private economic decisions to jeopardize our national security.

**GUY NUNN:** MR. REUTHER, STEEL MAY BE IN SHORT SUPPLY, BUT SCEPTICS ARE NOT. THE SCEPTICS SAID IN 1940, MORE THAN A YEAR BEFORE PEARL HARBOR, THAT THE AUTOMOBILE INDUSTRY COULDN'T BE CONVERTED TO PLANE PRODUCTION AS YOU PROPOSED IN AN EARLIER "REUTHER PLAN." EVENTS PROVED THEM WRONG, BUT WHAT'S YOUR ANSWER TO THE SCEPTICS OF 1950?

**MR. REUTHER:** This is no time for men of little faith. We must not sell America short. These same little men were without courage or vision when we faced the challenge of Hitlerism and fascist aggression. They dragged their feet and clung to the policy of too little and too late before and after Pearl Harbor. They challenged President Roosevelt and said that the production goals he had set for the United States were fantastic and could not be met. The record of achievement on the production front proved these little men to be wrong and President Roosevelt to be right, for his production goals were met and doubled. By their cries now for sole reliance on military force to save the world from Communist aggression, they are again demonstrating the same lack of faith in the strength and capacity of America to meet the challenge of peace.

**GUY NUNN:** YOU HAVE DEFINED THE COLD WAR AS A "STRUGGLE FOR MEN'S MINDS." A QUESTION WHICH MILLIONS OF AMERICANS MUST BE ASKING IS THIS: HOW CAN DEMOCRACY REACH THE MINDS OF PEOPLE BEHIND THE IRON CURTAIN?

**MR. REUTHER:** The facts of performance can penetrate the Iron Curtain. Day by day, a more powerful Voice of America and a strengthened voice of the free peoples of the world can drive home to the people behind the Iron Curtain reports on specific achievements for people and peace—of factories built in other countries to produce the things that make life richer and more secure, of lands cleared of malaria and mosquitoes, of new dams preventing floods, irrigating lands and producing vast supplies of energy. The facts of performance must speak of increasing crops, of empty bellies filled, of deficiency disease banished, of infant mortality rates declining, of literacy rates rising. The facts of performance must speak of thousands of new homes, hospitals, and schools, of hours of toil reduced and living standards rising everywhere on the face of the earth where governments have responded to their peoples' hope for peace and plenty in place of war, weapons, and aggression.

Such a total peace offensive, backed by the propaganda of performance, will expose by contrast the cynical and coldly calculated brutality of the Kremlin's exploitation and enslavement of the people under its control.

The decisive action by President Truman and the United Nations in resisting Communist aggression in Korea has given renewed hope and determination to the free people of the world.

*We are at the place in world history where we must recognize that the best hope of saving freedom and achieving a just and lasting peace is in action so challenging, so vast in scope, so practical in design and so sincere in purpose that it will fill the moral vacuum in the world with reborn hope and a renewed spirit of cooperation among the peoples of all nations.*

# Steel Shortage Crime Perils Nation's Security . . . an Editorial

In our industrial economy, the extent of the capacity of the steel industry determines with automatic precision the extent of America's industrial productiveness. The amount of steel production determines with the same automatic precision the number of jobs for American workers.

Whenever the determination of the extent of steel capacity has been left to the steel monopoly, the men who control that monopoly have arbitrarily limited steel capacity and have thus arbitrarily restricted production and employment.

Wedded to a theory of economic scarcity, to a "boom and bust" philosophy, these men of little faith and little vision fear an economy of abundance as they would the plague.

Their fears and their selfish, private economic decisions endangered our national security immediately before and immediately after Pearl Harbor.

Their fear and selfishness have limited our production in the years since the end of World War II.

Today, when America and the democracies of the world once more find themselves confronted with armed totalitarian aggression, the lords of the steel monopoly again threaten our national security and endanger the fate of world democracy through their bland assurances that steel capacity is adequate and can meet our war and peacetime needs.

Let us go back to before World War II and see just how the steel monopolists have met their responsibilities to the nation.

In 1941, when America was approaching closer and closer to actual participation in World War II and when we had already taken on the job of supplying the democratic allies fighting Hitler and Mussolini, the steel industry offered the same assurances of its ability to meet our needs as it does today.

The now famous Gano Dunn report of that year assured the nation that at the very least there would be a surplus steel capacity for that year of 10.1 million tons. In 1942, said the report, there would be a surplus capacity of 2.1 million tons.

The steel industry persisted in holding to this kind of false and dangerous optimism until later that year and in early 1942 a Senate Committee, headed by the then Senator Harry S. Truman, investigated, exposed and corrected the situation.

The Truman Committee put the finger of blame exactly where it belonged in plain and blunt language.

One of the major causes for the delay in the obviously needed expansion of steel capacity, said the Committee, "was the desire of the big steel companies to prevent any expansion that might react unfavorably against their control of the steel industry after the war. They feared both the possibility of having excess capacity-making facilities after the war and the competition of smaller companies which might gain strength during the war program. The representatives of the big steel companies dominated the iron and steel branch of the WPB. They first failed to direct or even allow expansion. Finally they concentrated practically all of the belated expansion in the hands of the eight largest companies."

Actually, the United States didn't begin to meet its wartime steel needs until the government stepped in to expose the steel monopolists, and then took on the job of financing and building a large part of the needed expansion in capacity itself.

But as soon as the war was over, the steel monopoly began to put pressure on the government for the abolition of material controls in basic materials. The steel industry succeeded in winning abolition of controls on the specific commitments it made that it would police the industry, allocate fairly on the basis of 1940 and 1941 ratios, and expand total capacity to take care of new demands.

The steel monopoly did none of these things. It had sold WPB a gold brick and the results were black markets, shortages, bottlenecks and layoffs.

The display of newspaper headlines on the opposite page illustrates graphically the way the steel monopoly has trifled with the welfare of the American people and the economic health of our nation in the years since 1946. It shows particularly how monopoly's private, selfish, economic decisions have affected automobile industry production and automobile industry employment.

Throughout this entire period the UAW-CIO has

been in the leadership of the fight of various progressive and liberal forces to force the steel industry to expand its capacity. We recognized the steel shortage as the most serious material supply problem in the postwar era. As early as 1946 the steel shortage caused serious curtailments of production and layoffs at Briggs and Chrysler. It reached a crisis in the spring and summer of 1947. Further serious curtailments and layoffs had taken place at Chrysler, Briggs and some of the independents. The UAW-CIO demanded and finally won an investigation of steel production, distribution and capacity by the Steel Subcommittee of the U. S. Senate Small Business Committee.

On July 21, 1947, President Walter P. Reuther of the UAW-CIO testified before the Committee. He charged that the "steel industry itself has committed the American people and the American economy to a deliberate program of planned scarcity. They are deliberately holding down production to protect scandalous profits and to strengthen their monopoly control of this basic industry," Reuther said.

During this period, six studies were made by various agencies and organizations—each of them made independently of the other. One was made by the Bureau of Labor Statistics, one by the U. S. Department of Commerce, one by the Twentieth Century Fund, an independent research organization; one by Mr. Louis Bean, one of the country's outstanding economic analysts, one by the steel industry and one by the UAW-CIO.

All of those independent studies—except the one made by the steel industry—found that by 1950, in order to achieve and maintain levels of full employment and full production, the steel industry must expand capacity.

Then, finally and with great reluctance, there appeared before the Steel Subcommittee Mr. Wilfred Sykes, president of Inland Steel Company, to present the steel monopoly's point of view.

Mr. Sykes admitted there was a steel shortage, but declared that it was merely temporary because the postwar demand was "abnormal." Soon that demand would subside, he said, and in 1950 we would need only 77 million ingot tons of steel, and on the average in the years from then until 1950 and after 1950 we would need only 56 million tons of steel annually.

The Department of Commerce report, the conclusions of which agreed with the UAW-CIO study, showed by a projection of its figures that 56 million tons of steel production would mean 20 million unemployed in the United States.

That was the pattern of disaster being woven by the steel monopoly in 1947, and the steel monopoly is still basing its plans and its estimates on the same kind of economic philosophy.

Despite Mr. Sykes' assurances, further layoffs continued in the automobile industry as a result of steel shortages. At the end of August, 1947, General Motors announced an indefinite layoff of thousands of its workers. It was the second layoff of that kind that GM had announced within two months. Earlier layoffs of even greater duration had occurred at Chrysler, Ford, Briggs, Hudson,

Packard, Nash and other automotive, body and parts plants.

Throughout the rest of 1947, 1948, 1949 and so far into 1950, there have been recurrent shortages, cutbacks in production and employment layoffs as a result of inadequate steel supply. All of this has occurred with the accompaniment of steel price increases, record steel profits and assurance from the steel monopoly that all is well as soon as the "abnormal" demand subsides, there will be plenty of steel for everybody, so long as not enough people are working.

(See opposite page.)

When President Reuther testified in 1947 before the Steel Subcommittee of the Senate Small Business Committee, he made a number of specific recommendations to meet both the short run and long run problems created by the steel industry's devotion to the philosophy of an economy of planned scarcity. One of those recommendations was as follows:

"Immediately undertake an accurate determination of future steel requirements. If the steel industry will not begin immediately to provide for the increased capacity which we shall need for full employment in the next five or 10 years, the government must undertake to finance, and, if necessary, to build and operate, the additional steel-making facilities."

Late in 1948, President Reuther met with President Truman at the White House. Among other things, they discussed the steel situation. The UAW-CIO President pointed out to Mr. Truman that unless the steel industry moved to relieve the shortage, it would be necessary for the government to take the same kind of action in peacetime as it had taken during the war as a result of the investigation by the Committee of which Truman was then chairman.

The President agreed, and, as a consequence, immediately after he had taken office for his second term in 1949, he recommended to the Congress in his state of the union message that legislation be enacted:

"To authorize an immediate study of the adequacy of production facilities for materials in critically short supply, such as steel, and, if found necessary, to authorize government loans for the expansion of production facilities to relieve such shortages, and furthermore to authorize the construction of such facilities directly if action by private industry fails to meet our needs."

The combination of reactionary Republicans and Dixiecrats in the present Congress has succeeded in preventing the enactment of such legislation.

As a result, we are again today in the same position with 1950's Korea as we were with 1941's Pearl Harbor. We do not have enough steel capacity to meet even our civilian needs—much less our war needs. And we are confronted again with the same bland assurances and blind optimism from the steel industry that its capacity is adequate; that there is no necessity for planning ahead beyond the private economic decisions that the steel monopoly has already made and plans to make for its own private selfish reasons.

## Union Blocks Plant Closing For Vacation

**DETROIT**—The Michigan Supreme Court has upheld a lower court injunction which prevents the Vinco Corporation from ordering simultaneous vacations for all its employees.

The temporary restraining order was obtained by UAW-CIO Local 157 from Wayne County Circuit Judge Vincent M. Brennan after the Company had ordered a vacation for all employees, including executives, from July 15 to July 30.

Union Attorney A. L. Zwerdling argued in both courts that the Company's action violated a clause in the Vinco-UAW contract which prohibited simultaneous vacations except by agreement between the Company and the Shop Committee. A similar clause is included in the contracts between the UAW and approximately 150 tool and die firms represented by the Automotive Tool and Die Association.

## UNITED AUTOMOBILE WORKER

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# Press Records Steel Monopoly's Crimes

The editorial on the opposite page tells the story of steel in the words of the UAW-CIO. Without the slightest intention of doing so, the nation's newspapers tell the same story. It is an appalling story of "on again, off again, Finnegan"—now you see it, now you don't—the supply of steel, and the capacity of the steel industry to meet the needs of a full production economy.

What kind of business is the steel industry carrying on, you ask? Its principal stock-in-trade appears to be contradiction, confusion and double-talk.

The real story begins with the fantastically stupid "Report to President Roosevelt on the Adequacy of the Steel Industry for National Defense"—the so-called Gano Dunn report.

Said the steel industry less than a year before Pearl Harbor—"The adequacy of the steel industry in the presence of the increased estimates of requirements in no way impairs its capacity for national defense, since the total army, navy, maritime, and other military requirements, including all-out aid to Britain, represent only 25 per cent of the industry's capacity."

The Dunn report actually made the idiotic claim that there was an enormous surplus steel capacity.

Now, let's move to 1946 and follow the steel industry through all its backing and filling—through its amazingly transparent contradictions—and all through can be found evidence of the industry's devout faith in its own doctrine of scarcity, of its firm belief in the inevitability of depression.

Here is UAW-CIO Walter Reuther speaking in the columns of the *Auto Worker*, October, 1946: He was asking then, as he asks today, for a labor-management conference to meet the problems of shortages, principally in steel:

The steel shortage which caused the losses and Chrysler curtailment is the most serious and most perplexing of all our raw material problems. It is the one which carries the greatest threat to our long range program of full employment, full production and full consumption. It affects the housing industry and other basic industries, as well as the automobile industry. Its solution is a challenge to American ingenuity and enterprise in the ranks of both labor and management.

Those words went unheeded. On the price front, during this inflationary period following the end of OPA, the steel industry had this soothing syrup—*The New York Times*, November 13, 1946:

**STEEL EXECUTIVES SEE STEADY PRICES**  
Present Quotations on Major Products Expected to Hold Despite End of Control

And no wonder, because look what happened in the first quarter of 1947—

**U. S. STEEL PROFIT HIGHEST SINCE 1929**  
First Quarter's Earnings Are \$39,254,511, Equal to \$3.79 a Common Share  
N. Y. TIMES APR 30 1947  
Net income of the United States Steel Corporation in the first quarter of 1947 was \$39,254,511, equal to \$3.79 a share.

**Reuther Asks Auto Industry to Meet on Steel Problem**  
(See story on page 2)

Walter Reuther, in June, 1947, demanded a Congressional investigation of the steel industry; and, on July 21, testified before a Senate subcommittee—

**Hits Steel Industry**  
WASHINGTON, July 21 (UP)—Walter P. Reuther, president of the UAW (CIO), charged today that the steel industry wants "planned scarcity" and that this will cause a major depression. He said the industry has no faith in the future. "Economic disaster" will hit the nation.

Then, just eight months after having seen "steady prices," Big Steel answered with another price boost. Bethlehem and the others promptly followed suit. Bethlehem's President, Eugene Grace, a few days later reported his huge profits and had the audacity to call for a reduction in steel production—

**GRACE URGES CURB ON STEEL CAPACITY**  
Bethlehem Chairman Opposes Expansion to Meet 'Excess Demands' Now Being Made  
**HE REPORTS ON EARNINGS**  
Net of \$12,408,966, or \$3.61 a Common Share Is Shown for Second Quarter  
N. Y. TIMES AUG 1 1947

The next month after Grace called for his "curb," the press reported—

**AUTO OUTPUT LAGS FOR LACK OF STEEL**  
Chevrolet Units Close, Others Slow Down; Pontiac Opens After Full-Week Holiday  
N. Y. TIMES SEP 2 1947  
DETROIT, Sept. 1 (AP)—Passenger car and truck production will continue at a comparatively low level this week.

And on the even more vital problem of railroad cars—

**Steel Shortage Cuts Rail Cars**  
NEW YORK, Sept. 19 (AP)—The government sponsored program to solve the freight car shortage by producing 10,000 new cars a month is falling. S. M. Felton, president of the American Railway Car Institute, said today, and will not be realized without a sharp increase in monthly shipments of steel to car builders. To sustain...

During 1948, the auto industry continued to be plagued. Here is a report in the *Detroit News*, April 29, 1948—

**Chrysler, Briggs Latest to Be Hit**  
Steel shortages cut deeper into automobile production today.

With clocklike regularity, the steel industry continued to raise prices. This was the biggest price jolt yet—

**Price Rise of \$9.34 a Ton Is Announced by U. S. Steel**  
N. Y. TIMES JUL 21 1946  
A 9.6 per cent increase in the price of finished steel products was announced yesterday by the United States Steel Corporation. The new levels, effective today at all subsidiaries of the corpora-

The steel industry started the new year of 1949 in its accustomed style. President Truman had followed Reuther's recommendations and had asked Congress to investigate the steel situation. Reuther had an earlier meeting with President Truman during which they discussed Reuther's proposals for increased steel capacity. The President told Reuther at the time that he agreed with those proposals—

**Steelmen See Adequate Supply**  
NEW YORK, Jan. 5 (AP)—Leaders of the steel industry, now producing record tonnages, believe their own expansion programs will balance supply with demand this year, obviating any need for government action suggested by President Truman. The President asked Congress to institute a study of "materials in critically short supply, such as steel." If found necessary, he said Congress should authorize government loans for private expansion or actual federal construction steelmaking facilities.

Steel's production may have been too low; but its profits weren't. Note in the clipping below that a steel spokesman again says a "downturn" has set in—

**U. S. STEEL INCOME BEST IN 20 YEARS**  
\$94,052,265 Earned in First Half Is Equal to \$3.12 a Share on the Common  
DIVIDENDS ARE DECLARED  
N. Y. TIMES JUL 27 1949  
Shipments Set Record for Six Months, but Olds Warns That Downturn Has Set In  
The highest net income for any first half-year in twenty years was reported yesterday by the United States Steel Corporation for the first half of 1949. Net income...

Five months after reporting those profits... wham!... up go prices again. Again a Congressional investigation was demanded. This was on December 17, 1949—

**U.S. Steel Puts Its Prices Up By \$4 a Ton**  
Higher Price Possible on Retail Items; Inquiry Is Urged on Congress  
By The United Press  
PITTSBURGH, Dec. 15.—The United States Steel Corporation, producer of more than a third of the nation's steel, tonight announced price increases averaging 10 to 15 per cent.

Reuther, in Louisville, Ky., said the price increase was a crime—

**Steel Price Hike Crime: Reuther**  
U. S. Steel's increasing the price of steel \$4 a ton is "the highest kind of economic crime." Walter Reuther, president of the United Automobile Workers and vice-president of the C.I.O., said here last night. "There is no way that the steel industry can justify a price increase," Reuther said. "The whole thing is a scandalous piece of piracy. They're on the open seas again, holding up the American consumers." Reuther was here to address U. A. W. rally...

So—into 1950. Look back and see how the steel boys had seen "recessions"—"ample" supply—how they had urged "curbs"—and now—

**SHORTAGE OF STEEL EXPECTED TO LAST**  
N. Y. TIMES APR 30 1950  
Industry Sees No Relaxation in Supply Situation Until Fourth Quarter of Year

NOW, WITH THE WAR ECONOMY MOVING IN WITH LEAPS AND BOUNDS, WE AGAIN FIND NOT ENOUGH, EVEN THOUGH THE WAR ORDERS HAVE NOT YET STARTED IN VOLUME—

**INDUSTRIAL**  
DETOIT NEWS JUL 11 1950  
**Auto Output Curbed by Steel Shortage**  
By RALPH R. WATTS  
STEEL REMAINS the No. 1 critical material item in the automotive industry. The auto men had expected to set another all-time monthly production peak in August, but now, with pressure increasing on the steel producers because of the war situation, some doubts are...

# 6-Day Strike Wins Budd Settlement

PHILADELPHIA, Pa.—Martin Gerber, Director of Region 9, UAW-CIO, last month announced the strike settlement reached between the Budd Manufacturing Company of Philadelphia, Pa., and Local 813, UAW-CIO. The strike affected approximately 7,000 employees and was called on July 10. It ended July 16.

The settlement, which supplements the Pension and Welfare program negotiated several months ago and reported previously in the *Auto Worker*, includes the following:

a) A five-cent across-the-board increase to all plant workers.

b) An additional five-cent-an-hour increase to all non-incentive workers. These latter workers constitute 40 per cent of the working force.

In addition: a) Hourly-rated employees working on jobs with a 10-cent-per-hour spread, who have worked on the job at least 60 days, shall be brought up to the maximum rate of the job.

b) All employees working on jobs with a 15-cent spread shall be brought to within five cents of the top rate.

c) All employees working on

jobs with a 20-cent spread will receive a 10-cent hourly increase, and,

d) All new employees hired in the above classifications will receive a five-cent automatic increase after 60 days of service and an additional five cents after the first six months of service. Both of these increases will be automatic. As a result of the strike settlement, all employees on the payroll as of June 26, 1950, and still on the active payroll as of July 9, 1950, will receive four dollars in compensation.

**Modified Union Shop:** The union shop agreement provides that all employees who completed their probationary period by June 1, 1950, shall become members of the Union and must remain members as a condition of employment. The Company and the Union also

# Dana Corp. Signs At Last Minute

After a system-wide strike had begun, but before the workers could leave their jobs, a contract was negotiated with the Dana Corporation covering 6,000 workers in five plants.

Dana Corporation, which controls the Spicer Division, makes equipment important to many of the large automobile manufacturers. A strike would have affected a large segment of the automobile industry within a short time.

The deadline for a strike long threatened against the tough Dana outfit arrived at midnight, Friday, July 7—and at that point the negotiators, meeting in the Book-Cadillac in Detroit, had worked for three days without agreement.

During the final 45 minutes, a five-point package was obtained for all five plants, covering pensions, health and accident insurance, vacation pay, inequities and a four-cent level increase totaling about 16½ cents an hour.

The two-year agreement, ending in July, 1952, will be the last in which individual bargaining will be attempted. Thereafter, Corporation-wide negotiations, long sought by the Union, will be the rule.

Richard T. Gosser, UAW-CIO Vice-President, was brought into the negotiations in Detroit after months of haggling with management had produced an impasse.

Management still demanded a cut in existing contract benefits and a strike vote had been taken.

Assisted by Ed Brown, assistant director of the Dana Intracorporation Council; Richard Meyers, of the International staff, and the Council members, Gosser was able to close up the five-point package, leaving the huge Toledo unit still open to bargain on the rest of the contract under strike threat.

A week later, Gosser entered the bogged-down Toledo bargaining and cleaned up that agreement, too.

More important than the agreement itself, which is one of the better pension and welfare contracts in the Union, is the fact that the Corporation has abandoned its policy of playing one plant off against another annually, resulting in wage and benefit inequities and maladjustments.

Plants covered by the two-year agreement, which is reopenable in a year on economic issues, are in Auburn, Ind.; Buffalo, N. Y.; Pottstown, Pa.; Toledo, Ohio, and Lansing, Mich.

# Price Spiral to Up GM Wages Three to Five Cents an Hour

General Motors workers' wages will go up September 1. The increase will be at least three cents an hour—and may be as much as five cents.

But few GM workers are happily tossing hats into the air. They know that the increase means no net gain for them—and that it means a heavy loss in purchasing power for nearly all other people. Although GM workers have protection under the contract, it will not be possible for them to avoid the consequences of the new inflation brought on by shameless profiteering aided by senseless panic buying.

The cost-of-living index figure, upon which the pay adjustment will be based, has not yet been announced, but the June 15 figure would bring a three-cent increase—and the upward spiral of prices has been even greater during July.

During the period June 26 to July 24, the price of 28 sensitive agricultural products and raw materials rose by more than 50 per cent over the preceding three-month period.

## New Profit Record

The world's biggest and most profitable Corporation continues to break profit records.

General Motors' sales of cars and trucks during the second three months of this year for the first time topped the million mark.

GM President C. E. Wilson, in his report to his stockholders, said the net profit for the quarter was \$272,889,624. Net sales of all GM products almost reached \$2 billion.

For the first six months of 1950, net profit totalled \$485,277,389.

## First National Agreement

# Auto-Lite Settles as Strike Deadline Nears

agreed to a voluntary deduction of Union dues, assessments and initiation fees for those employees who are members of the Union.

As an indication of good faith regarding management's attitude concerning the union shop, Company officials directed to all employees a letter which included the following paragraph:

"Section 4, Article 11 (union shop provision) was inserted into this year's contract for the purpose of clearly establishing the Company's policy with respect to membership in the Union. It stipulates that the Budd Company will not, in any manner, interfere with the rights of, or discriminate against an employee because of his membership in the Union, nor will the Company give special privileges to, or bestow any favors upon an employee because of non-membership in the Union. . . ."

Management also agreed to a provision to negotiate a program and policy of upgrading employees within the plant.

The contract will run for a period of two years, starting July 17, 1950. The Union, however, has the right to open wage negotiations on July 17, 1951.

Bargaining against a 7 A. M. strike deadline, negotiators for more than 20,000 members of UAW-CIO in 15 plants of the Electric Auto-Lite Corporation reached a 20-cent package agreement midnight Sunday, August 6, with seven hours to spare.

Royce G. Martin, president of the Corporation, and Richard T. Gosser, International UAW-CIO Vice-President, led the bargaining teams which worked out a pension program, health and accident insurance, modified union shop, a new vacation pay schedule, an increase in night shift bonus, and system-wide inequity adjustments—all of them forming a national agreement for the first time in the history of the sprawling enterprise.

Before that a committee composed of delegates to the Auto-Lite Department Council had devoted more than four weeks, eight hours a day, five days a week, to resolving inequities and grievances on a plant-by-plant basis.

The pension, which guarantees a 25-year worker \$100 and a 30-year worker \$125, and can go higher, has a new transferable provision which protects the employee against a local shutdown.

After six months of layoff, he has prior employment rights, without seniority, in any other Auto-Lite plant which is hiring.

He takes his pension credits with him.

The insurance program, which is standard, costs the workers only \$2.20 per month for full family coverage—one of the lowest in operation for complete benefits.

The night shift bonus goes from five cents to seven and one-half cents for second shift workers and from seven to 10 cents for third shift workers. Vacation payments, based on straight time, and two per cent for those with six months to one year of service, and graduates upward to eight per cent for those with 25 or more years of service.

A worker on leave for a compensable injury for two weeks prior to one of the six paid holidays gets paid for the holiday.

The establishment of the national agreement adds a new step, plus arbitration, to settlement of all but discharges, disciplines and wages, which can be settled by economic action.

The two-year agreement, with one-year wage reopening, now goes to the units for ratification.

# Die Casters Get 19-cent Package

Beefsteak and wages go up together in the new Doehler-Jarvis contract ratified in four die casting plants of the Company after three months of negotiations.

Pensions and a health and welfare program covering the 5,500 die casters and the 1,600 UAW-CIO members in the Grand Rapids plant as well were negotiated at the same time.

The total package averages out at about 19 cents per hour, with no employee getting less than four cents, more than 80 per cent getting substantially more, ranging up to 31 cents an hour.

The pension program, which Vice-President Richard T. Gosser negotiated, and the health and welfare program, both of which have new twists, help make the contract what Gosser described as "one of the best, if not the best contract, in the entire nation."

The pension, funded and paid for by the Company at a cost of about seven cents per hour, starts at \$100 a month, jumping to \$112.50 at the

next increase in Social Security and to \$125 when Social Security payments are raised again. The plan runs for five years.

The pension agreement includes a unique clause making it possible for the worker to transfer his equity to another plant if he quits his job.

The health and accident plan follows the GM agreement and is expected to save each worker about four dollars a month over the previous arrangement.

Wage increases were obtained from every conceivable source. Besides the flat four cents an hour everyone gets, there is a cost-of-living formula which, if beefsteak and other necessities hold their present levels, should mean another two cents an hour to each em-

ployee on September 4.

All Mechanical and Maintenance Division skilled employees get five cents an hour over and above the general boosts.

The first five labor grades get new automatic increases as further benefits.

Hundreds of non-incentive workers get five per cent increase, meaning five to 10 cents per hour (extra) for them.

In a number of jobs where two labor grades existed, one was eliminated, resulting in raises for that group.

Inequities were adjusted, giving scores of others raises of from six to 16 cents.

And finally the five-year agreement provides for four cents an hour increase every May 1 for the next four years.

Seniority and other non-wage matters were straightened out during the three months of difficult bargaining, which was led by Peter Zvara of the Die Casting Department.

A new job description program will be initiated which will simplify classifications, may result in some substantial individual increases and will certainly eliminate a large number of grievances.

Transfer rights were clarified.

The agreement in its entirety covers the workers in Chicago, Toledo, Batavia and Pottstown; and the pension and health and welfare phase of it covers, in addition, the workers in Grand Rapids.

# LIVINGSTON RAPS CURTISS-WRIGHT FOR STALLING IN NEGOTIATIONS

DETROIT—Cyrus S. Ching, Director of the Federal Mediation and Conciliation Service, has been asked by UAW Vice-President John W. Livingston to intervene in the deadlocked negotiations with Curtiss-Wright Corporation in Columbus, Ohio.

The text of Livingston's letter to Ching follows:

Negotiations for a new collective bargaining contract between the International Union, United Automobile, Aircraft and Agricultural Implement Workers of America, UAW-CIO, and the Curtiss-Wright Airplane Division Plant in Columbus, Ohio, are hopelessly deadlocked. This plant is presently engaged in vital defense work for our government.

Our Union has been patiently negotiating with the Company since February 2, 1950, in trying to reach a satisfactory agreement. The Company has stubbornly and arrogantly refused to grant the just and fair demands of our members. We have requested the top officials of the Curtiss-Wright Corporation to join the negotiations in order to resolve these questions, but they have persistently refused to assume their obligations and responsibilities in this situation.

Among the principal issues in dispute is a Union request for a 10-cent per hour wage adjustment to bring wage rates into line with those paid in other plants of the airframe industry, as well as to make wage rates in the Columbus plant comparable with rates now in effect in other plants of the Curtiss-Wright Corporation. The Corporation has not only refused to meet this fair approach to the wage question, but has refused to apply a directive of the Secretary of Labor establishing a minimum of \$1.05 per hour in the aircraft industry.

Another issue of prime importance is a social security plan financed by the Company and including hospital, medical, surgical, disability, life and accident insurance. The Company has refused to consider these important matters.

The Curtiss-Wright Corporation is making exorbitant and scandalous profits and can well afford to

grant the Union's fair demands out of current earnings without increasing the price of its products. We charge the Curtiss-Wright Corporation with profiteering in this national emergency at the expense of the workers employed in their plants.

Our members in the Curtiss-Wright plant are desirous of settling the present dispute with the Company in a peaceful manner around the collective bargaining table, but their patience is running out.

The workers in this plant have taken a strike vote by secret ballot under the provisions of our Constitution, and better than 98 per cent of the workers voted to back up their just demands with strike action. The Union is withholding the filing of a 10-day strike notice of intention to strike, hoping that the problems can be adjusted in a peaceful manner.

In the interest of national defense, we call upon you to use your influence to help resolve these problems.

Sincerely yours,  
John W. Livingston, Vice-President

Caterpillar Moves

**Biggest Tractor Co. Signs Contract; 21c Package Won**

PEORIA, Ill.—More than 18,000 Caterpillar Tractor workers here have won a new contract, it was announced by John W. Livingston, Vice-President and Director of the UAW-CIO Agricultural Implement Department, and Region 4 Director Pat Greathouse.

(The local membership was voting on ratification of the contract as the Auto Worker went to press.)

The value of the economic provisions of the new contract is estimated by the negotiators at 21 cents per hour and includes a pension patterned after the GM settlement, health and welfare insurance, a general 10-cent-per-hour increase for all workers, plus one to nine cents for wage inequities for approximately 5,000 employees in various classifications.

Negotiations were concluded early on Monday morning, July 31, after an all-night session and with the plant poised to go on strike.

Also included in the settlement were improvements in the provisions governing grievance procedure, seniority, and promotions, improvement in the no-strike no-lockout clause and improvements in the check-off provisions.

Negotiations on economic matters had been progressing for some time under the terms of an economic reopener under the preceding contract with the Company re-

fusing to bargain effectively until a pattern had been established for the agricultural implement industry by the workers in the plants of Massey-Harris, International Harvester, and Allis-Chalmers.

The entire contract became renegotiable on May 30 and extra support was given to the negotiators through an intensive in-plant organizational drive which netted approximately 2,000 new members in this plant of 18,000 workers.

The contract, when ratified, will be effective as of July 30 and will run for two years with a wage reopener after one year.

Heading the local negotiating team were Bruce Brown, Local 974 President and Les Whittaker, Chairman of the Bargaining Committee.

International Representatives Bob Voss, of the Region 4 staff, and Pete Petruccia, of the Agricultural Implement Department, participated in the negotiations. Region 4 Director Pat Greathouse headed up the negotiating team in the closing sessions of the extended negotiations.

**Officers Advise Against Unlawful Acts in Plants**

Top officers of the International Union last month called on local union officers to take steps to prevent any further incidents of the violent ejection of Communists or suspected Communists from plants under UAW-CIO contract.

In an administrative letter to all local unions, the officers warned against trying to defeat totalitarianism through use of totalitarian tactics.

The letter said in part: "Newspapers have reported a number of instances in the last month of people being forcibly ejected from plants under UAW-CIO contracts because they were, or were suspected of being Communist Party members or sympathizers. UAW-CIO members were involved in some of these incidents.

"Officers of the International Union addressed a telegram to the membership of several local unions where such incidents occurred. The telegram read as follows:

"The UAW-CIO is opposed to violence in any form that attempts to substitute for democratic processes. Violent action that deprives individuals of their democratic rights is the weapon of the totalitarians themselves. It is not a weapon of democracy.

"We cannot defeat the Communists or the adherents of any other form of totalitarianism by falling into the trap by using their own tactics.

"The democracy of our Union

of our Nation is strong enough to bring to justice any person who gives reason to believe that he is engaging in subversive activities or otherwise engaging in conduct detrimental to the best interests of our Union."

"It is understandable that members of our Union are resentful of the tactics and acts on the part of the members of the Communist Party and their followers during these crucial times, brought about by the Communist-inspired aggressive war in Korea. The members of our Union must not participate in unlawful acts as walking alleged Communist Party members out of the plant. The Constitution of our Union offers democratic means for dealing with members of our Union who are guilty of conduct detrimental to the best interests of our Union. We call upon all members of our Union to practice in the fullest measure the democratic policies of our Union and Nation.

Signed,  
WALTER P. REUTHER, President.  
EMIL MAZEY, Secretary-Treasurer."

**Toledo Workers Defeat Lawyers, Press, Industry; Win 1st Class Contracts**

When the lawyers and the newspapers and the manufacturers got up off the chests of the Autoworkers in Toledo, and let them get back to business, pension agreements began to gush like a slot machine gone wild.

For more than 10 months most of the officers and leaders of the embattled Toledo Union had been dividing their time between the witness chair and unit meetings, defending themselves against the employer-financed attack on their Union.

**Another Local 12 Strike Is Won**

TOLEDO—A 41-day strike at National Supply in Toledo involving 750 members of UAW-CIO Local 12 was settled August 4, when the unit ratified a new 16.3-cent-an-hour package.

The settlement includes a \$100 pension, an insurance and welfare program, six paid holidays, inequity adjustments and a modified union shop.

The paid holidays are the first obtained by the group. Inequities amount to two cents per hour per employee.

The Toledo plant is the only one of seven National Supply Company enterprises under UAW contract and is the largest of the seven. The Company makes pumps and equipment for oil drilling.

When the campaign collapsed, the dam broke.

Funded pensions were obtained for Acklin Stamping, which set a precedent in the Toledo area by establishing a firm per hour contribution from the employer, which will mean steadily expanding benefits—beyond \$100 a month—to the workers.

The Acklin plan, negotiated by Richard T. Gosser, UAW-CIO Vice-President, to end a strike at the plant became the Toledo pattern—a minimum bargaining level for all Toledo employers.

Peters Stamping workers got the Acklin agreement without a work stoppage.

The big Dura plant got it, with some added benefits.

Then Toledo Pressed Steel got it. The five-plant Dana Corporation, spilling over a strike deadline, went for the Acklin plan, with improvements, just in time to prevent a shutdown.

When the employees of Mather Spring, after a long strike, ratified their new agreement on July 31, they, too, had the Acklin plan with added benefits.

E. W. Bliss settled for a formula different from, but no less beneficial than, the Acklin program, giving a minimum of \$100 a month and making possible \$165 a month in the future.

The Doehler-Jarvis die casting settlement came through with an escalator pension going from \$100 to \$112.50 to \$125.

At least a score of other Toledo area plants have lined up and are merely waiting for the traffic jam

to thin out before they, too, sign up.

All of this had been pending, but was clogged when the International Vice-President, the Local 12 president (the late Howard Seren) and most of the International staff were brought into court on charges begun by a renegade Local 12 member who was financed by the Toledo Blade and urged onward by shrill cries from the manufacturers, who had built up a \$400,000 war chest to beat pensions in Toledo.

Vice-President Gosser, the ostensible target of the attack, was finally cleared by the full International Executive Board; a newspaper-inspired "revolt" collapsed for lack of recruits and the campaign died.

Within a week, the pensions (and health and welfare programs) began to roll in. They're still rolling.

The Union, under pressure, had stood firm—and now the members were seeing loyalty to their Union pay off.

**UAW Victor in Case Election**

Another bargaining unit of the J. I. Case Company was won by the UAW-CIO, it was announced by John W. Livingston, Vice-President and Agricultural Implement Department Director.

In a representation election conducted by the National Labor Relations Board on July 27, workers in the production and maintenance unit at the Anniston, Ala., plant of J. I. Case Company cast 162 votes for the UAW with 80 votes for "no union."

The UAW previously represented workers in the Foundry Department of the plant.

**Three More A-C Contracts Won**

Settlement of contract negotiations with three additional plants of the Allis-Chalmers Company was announced by John W. Livingston, Vice-President and Agricultural Implement Department Director.

Ratification meetings have either been held or have been scheduled for contracts negotiated between Local 1036 and the Pittsburgh plant of A-C, Local 401 and the La Crosse, Wisconsin, plant, and Local 1027 and the Springfield, Illinois, plant. Negotiations are continuing in the Gadsden, Alabama, plant with Local 487.

All of the negotiations are patterned after the settlement made in the West Allis, Wisconsin, plant with Local 248, which included a pension and health and welfare program, wage increases, union shop and contract improvements as reported in last month's issue of the Auto Worker.

**Five Detroit Shops Come into UAW-CIO**

Organization of five east side Detroit shops has been announced by Region 1 Co-Director Michael F. Lacey. They are:

- Gillian Mfg. Company.
- Michigan Screw Products.
- Dasco Products.
- Lighthouse Storm Window Co.
- Marien Metal Products.

Region 1 International Representative Art Vega was in charge of organization of the five plants.

**Add 3 Shops In Chicago; FE-UE Beaten**

Regional Director Pat Greathouse reports three NLRB representation victories in Chicago:

UAW-CIO won the July 13 election at Hub Plating Co., Broadview, Ill., with voting as follows:

- Eligible—84.
- UAW-CIO—62.
- FE-UE—1.
- No Union—14.

NLRB election Wed., July 19, at Gits Bros. in Chicago resulted in the following vote:

- UAW-CIO—55.
- Independent—29.

International Representative Andy Strojny handled the organizational work.

American Perforator in Chicago went UAW-CIO on Wed., July 19, by a vote of 24 to 12.

International Representative Charles Chiakulas organized the plant.

**Borg-Warner Contracts Completed As Muncie Gear Strikers Win**

The 14-day strike at Warner Gear, Borg-Warner Corporation, Local 287, Muncie, Indiana, ended July 14; and the membership ratified the proposed agreement which contained the following gains:

Pensions amounting to \$117.50 for 25 years' service at the age of 65.

Four cents per hour for Health Insurance.

Modified union shop.

Six cents raise for all non-production workers with an additional four cents to be applied to inequities.

Improvement in seniority application for lay-offs and transfers, also improved grievance procedure.

More time for stewards and committeemen to process grievances.

Assisting in negotiations with the negotiating committee were Vice-President Richard Gosser, Director of the Borg-Warner Depart-

ment, and Ray Berndt, Regional Director of Region 3.

Richard Gosser, International Vice-President and Director of the Borg-Warner Department, announced that negotiations have been completed in all Borg-Warner plants. All of the plants have a uniform pension and health program with improved contract and vacation plan. All of the plants have maintenance of membership except Warner Gear, Local 287, which has a modified union shop. All contracts are of one year duration.

**Region 8 Win**

An NLRB consent election was won at the Atlanta, Ga., branch of the Trailmobile Company August 3, it was announced by Region 8 Director Thomas J. Starling.

The vote was 17 for the UAW-CIO; 3 for no union.

**From the Trustees**

We, the International Board of Trustees, in conformity with the International Constitution have caused the books of the International Secretary-Treasurer to be audited; also we have test-checked and examined various resources and liabilities of the International Union as of May 31, 1950, and we attest to the fact that the accompanying audit presents fairly the position of the International Union.

For the period ending Nov. 30, 1949—	
Total Resources	\$4,297,001.14
For the period ending May 31, 1950—	
Total Resources	5,341,947.82
Increase in Total Resources	\$1,044,946.68
Income from Emergency Strike	
Assessment	4,695,145.22
Disbursements from Emergency Strike	
Assessment	4,099,454.19

\*Excess Income over Expenditures ----- \$ 595,691.03

Increase in Total Resources -----\$1,044,946.68

The foregoing is an indication of progress; but it is very slow progress. Our total resources still do not meet the needs of a Union the size of UAW. The Union's finances have been handled properly, but proper management alone will not achieve for us the financial position we must attain if we are to be able to successfully cope with the problems which the future shall present. The need for additional revenue is obvious, if UAW-CIO is to continue to be a dynamic force in this changing world.

Respectfully submitted,

Mike Novak, Chairman  
King W. Peterson, Trustee  
Joseph E. Craig, Trustee

\*Additional expenditures must be made from this amount.







### FUTURE BRIGHT FOR FM RADIO

Frequency Modulation (FM) Radio is assured of a bright future, according to recent surveys and reports of leading trade officials, Congressmen and research bureaus.

"FM has grown to more than 700 stations," Wayne Coy, chairman of the Federal Communications Commission, said in a speech recently. "That gives the nation more total night-time coverage than is given by all the regional and local AM stations, after AM's quarter of a century existence. The area covered by FM stations holds 100,000,000 people."

Jack Levy, Washington editor of *Variety*, radio trade journal, reports growing optimism among Washington officials, FM independent station owners and the National Association of Broadcasters.

#### BETTER SETS

Basic problem, according to Levy, is the production of good and reasonably priced sets. With the slowing up of the TV market, indications are that several manufacturers are scheduling production of improved AM-FM receivers in the lower price brackets. A trend to combination TV-FM receivers is also expected to increase FM audiences. Installation of FM tuners in all TV sets is being pushed by FM station owners and has the blessings of FCC.

#### PREDICT DEMISE OF AM

On the government front, according to Levy, "one hears rumblings of a termination date for the AM band." Such action would of course give FM a terrific boost and would fulfill the prediction of FM enthusiasts that within 10 years FM will have completely supplanted AM for audio radio.

The FM set ownership is increasing rapidly is substantiated by a recent survey in New York City, which shows that there are three times as many FM sets as two years ago. It also found that more than 10 per cent of all homes are using FM sets in preference to AM.

Mounting sales of FM receivers in Cleveland have raised the total FM ownership in that city to 250,000 sets. Recent surveys in the metropolitan Detroit area also show that FM set ownership has tripled in the past year.

### UNIONS SPONSOR WCUO NEWSCASTS

The announcement that the United Steelworkers will sponsor the six o'clock news every Tuesday on WCUO gives further evidence of the growing contribution of the UAW radio station to organized labor in the Cleveland area.

The Steelworkers join the United Rubber Workers and the Cleveland Auto Council No. 3 in bringing to WCUO listeners the up-to-the-minute local, national and international news every week.

HEAR  
The Nation's Top Labor Newscaster

**GUY NUNN**

Daily:  
Monday thru Friday  
7:15 p. m.

**CKLW**  
800 on the AM DIAL



The story of who makes the wheels go around in the tremendous Rouge local is heard three nights a week at 7:00 p. m. on the UAW FM station in Detroit. Sponsored by Local 600, UAW-CIO, the new program brings department directors, building officers and local officials to WDET mikes Monday, Wednesday and Friday nights with the story behind the huge and varied activities of the Ford local. Above, James Watts, Co-Director, Local 600 Recreation Department, describes to Jerry Snyder, WDET sports editor, some of the recreation events in which thousands of Ford local members and their families participate every year. Buy FM and hear the story of the world's largest local.



Improved benefits of the new Kaiser-Frazer pension and medical plans recently negotiated by Local 142, UAW-CIO, were described on a recent WDET-FM "Brother Chairman" program. With Jerry Sherman, News Editor, WDET, are John Burton, chairman of the Bargaining Committee, and Arky Motsinger, President.



Detroiters like consumers everywhere are talking about high prices and war-scare profiteering. On the UAW-CIO Saturday night show, "Inside Detroit," high food prices and the Congressional five per cent "Trigger" invitation to price gouging were discussed by (Left to right): Mike Morasco, Chairman of the Wayne County CIO Community Services

## Childs Warns Against Atom Bomb Hysteria

"The use of the atom bomb in Korea would do incalculable harm to America's position before the peoples of this earth," Marquis Childs, Kaiser-Frazer commentator, said recently in a broadcast on WCUO and WDET.

Commenting on the growing sentiment to drop atomic bombs and get the Korean war over quickly, Childs stated, "This opinion is full of the kind of thunder and electricity that can have the most profoundly serious consequences for this country."

This thoughtless expression reflects an "almost childlike belief in the magic of the A bomb," he said.

"This is just not true. I have talked with high-ranking military men and they say that one or a dozen or 20 atomic bombs dropped in Korea would not end the war. They would not save American lives. They might even cost American lives in the long run. That is to say, they would cost American lives since great quantities of radio-active material would be released and American troops fighting in Korea might themselves be contaminated by these poisons released into the air.

"But there is also another consideration where American lives enter in as well as America's whole position in the world today. To use the atomic bomb in Korea now would destroy America's position psychologically and morally before the entire world. It would do incalculable harm to America's position before the peoples of this earth. If some American citizens do not know that, hard-boiled military men here in Washington and in Japan and Korea do know it.

"I solemnly believe that if the pressure of public opinion should

force a resort to the ultimate weapon in this limited engagement, then the United States would have lost for all time the hope of winning the peoples of the earth to the cause of democracy. We would have forfeited the high moral position that we have always held in the world."

Childs warned that Americans who blindly demand the use of bombs to "get it over quick" are afflicted with a dangerous illusion comparable to the myth in World War II that the Maginot Line would keep all invaders out of France.

He urged that the United States engage in a positive campaign to counteract the peace offensive of Russia which labels the United States as a wicked aggressor who does not want to outlaw and intends to use the atomic and H bombs. He urged widespread support of the proposal of Dr. Hans Bethe, atomic bomb scientist, that either the President or Congress "make a solemn declaration to the world that the United States will never be the first to use the hydrogen bomb, unless it is used against one of our allies."

Childs and Joseph Harsch are heard nightly at 7:30 p. m. on the two UAW-CIO radio stations, WCUO in Cleveland and WDET in Detroit. Both commentators are distinguished writers with nation-wide prestige as liberals. They are sponsored by the Kaiser-Frazer Corporation.

## "Marriage for Millions" Stars Jinks Falkenberg

"Marriage for Millions," starring Rosalind Russell, Jinx Falkenberg and Lanny Ross, is a new dramatic feature every Monday night at eight o'clock on the UAW-FM station in Cleveland, WCUO.

Built around the reasons why marriages don't pan out and how these pitfalls can be avoided, "Marriage for Millions" brings practical advice on counselling services for couples whose wedded life is not running smoothly.

The program is sponsored by two of Cleveland's Red Feather agencies, the Family Service Association and the Jewish Family Service Association. Union leaders, civic officials and prominent citizens will also appear as guest speakers on each program.

Committee; Mrs. Charles Lockwood and Mrs. Chalmer Ledell, Detroit housewives; Mr. Charles Lockwood, attorney for the Greater Detroit Consumers' Committee and columnist on consumer affairs, and Ralph Showalter, UAW-CIO Political Action Department, producer of the show.

# LISTEN TO YOUR UNION STATIONS—WCUO-CLEVELAND, WDET-DETROIT

### Financial Analysis—

(Continued from page 9)

#### FUND COMPARISONS MAY 31, 1949-MAY 31, 1950

Fund	May 31, 1949	May 31, 1950	Gain or Loss Over May 31, 1949
General Fund	\$ 367,075.44	\$ 23,084.78	\$ -343,990.66
Educational Fund	9,433.53	17,751.27	8,317.74
Recreational Fund	83,147.73	77,288.78	-5,858.95
Fair Practices and Anti-Discrimination Fund	78,132.47	79,556.68	1,424.21
International Strike Fund	1,101,845.19	2,386,142.62	1,284,297.43
1948 Assessment Fund	676,575.50	247,507.36	-429,068.14
1949 Assessment Fund	561,796.25	741,978.95	180,182.70
Total Liquid Assets	2,859,139.05	3,537,807.90	678,668.85
Other Assets	1,068,371.11	1,679,278.98	610,907.87
Current Liabilities	121,462.55	124,860.94	3,398.39

Total Liabilities and Net Worth. \$4,048,972.71 \$5,341,947.82 \$1,292,975.11

#### NEED FOR INCREASED REVENUE

A careful analysis and examination of our financial position clearly demonstrates the inadequacy of our income to meet normal operating expenditures of our Union. It takes a little over \$600,000.00 per month, exclusive of strike donations, to operate the International Union. Yet our General Fund as of May 31, 1950, amounted to \$23,084.78, which gives our Union a reserve equivalent to the cost of operating our Union for one day.

In order to put our Union on a firm and sound financial basis, we should have reserves in our General Fund of approximately three and one-half million dollars, or an equivalent to the cost of operating our Union for a six-month period.

Many strikes that we had during the past fiscal year clearly demonstrate what happens to our General Fund when our income is reduced as a result of not receiving per capita taxes from members on strike.

Our income can be further reduced by loss of employment as a result of the present Korean war and defense programs which might reduce the amount of steel available for production of automobiles and other products produced by our members.

In the event we should run into an economic crisis that would result in reducing the membership, it would also reduce our income and would make it necessary for us to curtail services to our membership at a time when our members need more and not less services.

We need additional revenue to organize unorganized shops that are taking work away from organized plants because of the wage scale and other conditions of employment which are superior to those in unorganized shops. We must have additional funds to organize run-away plants that leave high wage areas and establish themselves in low wage areas.

We must have funds to complete our organizing in the agricultural implement field if we are to properly protect the interest of our members engaged in the manufacture of agricultural implements.

We receive constant requests and demands for increased services in our Social Security Department, our Time Study Department, our Auditing Department, and most Departments that service our local unions. We can increase these services to our members only if we find ways and means of increasing our income.

#### STRIKE FUND RESERVES MUST BE INCREASED

Although our Strike Fund currently is at an all-time high, we must take financial steps to build a Strike Fund of at least \$25 million, so that we can adequately and properly take care of the needs of our members when management provokes strike situations.

The adoption of the resolution at the last International Union Convention which empowered the International Executive Board to levy an Emergency Strike Assessment proved to be one of the most constructive moves of our Convention, because it enabled our Union to give our Chrysler members almost \$4 million in assistance to help win their fight over an arrogant and greedy corporation. In my opinion, corporations force a strike upon our members for two principal reasons. First, they hope they can smash our Union; and second, they sometimes force us into strike action hoping to get a compromise settlement that is less favorable to our members because of the economic pressures that our members have during strike periods.

#### economic pressures that our members have during strike periods.

We can avoid many costly strikes if we build up our Strike Fund adequately to be able to take care of the needs of our members. Many managements would hesitate to force us into strike situations if they knew that our Union was capable of taking care of the immediate needs of our members, which would minimize the pressures for compromise settlements.

I believe that our Union should take immediate steps to establish a Strike Fund of at least \$25 million. A Strike Fund of this size would be a powerful ally at the collective bargaining table in all of our negotiations.

#### METHOD OF RAISING UNION INCOME

There are two basic approaches to our financial problems that could put our Union on a sound financial basis.

First, if we raised our dues from \$1.50 to \$2.50 per month, with 50 cents per month of the increase being set aside in the Strike Fund; 25 cents of the increase being placed in the General Fund of the International Union; and 25 cents being placed in the General Fund of the local union, we could begin to build up necessary reserves in our General Fund and have additional monies to expand the services of our Union. Adding 50 cents per month to our Strike Fund would enable us to place \$5 million per year into our Strike Fund, which would be a long step towards our goal of \$25 million.

During the calendar year 1950, most of our members will have paid dues and assessments that average \$2.50 per month. This has not placed a hardship on any of our members.

The second approach to our financial problems is to raise our dues to \$2.00 per month, with 25 cents of the additional dues increase being placed in the General Fund of the International Union and 25 cents of the dues increase being placed in the local union.

An increase of dues to \$2.00 per month would take care of our normal operating expenses. In order to cope with strike situations, the resolution adopted at our last Convention should be maintained in order to enable our Union to raise strike funds in extreme emergencies.

I believe that the soundest approach to our financial problems is to raise our dues to \$2.50 per month, with 50 cents of the increase being earmarked for the Strike Fund; 25 cents to the General Fund of the International Union; and 25 cents to the General Fund of the Local Union.

The members of our Union are among the highest paid workers in America, and pay less in dues to their Union than most workers in industries where the wage scale and other conditions of employment are inferior to those we have established in our industry. During our organizing period in 1936 and 1947 our dues amounted to \$1.00 per month, with most of our workers receiving approximately 50 cents per hour. It took two hours' earnings to pay for one month's dues during our organizing period. If the dues were increased to \$2.50 per month in the manner I suggest, our members would be paying less than two hours' earnings per month in order to protect and advance their interest and to extend the services which they now enjoy.

I urge the leadership of our Local Unions and all of our members to give serious consideration to the financial needs of our Union, so that we can have not only the most democratic, the most militant and

# Pensions Possible in Small Shops? "Grandma" Brozman Knows the Answer

DETROIT—When the UAW-CIO began to get the signatures of big auto companies on the dotted lines of pension and health contracts, the smart boys who write the industrial and financial columns flooded the land with crocodile tears.

These armchair wizards wept and wailed for weeks over the "plight" the little companies faced in 1950 contract negotiations. According to their sob stories, smaller firms were doomed to bankruptcy and welfare budgets—because that mean old UAW-CIO was going to put such a heavy bite on them for pension and insurance plans.

Of course, none of these predictions of poverty came true. The disasters foreseen in the financial page crystal balls failed to materialize—and the Wall Street woe-sayers were shown up again as a shabby crew of false prophets.

Take the case of the O & S Bearing Company, which employs 90 members of the UAW-CIO in its plant at 303 S. Livernois here in Detroit. Here is a little story about this firm which shows the absurdity of the alarms cried by the columnists of commerce:

On the afternoon of July 14, as the end of the day shift neared, the hum of activity slowed into gradual silence in the O & S Bearing plant. Machines ran down, and a relaxing quietness replaced the clattering, whirring, rumbling sound of the productive effort. Workers left their machines, began walking around, chatting, washing off the stains of labor.

#### EXCITEMENT

The people were able to leave their machines to wash up—for which many a worker was fired in the days before there was a union—because the Local 697 contract provides for paid wash-up periods. But on this particular day there was an undertone of excitement stirring in the shop as the folks prepared to ring out at the end of the day shift.

A company official hustled into the shop from the front office for a hurried consultation with Leslie J. F. Brozman, President of Local 697. Leslie turned and signalled to four elderly workers, two women and two men, motioning for them to

service.

#### GIFT CEREMONY

When the front office ceremony was finished, everybody trooped back into the plant. Then a committee brought out enormous gift packages that had been smuggled into the plant and kept hidden all day. There was another little ceremony—as the gifts were presented to the four retiring workers. Their fellow workers stepped up, shaking hands, saying good-bye in voices vibrant with the warmth of fellowship.

"Grandma" Brozman choked up with feeling as she tried to speak her gratitude. She brushed her tears away with a knuckle. She was happy to retire on a pension, happy to get the lovely gifts—but sorry to leave her fellow workers. Reluctantly, she rang out her time card for the last time—and the other four followed her, out of the shop and home to a life of security.

The moral of the story is that the size of a company has little enough to do with the financing of worker security. With a good union, and a responsible management—and hearts that are in the right place and big enough—workers can have the security that is their due when they are too old to work and too young to die.



"Grandma" Brozman, laden with gifts from her fellow workers, rings out for the last time at the end of the day shift.



The first four pensioners at O & S Bearing hold up their pension checks plus \$100 U. S. Bonds given them by the Company. Left to right, seated, are: Julia Brozman, aged 78; Elizabeth Dolrenti, aged 72; John Such, aged 71; and David Rennie, aged 71. Standing, left to right, are: Phil Maggio, Region 1-A International Representative; Newton Skillman, O & S Bearing Executive Vice-President; and Leslie J. F. Brozman, President of UAW-CIO Local 697.

progressive Union in America, but also a Union that is financially sound.

Respectfully submitted,

*Emil Mazzy*  
Secretary-Treasurer.

# Region 3 Mobile Unit Tours Indiana County Fair Circuit

The UAW-CIO of Region 3 is on the County Fair circuit in Indiana and Kentucky with a Mobile Unit, sponsored by the District Auto Council and set up by its Educational and Political Action Departments.

Raymond Berndt, Director of Region 3, announced:

"Breaking new ground in this method of carrying labor's message to thousands of people who have had no contact with organized labor, the Mobile Unit is visiting all the major county fairs in the two states that make up this region."

The project got underway on July 3 at Anderson, Ind.; at the Madison County Fair. From here, it moved on to the Blackford County Fair held at Montpelier, Ind., on July 11-15. The other three county fairs visited to date include Bartholomew County Fair at Columbus, July 16-21; Allen County Fair at Fort Wayne, July 24-29; Delaware County Fair at Muncie, July 30-August 1.

The remainder of the circuit includes DuBois County Fair at Hunt-

ingburg, August 7-12; Fayette County Fair, Connersville, August 13-18; Elkhart County Fair at Goshen, August 21-26; the Indiana State Fair at Indianapolis, August 31-September 8, and the Kentucky State Fair at Louisville in September will wind up the Mobile Unit trip.

Thousands of pieces of literature telling labor's program to "make Democracy work" have been distributed. Registration drives are put on with mimeograph machine on the job to localize the problem as at the Cass County Fair, where the following pertinent facts were pointed out: "Are you one of the 5,000 residents of Cass County that aren't registered to vote?" This was followed with registration hours and a registration booth right on the Fairground.

# WOMEN'S AUXILIARY IN MEMBERSHIP DRIVE

Undoubtedly you have heard the old saying, "Never underestimate the power of a woman." That's no joke, as each of us knows. But much more formidable is the power of thousands of women—wives, mothers, sisters and daughters of auto workers—when they are joined together in a mutual determination to accomplish the purposes set forth by the Women's Auxiliary program.

Our men folk in the UAW-CIO long ago found out the value of working together. That's why they built a strong labor union where they can plan together, make decisions together and, most important of all, act together.

We women realize the importance of joint action, too. There is very little we can accomplish as individuals. But there is no limit to what we can accomplish when we pool our strength and ingenuity in the Auxiliary.

The UAW-CIO Women's Auxiliaries wants you to join their organization; if you are the wife, mother, sister or daughter of a UAW-CIO member, you are eligible for membership in our organization. In the Auxiliary, we learn how we can best help our Union and thereby ourselves and families:

- (a) To take an active part in promoting the CIO legislative program. To assist in campaigns to reach every worker's wife, mother, sister and daughter with full information in registration and elections.
- (b) To set up educational activities that are of value and interest to women such as sewing classes, libraries, classes in home problems and consumer problems.
- (c) The Auxiliaries bombard Congress with petitions and arguments to support all legislation endorsed by the CIO.
- (d) To work with all constructive groups, thus helping to build the prestige of the CIO in the community.
- (e) To work for better schools,

hot lunches, nurseries, playgrounds and recreational centers for our children. To organize dance classes, etc.

(f) To promote social activities among our members such as dances, card parties, movies, lectures, bingo, etc.

All these things and many others we can do through our Auxiliary, because in joint action there is strength.

Of equal importance is the fact that the Auxiliary is a training ground where we learn how to carry on our work in the best and most effective way.



"Don't hoard!" the government says! With everything so high, I can't even hoard enough to last between paydays!

POSTMASTER. Send notices of change of address on Form 3578 (Canada, Form 67B) and copies returned under labels No. 3579 (Canada, labels No. 29B) to 2457 E. Washington St., Indianapolis 7, Ind.

## What's Going on at Ford?

# Well, Humbug—for One Thing...

Below is a part of a two-page Ford ad recently published in *Life* magazine.

Note that Ford—all by its little self "set up" a new pension plan last year. Another Ford "First"—Ford "pioneered"—and so on.

The best comment the *Auto Worker* can make on this ad, in which the UAW-CIO is mentioned nowhere, is to quote the exact language of a letter to the UAW-CIO from Ford's Vice-President John Bugas dated August 5, 1949.

See how anxious Ford was for another "First"—to pioneer, etc.

Here's what Bugas proposed—in his own words:

"In order to make our position unmistakably clear, we make the following formal proposals:

- (1) That the non-economic provisions of our contract remain unchanged in any respect for a period of eighteen (18) months from July 15, 1949, thereby assuring employees of present working conditions without any change whatever;
- (2) That the economic provisions of our contract—

including wage rates and all other economic benefits—remain at their present levels without provision for reopening by either side for a period of twelve (12) months from July 15, 1949.

"Your immediate acceptance of these proposals will assure employees continuation of the

largest union shop in the automobile industry, and of every benefit and right they now enjoy."

Bugas wrote some more letters. He raised all sorts of alarms. He got mad. The workers voted to strike for pensions. They had to in order to get pensions.

Now look at the ad—

## WHAT'S GOING ON AT FORD...

# AFTER 30 YEARS— A SECURE OLD AGE

## Another "Ford First" benefits oldest living auto mechanic

On April 1, 1950 thousands of Ford old-timers, who have retired since last July after years of service, received their first pension checks under the new pension plan which Ford set up last year.

Industry observers see the Ford retirement plan as a progressive step in a program of employee benefits which recalls the famous \$5-a-day wage of years ago, the 8-hour day, and the 5-day week. All were pioneered in the automobile industry by Ford Motor Company.

The pension supplements U. S. Social Security benefits, calls for the payment of millions of dollars annually into the pension fund.

Ford estimates that about 5,000 Ford, Lincoln, and Mercury employees have met old age and service requirements for a pension. More than 1,100 are already taking advantage of the plan. Other employees who are now over the required retirement age will be given an adjustment period to get their affairs in shape before going on their pension. Those who meet the age requirement of 65 years, and have a record of 30 years of service, retire with the full \$100 a month which includes Social Security benefits. Workers with less service at 65 can retire at a scaled-down pension.

One of the retired Ford men who is sleeping late these mornings is 80-year-old Walter Griffith, whose claim that he was the oldest on-the-job automotive mechanic in the United States before he left Ford Motor Company last December, never has been challenged. Mr. Griffith is happy in the well-earned security which Ford has provided him, in his freedom from dependence on his children. Over the years, Ford has studied many plans for giving loyal workers security in their old age, has adopted the one that promises to work the best.

This program is a part of "the Ford idea" since it benefits the employees, Ford Motor Company, and the public alike.



2. WITH SECURITY AND INDEPENDENCE in his future, Griffith made plans to retire in September, 1949, when he read an announcement in the "Rouge News," one of the Ford employee publications. This news story explained the pension for retiring Ford, Lincoln, and Mercury workers. The report assured him that he would have an adequate monthly income for the rest of his life.

# Indiana Shop Votes UAW-CIO

CONNERSVILLE, Ind.—The UAW-CIO last month defeated the United Blower Workers Union (independent) in an election conducted under supervision of the National Labor Relations Board to determine the bargaining agent for employees of Roots-Connersville Blower Co. here, it was announced by Raymond H. Berndt, Director of UAW-CIO Region 3.

The vote was: UAW-CIO, 274, United Blower Workers (independent), 64. Two votes were void and two employees voted for neither union. A total of 350 employees were eligible to vote.

# \$120 Pension Nailed Down By Local 291

OSHKOSH, Wisconsin — Pension benefits of \$120 per month were won here for the 850 members of UAW-CIO Local 291, in a contract signed with the Axle Division of the Timken Company, it was announced by Harvey Kitzman, Director of Region 10.

The total economic package amounted to 12 cents per hour, including six cents per hour for the pension fund, a four-cents-per-hour wage increase and two cents per hour to be applied to improvements in the existing insurance program.

Workers may retire at age 65 with 30 years of service to qualify for the maximum pension of \$120 per month, which includes social security benefits as revised upward by Congress. Proportional pensions are provided for workers with less than 30 years of service.

The pension plan is funded on the basis of the six cents per hour contribution over a five-year period, and is administered by a joint board. Disability benefits of \$58 per month are available prior to age 65 for workers with 20 years of service regardless of age.

Director Kitzman said that this excellent pension settlement spotlights the success of UAW-CIO in winning retirement plans for workers in small communities in Region 10.