# The United United Worker

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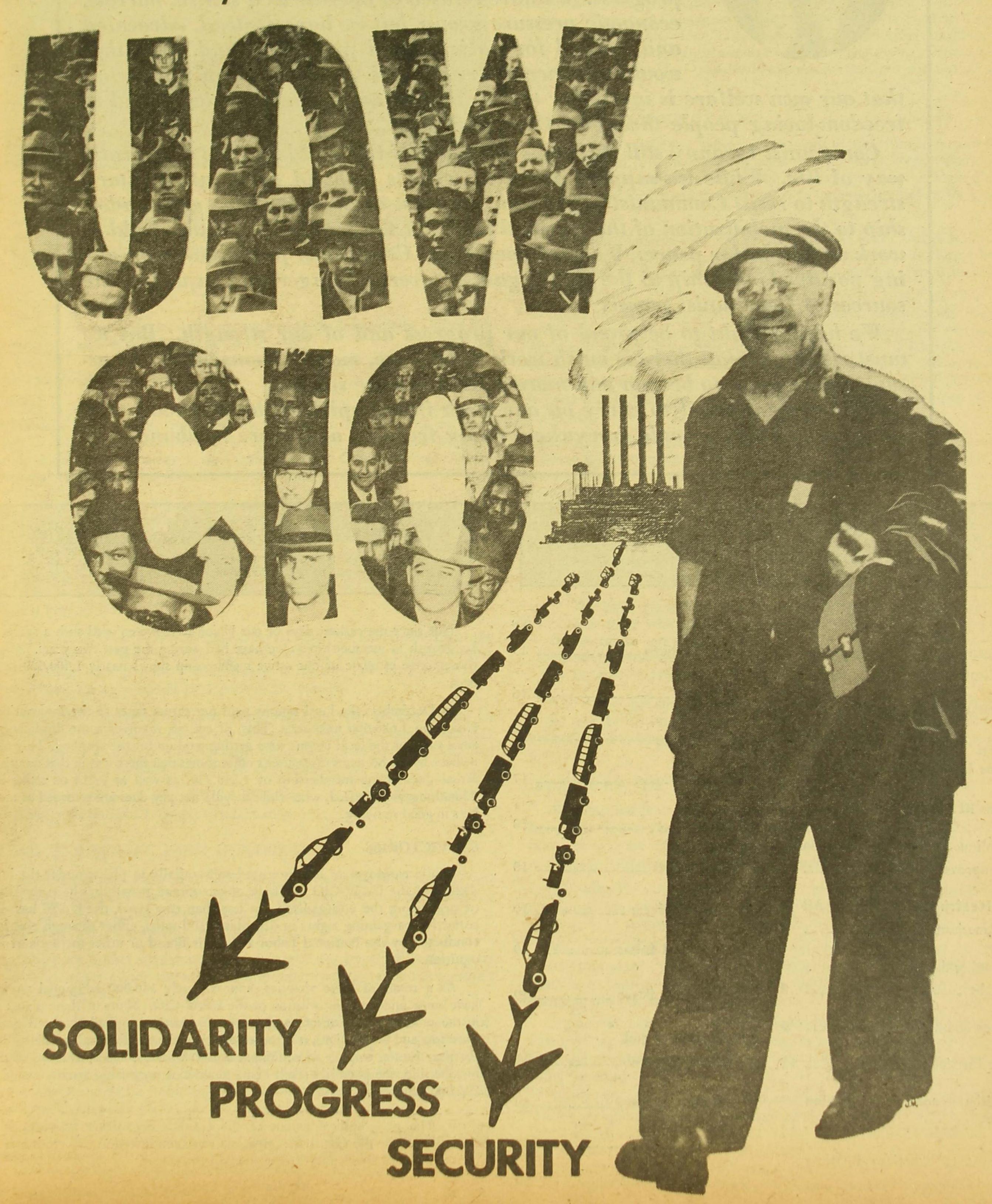
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# REPORT TO THE MEMBERSHIP

By WALTER P. REUTHER, International President



# REPORT TO THE MEMBERSHIP

By Walter P. Reuther



This report is submitted at a time when our Union is stronger than it has been at any time in our history. We are stronger in terms of membership, of benefits won through collective bargaining, of solidarity in our ranks and in terms of the potential contributions we can make to the progress and welfare of the whole nation.

The UAW-CIO has advanced to its present strength and prestige because it has been dedicated to the proposition that we can make progress only as the community makes progress. We have refused to operate as a selfish, narrow, economic pressure group, but we have, instead, advocated and worked for policies and programs and goals that would advance the welfare of the whole people, knowing

that our own welfare is inevitably tied to that of our fellow Americans and to freedom-loving people throughout the world.

Communist tyranny still threatens the peace of the world and the democratic way of life. While we support America's efforts to build adequate military strength to resist Communist aggression, we must at the same time give leadership to the mobilization of the spiritual forces of the free people of the world to work and fight for peace. We must counteract Communist propaganda by giving positive leadership to the fight against poverty, hunger and injustice, the sources of Communist power.

We have a right to be proud of our progress and of our strength. But we must recognize that there is much work to be done, more responsibilities to assume, more goals to be won and more problems to be solved.

We are determined to carry on our work in the spirit of brotherhood. We shall not rest until people everywhere enjoy freedom and share in abundance.

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# Organization and Membership Growth

Not since the earliest days of our Union have we enjoyed such a spectacular growth in membership as we have had during the past two years. A very conservative estimate of our active membership shows nearly 1,400,000 members.

In December, the local unions paid per capita taxes to the International Union on 1,620,000 members. This, of course, involves some duplications, since some of the local unions were getting paid up for the year end. However, a check by the Secretary-Treasurer's office shows that there was in that month an actual dues-paying membership of 1,318,739, as well as 9,214 on strike and 22,000 members retired, who while they do not pay dues are recorded as members in good standing.

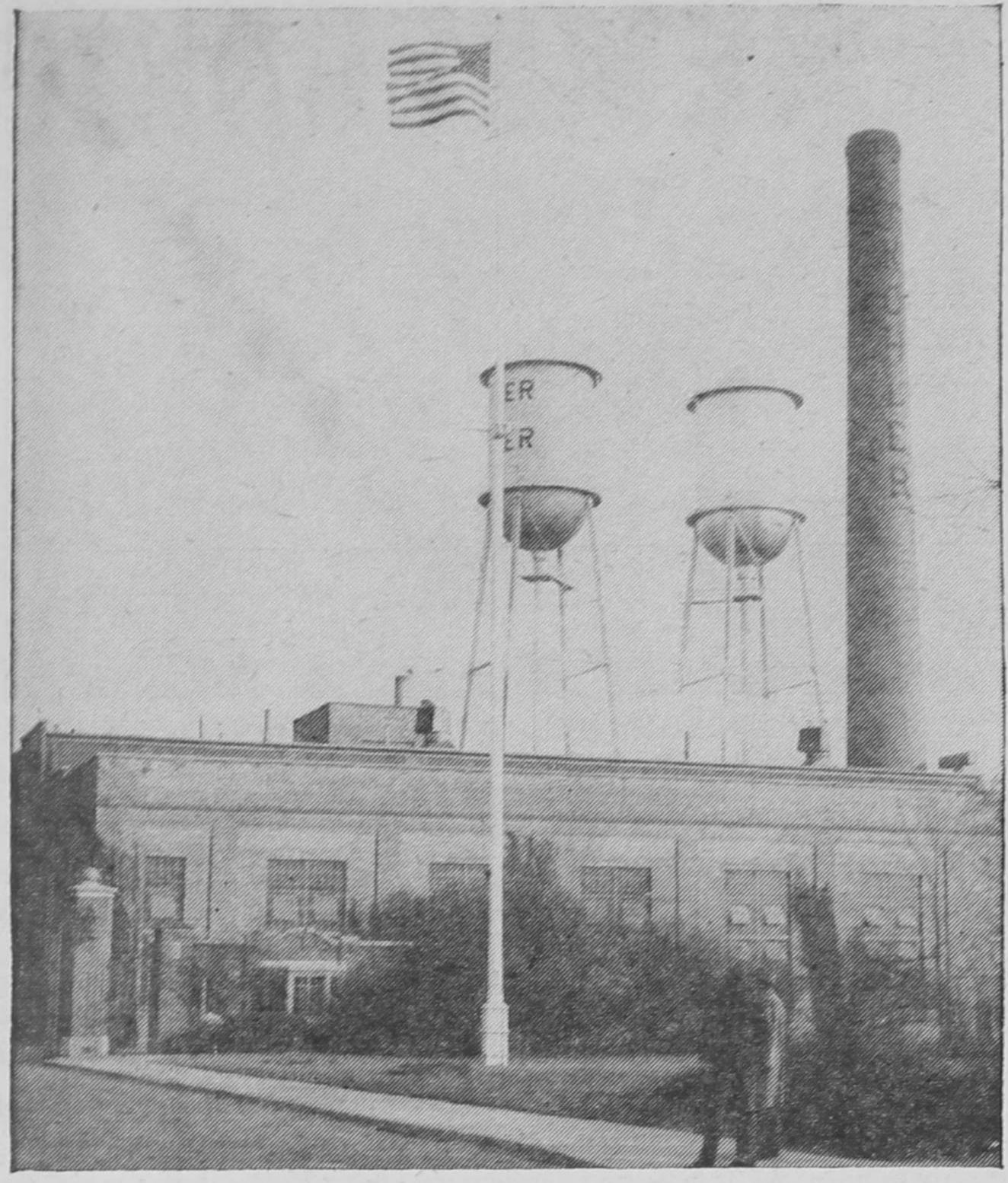
# 620 VICTORIES

While employment has increased substantially in plants under the jurisdiction of the UAW-CIO, the bulk of our recent growth has been the result of organizing the unorganized. In less than two years, the UAW has won collective bargaining rights in 620 plants and units, either through elections conducted by the National Labor Relations Board or other methods of recognition.

As a result of these victories, approximately 140,000 additional workers have come under the jurisdiction of the UAW-CIO. Many of these plants are in the process of expansion, and from information supplied by the Regional Directors and local unions, it is conservatively estimated that such plants will, in the near future, employ an additional 66,000 workers. Thus, in terms of new membership, the potential result of 23 months of organizing activity would be 206,000 members.

The geographical extent of the Union's organizing activities is indicated by the fact that campaigns were conducted in 256 cities and towns in 29 states and three Canadian Provinces.

(Continued on next page)



KOHLER of KOHLER, Wisconsin, most vicious of the paternalistic companies, was organized by the UAW-CIO last summer in a hotly contested campaign. Some of the same officials who helped determine policy at Kohler in 1934, when two men were shot fatally and 47 wounded in the process of breaking up a strike, recently were forced to sign a good contract with the UAW-CIO.

There are now 1,220 local unions chartered by the International Union, representing thousands of collective bargaining units.

# OUTSTANDING WORK

The organizing success we have enjoyed can be attributed to the outstanding work done by various departments of the International Union under the direction of Vice-Presidents Gosser and Livingston and by the Regional Directors and their staffs. The increase in dues voted by the last Convention made all this tremendous additional organization work possible.

In selecting the plants to be organized, first consideration was given to "runaway" plants; second, to unorganized competitive plants which constituted an immediate threat to the jobs of our members; third, to the unorganized plants of corporations with which we have contracts; and fourth, other unorganized plants which fall within the jurisdiction of the UAW-CIO.

# KOHLER OF KOHLER

Another noteworthy victory came last year when the feudal domain of the Kohler family of Wisconsin fell to the UAW-CIO. But the fruits of victory were slow in coming to the Kohler workers as the rulers of this industrial empire refused for eight months to agree on a fair contract.

With the International Union giving leadership, the workers carried an overwhelming strike vote. On the eve of the strike date, the Company crumbled and agreed to a contract which brought tremendous gains to the workers and brought industrial democracy to them and their community.

The personal participation of Secretary-Treasurer Emil Mazey in the final negotiations contributed signally to this victory.

# LEAD IN AIRCRAFT, FARM IMPLEMENT

Nationwide organizing successes in the aircraft and agricultural implement industries maintained the UAW's dominant position in both those industries, while there are still no passenger cars manufactured in the United States or Canada that are not assembled by UAW workers.

There are further significant details on organizing contained in the reports of the Competitive Shop and other industry and corporation departments which follow this report.

It should not be overlooked that this organizing job was carried out successfully in the face of tremendous difficulties. The 1952 report of the National Labor Relations Board showed that labor generally enjoyed a lower percentage of election victories than in previous years. Increased employer resistance and more frequent recourse to the union-busting provisions of the Taft-Hartley Act have characterized the labor scene for the past two years.

We believe that the International Union has kept faith with the membership in carrying out its organizational responsibilities, yet we do not intend to rest on our oars so long as one single worker within our jurisdiction remains outside our Union.

# Guaranteed Annual Wage

The guaranteed annual wage is now at the top of our collective bargaining agenda. The last Convention so decided, and the preparatory work called for by that Convention is now well under way.

A sound program, based on thorough preparation, plus a militant membership ready to struggle and, if need be, to sacrifice for just demands geared to the welfare of their families and the stability of the economy is an unbeatable combination in collective bargaining.

That combination won pensions in 1949 and 1950. It will win the guaranteed wage in the next major negotiations in our industry.

The guaranteed wage, though it must be won in collective bargaining, is far more than a collective bargaining demand. It is a long step toward solving the basic unsolved problem of our time: the problem of full production and full employment in a free society in times of peace. A solution of that problem will not only strengthen America; it will have an impact throughout the world, wherever Communism exploits the insecurity of workers and wins converts by pointing out that democracy has never solved the problem of mass unemployment. The Communists say we cannot solve the problem of unemployment and depression. Communist strategy in the cold war is based on a gamble that free men working within a free economy cannot maintain full employment and that another American depression will undermine the foundations of the unity of the free world. If that should happen, the cold war will become a hot war.

#### MUST STOP UNEMPLOYMENT

The history of the last half-century reminds us that democracy goes under when it fails to halt the spread of mass unemployment. Nazi Germany and Fascist Italy were proof that dictatorships ride to power on the desperation of men driven by misery and unemployment to trade their freedom for a promise of bread.

Dictatorships in our time, and the slave societies of the ancient world, kept men at work and gave them bread, at the price of freedom. In the era before the industrial revolution, men were kept hard at work in a constant struggle for survival.

Today we face a new situation. In the industrial nations of the West we live in an economy of potential abundance. We have developed a technology efficient enough to offer a better life for all, and we have developed a political democracy committed to a life of freedom and dignity for all. But we have not mastered the techniques for gearing our great technology to the maintenance in peace time of full production, full employment, and sustained mass purchasing power.

Only at war and under the threat of war have we been able to keep our factories steadily producing and keep ourselves steadily at work. We stumble from crisis to crisis. The Communists say we cannot solve our dilemma; our own businessmen, looking ahead again to another recession without undertaking to avoid it, lend weight to the Communist claim. Every new advance of science makes our dilemma more acute by making our technology more efficient and productive. The more productive we become the greater our need to find the means of balancing our great productive power by mass purchasing power and mass distribution of the goods we produce.

We have not solved the problem of mass unemployment largely because those who have the power to solve it have not had to pay the enormous cost of failing to solve it. Up to now the workers have borne the brunt of the cost of unemployment—a cost exceeded only by the cost of prolonged all-out war.

The annual guaranteed wage attacks the problem of mass unemployment at the root, by shifting to the employer the cost of unemployment—by compelling the employer to pay workers as the employer himself is paid—by the year.

# WE LIVE BY THE YEAR

Workers and their families live by the year, a biological need which they share with corporation officials. Corporations also live by the year. Interest rates, depreciation costs, taxes, executive salaries—all these items in the cost of keeping corporations alive are computed as annual costs.

The time has come to consider labor costs as annual costs, because they are annual costs, and because workers, with annual needs, cannot meet those needs as long as they are paid by the hour or by the piece.

We may state this fact as an abstract principle for the rest of the century, and all logical men will agree. But nothing will be done about changing the practice to conform with the principle until employers are given a direct financial stake in stabilizing employment.

An annual wage will give the employer that financial stake. We have seen again and again how pursuit of profits can lead employers to do things that they said were impossible to do when they were approached on grounds of simple humanity.

In the lush post-war period, when every car the corporation could make was quickly absorbed by a car-starved market, the "inevitable" model changeover layoff almost disappeared. Fear of losing customers to competitors accomplished what mere hunger of auto workers' children had never been able to accomplish. Instead of laying off workers for upwards of eight weeks to change

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from last year's model to the next, the corporations learned to do it practically without missing a beat in the production rhythm of their plants.

#### CALL-IN PAY AND PENSIONS

We saw the same process at work after we won call-in pay. Before we won lt, the workers bore the cost of management irresponsibility, in carfare and in lost opportunity for other employment, while they waited in the plant, on their own time, for management to provide them with work that often never came. Call-in pay ended that by forcing management to bear the cost of its own irresponsibility. Today we have call-in pay in our contracts, but in practice relatively few payments have to be made to workers under these contract provisions because call-in pay led management to discover the virtues of planning to avoid a situation where men reported to work, but lack of materials or improper production planning did not make work available.

We saw again how financial responsibility can convert management to social responsibility when we won pensions. Compelled to accept financial responsibility for providing for workers who are too old to work but too young to die, corporations, after long years of blindness to the inadequacy of federal social security pensions, suddenly saw the need for improvement in social security legislation.

In the same way, management can be brought to see the virtues of broader planning, in their plants and in the national economy, through the annual wage. By themselves, it is true, individual managements cannot solve the whole problem of unemployment. But there is much of it for which they are directly to blame and which they can and will eliminate if it costs more to duck the responsibility than to meet it. The guaranteed wage will cause them to do what they can in their plants, and lead them, also, to demand that government shoulder its proper share of the cost of unemployment and its proper share of the responsibility for preventing it.

#### WORK THE MAIN GOAL

Prevention of unemployment is the main goal. It is work we want and not pay for idleness, for only out of work can we get the goods out of which high living standards are made. There will be more and steadier work when management is required to pay for idleness.

In taking up the struggle for the guaranteed wage we are engaged, again, as we were in the drive for pensions, in a battle on two fronts. In the pension drive, victory was assured on the government front from the moment it became clear that we could not be beaten on the bargaining front. When it becomes equally clear that we will win the guaranteed wage in bargaining, we can expect more vigorous government action to prevent unemployment and to protect workers adequately against its effects on the welfare of their families.

# OUR UNION'S RESPONSIBILITY

Our Union occupies a strategic place and has a unique responsibility on the collective bargaining front in the war against unemployment and insecurity. Stabilization of employment and production in the automobile industry and other basic industries under our jurisdiction will result in greater stability of employment and production in steel, rubber, glass and the host of other industries that depend on the auto industry for a substantial part of their markets. Increased stability in those industries will make it easier for their workers to win the guaranteed wage and, having won it, to radiate stability to still other industries that depend on them for markets. The greater stability thus lent to the whole economy will be buttressed by the fact that if there is, nevertheless, any faltering in production, the purchasing power of workers covered by guarantees will be maintained to provide outlets for surpluses and demand for resumed production when surpluses are worked off.

Conscious of the responsibility that rests on our Union because of its key position in the economic structure, we have worked hard and long to develop a guarantee plan that will work, both in providing employers with effective incentives to stabilize and in providing workers with security. We have arrived at tentative conclusions on the basic principles of a workable plan, reasonable enough in cost so that it is attainable in collective bargaining.

But we will not permit our minds to be closed by pride of authorship. We are ready and eager for ideas from any quarter for a better way to do the job than any we can devise.

The International Executive Board has authorized the appointment of a Guaranteed Wage Advisory Committee on which some of the most distinguished economists in the United States and Canada have already accepted membership. In the months ahead, we will seek their reactions to the ideas we have developed so far and their suggestions for better ways to do the job.

# SEEK MANAGEMENT COOPERATION

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We will be calling on management, too, for its ideas. The major corporations will be asked, in the very near future, to work with us in joint study of the guaranteed wage to facilitate bargaining later as our contracts approach their expiration. Practical men who understand what is on each other's minds can work out practical solutions for practical problems. We hope that management will welcome the opportunity for discussion of those problems. Above all, we hope management will not waste the time ahead in telling us why the guaranteed wage is impossible, so that employers remain unprepared to meet their responsibilities at the bargaining table.

We are prepared to listen to what management may have to say on the problems it will face in assuming the responsibility for guaranteed wages and to help in working out solutions to meet those problems. While we are flexible



The UAW-CIO is developing an elaborate program to help retired members enjoy their newly-found leisure. These senior UAW members are enjoying checkers at the Drop-In Center established in Local 154's hall for their benefit. The entire retired workers project has been developed since the last Convention.

on implementation, management will do well to make up its mind now that there will be no compromise with the basic objective. The guaranteed wage will be won in the next series of major negotiations just as surely as pensions were won in the negotiations following our 1949 Convention.

Management will be wise, therefore, to begin now to pave the way for orderly negotiations by exploring the subject with our Union and by re-examining its present practices so that it will be prepared to stabilize employment when the guarantees go into effect. We are, of course, prepared to work with management to bring about certain desirable changes in state and federal laws which would facilitate the operation of guaranteed wage plans and lighten the burden of costs on management. The combined efforts of management and labor facilitate the enactment of any legislation on which we were agreed. We do not propose, however, to wait for changes in the laws before we negotiate wage guarantees any more than we waited for changes in the Social Security Act before we negotiated our pension plans.

#### WE WILL WIN

The guaranteed wage is on the way. It will be the next major advance to be added to all the other achievements of our Union, starting with recognition of our Union in 1937 and reflected today in contracts which include provisions for such things as seniority, call-in pay, vacations, paid holidays, hospital-medical plans, sickness and accident and life insurance, escalator and improvement factor wage adjustments, and pensions. Some of the gains were won from management the hard way. Others came out of orderly and peaceful negotiations. That is the only choice remaining to management in relation to our guaranteed wage demand—not whether we will get a guaranteed annual wage but how we will get it.

We trust that a guaranteed annual wage plan will be the end product of intelligent, constructive and peaceful collective bargaining; and the UAW-CIO is committed to do everything humanly possible to bring this result about.

In facing up to this choice, industry must recognize that it now has both political and economic responsibility. Its future place in American society, and particularly in political life, will depend on how it measures up to that dual responsibility in the period immediately ahead. The American people still have vivid memories of a time, not so long ago, when the business community, carrying that same dual responsibility, led the nation and the world into the Great Depression.

Memories of that depression are what inspired one businessman to tell J. A. Livingston, columnist for the Washington Post and other papers, "If businessmen think they got an acquittal at the last election, they're mistaken. They got a reprieve." Livingston goes on to say:

"How could it [a big business administration] prove that it looked beyond profits to institutional and social responsibilities? What do workers want more than a rising standard of living and protection against inflation? The answer, I think, is pretty obvious: An assured minimum income. A guaranteed annual wage. . . .

"What a great social advance and political triumph a guaranteed annual income would be. It would put people before profits. It would direct a verdict of acquittal for the 1929-33 depression. It would generate a new respect for the businessman as a social human being.

"Is this a dream? Sure! But what's a dream? Merely a prevision of reality."

That reality is approaching rapidly. It is up to industry to recognize it in time to avoid the unfortunate consequences which would flow from management delusions about the seriousness with which workers want the guaranteed wage or the length of time they are willing to wait for it.

The guaranteed wage in our industry can serve as the starting point for a general attack on our basic unsolved problem of full employment in peace. We are marshaling our facts and our forces to launch that attack.



Above are the officers and members of the UAW-CIO International Executive Board who have served the Union since their election at the last Convention in April, 1951. Front row, from left, are: Region 8 Director Thomas J. Starling, Region 7 (Canada), Director George Burt, Vice-President Richard Gosser, President Walter P. Reuther, Secretary-Treasurer Emil Mazey, Vice-President John W. Livingston, Region 1B Director William McAulay. Second row, standing, from left: Region 1A Co-Director Edward Cote, Region 2B Director Charles Ballard, Region 1A Co-

Director Joseph McCusker, Region 9 Director Martin Gerber, Region 2 Director Patrick O'Malley, Region 9A Director Charles Kerrigan, Region 3 Director Raymond Berndt, Region 1 Co-Director Norman Matthews, Region 5 Director Russell Letner. Top row, from left: Region 1D Director Leonard Woodcock, Region 10 Director Harvey Kitzman, Region 4 Director Pat Greathouse, Region 1 Co-Director Michael Lacey, Region 2A Director Ray Ross, Region 1C Director Robert Carter and Region 6 Director C. V. O'Halloran.

# Long-Term Agreements Must Be Living Documents

As a result of developments in current negotiations with the Big Three in the auto industry, this Convention is confronted with a basic policy decision of major importance. A decision must be made on the future policy of our Union with respect to the signing of long-term contracts. The question to be decided is whether our Union should enter into such contracts if it becomes evident that they will be applied by the corporations as legalistic, static documents, which foreclose the solution on an equitable basis of practical problems arising during their lifetime which the parties could not have anticipated at the time the agreements were negotiated.

A collective bargaining contract, as is widely recognized, is a far different instrument from the ordinary commercial contract which calls, for example, for delivery of a specified quantity and quality of goods on a certain date for a certain price. The parties to a commercial contract deal, generally, with inanimate things. If either party is dissatisfied with the way the contract is performed by the other, he is free to terminate his relationship with the other party and to go his own way once the terms of the contract are executed.

# PEOPLE, NOT THINGS

A collective bargaining contract governs a continuing human relationship. It concerns people and not things. And the parties are bound to each other, even beyond the expiration of the contract, by the continuance of the worker-employer relationship. The relationship may be interrupted by strikes or lockouts over the terms of a new contract. But such interruptions are temporary. Sooner or later the parties must resume working together in the production process.

Collective bargaining contracts provide the ground-rules for that continuing, working, living, human relationship. The purpose of collective bargaining contracts is to facilitate that relationship by assuring the workers of certain rights and equities. If that purpose is to be accomplished, the contract and its administration must respond flexibly to outside forces, beyond the control of either party, which affect those rights and equities. This is what we mean when we say collective bargaining contracts must be "living documents."

It is the rights and equities, the spirit and intent of the contract that are important, not the literal language in which the parties clothe their intentions under a set of circumstances that time and change may make obsolete.

Even under a short-term agreement, sound relations require that the contractual document must respond flexibly to the changing facts of economic life. However, if short-term contracts are not adapted to meet the impact of outside forces, opportunity soon arises, when the termination dates of the contracts roll around, to negotiate whatever changes may be required.

Long-term contracts, by their nature, necessarily postpone the time when the parties are free to use all the means at their disposal to correct inequities and injustices that develop in time as a result of the inadequacy of language to implement intent in the face of changing circumstances. Long-term collective bargaining contracts, therefore, can work effectively to facilitate the continuing human relationship involved only if management is prepared, without waiting for the termination of contracts and the application of economic force by its workers, to preserve fully the rights and equities which those workers were intended to enjoy when the contract was signed.

#### LEGALISMS OR EQUITY

Our current negotiations to bring about needed improvements provide a test of whether or not management collective bargaining attitudes in our industries have matured to a point compatible with long-term contracts. In plain language, the outcome of our present negotiations will tell us whether the corporations' propose to deal with their workers on the basis of the merits and equities of the issues involved or whether they prefer to use legalisms to chisel away at the intended substance of the agreements they sign.

The agreements involved in the negotiations now under way are all patterned after the General Motors agreement which was signed in late May, 1950—a month before fighting started in Korea. Neither the Corporation nor we were in a position at that time to know that Communist totalitarianism would soon break out into open aggression and that, as a result, our nation and the entire free world would be forced to undertake a defense program so immense as to cause substantial inflation.

Had there been no Korean outbreak and no consequent inflation, the letter of the 1950 contract would have been adequate to implement its intent at least substantially. The escalator float would not have grown from three cents to 25 cents an hour. A four-cent per hour improvement factor would still equal, at least approximately, the 21/2 per cent a year improvement in living standards which General Motors spokesmen have publicly indicated to be the intent of the contract. The pensions being received by our retired members would not have deteriorated sharply in buying power from the levels negotiated in 1950. The unsound principle of an arbitrary compulsory retirement age, to which our Union vigorously objected in 1950, would not now be compounded in its social and economic evils by depriving the nation of precious man-hours of work in the face of a manpower shortage. There would have been no such shortage of skilled trades workers as now exists; and our skilled trades members in the plants of the major corporations would not now be suffering from a substantial wage inequity as compared with similar workers employed elsewhere.

All our demands in the present negotiations, in short, are related directly to the Korean situation which neither the Union nor management could have foreseen when the contracts were negotiated.

# GM ACCEPTS PRINCIPLE

The soundness of the Union's position, both from the view of economics and morals, has already compelled General Motors to make certain offers in answer to our demands. Those offers, while reflecting acceptance of the principle that long-term collective bargaining contracts must be "living documents," do not provide the full equity to which workers are entitled.

Acceptance of the "living document" principle represents a major victory for our Union, but the principle has meaning only if it is given real substance. This the GM offer fails to do.

While conceding the principle that contracts must be adapted when necessary, because of changed circumstances, to provide the rights and equities intended when the contracts were signed, General Motors' offer fails in practice to assure those rights and equities to the Corporation's workers.

# POLICY STATEMENT

The problem posed by negotiations to date and the details with respect to our demands and the offers made by General Motors were set forth in the following statement of policy adopted by the Policy Committee of the International Executive Board:

"It has been the established policy of the UAW-CIO that long-term agreements are possible and practical only to the extent that both manage(Turn the page)

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ment and labor consider such agreements as living documents. Such living documents must not, during their lifetime, foreclose the working out of such practical problems that may arise which the parties could not anticipate at the time such agreements were negotiated.

"Any approach which regards the contract as a legalistic, static document, and which fails to deal with practical problems when they develop, makes long-term agreements unworkable, impractical, impossible, and unacceptable.

"In the light of the above policy, the International Union initiated discussions with the major corporations in the auto-industry. At a meeting between officials of the General Motors Corporation and the representatives of the UAW-CIO on February 26th and 27th, the General Motors Corporation made certain proposals to the Union.

"The Corporation's proposal is an acceptance on its part of the basic principle that long-range agreements are living documents and obligate the parties to work out within the framework of the agreement such practical problems that arise because of abnormal economic developments or for reasons beyond the control of the parties to the contract. While the General Motors Corporation accepts this 'living document' principle, its economic offer falls short of the equity to which the General Motors workers are entitled.

"The International Union, UAW-CIO, advanced five basic demands in areas in which it feels the various companies and corporations are economically and morally obligated to make needed adjustments to provide to the workers the measure of equity to which the spirit of the agreement entitles them.

# ADJUSTMENTS IN BASE RATES

"Because of the abnormal increase in the cost of living since the UAW-GM contract was signed, 25 cents of every GM worker's hourly pay today is not included in his base rate.

"National wage policies, established under the recent Wage Stabilization Board, used UAW-CIO basic agreements as standards in permitting cost-of-living wage increases. That policy permitted these increases to be factored into the base rates.

"A gross inequity has resulted, and the UAW-CIO feels that the General Motors Corporation and other companies are morally obligated to correct this inequity by factoring all but five cents of the peak escalation figure into the base rate.

"Reduction of the cost-of-living wage 'float' to five cents is consistent with the thinking of the parties at the time the escalator was negotiated. It was not anticipated that economic conditions would develop an excessive cost-of-living float.

"The General Motors Corporation has accepted the principle that a portion of this 'cost-of-living float' should be a part of the base rate, but has offered to include only 14 cents.

# ANNUAL IMPROVEMENT FACTOR

"The Union asks that the contract be brought up to 1953 standards with regard to the present four-cent improvement factor. At the time of UAW-GM negotiations in 1950, four cents represented a 2½ per cent increase. At that time, and upon many subsequent occasions, the Corporation stated it felt that 2½ per cent was the workers' proper share in the benefits of the constantly improving technology in the plants. Application of that percentage to present-day rates would provide an improvement factor of five cents per hour.

"The General Motors Corporation has refused to increase the annual improvement factor from four cents to five cents.

# PENSION PLAN ADJUSTMENTS

"The fixed income problem of pensioners has grown particularly acute during the period of increased living costs. The Union, therefore, believes that management should adjust pension benefits to offset the increase in living costs and to restore the purchasing power of present pension benefits to the value of the original pension benefits.

"The Union also seeks the elimination of the arbitrary compulsory retirement provisions which compel workers to quit work at a fixed age without regard to their physical ability or current manpower requirements, despite the pressing needs of our nation in the attainment of its defense production goals.

"General Motors Corporation has refused to make any adjustment in pension benefits or compulsory retirement provisions.

# SKILLED TRADES

"The shortage of skilled labor has created situations where gross wage inequities have developed within the national skilled work force. The role of the auto industry in the national defense production programs is of such importance that no restrictions which permit wage inequities to harm that program should be permitted to continue.

"The General Motors Corporation has offered a five-cent wage increase, effective June 1, 1953. This, in the opinion of the Union, is inadequate to meet the inequities which exist.

# USE OF NEW BLS INDEX

"Since the Bureau of Labor Statistics is discontinuing the old Cost-of-Living Index which was the cornerstone of the escalator provisions in UAW-



This is one of many meetings between President Harry S. Truman and UAW-CIO President Reuther. President Truman always had time to lend a sympathetic ear to the representatives of America's organized workers. Whether his successor will follow his good example remains to be seen.

CIO contracts and is replacing this Index with a new BLS Index, the Union's position is that the workers' full equity must be protected in the transition from the old to the new Index.

"The proposal of the General Motors Corporation is not satisfactory to the Union because it does not give workers the full equity to which they are entitled.

"Since there is no agreed-upon BLS Index available March 1, the UAW-CIO-GM contract provides that the status quo shall be maintained. Under the terms of the GM and other contracts with similar provisions workers' wages will remain unchanged during the month of March.

"The Union is prepared to continue negotiations in an effort to resolve these problems with management.

"A full report on the status of negotiations on these demands, including the future of long-range agreements, will be made and discussed at the coming International Convention in Atlantic City. At that time the Convention will formulate policies which will govern the Union's future conduct with respect to these matters."

# New BLS Index

Certain of the corporations under contract with our Union chose a rather devious route in attempting to escape their moral obligation to bargain on the issues arising as a result of the Korean conflict.

They successfully applied pressure on the new administration in Washington to continue publication of the old Consumers' Price Index beyond its scheduled December, 1952, discontinuation. They hoped thereby to avoid the necessity to bargain not only on the problem of adapting our agreements to the new Index—a matter on which negotiations would be mandatory under our agreements—but also on all other matters.

Meanwhile, however, the Bureau of Labor Statistics, had already ceased collection of the figures required for calculation of the old Index. The January figure was not available in time for the March wage adjustment called for in our agreements. The Bureau is now trying to reconstruct the Index for January, partly on the basis of estimates.

But this reconstructed Index for January, 1953, which in any event we are not required to accept, will not be available until after April 1. At present, therefore, there is no agreed-upon index available and, under the terms of our contracts, the status quo on wages must be maintained.

Our Union remains prepared to negotiate a transition to the new Index at any time on a basis that will protect the workers' full equity. The corporations have been trying to get us to accept a mechanical mathematical transition formula based on an obsolete wage level that would yield the workers less than full protection against rising living costs.

On the one hand the corporations publicly boast of the protection they have provided their workers against changes in living costs. On the other hand, they "chip" away at the substance of that protection. They seek public applause for principles which they try to avoid implementing fully in practice.

Our Union will, of course, continue to work for a transition to the new Index on a basis that will square the practices of the corporations with the principles to which they have committed themselves.

# Continued Fight for Pension Improvement

When the UAW started its drive to win retirement security for its members in 1949, pension plans in the industries within UAW jurisdiction, as in steel and other mass production industries, were non-existent.

Labor's efforts to get urgently needed improvements in the Federal Social Security Act had long met callous indifference, and frequently active resistance on the part of employers generally and especially from the National Association of Manufacturers, the United States Chamber of Commerce and insurance companies.

Four years ago the national average Social Security benefit was \$26 a month and in the auto industry it was \$32. At this same time, the United States Bureau of Labor Statistics said an aged couple needed \$143 per month for subsistence. Step by step, this picture has been changed. Starting with the historic break-through at Ford in September, 1949, and clinched by the pension victory in the 1950 Chrysler strike, the UAW has won pension contracts covering over a million members.

Pressure on the collective bargaining front—pointing up needs of the older worker and the fact that these needs would have to be met—broke the log jam on the legislative front. Employers' attitude showed abrupt shifts. Amendments to the Social Security Act in 1950 and again in 1952 more than doubled the federal benefits received by retiring UAW members. Millions of other workers likewise benefitted.

#### 24,000 ON CURRENT RETIREMENT ROLLS; PENSION TRUST FUNDS NOW EXCEED \$300 MILLION

As of the beginning of this year, nearly 27,000 workers had retired under UAW negotiated pension plans and 24,000 living retired members were currently drawing benefits. Of these 24,000, some 1,200 were retired under permanent total disability benefit provisions of the plans and 450 under early retirement provisions. The remaining 22,350 represented retirements after age 65.

As an indication of progress in four short years, the UAW worker retiring today has average monthly retirement income of \$123 (\$41 from pension trust funds and \$82 from Social Security) as compared with 1949's average of \$32 a month. This figure stands as a measure of major accomplishments achieved on the collective bargaining and legislative fronts.

Each month more than a thousand workers are joining the ranks of UAW retired members. Estimates of the UAW Social Security Department predict a total of over 60,000 on retired rolls by the end of 1955 and 90,000 by the end of 1957.

Pension trust funds being built up under the terms of UAW pension contracts to meet the liabilities for present and future life-time retirement benefits currently total over 300 million dollars.

Entirely apart from Social Security, UAW members already retired are drawing pensions with a total cash worth of \$144 million in terms of the cost of insurance annuities to provide similar benefits.

# BASIC PRINCIPLES—A FOUNDATION FOR BUILDING

Since the start of its pension drive, the UAW has been guided by a determination to put establishment of sound basic principles ahead of short-term gains in the development of retirement security programs. Nailed down in our contracts, these principles, which are the essential foundation on which we are building our long-range pension program, include:

- 1. One hundred per cent employer financing.
- 2. Full funding of benefits on an actuarially sound basis.
- 3. Joint administration—by a Board on which the Union has equal representation with management.
- 4. Benefits for age and disability retirement.
- 5. Full recognition of past service in determining pension rights.

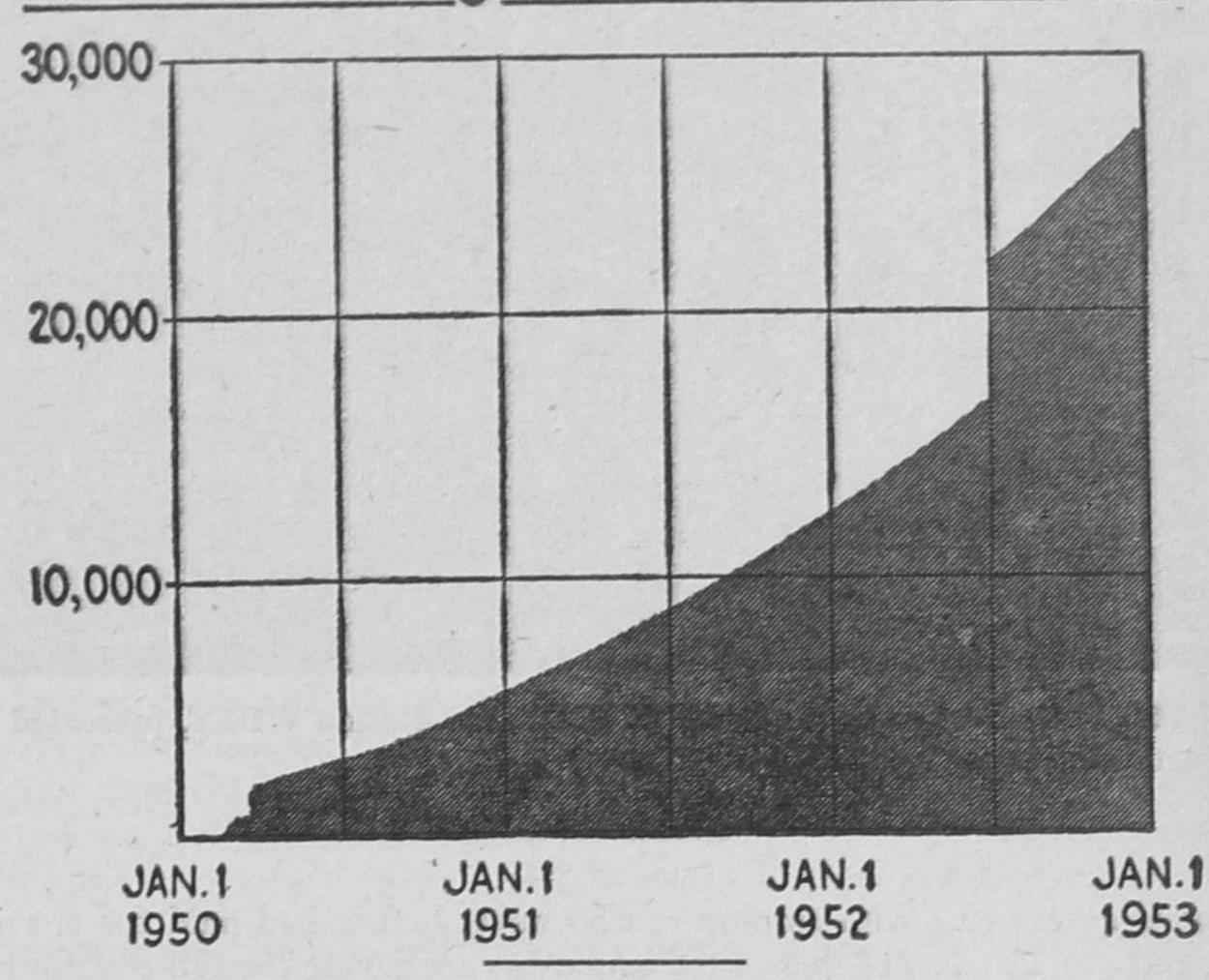
With these principles, incorporated in existing pension agreements and in those which are continuing to be negotiated, the Union has pushed the initial major aim of assuring as much security as possible for the older members who have already or soon will have completed their working years. Without establishing these principles, the UAW would not be able to win the improvements we will win in 1955 and in the years ahead.

# NEXT STEPS TOWARD BETTER PENSIONS

1. Adequate Retirement Income. The Union will continue its drive for a level of retirement income which will permit workers who have put in a life-time of productive work in industry to retire in decency and comfort. The UAW continues to recognize that this can only be achieved by comprehensive and adequate federal old-age and disability insurance as a floor of security for all workers. And more, this basic security must be supplemented to the extent necessary by collective bargaining. Present retirement income levels have become increasingly more inadequate with each rise in the cost of living. In addition to a substantial basic increase in retirement income levels, the loss to inflation must be stopped by automatic cost-of-living adjustments. Moreover, there must be regular periodic adjustments of pension benefits, just as of wages, which recognize progressively rising living standards and the increasing productivity of the economy.

2. Medical and Hospitalization Protection. The UAW recognizes that

# Number of Workers retired under UAW-CIO Negotiated Pension Plans



meeting the high and unpredictable costs of hospital and medical care after retirement is one of the most critical problems facing retired members. Pending inclusion of prepaid hospital-medical protection as part of the Federal Social Security Program, the UAW must extend to retired workers employer-financed prepaid group hospital-medical benefits on the same basis as for workers in the plants.

- 3. Elimination of Automatic Retirement. The UAW will continue to oppose automatic or compulsory retirements based on age alone and will seek to eliminate such clauses which now exist because of necessary compromises in collective bargaining. Automatic retirement provisions, based on the turn of a calendar page without taking into account the desire and ability of a worker to continue on his job, cannot be justified on economic or social grounds. Through voluntary renegotiation, provisions of this type have already been eliminated from a number of UAW pension agreements which initially included them.
- 4. Improvement of Disability Retirement Provisions. Extension of oldage and survivors' insurance to cover workers forced into premature retirement by prolonged or permanent total disability is one of the urgently needed improvements in the Federal Social Security Act. In the absence of such a program, the UAW will continue to insist that industry assume responsibility for meeting disability retirement income needs of workers on a standard of decency and comfort.

Present provisions in negotiated programs represent a necessary start on meeting the problem, but are completely inadequate from the standpoint of both benefit amounts and eligibility restrictions. While insisting on this benefit in future collective bargaining, the Union will continue to work for its inclusion in Social Security as an essential underpinning for disability retirement provisions in labor-management programs. We must also expand facilities and financing for rehabilitation of disabled workers and for the provision of preventive and diagnostic health services.

5. Other Improvements. Workers who move before retirement to other plants or to other industries must have their pension rights protected. Vesting of pension rights and transfer of pension credits are methods by which this objective will be accomplished.

Area and industry pooled pension programs—already proved by UAW to be workable in its pioneering Toledo area and Detroit Tool and Die Plans—must be expanded and extended to afford to small groups the administrative and financing economies of large pension plans.

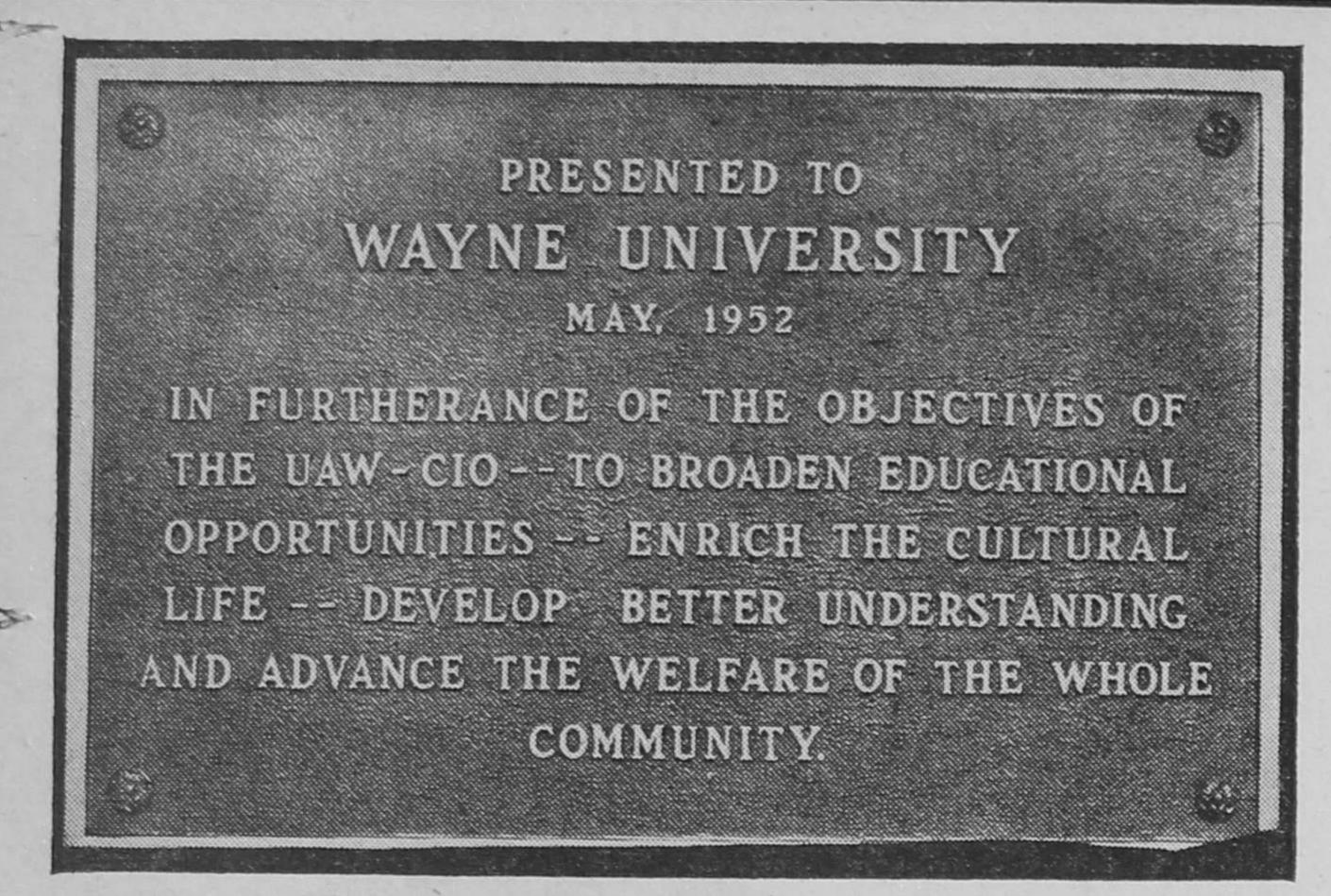
6. The Federal Social Security Program. During the next four years, we can expect the groups that have consistently fought against adequate Social Security—the National Association of Manufacturers, the United States Chamber of Commerce, the American Medical Association and the insurance companies—to step up their efforts to weaken or destroy the federal Social Security system. Proposals advanced by these groups will, therefore, be studied in light of the past policies of these groups.

# A Health Program for All Americans

In 1952 the total benefits paid under UAW-negotiated health security programs amounted to over 150 million dollars. This figure is over and above the 144 million dollar price tag which the actuaries have placed on the UAW pensions already being received by retired workers. In dollar value, and in human values, the UAW social security program is an unmatched social welfare accomplishment.

Since the last Convention, there has been a continued growth in the numbers of workers covered by health security programs negotiated by the Union. The numbers of dependents covered have been growing at an even faster rate. Today more companies than ever before are paying the full cost of social security protection for the worker and his family and the benefits are higher and more comprehensive. In the past two years, we have con-

(Turn the page)



This is the plaque in the lobby of FM Radio Station WDET, presented to Wayne University by the UAW-CIO.

cluded agreements with employers who never before had paid for any insurance; today many of these same employers are paying the full cost for the worker and for his family. In some cases retired workers are also included.

Hospital Care. We are moving closer to our goal of comprehensive prepaid hospital protection for all UAW workers and their families. Last year 420,000 UAW workers and their dependents were admitted to hospitals under negotiated prepaid hospital plans. In 1952 alone hospital benefits totaled over 60 million dollars. Every hour, 24 hours per day, 40 or more persons, on the average, are admitted to hospitals under UAW programs. Every hour, 24 hours a day, one of these 40 or more persons has a hospital stay costing many hundreds of dollars, often thousands of dollars. Today, in virtually all of our plans, when a member enters a hospital he can be assured that his insurance will pay the whole hospital bill with no additional out-of-pocket extras.

Disability Insurance. These are the benefits which help to maintain a worker's family during periods when the wage earner is sick. Here, too, we have negotiated improvements and adjustments which mean that benefit costs are tending to keep pace with higher costs of living. More plans are on a non-contributory basis, with the employer paying the full cost of the insurance. The great majority of covered workers are getting approximately \$35 per week for periods up to 26 weeks. In 1952 benefits paid to workers during periods of disability totaled over 35 million dollars.

Survivors' Benefits: At present the lives of UAW members are insured for almost five billion dollars. In 1952, more than 9,250 UAW members died. Benefits to their survivors totaled \$28,775,000.

Surgical-Medical Care: Health security programs negotiated by the UAW brought over 27 million dollars in surgical-medical benefits for UAW members and their families in 1952. This surgical protection covers every conceivable kind of operation and, in addition, childbirth. In 1951 over 65,000 maternity benefits were paid—in 1952, over 78,000.

Extended Coverage: The Union has always recognized the need to have insurance protection extended to periods when the worker is not actively employed, for example, when he is unable to work for reasons of lay-off or illness, and during retirement. Before emphasis could be given to coverage during periods of unemployment it was necessary to raise the benefit standards. Only now are we able to give attention to this need and an increasing number of contracts with this type of provision is in evidence.

Future Goals for Health Security: Our future goals for health security require action on many fronts. In the case of hospital and medical care, for example, we cannot realize our objectives merely by allocating more and more funds for payment of hospital and doctor bills. Important as it is to increase our money allocations to health under collective bargaining agreements, there are other steps which must be taken at the same time.

Our goal in health is community-wide services for early detection of illness, adequate facilities for laboratory, X-ray and the other diagnostic procedures, high quality of medical treatment for illnesses, hospital and rehabilitative services for all who need them. These things we must do in a manner which assures that the services are organized and provided in an efficient and effective way and that the cost of these services is met by the prepayment plans. Dr. George Baehr, through the Health Insurance Plan of Greater New York, and Dr. Russell Lee, at his group practice clinics in Palo Alto, California, have given us pilot demonstrations of how this might be done. Henry Kaiser has, likewise, pioneered with methods for raising standards of health care with prepayment financing. These programs may not be the immediate answer for our entire membership but they represent great advances over present doctor-sponsored programs that are primarily cash allowances for surgical care.

While we work to increase funds for the purchase of health services as a part of our collective bargaining contracts and to assist community organizations in building improved health programs, we must also seek governmental action where needed. Many communities are lacking in the basic essential health facilities such as hospital beds and clinics. The need for more health personnel of all types has been clearly established. Research into the causes of such diseases as cancer and heart disease is imperative as is research on administrative

methods for the provision of high quality modern medical care. Federal funds are needed to realize these objectives.

In the past year we have taken an active role in the work of the President's Commission on the Health Needs of the Nation. While we felt that the Commission did not go far enough in its recommendation for adequate financing of health services, we feel this program holds promise for millions of Americans denied their basic human right to the best in health care and services. We have endorsed the Commission's recommendations for strengthening the nation's health program through expansion of health facilities, increased training and research, and improved patterns of organization and methods for provision of medical care.

The Commission's recommendations on many points coincide with the pledges of the Republican Party expressed in their 1952 platform. We believe that the program recommended by the Commission contains the minimum essential steps whereby campaign promises can be kept.

Inflation has hit the costs of health services just as it has other items in the family budget. The constantly rising cost of prepaid hospital protection is evidence of this. But our answer to rising costs of medical care is not to retreat in our efforts to obtain more comprehensive and higher standards of health protection, nor to deny hospital workers decent wages. Rather, our answer must be to seek the most efficient methods for operation of prepayment plans and to encourage more persons to enter the health field. Hospital costs for members needing care might be reduced if we brought into our hospitalization insurance plans diagnostic services on an out-patient basis. With the help of the doctors the number of unnecessary hospitalizations can be reduced and, perhaps, length of stay can be reduced. In Michigan, as in many industrial states, the membership of our Union and other CIO unions constitutes the largest single segment of participants in the Blue Cross and Blue Shield plans. This is true because we have felt that of the available alternative plans for the provision of prepaid hospital and medical protection these organizations gave us the best opportunity to expand and develop the program we are seeking.

The doctor-sponsored Blue Shield plans have been disappointing because they have failed to meet the basic problem of paying the doctor in full for his services and because they have not cooperated with labor in meeting the problem of chronic illness, diagnostic services and other major health problems. We have yet to learn whether or not the doctors will work with us to make these plans effective prepayment tools organized and administered in the public interest. To the doctors we must say that to the extent that the voluntary plans fail we will have to seek the help that is needed through some form of governmental health insurance.

Throughout the United States and Canada, labor must participate actively at the policy-making levels of the Blue Cross and Blue Shield plans.

The trend in our Union toward employer financing of health benefits, which will soon be universally the pattern throughout our industries, will ease the financial burden of medical costs and will remove existing barriers to care.

We must not neglect other measures for added security protection for our members while we fight for better health programs. Life insurance benefits, for example, are inadequate. Weekly payments to replace lost earnings during periods of illness must be kept in line with the cost of living.

In 1949 the pledge was made that:

"We are determined to bring into the lives of our members and their families a substantial measure of security against the hazards of old age and physical illness and disability."

At this Convention I can report to you that this pledge has already been realized to a greater extent than many of us had reason to hope. But the job has only begun and the pledge must be renewed. We have laid the foundation and have established the framework on which we will develop greater security for our members and their families. The task before us will not be finished until every UAW member and his family has the level of protection which we know how to provide.

# Winning the Fight for Jobs

Our last Convention found us at almost the beginning of a fight against unemployment resulting from the curtailment of civilian production before there was enough defense production to take up the slack.

The basic problem involved grew out of the failure of industry and some sections of government to heed the warnings of the UAW, the CIO and other forward-looking groups that the nation needed to take effective steps to guard against shortages of critical materials. This, of course, was not a problem to which the UAW-CIO had only recently addressed itself. We began our campaign to increase America's capacity to produce critical materials even before our entrance into World War II and we resumed it immediately after World War II when a number of industries, notably steel, began to cut back their productive capacity and to plan for an era of economic scarcity.

I am happy to be able to report to our membership at this time that the fight for jobs has, for the time being at least, been won.

Since last summer, there has been no serious unemployment problem in our industries. Nevertheless, we must not forget that the only way we can be sure of continued employment is to be eternally vigilant against short-sighted industrial or government policies that might curtail production and at the same time to carry on the fight for an economy of abundance based on full production, full employment and full distribution.

# Wage Stabilization Board

The wage stabilization program came into effect on January 26, 1951, and came to an end on February 6, 1953. This embraces almost the entire period of time since our last Convention. Nearly every economic advance made by our Union since the 1951 Convention has had to contend with the restrictions imposed by these wage controls.

Our Union gave leadership in the National CIO Convention last December in formulating a policy calling for the ending of controls and the passage of "standby" legislation which would permit re-establishment of controls in the event of an emergency. We were vigorous in presenting our views to President Truman, and later to President Eisenhower, calling for the end of controls. Wage controls were abolished by Executive Order 10434 on February 6, 1953.

The basis of our demand was that the entire stabilization program had been weakened to the point where it was neither effective on the price front, nor equitable on the wage front, and that under such circumstances continuance of wage controls imposed an unbalanced and unjust burden on the workers.

At our Cleveland Convention of April, 1951, our Union expressed support for an equitable stabilization program. We considered it a necessary measure to help maintain economic stability against the pressures of our defense program, which was expanding rapidly as the United States gave leadership to the free nations of the world in the fight against Communist aggression in Korea. We conditioned our support, however, upon the establishment of a well-balanced and equitable over-all stabilization program which would control prices as forcefully as it controlled wages. We demanded that the program be based on the principle of equality of sacrifice as between employers and workers. We specifically called for reconstitution of the Wage Stabilization Board with 18 members, providing equal representation from industry, labor and the public, to replace the nine-member tripartite Board then administering the program. We demanded further that the Board must have authority to deal with collective bargaining dispute cases, as well as petitions for wage adjustments which had been agreed on by employers and workers.

#### LIVINGSTON ON BOARD

On May 8, 1951, the Wage Stabilization Board was reconstituted in accordance with the demands made by the UAW-CIO and other unions, with UAW-CIO Vice-President John W. Livingston as one of its labor members. Although there were many points on which we disagreed with and opposed Wage Stabilization Board policies and decisions, the Board did, under the logic of the labor members inside and the pressure applied by unions from the outside, respond to a much greater degree than the War Labor Board of World War II to considerations of equity. By December, 1952, however, reactionary forces in Congress, in the administration and in industry had virtually destroyed the effectiveness of the stabilization program.

- 1. The Republican-Dixiecrat coalition in Congress had taken dispute authority from the Wage Stabilization Board.
- 2. The price-control program had been so weakened as to become almost meaningless, while much more rigid wage controls were still being imposed on workers.
- 3. The budget and staff of the Wage Stabilization Board were so inadequate that a huge backlog of cases had piled up, and the long delays before petitions could be processed meant that workers had to wait many months for the fruits of legitimate and necessary gains won at the bargaining table.
- 4. The industry members of the National Wage Stabilization Board

had gone on strike, and the program was being administered entirely by the public members.

Under these conditions, the stabilization program had become an inequitable farce, to be ended as speedily as possible. When the Wage Stabilization Board was finally put out of its misery last February, none of us regretted its passing.

#### REALISTIC POLICIES

During the period when there was still basis for hope that a sound overall stabilization program could be developed, the UAW-CIO made an important contribution. On the Board, at both national and regional levels, we assisted in the development of realistic policies. Within the Union, at both the staff and local union levels, we gave advice and assistance in dealing with the many problems associated with wage controls.

Our Union's wage stabilization work, both inside and outside the Board, was directed by Vice-President Livingston. In spite of the heavy burden of Union duties he was already carrying, he was, during his period of service, the most active and vigorous of the labor members of the Board. He gave able and energetic leadership in shaping Wage Stabilization Board policies and decisions on a sound, realistic and equitable basis. In many instances he successfully opposed policies and administrative actions which would have imposed inequities on workers either in our Union or in other industries.

To coordinate Union activities in relation to wage stabilization, Vicea President Livingston established an office in Washington. This office developed a Wage Stabilization Board Manual shortly after the stabilization program commenced. It was sent without charge to all local unions, representatives and officers. Additional mailings, designed to keep all of our leadership abreast of Wage Stabilization Board policies and administrative developments, were sent periodically. Special assistance in the preparation and processing of UAW-CIO cases, as well as liaison with regional wage boards, were important responsibilities of this office.

#### 2,500 UAW CASES

The effectiveness of this assistance is shown in the record of UAW-CIO cases processed by the National and Regional Boards. Since our last Convention there were over 2,500 UAW-CIO cases. In only about 435 of these cases were the gains won in bargaining modified in any respect. About 83 per cent were fully approved.

Many of the modifications pertained to fringe benefits, where the most exacting area practice restrictions were in effect. An overwhelming majority of the modifications occurred at the regional level, where area restrictions presented the greatest obstacle. A substantial number of these modifications of our requests by regional boards were later reversed by the National Board and the original requests approved, following appeals from the regional decisions.

This successful record is of particular significance when placed against the fact that wage and fringe levels in our contracts, in virtually all cases, exceeded the national average that existed at the time the stabilization program went into effect. Consequently, our collective bargaining generally resulted in improvement of existing standards, and met with more resistance from the Wage Stabilization Board than did comparable gains in industries whose original wage and fringe levels were generally lower than ours.

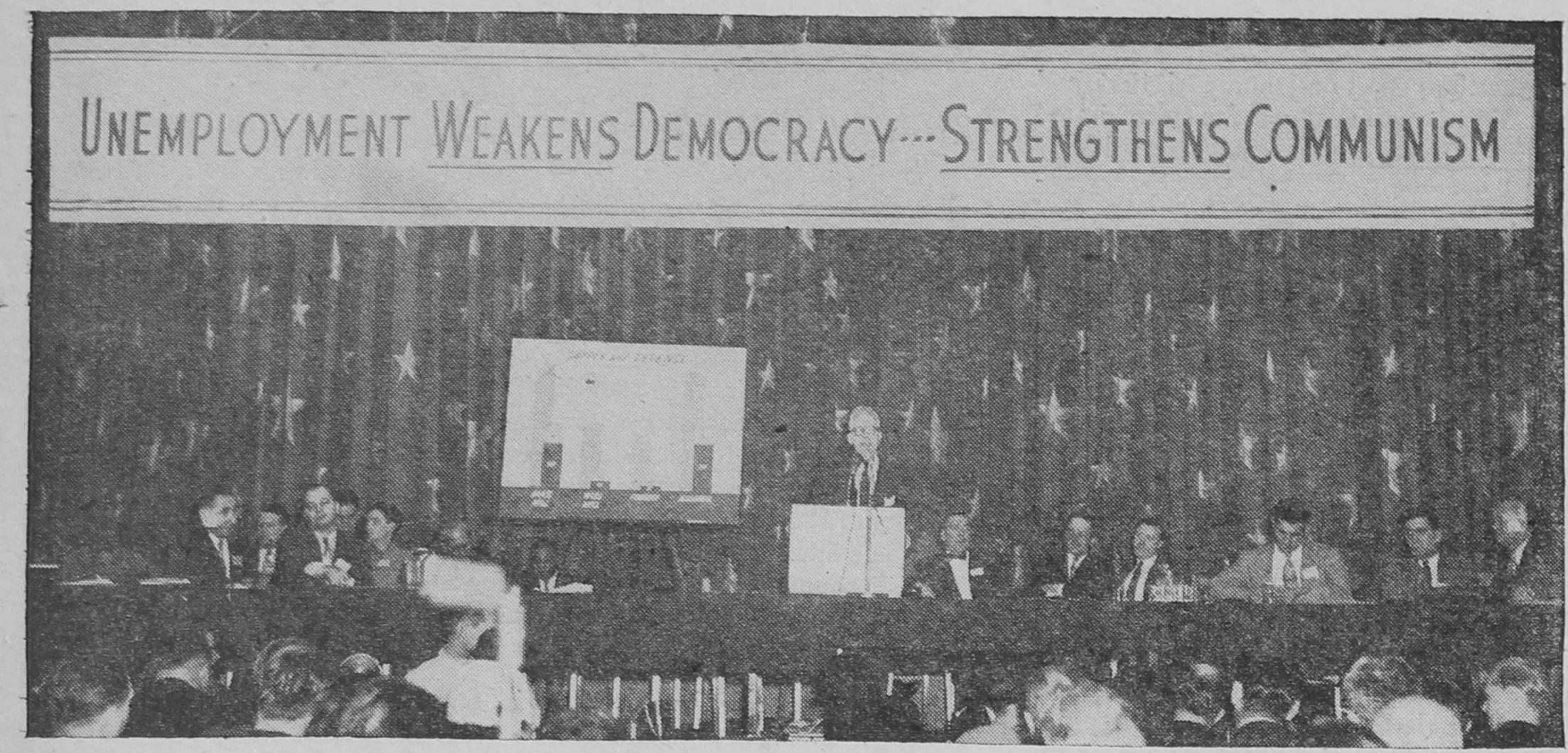
From the beginning our Union adopted the position that collective bargaining as such should not be affected by the controls program. Nor did we confine our demands in bargaining to what existing wage stabilization policies at any time permitted. We did not seek to have the Wage Stabilization Board establish targets for us to shoot at in our contract negotiations. Throughout the stabilization period we negotiated on the basis of justice (Continued on page 12)



Behind the statistics on the excellent progress the UAW-CIO has made on organizing drives the past two years lie hours and hours of just plain work like making house calls and explaining the Union's program to little

groups of workers and passing out handbills at factory gates. Above is a group of UAW handbill passers in action, proving that a direct approach is best in organizing the unorganized.

# ANNUAL WAGE - - LIVE BY THE



The slogan on the sign above tells one of the many sides of the story of the great national need for the guaranteed annual wage. Unpaid bills, insufficient clothing, domestic unhappiness, hunger—all combine to create the state of mind in an unemployed worker that makes him receptive to siren songs of the totalitarians. He believes—he knows that his own unemployment is the result of failure to work out the

The horse costs money . . .

problems of our economy. Looking at America from across the seas, the peoples of the world see, in unemployment, the failure of the "American Way," and they, too, begin to listen to the Cominform chorus. The scene above is from the UAW-CIO Conference on Defense Unemployment in Washington last year where ways and means of eliminating unemployment were discussed.



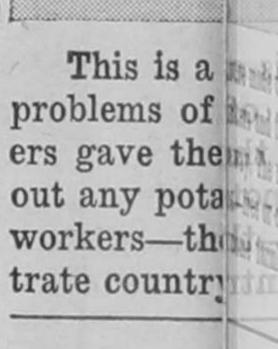
# No charge for men . . .



This is a picture of desperation. It's not a Great Depression picture. Police reserves had to be called out last winter to handle a mob of thousands of unemployed workers in Detroit. They were trying to get jobs shoveling snow at low wage in bitter weather—just three days before Christmas. Most of them were auto workers.



This is an American worker, his children. He works by the hour, clothe and house his family 365 day. Walter Reuther once said, "It would child's little stomach had a key so that turn it off when he's laid off—and the back on when he goes back to work.





This rancher's horse is better off than his cowhands. After roundup time this fall, most of the hands will be laid off to do the best they can. But the horse will be fed, groomed and stabled every day of the year. The horse (like machinery) costs money, but the cowhands (like other workers) are "for free." The way we operate now, the horse and the machine have the security that people don't have. A "help wanted" ad in the paper will bring people to the hiring gate; but the horse-dealer or the machine manufacturer get cash on the line. Man is both an economic and a social being, is entitled to economic security, political and spiritual freedom and a status of human dignity.

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10704-A REV. 5-49

FEDERAL INCOME TAX

Ticket No. 1—"Get your time." And be sure that all deductions are made. . . .

10704-A REV. 5-49 PRINTED IN U. S. A.

Tickets to unemployment and

TOOL CLEARANCE

ANT\_\_\_\_\_DATE ISSUED\_

NAME\_\_\_\_NO.\_

INSTRUCTIONS: RETURN ANY BORROWED TOOLS OR OTHER AR CRIB AND GET A TOOL CLEARANCE ON THIS FORM. CRIBMAN WILL ARTICLES FOR WHICH YOU DO NOT ACCOUNT SATISFACTORILY. IF Y TOOLS TO TAKE OUT, HAVE THEM CHECKED BY CRIBMAN WHO WILL GITHEN TAKE THIS CLEARANCE TO THE EMPLOYMENT OFFICE WHO WILL

IMPORTANT: IF YOU ARE LAID OFF DUE TO NO WORK, YOU MAY NETO CARRY YOUR GROUP LIFE AND SICKNESS AND ACCIDENT INSURANGED DAYS. OBTAIN APPLICATION FORM AND INFORMATION FROM TIME MENT OFFICE.

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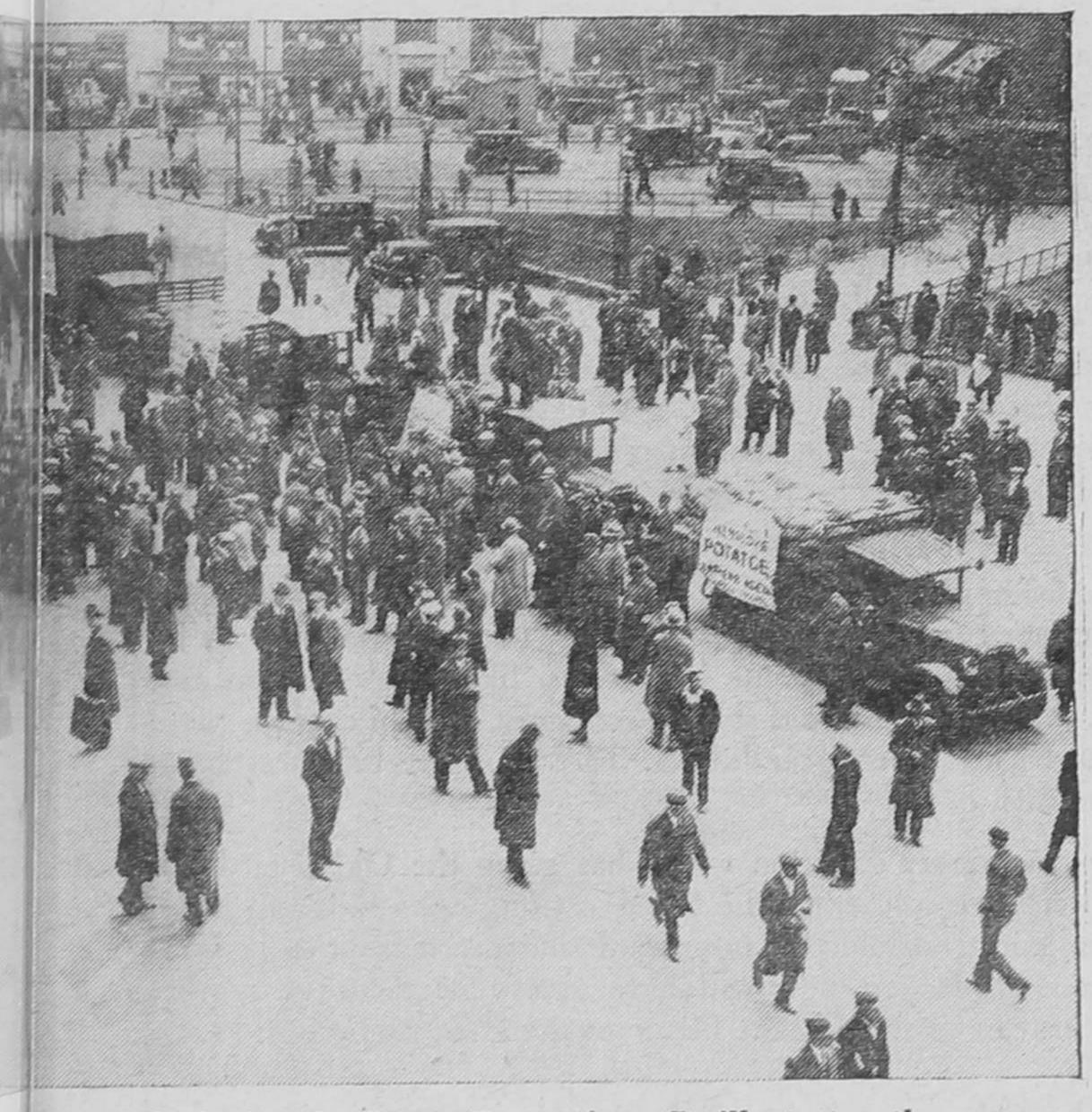
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way. The result, later on, farmers with no farms and workers withfree or otherwise. We always start our depressions with jobless
come farmless farmers—then bankrupt businessmen—then a pros-

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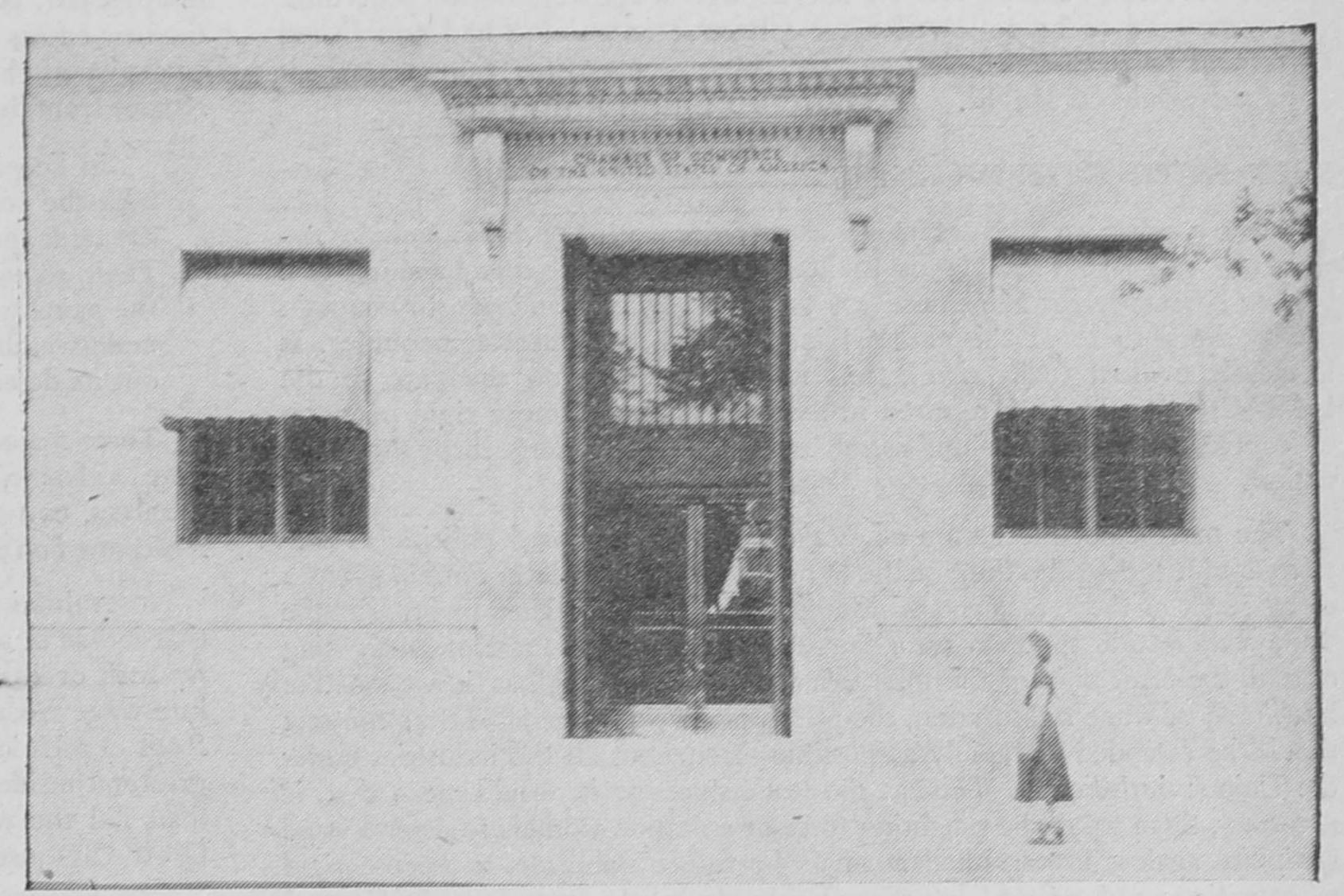
10704-A REV. 5-49 PRINTED IN U. S. A.

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ry money. Ticket No. 3—The foreman checks you out—and that's all, brother!



In and out the doors of the national headquarters of the Chamber of Commerce (above) and the National Association of Manufacturers walk the lobbyists who will oppose the annual wage. These lobbyists, and their employers, work by the year and get paid by the year. They sign orders laying off thousands of workers without a quiver—it doesn't hurt them.



Right at this minute, pictures like this one are uncommon. But unless we plan now for full employment and full production (that means a guaranteed annual wage) long lines will again form at the plant gates. There is no reason why we should accept unemployment as a way of life.



This is a laid-off worker on one of the dreary rounds he must make. First, for a little while, he fills out forms and collects inadequate unemployment compensation. Then that little runs out. Then public welfare offices, while all the while he goes from one employment office to another. He could stay at work if industry and government would work and plan with labor to make our economic system work.

(Continued from page 9)

and equity, bearing in mind our community responsibilities, as we had done in the past. Historically, we have resented any artificial encumbrances which limited the scope of free collective bargaining. Wage stabilization procedure was something to be followed after collective bargaining had established agreement between the Union and the employer as to the gains for which approval would be sought.

#### KEPT FAITH WITH WORKERS

Such a program did not make us popular with the professional "stabilizers," but it did enable us to keep faith with our membership. We pressed constantly for gains necessary to protect living standards, to maintain the workers' share of the national income and to eliminate inequities. It is clearly evident today that a less militant attitude on the part of the UAW-CIO would have resulted in a more restrictive, more rigid program of controls, not only for our membership but for workers throughout the nation.

The more equitable nature of Wage Stabilization Board policies, as contrasted with the rigid ceiling of the World War II Little Steel Formula, was a direct result of the agreements which our Union had negotiated by the time the wage stabilization program went into effect. Soon after the Korean fighting started, the leadership of the International Union decided that, in view of the likelihood of wage stabilization, the principles of the General Motors contract should be extended as rapidly as possible throughout all the industries under the Union's jurisdiction. This, as the leadership saw it, would mean that, if necessary, there would be a fighting force of a million workers to defend wage flexibility against unwarranted attempts by future stabilizers to impose rigid wage ceilings, rather than leave the entire burden of the struggle to the General Motors workers alone.

Success in spreading the wage formula, the obvious determination of the membership to protect it, as expressed at our last Convention and the relatively high level of the fringe benefits provided under our contracts were the decisive factors in shaping major aspects of wage stabilization policy.

Regulation 6, which permitted wages to increase where they had not gone up by ten per cent between January 15, 1950, and January 15, 1951, would have been more restrictive had it not been for UAW-CIO automotive contracts. The cost of living in that period had advanced slightly over eight per cent. The "stabilizers" were at first willing to permit only a corresponding percentage in wage increases. However, in the early part of 1951 when Regulation 6 was being drafted, it was pointed out that auto workers' wages had increased almost ten per cent in 1950 under the terms of their contracts, hence this more liberal allowance had to be permitted.

The Wage Stabilization Board policy permitting wage increases to continue in accordance with increases in the cost of living was made necessary by the fact that our Union was prepared to fight to defend the escalator clauses in our contracts, covering well over a million members.

After lengthy consideration, the Wage Stabilization Board virtually decontrolled pension plans through Regulation 21. Their decision was mainly based on those plans in effect in UAW-CIO contracts previous to the institution of the stabilization program.

Gains achieved by our Union with regard to company contributions to health and welfare plans provided the Wage Stabilization Board with a benchmark upon which to base its Health-Welfare Resolution No. 19.

# FOUGHT "AREA BRACKET RACKET"

The UAW-CIO led the fight against the "area bracket racket," a carryover from the World War II policies of the War Labor-Board which was reimposed on the workers in Wage Stabilization Board Regulation 9, governing rates in new plants. If it had been allowed to remain in effect, wage rates in new plants would have been tied down to prevailing wages in the same area, even when they were much less than the wages paid by the same company for the same work in its other plants. As I reported to the 1951 Convention, this Regulation threatened to create unjustified and grossly inequitable wage differentials among workers performing identical work for identical corporations in different locations. It would have stopped all progress toward eliminating unjustifiable wage differentials, and would have created new inequities in our industry after we had fought long and successfully to remove them.

We served notice on Washington that we would fight again if such inequities were reimposed on our members. In April, 1952, Regulation 17 established a general policy permitting wage adjustments to correct inter-plant wage inequities on the basis of industry as well as area standards. The auto industry was specifically recognized as one in which nationwide industry standards would be applied.

# IMPROVEMENT FACTOR

Payment of improvement factor increases, initiated by the UAW-CIO, became one of the most significant issues to come before the Wage Stabilization Board. Here again, the fact that our Union had negotiated such increases on a long-term basis before the 1951 wage freeze, and our announced determination to fight for preservation of our contract gains, forced the Wage Stabilization Board to approve improvement factor increases not only for our members but for millions of American workers, although the latter generally got them in disguised form. For the first time in the history of our nation, a government agency was forced to recognize the principle that workers have a right to share in the fruits of technological progress.

However, despite repeated promises, the Board never got around to adopting a general regulation on improvement factor increases which would have

made them available to all workers. Each new agreement embodying an improvement factor increase or its equivalent had to find its way to Board approval through some devious back-door route, and many such agreements were disapproved. Another major blot on the Board's record was its failure, despite the best efforts of the labor members, to adopt a general policy permitting the correction of obviously substandard wages. It remained for Congress, finally, to remove from the Board's control wages under one dollar an hour.

In keeping the way open for adjustment of wages to keep pace with the cost of living and increases in national economic efficiency, the rank-and-file membership of our Union played an important part. Their reputation for militant and unified determination to preserve the gains won at the bargaining table and on the picket lines was an unanswerable argument facing the Wage Stabilization Board throughout its determinations.

Three major advisory panels established by the Wage Stabilization Board were Airframe, Tool and Die, and Health and Welfare. Each contained six members, two each from labor, industry and the public. The UAW-CIO was represented on each of these panels.

No evaluation of the wage stabilization program can avoid the conclusion that it was in many ways unsatisfactory and inequitable to the workers. But no such evaluation can overlook the fact that while it started with an absolute wage freeze on January 26, 1951, under constant prodding and pressure from our Union and other unions it developed a program which gave far greater consideration to the needs, the rights and the problems of workers than did the wage controls of World War II. In leading that fight, the UAW-CIO justified the faith of its members and of all American workers.

# The Elections

Labor played an important and partially successful role in the 1952 elections. While our candidates for President and Vice-President were defeated, the response of labor at the polls was so favorable that we emerged from the elections with a clear duty to both our country and ourselves to expand the political beachheads we made.

General Eisenhower won a personal victory, and, in choosing him, the people in no sense repudiated the program for human welfare and social and economic progress which was developed during the past two decades in which the Democratic Party was in power. Despite the claims of big business spokesmen and the editorial writers of the anti-labor Republican press, Eisenhower's election clearly was not a victory for reaction. In winning, Eisenhower endorsed many of the gains made in the past 20 years over the bitter opposition of the leaders in his own party.

General Eisenhower received 55 per cent of the popular vote because he convinced many people that he was ideally suited to cope with the grave international dangers and that his administration would protect our hardwon social gains. At times he appeared to be campaigning on the Democratic Platform.

The leaders of Republican reaction, such as Senators Jenner and Mc-Carthy, rode into office on Eisenhower's coattails, but they trailed him by hundreds of thousands of votes. Some lawmakers, like Senators Kem and Ecton and Cain, who stood for old-style reactionary Republicanism, were defeated by labor-backed liberal candidates. Those are the brightest spots in the election results.

Actually, the reactionary coalition which has given the Old Guard Republican leaders effective control of the last two Congresses failed to make more than minor gains, but since it now holds narrow majorities in both Houses of Congress its leaders now will have to assume the responsibility for their actions instead of shifting the blame to the Democratic leaders.

# LABOR STOOD FAST

American labor did a magnificent job of combating the high-powered heavily-financed Republican propaganda machine. Where our candidates were defeated, we made a good fight on behalf of our principles. We helped keep many reactionaries out of office. More working people took part in the campaigning and more working people voted than ever before. Through the efforts of the UAW-CIO Political Action Department in cooperation with the National CIO Political Action Committee, our members were better informed on the basic issues than their unorganized neighbors and their vote was determined by factual instead of emotional appeals.

Jubilant Republican newspapers leaped into print immediately following the election results to proclaim that union men and women had disregarded the recommendations of their unions and "switched" to the GOP. As is customary with the majority of the press when reporting news of labor, the newspapers failed to examine the facts before celebrating.

# MUST FIGHT REACTION

Although the facts will not support them, we can expect that the reactionaries in Congress will attempt to interpret the election results as a mandate to them to undo the progress made under the New and Fair Deals.

We can expect, and we must be prepared for, a determined effort by the coalition of reactionaries in both parties in Congress to carry out Senator Bricker's threat to destroy every vestige of the New Deal and the Fair Deal. The members of this coalition will seek to restrict labor's right to organize (Continued on next page)

and engage in free collective bargaining and will urge Congress to subject unions to anti-monopoly legislation; while giving lip-service to the advancement of the social security, health and welfare of the people, they will advance numerous proposals for undermining these programs and defeating their purpose; they will propose changes in the tax laws to shift a larger and larger share of the burden to the low-income families of the nation; under the pretext of protecting us from a too powerful federal government, they will propose to turn over to local and to private interests vast natural resources which belong to all the people; they will pretend to promote free enterprise by proposing to exempt powerful interests from necessary restraints of government regulation and the anti-trust laws; advocating cuts in military and economic aid and demanding higher tariffs, they will urge us to abandon our allies and our friends throughout the free world.

# DANGERS AHEAD

In the pursuit of these reactionary and destructive policies, they would expose our nation and all the free areas of the world to economic depression, isolation and the danger of world war. These purposes must be exposed and fought every step of the way. We in the CIO join with all liberal and progressive groups in the country to turn the spotlight on this conspiracy to rob us of the gains we have won over the past 20 years. We pledge our whole-hearted support to liberal members of both parties in Congress who are prepared to defy the coalition of reaction, to define the issues, and to stand up and be counted. Only through such determined and unwavering opposition to this reactionary coalition by all liberal and progressive forces shall we be able to draw the lines on which the campaigns of 1954 and 1956 must be waged to obtain a clear mandate for the cause of human progress and world peace.

Although we shall be heavily engaged in blocking reaction, we also shall continue to press our CIO legislative program attacking poverty, disease, discrimination, insecurity and social, economic and political injustice.

We must be prepared to support forward-looking recommendations that may be sent to Congress by the new President in the fulfillment of his campaign pledges. During the campaign, General Eisenhower pledged himself to carry on and improve large segments of the New and Fair Deal programs, including broadened and strengthened Social Security, farm price support and international cooperation in supplying other free nations with military and economic aid.

We shall not be obstructionists, but will offer our sincere cooperation in the hope that President Eisenhower will and can carry out the commitments he made to promote the public interest. But as free Americans we have the duty and reserve our democratic right to challenge and oppose the policies and acts of his administration when in our judgment they are not in the public interest.

# THE JOB AHEAD

In the period ahead we face serious and compelling responsibility in both the political and legislative field. The task is five-fold:

- 1. Rally maximum strength behind the true liberals in Congress, in state legislatures and local governing bodies. Encourage them to make strong fights for measures in the public interest and against raids of special vested interests.
- 2. Keep before the people the record of the reactionary coalition and of the liberal opposition in the 83rd Congress so that the people, having the facts, can act intelligently between and during political campaigns.
  - 3. Continue, extend and intensify the education of the people as to their

stake in political action in matters of local, state, national and world concern, not only during campaigns, but every month of the year.

- 4. Enlist more and more people in politics as a prime obligation of responsible citizenship. The 1952 elections demonstrated the importance of carrying this work beyond the membership of our unions into their communities, to their neighbors and to other organizations dedicated to the defense and strengthening of freedom.
- 5. Raise the funds necessary for this work. Arrayed against us will be vast concentrations of economic and political power having easy access to every form of communication and propaganda. Our work in the field of legislative and political action is in the public interest, while our enemies' efforts will be against the public interest. We must have an adequate budget and the budget must be met month by month and week by week if we are to maintain the fight, hold our ground, and make progress.

In the basic conviction that the entire program of the CIO is the program that embodies the hopes and needs of the American people, we rededicate ourselves to our program of political action.

# Legislation and the Washington Front

At the time of our 1951 Convention, labor had achieved unprecedented unity of purpose and action at the national capital. The United Labor Policy Committee, formed in December, 1950, brought together CIO, AFL and bona fide independent unions to promote fair and equitable mobilization policies, including wage, price and credit controls, priorities and material allocations, and the dovetailing of rising defense production with the curtailment of civilian output.

Here was the beginning of labor unity in action. The United Labor Policy Committee provided a practical, effective mechanism for marshaling labor's maximum strength on behalf of the interests of its own members and of all people in the continuing struggle that goes on in Washington between the private power of vested interests and the public power of the American people.

The hopeful outlook for maximum united strength behind labor's political and legislative program was abruptly blacked out when, five months after our last Convention, the AFL suddenly announced, without explanation, its withdrawal from the United Labor Policy Committee. As a hopeful augury for the future, however, it should be noted that practical cooperation on many legislative matter's continues informally among CIO and AFL representatives in Washington. Practical working unity among labor organizations also continues throughout the country where labor's representatives work in closer contact with the rank and file of their unions. The break at Washington was a top-level decision on the part of the AFL alone.

# VICTORIES AND DEFEATS

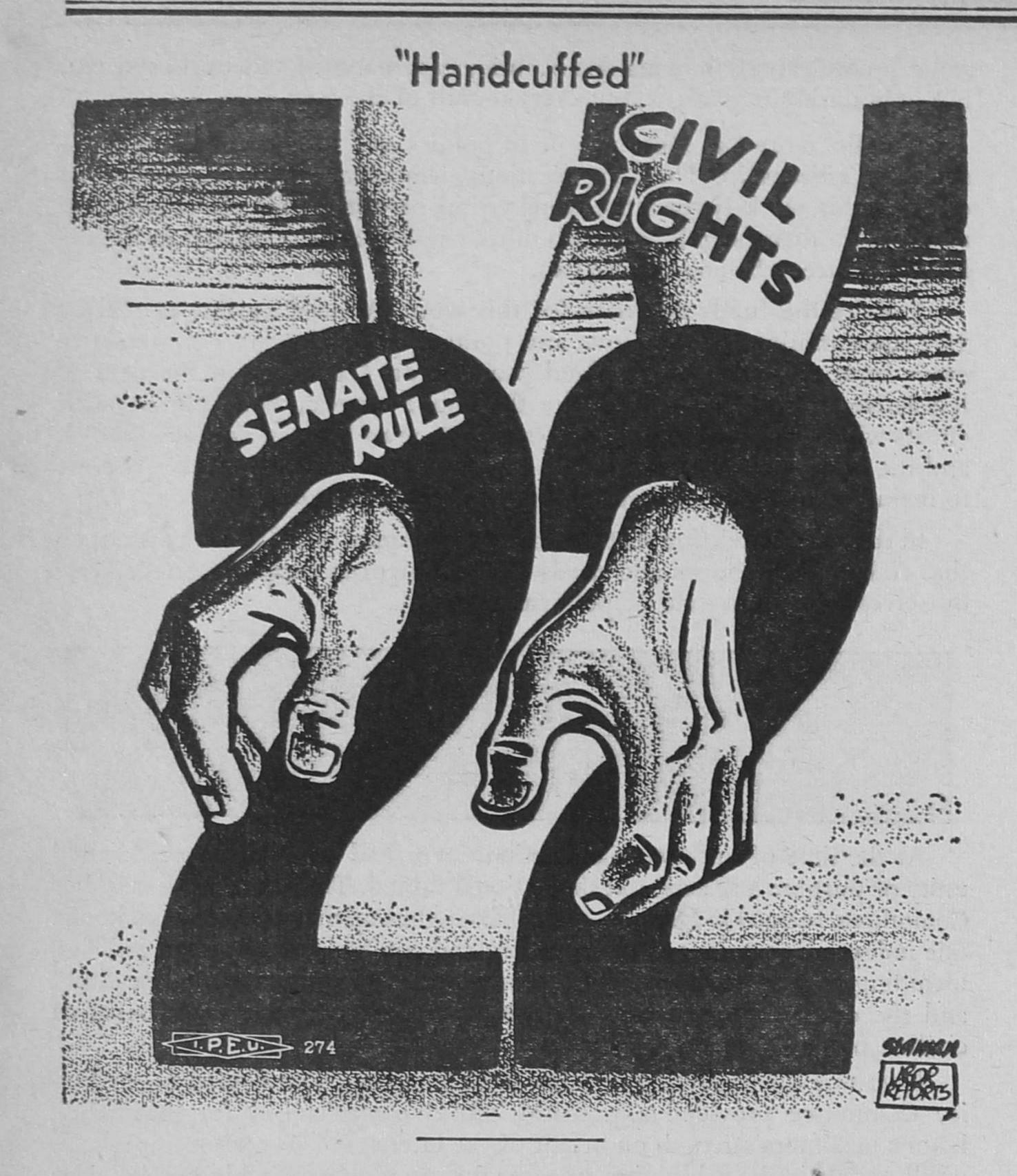
In sizing up the wins and losses on our legislative program since the last Convention a fact to remember is that liberals in Congress have been in the minority. Since 1938 a coalition of reactionary Republicans and Democrats has exercised increasing control of the legislative outcome in Congress, especially on domestic issues. A size-up of the votes on test issues during the 82nd Congress shows that this coalition could marshal on the average 20 votes more than the liberals in the House.

Nevertheless, victories have been won. And on many occasions our support of the fighting liberals in Congress made it possible for (Turn the page)



A record number of UAW-CIO locals either built or bought new local union halls in the past two years. Kaiser-Frazer Local 142 is joining this parade. At the ground-breaking ceremony for the new Local 142 hall are, left to right, UAW International Representative Eugene Wilson; Local 142 Vice-President Gerald Post; Committeeman John Burton; Paul Russo, assist-

ant director, UAW Aircraft Department; Committeeman Tommy Thompson; Financial Secretary Terry Troutt; President Harley Neideffer; Committeeman Enoch Arnold; Committeeman Ed Anglin; Shift Chairman Larry Moore; Region 1A Co-Director Ed Cote, and Shift Chairman Ray Watson. Cote is director of the UAW's K-F Council.



them to block the reactionary coalition's worst efforts. Isolationists in foreign affairs and corporate special-interests in domestic affairs have not been able to enact the program of utter destruction which the big business called for.

Our success in defeating the Lucas Amendment to the Defense Production Act in 1951 prevented an attempt to put labor into a firm straitjacket of wage control. Again in 1952, the Lucas Amendment got by only after its worst features had been extracted.

In both years many vicious amendments to the Defense Production Act, designed to convert price control into outright profit grabs, were defeated, as was the Davis Amendment to impose an absolute freeze on wages.

Extreme attempts of the isolationist wing in Congress, led by Senator Taft, to wreck international cooperation by slashing military and economic aid to the free nations were turned back. Had the real voice of America not been expressed through the liberal minority in Congress, the united effort against Communist aggression would undoubtedly have collapsed, paving the way for inevitable war on the worst possible terms.

The give-away of some 40 to 100 billion dollars' worth of national off-shore oil resources passed both House and Senate, but the margin of victory on the side of plunder was so slim that when President Truman put his veto on the steal and sent the bill back disapproved, no attempt was made to pass it over his veto.

Senator Fulbright's move to wreck the Public Contracts Act was defeated when UAW-CIO testified in opposition to his amendments. These would have based permissible minimum wages in public contracts on rates prevailing in the local city or town and would have excluded application of the law to public contracts relating to goods produced generally for the open market.

The public housing program was kept alive, though far below the level of actual need for new low-cost housing in this country.

The attempt to capitalize on the Korean situation to impose permanently upon this country a system of universal military training was defeated.

Congressman John Rankin's effort to get the Congressional stamp of approval for his racial theories failed when his bill to authorize a segregated veterans hospital was defeated.

A bill to amend the anti-trust laws in favor of big business failed of passage, with CIO joining small business, farm and other labor organizations in opposition to the measure.

On the administrative front, our Union was responsible for persuading the defense mobilization agencies, headed by Charles E. Wilson of General Electric, to put an end to mounting unemployment in civilian production by exercising some responsible control over the placement of defense contracts by military departments.

Recital of these successful, or stop-loss, actions on the legislative front cannot obscure, however, decisions in Congress that went against us.

# DEFENSE PRODUCTION ACT

The Defense Production Act was slanted further in favor of profiteers and against wage earners and consumers by amendments adopted in 1951

and 1952. Rollback of the extortionate price levels reached after Korea was defeated by these amendments and by direct Congressional pressure on the Office of Price Stabilization. Many commodities were exempt from price control. Inadequate appropriations still further weakened control over prices and at the same time subjected approval of wage increases to interminable delays. When the modified Lucas Amendment of 1952 tied the hands of the Wage Board and imposed greater delay, CIO President Murray had no alternative but to call for an end to this mockery of stabilization which encouraged prices to rise while holding wage adjustments in a deep freeze.

#### TAXATION

In the field of taxation, also, the people received shameful treatment at the hands of the reactionary coalition in Congress. The revenue act of 1951 imposed an unwarranted and intolerable increase in income tax upon low-income families, closed none of the loopholes by which wealthy taxpayers and special interests evade paying their just share, actually opened new loopholes and widened others, added new sales taxes and increased others. The bill fell far short of raising the revenue required by the national emergency, which, as the CIO spelled out, could have been done by closing loopholes and without putting unjust burdens on low-income families.

#### RULE 22

Rule 22 in the Senate blocked all possibility of action on civil rights as was admitted by the Senate Labor Committee when it reported an FEPC bill in June, 1952. I represented the UAW-CIO before the Senate Rules Committee, October 3, 1951, and pointed out how majority rule could be restored to the Senate if a majority of that body desired to do so. At the opening of Congress in January, 1953, this plan was put to the test. The Republican caucus in the Senate overwhelmingly put itself in opposition to civil rights legislation by joining openly with the Dixiecrats to prevent amendment of Rule 22.

While this effort to end the filibuster rule of the Senate failed, the political lines have been made clear. At the same time, it was established that a motion to repeal Rule 22 is in order any time a majority of the Senate is prepared to do so.

#### McCARRAN ACT

A major defeat for liberals here and throughout the world must be acknowledged in the passage, in 1952, of the McCarran Immigration Act, which, like the Internal Security Act of 1950 by the same author, represents in its most stultifying and frightening form the paralyzing effect of fear. Such measures seek to preserve freedom by destroying it. Reflecting no faith in the strength of a democratic system of human rights they pretend to protect our democratic system by adopting the methods of democracy's worst enemies.

Disregarding President Truman's magnificent message of disapproval, Congress passed the Immigration Act over his veto. In the election campaign, Stevenson, Truman and Eisenhower all called for amendment of this gross Congressional blunder.

This, in brief, is the record of our legislative action during the past two years. A more detailed account will be found in the report of the Washington Office.

# OUTLOOK FOR THE FUTURE

Now, because of the Republican victory in the election, we must review the legislative outlook and reappraise our position.

As pointed out under "The Elections" in this report, the election was a victory for Eisenhower rather than for Republicans. While the Republicans received a slim majority in both Houses, the size of the liberal minority was very little affected. The people voted for a man, rather than for a reversal of policy. And the man they voted for promised to continue and expand the gains made for people under the New Deal and Fair Deal.

Most important fact of the new alignment in Congress is that the liberal forces now for the first time clearly recognize that they are in the minority. They no longer need to accept responsibility for the Administration, or to apologize for its failures. The responsibility for the coalition's reactionary program will now rest where it belongs—in the Republican Party, aided by Republicans with a southern accent known as Dixiecrats.

The new responsibility of liberals in Congress is to present an effective and competent opposition to the coalition. They can and must give vigorous and unencumbered opposition to many backward measures which the coalition will bring to the floor. They can and must—with the help of liberals outside of Congress—carry the issues to the people, make sure they are understood, so that the voters will have a clear-cut choice before them in future elections.

This situation creates a challenge and an opportunity for all liberal forces throughout the country.

Liberals in Congress must be encouraged to keep pushing for improvement of those measures which have been the foundation of the program for the general welfare begun by President Roosevelt and continued by President Truman.

# Threats to American Freedom Aid Communists

The Congress of the United States has a constitutional right to investigate, and this right must be safeguarded, for the power to inquire into any matter of public concern is a fundamental one in a democracy.

But that right is being abused and thus brought into question by Congress itself, by the failure of the Congressional majority to protect this vital right to investigate from the irresponsible actions of a small minority of Representatives and Senators.

Senator McCarthy has been most blatantly guilty of abusing the Congressional power to investigate. He has taken refuge in his Congressional immunity and from this shelter has recklessly made blanket and unsubstantiated charges of Communism which have spread fear within government agencies without accomplishing the avowed purpose of exposing actual Communists.

McCarthy does not understand that the power to investigate is not a power to slander, to assassinate character, to spread fear and confusion with vague allegations, to intimidate witnesses, to assume guilt and attempt to prove guilt by association.

McCarthy has pursued the dangerous and anti-democratic line of regarding views that differ from his own as subversive. The measure of his irresponsibility has been his branding so conservative a patriot as General Marshall, former Chief of Staff, as one who had advanced the designs of Soviet policy.

#### FOG OF CONFUSION, SUSPICION

The McCarthy fog of confusion and suspicion has spread from Washington and the government agencies over the entire country. The great American tradition of freedom of expression, of the right to hold and stand up for unpopular views, is threatened.

An attack on the American public schools has been launched which may well have the effect of depriving our children of the vigorous and courageous teaching they must have to fit them for life in these critical years. Timid teaching will produce timid citizens, at a time when democracy, fighting for survival in a world of encroaching totalitarianism, needs bold thinking and bold action.

The McCarthy, Jenner, Velde, Ferguson abuse of the Congressional power to investigate may stem from a drive for personal publicity, from a compulsion to discredit the record of the New and Fair Deal administrations, or from other motives. The effect of this reckless conduct has been to sow confusion at home and to damage American prestige abroad.

# DISCRIMINATORY McCARRAN ACT

The McCarran Immigration Law, a product of McCarthy hysteria, has perpetuated the old discriminatory quotas and has erected a complicated network of administrative red tape. It makes no provision for the entry of men and women who have fled from Communist tyranny in Eastern Europe, actively discriminates against people from that part of Europe, makes naturalized citizens subject to deportation on arbitrary grounds, and places all kinds of ob-

stacles in the way of thousands of influential friends of democracy who seek admission to our shores on temporary visas.

Both major political parties are committed to improvement of our immigration laws. The McCarran Law must be repealed, but it is even more important for Americans to check the whole, dangerous trend of heresy-hunting led by McCarthy that created the atmosphere out of which the McCarran Act was born and which is poisoning our public life.

A nation that surrenders to the McCarthy approach to Communism will never be able to stop Communism. McCarthy actually helps the cause of Communist imperialism by spreading confusion and fear in our midst and by diverting our attentions and energies from the great task of building a foreign policy that could really weaken Communism by strengthening our true friends abroad and removing the economic injustice on which Communism feeds.

# **UAW Finances**



The financial position of our Union is the best in its history. The tools provided the Union when the last Convention voted an adjustment in dues have enabled us to step up the building of reserve funds, to redouble our organizing efforts and to increase the services to the membership.

As he has since first assuming office, Secretary-Treasurer Emil Mazey has exercised care and vigilance over expenditures; and the International Auditing Department, under his supervision, has worked efficiently to insure honest and orderly accounting of all local union funds as well.

On January 14 of this year, on recommendation of the Secretary-Treasurer, the UAW International Executive Board voted unanimously to advise the local unions and the membership that "there is no need for an

increase in dues or per capita taxes at this time, and that we recommend to the Convention that the dues and per capita taxes remain as they are."

Mazey attributed our improved financial position to "increased membership, which is a result of increased employment in many of our plants and the success of our organizing drives," as well as to the dues and per capita increase.

Since the Union is owned by its members, full reports on the Union's finances are published periodically in the *United Automobile Worker* so that every member may know where and how his dues dollar is spent. These reports are submitted in much greater detail than is required by law.

The delegates to the last Convention may well be proud that their action in adjusting dues and per capita has been wholly justified by the record.



The battle against racial discrimination is carried on through political action and at the bargaining table and in conferences like the one above where UAW-CIO members discussed the Union's program and helped de-

velop ways of making it work. At the far right is William H. Oliver, co-director of the UAW's Fair Practices and Anti-Discrimination Department. Other UAW departments cooperate in the work.

# Local 600

The solidarity in the ranks and teamwork in the leadership which we in the UAW-CIO established at our historic 1947 Convention has continued just as firmly in the last two years as it did in the four years between the 1947 and 1951 conventions. The results which this unity has produced are revealed vividly in the other pages of this report in terms of organizational and collective bargaining gains for the membership.

This kind of solidarity was marred by only one flaw during the last two years—certain actions by the leadership of Ford Local 600 which made it necessary for the International Union to administer the affairs of the Local Union over a period of several months from March to September, 1952.

After affording full opportunity to the officers of Local 600 to present their case during hearings and deliberations extending over 13 hours, the International Executive Board, in the light of the overwhelming evidence, decided by unanimous action on March 15, 1952, to establish an administratorship over Local 600, UAW-CIO. This action was necessary in order to prevent further damage to the Union and its membership resulting from the failure of the officers of Local 600 to carry out their obligations in conformity with the provisions of the International Constitution.

#### BOARD OF ADMINISTRATION

To place Local 600 on a sound union basis and to insure compliance with the policies, programs, and Constitution of the International Union, the International Executive Board, UAW-CIO, established a six-man Board of Administration consisting of President Walter P. Reuther, Chairman; Secretary-Treasurer Emil Mazey, Secretary; and Vice-Presidents John W. Livingston and Richard Gosser and Co-Directors of Region 1A, Joseph McCusker and Edward J. Cote, Members.

It was the intention of the International Executive Board to remove as few as possible of those holding elective and appointive positions in the Local Union, or the Units thereof; but to remove all such persons as may be necessary to carry out the letter and spirit of the International Constitution and protect the interest of the Union and advance the welfare of the membership. Specifically, the Board of Administration was directed by the International Executive Board to remove from their Union positions any and all persons who appear beyond a reasonable doubt to be persons ineligible to serve in such elective or appointive positions by reason of their being members of, or subservient to, any political organization, such as the Communist, Fascist, or Nazi organization, which owes its allegiance to any government other than the United States or Canada, directly or indirectly.

# COMMUNIST MINORITY

In the opinion of the International Executive Board the difficulties in Local 600 arose from the manipulation of a small but well disciplined Communist group which exerted influence far beyond its actual numbers. The evidence presented to the International Executive Board proved beyond doubt that this disciplined Communist minority was able to subvert the policies, programs, and publications of Local 600 to their own ends and against the best interests of the Union membership.

Action by the International Executive Board was taken to put an end to Communist influence and manipulation so as to protect the good name of the International Union, UAW-CIO, to strengthen the collective bargaining power of Local 600 in dealing with the practical day-to-day problems of workers in the Ford Rouge plant and to strengthen the organizational and legislative work of the Union.

# BOARD STATEMENT

In the late summer, the International Union arranged for elections of Unit and Local Union officers to be held at Local 600. Then on September 19, the International Executive Board issued a statement, excerpts of which follow:

"The administratorship established over the affairs of Local 600 last March 14, 1952, will be lifted as soon as the newly-elected officers of the Local Union are installed on Sunday, September 21, 1952.

"The International Executive Board welcomes the removal of the administratorship over Local 600 just as we regretted the necessity of having to establish the administratorship in the first place. The authority to establish administratorships is one which this International Executive Board has rarely exercised and then only in unavoidable cases.

"When the administratorship was established over Local 600, we stated (Ford Facts, March 22, 1952) the reasons that made our action necessary:

- "'Put an end to Communist influence and disruption in Local 600;
- "'Effectively meet and solve the problems of Ford workers;
- "'Get the truth and facts to the membership; and
- "Stop irresponsible action which was doing great harm to the whole Union."

"We also made it clear at the time that our action was not the result of any personal differences between the officers of the International Union and the officers of Local 600. Neither were we desirous, as we stated then, of doing a polit-

ical job on any individual member of Local 600. The present leadership of the International Union has always put principles ahead of personalities.

"What we did propose to do was to demonstrate to the membership and officers of Local 600 that it is possible, when politics are not permitted to interfere with day-to-day union work, to do a constructive trade union job that benefits all Local 600 members.

#### AFFAIRS HANDLED WELL

"We have shown that grievances can be handled in an orderly and satisfactory manner, just as they are in other local unions, through concentration and hard work. Those responsible for supervising the affairs of the Local during the period of the administratorship can cite many instances of important and knotty grievances that have been resolved satisfactorily during the last six months. Here, from the record, are a few of the most important ones:

- "1. The working out of the seniority relationship between the Dearborn Iron Foundry and the Dearborn Specialty Foundry;
- "2. The working out of the job security relationship between the Casting Machine Shop, the Tank Engine project and the Motor Unit;
- "3. Establishment of the seniority and transfer arrangement between the Motor Plant and the Dearborn Engine plant;
- "4. Stopping the Ford Motor Company's speedup on the cone-automatics in the Gear and Axle plant;
- "5. Correction of numerous incentive, scheduling, and crew size problems in the steel division;
- "6. The return of laid-off women workers in line with their seniority;
- "7. Establishment of equitable rates of pay in the new Dearborn Engine plant.

"These and many other adjustments have reduced to a minimum the huge backlog of grievances existing last March and have resulted in the much smoother operation of the grievance procedure, a fact generally acknowledged by those familiar with the day-to-day functioning of Local 600.

"We have shown during the administratorship that the official publication of the local union, Ford Facts, can be an effective and constructive instrument to transmit the truth to Local 600 members and to give them the facts about issues affecting their own welfare.

"The International Executive Board hopes that it will never again have reason to take over the publication of *Ford Facts* or any other local union publication. Such action will not be necessary if the newly-elected officers of Local 600 follow a policy of using the publication for the benefit of the Local 600 membership and in a manner that will not cause damage to the membership of the International Union.

# COMMUNIST INFLUENCE REDUCED

"The results of the elections recently concluded in Local 600 show that Communist Party influence in the Units, the Local Union, and the General Council is at its lowest level in the history of the Local Union. Completing this task of eliminating the Communist Party from all influence in Local 600 is a responsibility which now rests squarely on the shoulders of the membership of Local 600 and its leadership.

"The cases of the five Local 600 members who were removed from unit offices in the Local Union (under Article 10, Section 8 of the International Constitution) on the grounds that they are, beyond a reasonable doubt, members of or subservient to the Communist Party will go to the International Union Convention on their appeals. These five members will have their day in court at the Convention. They will be given a full hearing and will be free to state their cases. The Convention itself will make the decision on their appeals

# CONVENTION TO REVIEW CONSTITUTION

"However, it will be necessary at the coming UAW-CIO International Convention to review the whole matter of just how a free and democratic Union, such as the UAW-CIO, can deal with the few Communists in our ranks who, while attempting to take advantage of the democratic privileges that they have as members of our Union, would use such privileges to weaken and destroy both our Union and the free institutions of our country.

"The members of the International Executive Board are resolved to make no compromise with the Communists, either as an organized subversive force or as individuals within our ranks. Organizationally and as individuals, Communists are against our Union, against our country and against everything that free men stand for throughout the world. Communists are not just people who may have a different point of view on how things ought to be done. They are an organized conspiracy with only one loyalty, and that is blind service to the Soviet Union.

"Today, Communists are going underground. Some who hold office in unions have publicly resigned from the Party before signing non-Communist affidavits, but they have then continued to carry out the Party line in every detail. Since Communists have no conscience about lying to conceal their affilia-

(Continued on next page)

tions, in order to more effectively carry out their work, it has become increasingly difficult to prove technical Party membership.

"A free and democratic union, like the UAW-CIO, must necessarily devise adequate constitutional protections against people who would use the very freedom and democracy of our Union as a screen behind which to destroy the free labor movement.

"Because of these changed conditions, the present provisions of our Constitution, adopted at the Buffalo Convention in 1941, are no longer adequate. The inadequacy of these provisions was one of the contributing reasons for the establishment of an administratorship over Local 600. So that such action will not be necessary in similar cases in the future, we in the UAW-CIO at our next Convention must devise new and more effective machinery to deal with the problem of any Communists within our ranks.

#### APPEALS BEFORE CONVENTION

"This issue, together with the appeals of the five individuals removed from office—Paul Boatin, John Gallo, Dave Moore, Nelson Davis and Ed Lock—will be the only issue growing out of the administratorship over Local 600 that will be on the agenda of the Convention, so far as the International Union is concerned. However, a repetition of the kind of events and actions which made an administratorship necessary will inevitably broaden the issues which the Convention will have to consider and act upon.

"Apart from Convention action on the appeals of these five individuals, the administratorship over Local 600 can be regarded as a closed chapter. The decision as to whether or not it remains closed rests solely with Local 600."

In accordance with the foregoing statement, the International Executive Board has recommended to the Constitution Committee of the Fourteenth Constitutional Convention of the UAW-CIO certain constitutional amendments designed to make it possible for the Union to protect itself and its members against those subversive elements who would try to destroy it.

# Speedup

The fight against speedup, for better working conditions, is one that requires continued vigilance on the part of the officers and committee members of every local union, supported by the membership and the International Union. The policy of the UAW-CIO as adopted and reaffirmed by repeated convention action is based upon the principle of a fair day's work for a fair day's pay. The UAW-CIO policy, which has been carried out and supported by militant action, reads as follows:

"The UAW-CIO is unalterably opposed to and will fight against any attempt by employers to endanger the health and safety of workers by forcing them to perform an unreasonable work load. One of the major reasons that our Union came into existence was the revolt of workers against the inhuman speedup that existed in the automobile industry before it was organized.

"It is our policy to authorize strike action in any plant, large or small, big corporation or small shop, when the facts show that an employer is attempting to drive his workers to make them produce more than a fair day's work."

The International Union, in cooperation with local unions, has been carrying out this policy in all parts of our Union, in large and small companies alike, in order to protect and improve the working conditions of our members.

During the two years since the last Convention, changes in production schedules, resulting from material controls and shortages, and two annual changes in models have occurred. Certain managements have attempted to take advantage of these situations by embarking on campaigns of speedup. These tactics have been aggressively met by local unions with the full support and assistance of the International Union.

Twelve General Motors local unions took strike votes to implement their bargaining efforts in production standards disputes. In nine of these plants the disputes were satisfactorily settled before coming to the International Executive Board for strike authorization. In three of these disputes the International Executive Board granted strike authorization to the local unions involved, but the disputes were satisfactorily settled without the need of striking.

Similar disputes arose in plants of the Ford Motor Company, and numerous Ford locals took strike votes to back up their fight against management's efforts to introduce speedup in their plants. For all of the cases coming to the International Executive Board strike action was authorized. These disputes as well were all satisfactorily settled but only after strikes occurred in three of the plants involved.

These illustrations could be multiplied manyfold in plants in every region of our Union.

The fight against speedup is a never-ending one, requiring constant vigilance on the part of our Union and a readiness to fight on the picket line, if necessary, to maintain fair production standards in the plants.

Workers must be educated on their contractual rights and protection provided by our contracts. Stewards and committeemen must have a working knowledge of the tools necessary to handle production standards disputes as they develop.

Our Research and Engineering Department is constantly engaged in this program of education, in addition to providing technical assistance to local



In the past two years, more UAW-CIO members have attended more summer schools staffed by more expert instructors than in any other period of the Union's history. This is a picture of a college campus. The "students" are all UAW members. Leaning against the arch talking to one of the students is Brendan Sexton, the UAW-CIO's education director.

unions when disputes arise. A new comprehensive Time Study Manual is currently being prepared for use by stewards and committeemen to aid them in this vital task of protecting workers against the evils of speedup.

This is one area in which vigilance, education, and, if necessary, militant strike action, properly taken, pays off. By the same token, laxity, emotionalism or irresponsible wildcat actions lead only to frustration and possible defeat.

There is a right way to fight speedup wherever it raises its ugly head—and the UAW-CIO is always prepared to make that fight.

# Education

It has been said that history is a race between education and chaos. This has never been more evident than in the period of the cold war—and the atomic age in which we live.

The UAW-CIO can make its maximum contribution in finding solutions to the basic everyday bread-and-butter problems of its members—we can help in shaping the decision on which war and peace hang in balance only to the extent that the membership of our Union understand the problems of the world in which we live.

A democratic rank-and-file-controlled Union such as the UAW-CIO will be as strong and as effective in helping to win security and dignity for our members and their families in a world of peace and freedom in direct proportion to the level of understanding and consciousness of our members.

Developing understanding of the basic day-to-day problems and the broad problems of our interdependent world has therefore been an important aspect of our Union work.

The strength of a democratic union flows from the knowledge and active participation of the rank and file.

One of the serious shortcomings of many old-line unions is their opposition to educational programs. Too often such unions take the position that the less enlightened the rank and file, the easier they are to control. This narrow and bureaucratic attitude considers that the essential function of the rank and file is to pay dues and that all other activities can best be performed by the leadership.

The UAW-CIO rejected this unsound and undemocratic philosophy. We believe that the payment of dues is but the first responsibility and that the rank and file must be involved in an ever-broadening area of union participation. It is for this sound and compelling reason that we in the UAW-CIO have placed an ever-increasing emphasis on our educational activities.

No union in America devotes as large a portion of its incomeboth at the local and international levels—to educational purposes.

During the past two years, many thousands of UAW members participated in UAW Summer Schools—held throughout the country—in classes scheduled in local unions, week-end education conferences and in other activities.

# CLEVELAND EDUCATION CONFERENCE

The highlight of UAW-CIO educational activities was the International Educational Conference held in Cleveland during the first week of April of 1952.

This Educational Conference—both in its size, its range of subjects and the new techniques developed—constitutes an important milestone in the development of workers' education.

Approximately 2,000 delegates and almost 1,000 guests from all over (Turn the page)

the United States and Canada participated in the four-day Conference. In opening the Conference I stated, "If we are going to solve the problems of our people, we have to equip them with an understanding of the world in which we live. We have to work not only on the economic front but on the political front; we have to work to solve our problems on the basis of helping people everywhere move ahead together in the solution of their problems."

I am sure the Cleveland Education Conference was an important step toward the achievement of these goals. Delegates worked diligently to get all the information possible from the many experts on hand, and I am sure that the knowledge they gleaned will be of great service to them and to their locals in the days and years ahead.

# Veterans

The functions of the UAW-CIO Veterans Department have been expanded steadily during the past few years as opportunities to serve our membership have grown. Approximately 30 per cent of the present UAW membership saw service in the Armed Forces during World War II. Other thousands of our members either have taken part or will take part in the Korean conflict so that we can presume that between 40 and 50 per cent of the UAW-CIO membership will be military veterans.

The Veterans Department, headed by Secretary-Treasurer Emil Mazey, was created in 1944. It has cooperated with the locals in making sure that returning veterans got their jobs back, sometimes taking cases to court to force proper action.

The Department has tackled the veterans' housing problems, and has forced unscrupulous contractors to make adjustments in housing so that homes purchased by UAW-CIO members have been brought up to the contract and GI Loan specifications.

The Department keeps veterans informed of their rights under the GI Bill of Rights and other laws affecting veterans. Several hundred national service life insurance cases have been processed through the Veterans Administration, and, through our efforts, other hundreds of our members have received the additional \$1.50 a day they had coming under provisions for service people who received inhuman prisoner-of-war treatment.

In addition to the vitally important task of keeping our members informed about changes in the laws, the UAW Veterans Department has helped bring some of those changes about. Many parts of the veterans' program adopted in our 1951 Convention in Cleveland have been written into the law including the Korean GI Bill of Rights, increases in veterans pensions and increases in the pension and allotments for dependents, Social Security credit for servicemen and mustering-out pay for Korean vets.

Some changes still must be secured, including scrapping that highly discriminatory selective service deferment system which places an undue portion of the burden of supplying fighting men on the shoulders of workers and their families.

# Skilled Trades

The special needs of simultaneously maintaining defense and civilian production have created a demand for skilled workers which runs far ahead of the supply, and this, in turn, has created great pressure to bring workers lacking journeyman status into skilled trades classifications. In order to help meet the country's need for skilled trades workers, and at the same time protect them against dilution of their trades, the UAW-CIO has developed its model job-protecting Changeover Agreement and accompanying Apprenticeship Training Agreement.

General Motors and Chrysler agreed to programs incorporating the principles of the Changeover Agreement, and the acceptance of the Agreement by many other corporations has enabled skilled workers to keep pace with the expanded need for their services and, at the same time, has protected their jobs. Future dilution of skilled trades classifications through excessive use of lower-paid, semi-skilled workers is banned in the Agreement.

At the same time, the Union is attempting to expand the force for truly skilled journeymen. While some corporations would prefer to take a short-sighted view of their skilled trades needs, we have been able to negotiate 260 UAW-CIO Apprenticeship Training Programs. Our program, administered by joint, Union-management committees, places the emphasis on developing really skilled workers instead of getting extra production out of workers who are still learning their trade. At the same time, we have continued pressure upon state agencies and educational institutions to improve the level of theoretical training for skilled workers by placing greater emphasis on related instruction.

Our goal is to develop a skilled trades force adequate to care for the country's needs; large enough to meet most emergency situations without the need of temporary upgrading and at the same time realistic enough to prevent an oversupply of skilled workers after our need for skilled tradesmen has leveled off.

The outburst of machine tool work created by the Korean crisis, and the accompanying mushrooming of small job shops has created considerable wage confusion. We have attempted to clear up inequities through the establishment of area skilled trades councils which work for equalizing wage scales and the highest level and through organizing unorganized shops. At the same time, we have been forced to carry on an educational campaign among our own workers to show them that taking extra work in lower-pay shops actually is undermining their own jobs.

We have made some giant steps toward solving the special problems of the skilled trades worker, and our Skilled Trades Department, under Vice-President Richard Gosser, is one of the busiest in the Union, but only through the cooperation of our many thousands of skilled workers will we be able to bring the skilled trades situation under firm control.



Jubilant aircraft workers wave retroactivity checks received after successful contract negotiations. The women have a right to those big smiles. Their checks are just as big as those received by the men because they get the same pay as men for doing the same job. The UAW-CIO had a greater

upsurge in aircraft membership, made more contract advances and, incidentally, won more retroactivity in the past two years than in any previous two-year period in the Union's history. The UAW represents more aircrafters than any other union.

# Women Workers

Since the UAW-CIO Convention in April, 1951, the number of women in our Union increased 50 per cent to 150,000. More than 700 women hold local union offices. While much of this increase in the female work force is due to the defense effort, an ever-increasing number of women are the chief supporters of family units, and, aside from simple justice of women receiving equal pay and equal treatment on the job, the fact remains that the economic needs of our women members are as great as for men.

Great advances have been made in securing equal pay for equal work. With the cooperation of Vice-President Livingston, then a member of the Wage Stabilization Board, we were able to secure automatic approval of such contract adjustments.

With the cooperation of local unions, we have been able to eliminate, in many places, another evil—the separate seniority list for women along with the twin evil of seniority systems which discriminate against married women.

Considerable progress still must be made. Discrimination against nonwhite women at the hiring gate still crops up constantly, but the UAW's clearly stated policy against such practices, together with its national campaign against them have brought encouraging results. The UAW also has developed model maternity clauses which have been incorporated into many contracts.

The Women's Department also attacks the problem of securing on-the-job justice for women by helping organize the unorganized. One recent success was in Kohler, Wisconsin, where approximately 400 women were working for as much as 20 cents an hour under the rate paid men for equal jobs. Now they get the same rate.

In order to help our 50,000 new female members to understand the Union, the Women's Department sponsored 12 regional conferences for women since the last Convention. In addition, women have been extremely active in FEPC work.

# International Labor

We have the opportunity, through our activity in the international labor movement, to move directly and immediately on the world front to put democracy on the offensive.

Through CIO, we are affiliated with the International Confederation of Free Trade Unions. Founded in London in the winter of 1949, the ICFTU is growing not only in the more highly developed countries of the West but also in the vast reaches of Asia and Africa where the inhuman exploitation of labor is a perpetual source of trouble and weakness for the free world and a ready source of strength for Communism.

The ICFTU has set itself the task of building real trade unions in those critical areas. ICFTU is establishing training schools for labor organizers and building up a cadre of leaders who can keep the millions of workers of Africa and the Far East from Communism by giving them a democratic hope and a democratic instrument—militant trade unionism—for realizing that hope.

We contribute to that great task of ICFTU. We must continue to support that program, while we press for greater recognition on the part of the shapers of American foreign policy of the importance of free trade-unionism in the world-wide struggle.

UAW-CIO, moreover, is an affiliate of the International Metalworkers Federation of the International Trade Secretariats, and we have been represented at meetings of the IMF and of its automotive section through the CIO Representatives in Europe.

We must maintain and strengthen these ties, for in the greater solidarity and mutual understanding of free trade-unionists everywhere we shall forge a strongly organized and highly articulate force for peace and the economic well-being upon which peace must rest.

# Working for Peace

A strengthening of our military defenses against Communist aggression is essential. But in strengthening those defenses, we are losing sight of the importance of a positive, bold program of economic support to those underdeveloped areas of the world where poverty and misery serve the Communist cause. We are forgetting that men's minds are the real battleground between Communism and democracy and that the struggle for men's minds will be lost unless democracy demonstrates that free men can win security without sacrificing their freedom.

Throughout the have-not areas of the world, men in the colonial and exploited lands are reaching out for independence, for freedom, and for economic justice. They will pass from the dictatorship of colonialism and poverty to the dictatorship of Communism unless democracy can seize the initiative, use the great technology of the West to give them tangible evi-

dence of democracy's superiority, and launch long-range economic programs .
to help them raise their living standards.

#### NO SHORT-CUT-NO GUARANTEES

There is no short-cut to peace. Millions of Americans may have voted for President Eisenhower in the belief or hope that he would be able to end the Korean War. But we are in a position to see now that difficult choices must be made, considerable risks must be run, in the working out of a policy to end the Korean conflict. And even if we can somehow dispose of the Korean stalemate, there are the wars in Indo-China, where the French have expended more of their national income than they have received in American economic aid, in Malaya, where the British are engaged.

And even if these conflicts are settled, we shall have no guarantee against the outbreak of others anywhere in the world where men are driven to revolt by the poverty and misery and exploitation that Communism uses against us in the global struggle for men's loyalties.

The revolt and rebellion of the have-not millions cannot be "bottled up," soothed, or "managed" by taking Acheson out and putting Dulles in, by sending Truman back to Missouri and placing Eisenhower in the White House.

Peace and freedom cannot be made secure in the world as long as hundreds of millions of people are denied the necessities of life, so long as millions and millions of people are doomed to belong to the have-not nations, so long as they and their children are denied the right to achieve economic and social well-being.

Whatever happens in Korea and Indo-China, and Malaya, there is no easy or cheap way out of the world crisis. There is no formula for by-passing the challenge to use American power and wealth to move the have-not peoples of the world up out of their poverty and misery. For as long as American power and wealth exists in a world of poverty and hunger and human desperation, Communism will continue to forge that poverty and hunger and human desperation into the weapons of political and military aggression.

#### ONE WORLD

This challenge is a challenge to make peace and freedom possible by giving them the necessary foundation of economic security. America has not sought leadership in this struggle. Leadership has been forced upon us by history, by the decline in strength of the whole western world in the first half of this century. Foreign policy is no longer foreign. It shapes our lives. It sets the framework in which our children must grow and live.

We cannot afford to leave foreign policy to the State Department, to the Defense Department, to the President, or to Congress. The question of war or peace in the age of the hydrogen bomb is a question of life or death. As men and women who have built a union to win a better life, as parents and citizens, we must give to foreign policy, to the whole matter of working for peace, the importance and attention it demands.

# Philip Murray and Allan Haywood

The death of Philip Murray is a tragic loss to the labor movement of the free world and to the cause of social justice and human freedom everywhere.

In his lifetime Philip Murray dedicated himself unselfishly to the task of bringing a fuller measure of economic security, human dignity and happiness into the lives of working people. He will long be remembered by the millions whose lives he enriched.

No one better understood the hopes and aspirations of working people, and no one worked as hard in the vineyards of American democracy to make it possible for people to realize these hopes and aspirations.

In the struggle against Communist tyranny and all forms of totalitarianism, American democracy was strengthened by Philip Murray's leadership, vision, courage and devotion.

We in the UAW-CIO have lost a true friend, the labor movement a great leader, and America a great citizen.

The CIO and the entire nation have suffered another grievous loss in the death of Allan S. Haywood. His entire life was identified with promoting the welfare of workers. He was a courageous fighter for human rights, a man who truly loved his fellow-men. His heart was instinctively attuned to the needs of the under-dog. Like his good and devoted friend, the late Philip Murray, Allan S. Haywood was a man of the coal mines who carried with him every day of his life the dream of a better future for everyone.

He will be mourned by the millions of trade unionists, at home and abroad, who knew him, respected him and loved him for his constant devotion to the common cause.

# The CIO Presidency

When I was elected to the presidency of the CIO on December 4, 1952, I told the delegates to the CIO Convention I was well aware that in assuming this high office I was not in the remotest sense taking Phil Murray's place, because no man can take Phil Murray's place.

In recognition of this fact, the Convention had already taken action to draw upon the abilities and the strength of the whole leadership of the CIO to assist the new president, whomever he might be, in his tremendous responsibilities. The Convention amended the CIO Constitution to create an Executive Committee, consisting of the president, the executive vice-president, the secretary-treasurer and the eight other vice-presidents of the CIO. This Executive Committee, which meets bi-monthly, functions as a team to share among themselves, along with the president, the responsibility of administering the affairs of the CIO. Had I been asked to assume the responsibility of running the CIO alone, I would necessarily have had to refuse, because I would not have felt equal to that responsibility.

The decision that I accept the presidency of the CIO was not a personal decision on my part, nor was it made by me. The UAW-CIO International Executive Board, conscious of its responsibilities as the largest CIO affiliate, discussed carefully and deliberately, before and during the CIO Convention, the problem of filling the void created by President Murray's tragic and untimely death. When the leadership of other CIO unions representing a majority of the CIO membership asked that I accept the office, the UAW-CIO International Executive Board voted that I should make myself available to accept this additional responsibility.

In this new task I rely upon the support of our UAW-CIO membership as well as upon the cooperation and assistance of the CIO leadership and membership, for without that cooperation and assistance we cannot build the ever stronger and more dynamic CIO that America needs.

# Labor Unity

The CIO, at its Atlantic City Convention in December of last year, reaffirmed the position taken by prior conventions in favor of the "development of unity in ranks of the free democratic labor movement of the United States."

The resolution further declared:

"Throughout the years, the CIO has repeatedly sought the unification of bona fide labor organizations. In our efforts to attain this goal, we in the CIO have recognized that united action on social and economic, legislative and political issues could not wait for final agreement on the countless important organizational problems involved in the final attainment of organic unity. This is particularly true today in the situation which confronts all of labor; now, therefore, be it.

"RESOLVED: This Convention of the CIO reaffirms our traditional devotion to the ideal of organic unity in the American labor movement, and our hope and belief that organic unity will be achieved through a spirit of cooperation, responsibility, and sincerity in the relationship of all democratic free American trade union organizations; and be it further

"RESOLVED: This Convention authorizes the officers of the CIO, through the appointment of an appropriate committee, to advise the officers of the American Federation of Labor of our willingness to meet and earnestly discuss and seek honorable labor unity that will advance the welfare of all of labor."

In accepting the Presidency of the CIO, I had this to say on the question of labor unity:

"I accept and I share the spirit of the resolution adopted by this Convention and the remarks made in support of that resolution. All of us, deep in our hearts, recognize the fact that standing together in a united labor movement we could be stronger than if we are divided, but this must be qualified, for unity in itself will perform no miracles.

"We must stand together in a united labor movement without compromising the basic principles upon which the CIO is built. We can never get ourselves in a position where we sacrifice principle for expediency. No union, whether large or small, must be sacrificed in working out these problems.

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CIO President Walter P. Reuther and AFL President George Meany meet in Washington to discuss plans for labor meetings.

"On taking this responsibility you have given me, I want to make it abundantly clear that as far as I am concerned, as an individual and as an official of this organization, I want to assure you fully and completely that at no time will a question of vested right in an office be the smallest obstacle in the way of achieving a united labor movement.

"I say that the real measurement by which we must judge what is an honorable basis for working out labor unity is not what happens to the status of those in positions of leadership. There is only one measurement and that is the measurement of what is good for the rank and file back home. We do not count. You and I are not important, excepting as we are the symbols, and as we are the collective instrumentality through which the rank and file carries on its work. What is good for the rank and file must be the only measurement of our judgment."

In accordance with the CIO Convention action, I met with AFL President George Meany to make arrangements for a meeting between the two organizations. Following this meeting, both the CIO and AFL named committees to meet, and set a date of February 24. For the CIO, the Executive Board named the following to act in its behalf:

The CIO President, Executive Vice-President Allan S. Haywood, Secretary-Treasurer James B. Carey; David J. McDonald, Acting President, Steelworkers; Joseph Beirne, President, Communications Workers; L. S. Buckmaster, President, Rubber Workers; Joseph Curran, President, Maritime Union; O. A. Knight, President, Oil Workers; Michael Quill, President, Transport Workers; Emil Rieve, President, Textile Workers, and Frank Rosenblum, Secretary-Treasurer, Clothing Workers.

The February meeting was postponed because of the untimely death of Brother Haywood, and, as this report is being prepared, we are engaged in working out with the AFL the time and place for another meeting.

# Teamwork in Leadership

Except for a few minor instances of factionalism such as that discussed in the section of this report devoted to the Local 600 situation, we have had in the last two years a solidly united Union with "teamwork in the leadership and solidarity in the ranks."

This kind of solidarity is responsible for the substantial progress we have made on all fronts since our last Convention. I want personally to thank Secretary-Treasurer Emil Mazey, Vice-President Richard Gosser and John W. Livingston and members of the International Executive Board for their cooperation, their hard work and their unfailing devotion to Union principles. Their contributions to the work of the Union have made possible the two years of progress recorded in this report.

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With sincere and fraternal good wishes to all members of the UAW-CIO and their families, this report is

Respectfully submitted,

Waltery P. Kenther

President

(A full and detailed report on the activities of the various departments, corporation councils, wage and hour councils, and on further activities and plans of the International Union will be presented to the International Convention this month.)