

The United Automobile Worker

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

VOL. 16, NO. 5

Entered as 2nd Class Matter, Indianapolis, Indiana

MAY, 1952

PRINTED IN U. S. A.

A Report to the UAW-CIO Membership

By Walter P. Reuther

International President

Another Year of —

**EFFECTIVE TEAMWORK
AND STEADY PROGRESS**

— on the Job Front

— on the Wage Front

— on the Organization Front

To the Membership of the UAW-CIO:

The year since our last Convention has been one of effective teamwork and steady progress for the UAW-CIO. Our steady progress has required not only effective teamwork but hard work and a positive, living faith in our ideals, because it has been made in the face of and in spite of the deepening international crisis and mounting fear and uncertainty among people throughout the world.

At the same time that we have worked hard and worked well at our basic trade union problems on the collective bargaining, organization and job fronts, we have also devoted ourselves earnestly and conscientiously to our long range goals whose achievement, we hope, will lead to a world of peace, abundance and brotherhood. We have rededicated ourselves to the task we set some years ago of trying not merely to patch up the old world so that people would be hungry less often, where unemployment would come less frequently, where the gaps between wars would be stretched out a little bit—but to build a new world in which people needn't go hungry and in which war can be abolished from the face of the earth.

Along with our sister unions and with men and women of goodwill in every walk of life throughout the world, the UAW-CIO has been and will continue to be an important and powerful force in this struggle. The UAW-CIO is important because the UAW-CIO is people. It is workers. It is men and their wives and their

kids at home. The UAW-CIO is a part of the struggle for human rights against property rights, the struggle to establish the sovereignty of people over profits, to mobilize the wealth of the world and gear that wealth to the needs of the people, everyday people, hundreds of millions of little people whose names have never been heard, but who share with their fellowmen throughout the world the same hopes and aspirations for a decent, healthy, happy, peaceful life for themselves and their children.

We in the UAW-CIO have the will, the strength and the know-how to make a contribution to the mobilization of free people to build the economic foundation on which peace can rest, where people can live together as neighbors and enjoy a fuller measure of social and economic justice. We can make a contribution to a future fashioned in the image of freedom, in the image of social justice and in the image of brotherhood.

It is in that spirit and with those ends in view that the men and women who are the UAW-CIO have worked during this past year and it is that spirit that has shaped and inspired the effective teamwork of the leadership of the UAW-CIO. It is in that spirit that I respectfully submit to you this report of our progress.

Walter P. Reuther

REPORT TO THE MEMBERSHIP

By **Walter P. Reuther**

International President, UAW-CIO

In This Report:

	Page		Page
The Fight for Jobs	1	Fight Against Speedup	13
Wage Stabilization Board and UAW-CIO Contracts	4	Cleveland Education Confer- ence	13
The Steel Case	6	Skilled Trades	14
Social Security Progress	8	CIO Jurisdiction Agreement ...	15
Recreation and the Retired Workers' Program	9	Labor Unity	15
Guaranteed Annual Wage	10	Working for Peace	15
Organization Progress	10	Local 600	16
Political Action and Legisla- tion	11	Finances	16
Civil Rights	13	Solidarity House	16
		Teamwork in Leadership	16

The Fight for Jobs

As this report is written, substantial progress has been made toward reducing the size of the unemployment problem in the industries under the jurisdiction of our Union.

Because of the seriousness of this problem, which resulted principally from the shortage of critical metals, a major portion of the time and energy of our Union has been devoted to a determined day-to-day fight to keep our members at work, and to restore employment to those who were victims of defense layoffs.

The record is clear that had industry and government heeded the warnings raised by our Union more than 20 months ago—and repeated many times since—and had they carried out the constructive and practical proposals that we advanced, the defense program would be much further along, and thousands of workers and their families would not have suffered the hardships of unemployment.

I think it would be appropriate here to recount briefly the series of efforts made by our Union since the last war to mobilize our productive resources and avoid serious unemployment.

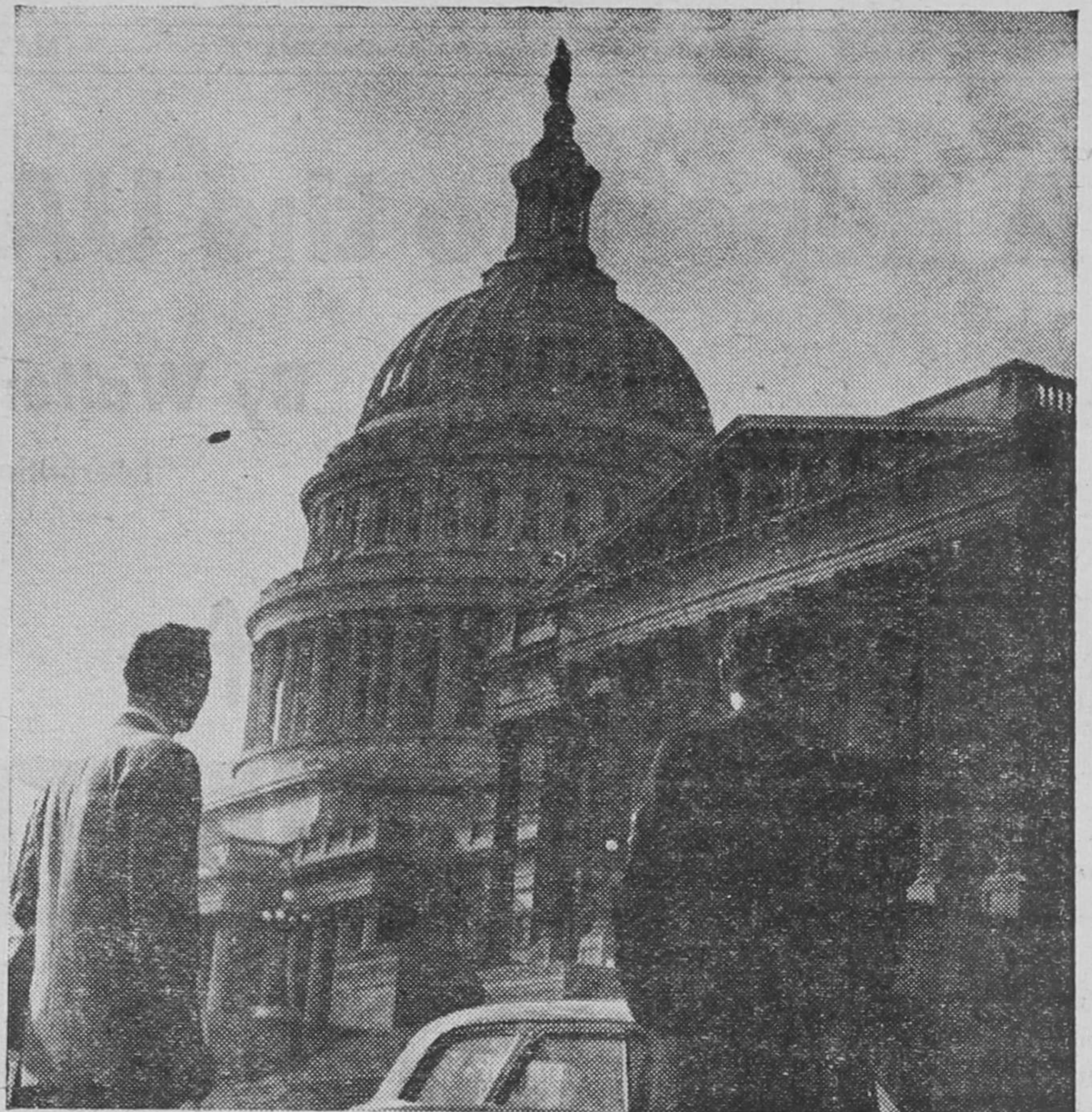
THE RECORD

On July 4, 1945, we proposed a program to keep war plants on a standby basis, producing civilian goods and adaptable to a quick shift to defense production. That program was printed in a pamphlet called "Are War Plants Expendable?"

On July 21, 1947, we called for an expansion of steel production capacity. On this date, we supported our proposal in testimony before a U. S. Senate Subcommittee.

On August 20, 1947, I presented to President Truman a proposal outlining specific steps for the expansion of steel and other basic metals, and requested the President to instruct the Department of Justice and the Federal Trade Commission to investigate monopoly practices in industries restricting production of basic materials. The President incorporated this proposal in his State of the Union message to Congress after his inaugural in January, 1948. However, a reactionary coalition of Dixiecrats and northern Republicans prevented the enactment of this program.

In March of 1949, acting in my capacity as Chairman of the National CIO Housing Committee, I submitted to President Truman a program to



Here, before the Capitol dome, two auto workers are about to see their Congressman about unemployment compensation. Much of the Union's work during the past year has had to be in Washington.

provide homes for people, jobs for prosperity and planes for peace, by utilizing idle government-owned aircraft plants for the production of low-cost housing.

On July 20, 1950, immediately following the outbreak of fighting in Korea, the UAW-CIO warned representatives of both government and industry that material shortages would create widespread economic dislocation and mass unemployment unless the production of basic materials was increased, and the curtailment of civilian production was coordinated with the placement of defense contracts. We proposed the convening of a management-labor conference to work out the problems created by the partial mobilization program and to make joint recommendations to the government on specific and practical steps. With the exception of several small automobile companies, industry's representatives refused to participate.

On November 1, 1950, we wired a protest to Commerce Secretary Sawyer over the 20 to 30 per cent cutback in copper and other metals. On November 10 I conferred with Sawyer and NPA Administrator William H. Harrison in Washington, and again protested the cutbacks. This conference was followed up by a letter on November 13, in which the Union outlined specific steps to increase production of vital metals, particularly copper and aluminum.

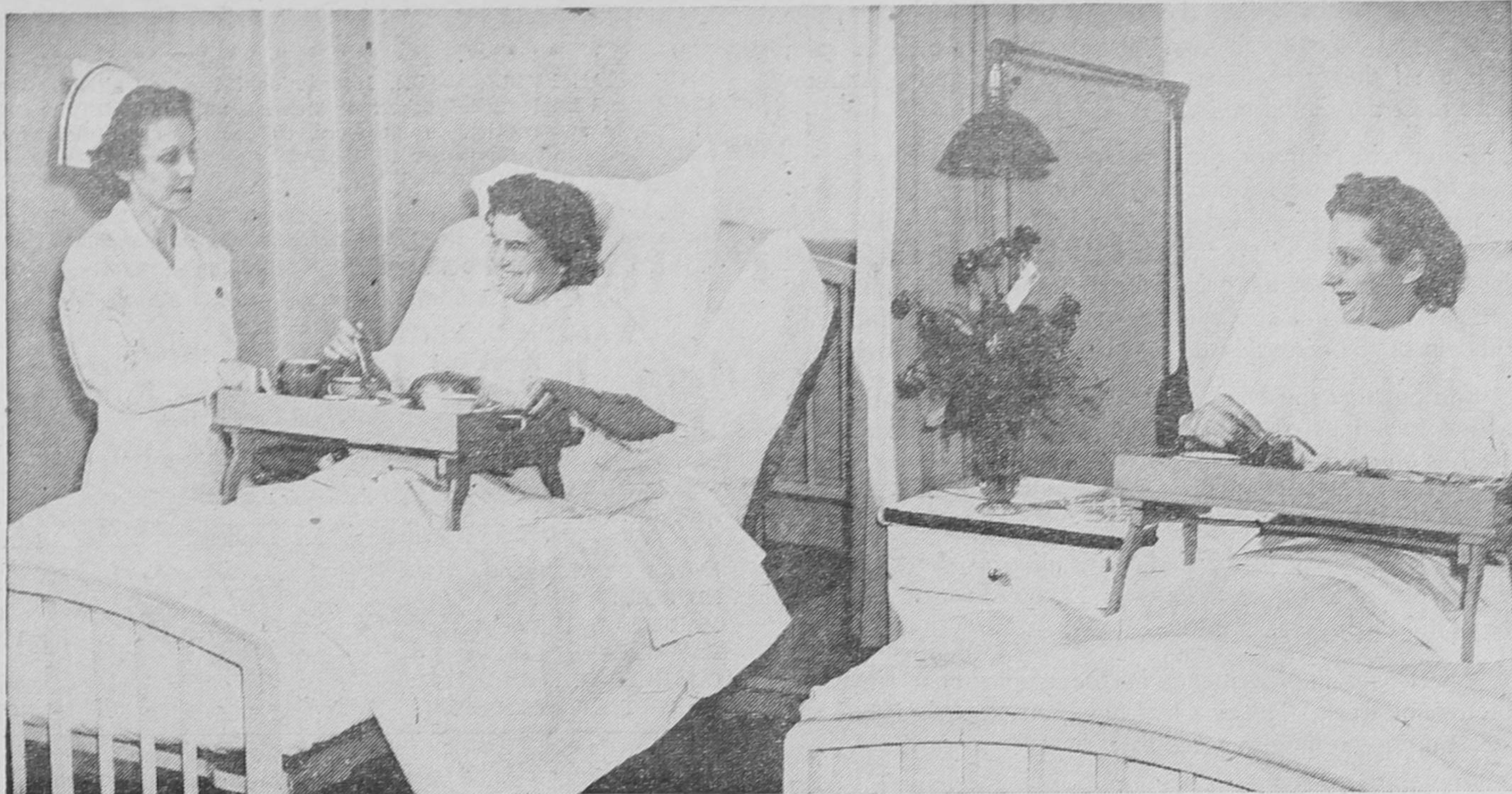
On November 22, 1950, after I reported to the CIO Convention on the metals situation, President Murray was directed by the Convention to send a wire to Sawyer protesting the metals cutbacks; and, the following day, I wired President Truman our objections to the destruction of a large aluminum plant in the Western Zone of Germany.

On January 19, 1951, the UAW-CIO wrote to President Truman urging him to petition Congress to take immediate action to provide federal funds to supplement unemployment compensation in an amount necessary to provide the equivalent of 40 hours' pay to workers laid off due to the defense mobilization.

On February 9, 1951, I urged a labor-industry conference, following news of drastic reductions in automobile production schedules; and again industry refused.

The UAW-CIO Convention, April 1-6, 1951, unanimously approved a program for meeting unemployment problems by expanding production of basic materials, increasing unemployment compensation, coordinating the

(Continued on next page)



This is typical of the room, board and general nursing care paid for under UAW health security plans. Every day, in every hospital bill, these costs mount up. They can easily

run to \$1,600 during a long stay. But most UAW members do not have to worry about that. They are covered without dollar limit in most UAW plans, regardless of cost.

curtailment of civilian production with the increase of defense production, maintaining civilian production until defense work was available to take up the slack in employment, and by integrating defense work into civilian plants.

On June 4, 1951, I testified before the Senate Banking and Currency Committee and called for the strengthening of the Defense Production Act to provide, among other things, that the government be empowered to build new plant facilities to the extent necessary to relieve serious material bottlenecks.

On June 25, 1951, I submitted to President Truman (a) a program to expedite production of tool machines needed for defense production in order to minimize unemployment in the shift from civilian to defense production; and (b) a proposal for the establishment and rigid administration of a system of priorities which would schedule delivery dates on tool machines.

On July 14 and 16, Norman Matthews, Director of the UAW's Chrysler Department, and I testified before a subcommittee of the Senate Committee on Small Business and submitted a list of specific steps for meeting the growing problem of unemployment.

On July 31, 1951, following a number of conferences between the UAW-CIO, Mobilization Director Charles E. Wilson and Manly Fleischmann, Director of the National Production Authority, on the problems which the Controlled Materials Plan was creating in the auto industry, we submitted a practical proposal for avoiding the dislocation and unemployment which would have resulted. Mr. Fleischmann replied to this proposal on August 18, and advised that the necessary steps were being taken to meet the problems we had raised.

In October, 1951, the UAW-CIO International Executive Board put together into a single, compact package, the various issues affecting employment upon which we had been working. This program, which was the product of the Union's experience, was submitted to President Truman immediately following its adoption by the Board. This, in brief form, became our program for action:

1. Enact a Federal Unemployment Compensation Bill.
2. Continue Essential Civilian Production Until Defense Jobs Are Available.
3. Dovetail Defense Work in Civilian Plants.
4. Place Defense Contracts on a Negotiated Basis.
5. Break the Machine Tool Bottleneck.
6. Establish a Technical Task Force on Critical Materials.
7. Initiate a Nationwide Scrap Collection Campaign.
8. Free the American Economy from the Stranglehold of Monopoly and Scarcity.

On October 16, following a conference between the President's National Advisory Board on Mobilization Policy and top defense officials, the Board voted unanimously that a policy be initiated to integrate defense work into plants and areas where manpower and machine tool capacity were available by placing contracts on a negotiated basis.

NATIONAL CONFERENCE CALLED

On December 4, 1951, the UAW-CIO International Executive Board authorized the calling of a National Conference on Defense Unemployment to be held in Washington, D. C., on January 13 and 14, to put the problems of growing defense unemployment before mobilization officials and Congress.

During the period December 28 to January 7, UAW leaders and staff technicians held numerous conferences with Congressional leaders to assist in the preparation of legislation to be introduced which would provide for federal supplementation of state unemployment compensation benefits.

Meanwhile, on December 28, I participated in a special Washington conference called by Defense Mobilizer Charles Wilson, and proposed continuation of production schedules of 1,000,000 cars and 250,000 trucks per quarter during the first months of 1952.

Nearly six hundred delegates from UAW-CIO locals carried their battle against unemployment to the nation's capital in a two-day Conference which ended Monday, January 14, 1952.

The delegates, representing locals in areas with unemployment problems, demanded action on the UAW's eight-point Manpower Program in meetings with their senators, representatives and mobilization officials.

The sessions concluded amid indications that the UAW's efforts to combat unemployment were having a favorable effect on mobilization policies.

While the Conference was in progress, the following developments were announced:

1. The Comptroller General's Office said that plans to let defense contracts on a negotiated rather than a competitive bid basis had its legal sanction.
2. Defense Mobilizer C. E. Wilson announced the establishment of a Task Force to survey defense contracts and to pump defense work into areas suffering from unemployment.
3. Senator Blair Moody (D., Mich.) asserted he would produce a long list of co-sponsors when he introduces the Moody-Dingell Unemployment Compensation Bill providing for 66 $\frac{2}{3}$ per cent of 40 hours' pay for single workers, with higher percentages for workers with dependents, through federal supplementation of state programs.

Following my report to the Conference, the delegates unanimously approved a resolution setting forth the major points made in that report, and called for speedy adoption of the Union's entire manpower program. (Another resolution, presented to the Conference by some of Local 600's leadership, was rejected by a vote of 584 to 13.)

BEGIN TO GET RESULTS

As a result of the Conference, these actions followed almost immediately:

1. A bill to provide federal supplementation to state unemployment compensation benefits was introduced in Congress by Senator Blair Moody and Representative John Dingell. They were joined by a long list of additional sponsors in both Houses of Congress.
2. The Defense Production Administrator announced the creation of a Distressed Defense Areas Task Force to place government contracts in areas where cutbacks in civilian production were causing serious unemployment.
3. The Comptroller General of the United States ruled that the placement of defense contracts in distressed areas based on negotiations rather than competitive bidding was authorized by law.

On January 30, I reported to the local unions in an Administrative Letter that there were favorable prospects that the military program would be re-phased to make possible an increase in scarce metals for passenger car and truck production. Meanwhile the Task Force had come to Detroit and held meetings with us at Solidarity House, and with government officials and industry.

On February 18, President Truman wrote Senator Moody that he favored adoption of the Moody-Dingell Bill; and on February 22, I appeared before the Senate Finance Committee and presented testimony for both the UAW and the CIO in support of the bill.

As I had predicted in my letter of January 30, the Defense Production Authority announced that a re-phasing of the military production program permitted increases in metals allocations sufficient for the production of 1,000,000

(Continued on next page)

passenger cars and 250,000 trucks during the second quarter of 1952. The production of an additional 50,000 cars and 20,000 trucks, the DPA said, would be allowed if the industry could stretch their copper and aluminum allocations to produce these additional units.

When the production schedules for the third quarter of 1952 were announced by DPA on March 25; we learned that our aggressive and continuing fight was still paying off. The third-quarter schedules, the DPA said, would allow metals sufficient for the production of 1,050,000 passenger cars and 270,000 trucks; but the unit quotas would be set at 1,150,000 passenger cars and 300,000 trucks if the industry could find the means of producing these additional units out of the materials allocated and out of inventories.

There is no question but that the National UAW Conference on Defense Unemployment had a tremendous effect in obtaining these increased production schedules, as well as on other favorable developments.

OUTLOOK IS BRIGHTER

As of this time, the job outlook in our industries all over the country is much brighter. For example, in Michigan there were 21,000 fewer unemployed in March than there were in February.

But despite these welcome improvements in the employment situation, there are still people out of work. The problem has been alleviated, but not cured. The UAW-CIO must continue to press for:

1. Highest possible civilian production schedules consistent with actual military needs;
2. Increased volume of defense work dovetailed in civilian production plants to take up the slack in employment;
3. Federal supplementation of State Unemployment Compensation benefits by passage of the Moody-Dingell Bill;
4. Action at the various state legislatures to improve State Unemployment Compensation benefits both in amount and duration.

We in the UAW-CIO shall not rest until we have found a way to provide a job opportunity and full employment for every American able and willing to work.

Wage Stabilization Board AND UAW-CIO CONTRACTS

At the time of our last Convention in April of 1951, I was able to report only a partial and temporary gain in our fight for the preservation of our basic contract provisions under the government's wage stabilization program.

At this time, I am pleased to report that we have won nearly every issue on which we were required to wage a determined and prolonged fight.

Actually, the winning of the fight by the UAW-CIO for its contracts has resulted in the basic provisions of those contracts becoming the basis for the nation's whole wage stabilization policy. Thus, the UAW-CIO has not only been successful in behalf of its own membership, but it has performed a great service for all other workers in America.

Our success in preserving our contracts can be attributed to the militant policy of our Union, backed up by the united ranks of our membership. Again, eternal vigilance on the collective bargaining front has won results for UAW members and their families. Much credit is due Vice-President John W. Livingston, Labor Member of the WSB from its inception, who saw our basic fight through to a successful conclusion before being compelled to resign because of new Union responsibilities placed upon him.



JOHN W. LIVINGSTON

The first major step taken by the WSB was to extend its order approving the escalator clauses of our contracts beyond the initial date of June 30, 1951.

On June 6, 1951, the WSB approved the annual wage improvement clause of the General Motors contract, and the Board authorized its staff to process similar cases involving agreements executed before January 26, 1951, where the employer stipulates that the wage increase will not be used as a basis for a request for a price increase.

The UAW-CIO was confident from the very beginning that the Wage Stabilization Board would be compelled to recognize the sound logic and economic justice of maintaining UAW-CIO contracts intact, and that the annual wage improvement factor would be approved.

\$80 MILLION IN PURCHASING POWER

The annual improvement adjustments will give approximately one million members of the UAW-CIO a wage increase of nearly 80 million dollars per year in actual purchasing power on the basis of a 40-hour week. The Wage Stabilization Board decision greatly strengthened and gave recogni-

UNITED AUTOMOBILE WORKER

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

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

Circulation Office: 2457 E. Washington St., Indianapolis 7, Indiana

Editorial Office: 8000 East Jefferson, Detroit

WALTER P. REUTHER

President

RICHARD GOSSER and JOHN W. LIVINGSTON

Vice-Presidents

EMIL MAZEY

Secretary-Treasurer

International Executive Board Members

CHARLES BALLARD

RAY BERNDT

GEORGE BURT

ROBERT CARTER

ED COTE

MARTIN GERBER

PAT GREATHOUSE

CHARLES H. KERRIGAN

HARVEY KITZMAN

MICHAEL F. LACEY

RUSSELL LETNER

NORMAN MATTHEWS

WILLIAM McAULAY

JOSEPH McCUSKER

C. V. O'HALLORAN

PATRICK O'MALLEY

RAY ROSS

THOMAS J. STARLING

LEONARD WOODCOCK

FRANK WINN, Editor

BARNEY B. TAYLOR, Managing Editor

Members, American Newspaper Guild, CIO

tion to the basic economic principle which assures workers a right to participate in the benefits of technological progress. Since the four-cent wage improvement factor is in recognition of increased productivity made possible by improved technology, there can be no basis for reflecting such wage adjustments in higher prices to the American consumer.

We advised both the Wage Stabilization Board and the representatives of management with whom we have contracts that continued approval of both the cost-of-living and annual wage improvement clauses in the UAW-CIO contracts would be the only basis for maintaining stable labor relations in the industries under contract with the UAW-CIO.

BOARD POLICY GETS ACTION

Although the first rounds had been won, there was still much to do in our relationships with the WSB. Accordingly, on February 7, the UAW International Executive Board adopted a policy of authorizing strike action by local unions where those unions were encountering unreasonable delays by the WSB or where management resistance and maneuvering were contributing to such delays. The International Executive Board policy statement said that the WSB delays and inaction was evidenced, among other things, by:

1. Failure to comply with its self-enunciated aims of over six months ago in the matter of developing regulatory policies covering pensions, substandard wages, salesmen's commissions, and "types of wages and salary adjustments . . . which result in more efficient production" as defined in the Wage Stabilization Board's Resolution 47. (The last refers to annual improvement factor clauses.)
2. Failure to develop broad areas of authority for regional Wage Stabilization Boards as a means of expediting cases and preventing an extensive backlog which now includes over 15,000 cases.
3. Failure to develop machinery for expediting dispute cases so that their life-expectancy under WSB jurisdiction does not approach the current five- or six-month period.
4. Failure to act on petitions involving more than 100,000 workers in the UAW-CIO alone where the employers and the Union have already agreed in free collective bargaining to pension plans and annual improvement factor increases based on technological advances.

This action by the UAW Board, plus continued work in Washington, brought about the following improvements in quick order:

1. Pension and insurance programs were virtually decontrolled.
2. Resolution 90, by the WSB, paved the way for approval of most of the annual improvement factor increases payable in 1951.
3. More authority was granted to WSB Regional Offices to clear away the backlog of dispute cases, although the backlog still remains far too large.
4. Petitions to the WSB on pensions and improvement factors are being acted upon more promptly, although much more speed would be desirable.

We have every reason to be proud of our work in preserving our contracts. It is never an easy task to change over almost the entire methods of collective bargaining, particularly when an Act of Congress requires that the government step in during a period of emergency. But diligence and teamwork at every level of our Union, backed by a united and enlightened membership, brought about a measure of the justice to which we are entitled.

DOUGLAS AIRCRAFT

The more than 10,000 members of UAW-CIO Local 148 went on strike September 5, 1951, against the Douglas Aircraft Corporation after having steadfastly refused to accept inferior wages and conditions previously agreed to by another union at two other Douglas plants.

(Continued on next page)



The welfare and future of our children is what the Union is all about. Nobody knows this better than Leo Casper, member of Douglas Local 148, father of eight sturdy youngsters. Above, Brother Casper is joined on the

picket line during the Douglas strike by Mrs. Casper and the rest of the family—all in typical California dress. Douglas workers won their case, and wound up with a good contract and about \$4 million in back pay.

The Douglas workers maintained a solid strike front for 47 days until, following a request from President Truman, the UAW-CIO International Executive Board recommended that they vote to recess their strike and accept certification of the dispute to the Wage Stabilization Board.

In its resolution on the Douglas situation, the UAW Board said:

"The Douglas management has proved that it is not disposed to initiate any program designed to bring equity and justice to its employes' economic position as wage earners.

"If the government is to request the continuance of production for vital defense, free from industrial strife, then the government must step into that area of responsibility to the workers which the Douglas Corporation has historically avoided."

The Board made it clear that the International Union and the Douglas workers were recessing the strike only out of patriotism and loyalty to the defense program, and in contrast to the Douglas management's irresponsible disregard of the national welfare.

The WSB recommendations then made were approved by the workers and negotiated into a contract. In addition to recommending favorably on 14 major issues, the WSB ordered a 10 per cent wage increase, retroactive to April 6, 1951.

The back-pay provision brought Douglas workers more than \$4 million in lump sums.

Other features of the recommendations, which were incorporated into a contract, include a rate structure with a \$2.26 top rate, an escalator clause that has already yielded two cents, a general across-the-board increase of 10 per cent plus nine cents, a Company contribution of \$3.50 per month on insurance, payment for overtime work on Saturday and Sunday as such, the correction of many wage inequities, the elimination of the "C" classifications in the wage classification structure, and many other major contract gains.

The WSB subsequently recommended that the union shop be negotiated into the contract.

The new contract provided the Douglas workers with rate ranges that include maximum rates that are unsurpassed and minimums that are higher than any other aircraft rates in the West. For the first time, the Douglas workers are enjoying automatic progression and do not have to depend upon the process of "favoritism" in order to get the so-called "merit" increases.

The International Union praised the teamwork of the leadership of Local 148 and the outstanding example of militancy and unity that was evidenced by the membership.

BORG-WARNER

For years the corporations with which the UAW-CIO has contracts have fought against national bargaining for national agreements in an effort to prevent the Union from bringing its total collective bargaining strength to bear on national problems. The Union has insisted on national bargaining sessions with the top officials of these great corporations because they, in the final analysis, make decisions for the corporation on national questions.

These powerful corporations have repeatedly attempted to have the Union bargain at the local level on national issues on which local plant management had no authority. Under this arrangement, local plant management came to the bargaining table with their hands tied by national decisions made in the national office of the corporation.

Corporations fought national bargaining because they realized that negotiations on national issues at the local level gave the corporations a tremendous advantage and permitted them in many cases to confuse and divide local unions. Out of this division, local unions individually were forced to accept less in collective bargaining on national issues than they could have won if all the locals within such corporation had pooled their strength and bargained together on national issues directly with the national officers of the corporation who had the authority to make the decisions.

The efforts of the International Union to aid local unions in winning national negotiations on national issues do not in any way interfere with the right of local unions to bargain locally on purely local problems. The policy of the International Union is to strengthen the local unions by pooling their collective bargaining strength on national issues and to assist local unions to bargain locally on purely local issues.

LAST HOLDOUT

The Borg-Warner Corporation was the last corporation of any importance in the industries covered by the UAW-CIO jurisdiction which still held out against national bargaining on national issues. If the Borg-Warner Corporation had its way, it would not only have each local union bargaining individually, but it would have each department bargain on its problems individually. This is the old policy of divide and rule which the National Association of Manufacturers and those reactionary anti-union forces who sponsor the Taft-Hartley Act have been trying to force upon us as the pattern of collective bargaining. In the original language of the Taft-Hartley Act as proposed to Congress, there were specific provisions outlawing national bargaining on national issues within multiple plant corporations. The theory behind this proposed provision of the Taft-Hartley Act was to break up international unions into as many small pieces as possible, so that powerful corporations could challenge, undermine and, if possible, destroy isolated pieces of the union.

It was over the issue of a single national contract covering the 10 Borg-Warner plants under the jurisdiction of the UAW-CIO that the Borg-Warner workers voted overwhelmingly for strike action, which took effect on October 10, 1951.

Relying on its ability to bring pressure to bear in Washington, the Company still refused to bargain. Although Borg-Warner had only a limited amount of defense work, President Truman certified the case to the WSB.

Early in November, the Policy Committee of the International Executive Board, at the request of the President, reluctantly recommended that Borg-Warner workers recess their strike.

In a telegram to Nathan Feinsinger, Chairman of the WSB, as President of the International Union, I stated:

"The Policy Committee came to this decision only after the most serious consideration and only after hours of discussion. We came to it reluctantly,

(Continued on next page)



CIO Vice-President Allan S. Haywood, UAW President Walter P. Reuther and CIO President Philip Murray meet on the platform at the CIO Convention.

convinced in our own mind that, in view of the Company's unreasonable attitude, the workers had no choice but to strike, and further convinced that, in view of the negligible amount of defense work in Borg-Warner plants, the case should not have been certified to the Wage Stabilization Board, but could and should have been settled through the regular processes of free collective bargaining.

"Nevertheless, in spite of this sincere and strongly-felt conviction, we are, as responsible and patriotic citizens, yielding to the insistence of the President of the United States."

Previously, on October 27, I had wired Nathan Feinsinger, Chairman of the WSB, that the Union would be willing to recommend that the strike be recessed if Borg-Warner would agree "that the dispute was single in nature and one agreement shall result covering all 10 plants."

Officials of the Defense Department were used to exert maximum pressure on the Union, and the Borg-Warner management was allowed to ignore its responsibilities. This pressure culminated with the President's certification order.

PANEL REPORT

After unusually extensive hearings, in which Borg-Warner repeatedly attempted to hold up reaching a decision, a WSB panel finally sent its report to the Wage Board.

The panel recommended in strong terms that the Company explore the possibility of an over-all, Corporation-wide contract and that, specifically, they agree upon "final steps in the grievance procedure which will provide for participation by the International Union and for a common terminal step of arbitration, and for a common arbitrator for disputes under the divisional pension agreements."

Actually, therefore, the panel recommended a Corporation-wide terminal point in grievance procedure and a common arbitrator of disputes arising under pension agreements; and it urges that the Company and Union meet to "consider mutually and in good faith the problems implicit in the issue of Corporation-wide agreement and to explore in good faith the possibilities of agreement on all or any part of that issue."

As this report goes to press, the WSB still has not acted on the panel recommendations. The many delays have brought about a statement from the UAW-CIO International Executive Board that it will authorize strike action by the Borg-Warner locals if they are not given consideration in the near future.

The normal delays of WSB procedure have been further intensified by the use of every known technicality and stalling device by the Borg-Warner Corporation. The Company obviously is capitalizing on the known fact that justice delayed is justice denied. The fight of Borg-Warner workers for economic justice and effective collective bargaining is the fight of our International Union, and we can assure Borg-Warner workers that the International Union will see this fight through, and that in the end this arrogant Corporation will yield as have other companies who resisted progress in the past.

WRIGHT AERONAUTICAL

One of our basic battles before the Wage Stabilization Board has been to establish the principle that what is right and just for automobile workers is also right and just for workers in allied industries such as aircraft.

Among the most vigorous opponents of this principle was the Wright Aeronautical Division of the Curtiss-Wright Corporation in Paterson, New Jersey. As a result of the Company's refusal to bargain on this basis, the 11,500 members of Local 669, by a decisive vote, requested strike authorization. Strike authorization was granted by the International Union, and the strike began in October, 1951. Three weeks later, President Truman certified the dispute to the Wage Stabilization Board, and the workers reluctantly agreed to recess their strike.

A special panel of the WSB made a thorough study of the facts and supported nearly all the Union's demands in making its report to the Wage Board.

This was another case of a company using the defense emergency as an excuse for avoiding meeting its responsibilities to its workers. The President's certification of the case to the WSB, in effect, deprived Local 669 of its bargaining rights and, therefore, increased the moral obligations of the WSB to the workers.

The WSB panel recommended an across-the-board increase of 12 cents; a full UAW pension plan within a year; an escalator clause and annual improvement factor; three weeks' vacation after 15 years' seniority, and improvements in existing insurance arrangements.

This followed the pattern established in the automobile industry, and the Wage Board approved the report.

Wright finally agreed to every recommendation made by the panel, except the escalator and annual improvement factor. The Company did agree to reopen on wages in September and, at the same time, to negotiate a pension plan, with the Company bearing the full costs.

Wright agreed to additional increases of from 11 to 12 cents an hour for some labor grades in order to bring rates into line with those paid in auto.

This case represents a significant step forward in our long struggle to have aircraft workers receive wages more nearly in line with those paid for comparable jobs in the auto industry.

COPPER AND BRASS

The more than 25,000 workers represented in the UAW-CIO Copper and Brass Council are still waiting for the Wage Stabilization Board to act on their case, which was certified to the WSB by President Truman after these workers in the 10 locals involved had set a strike deadline.

The companies involved, representing about 55 to 60 per cent of the total capacity in the copper and brass rolling mill and fabricating industry, had failed to come up with fair and satisfactory offers in protracted negotiations even though their profits were at an all-time high. Vice-President Richard T. Gosser, Director of the Council, recommended the strike action.

The dispute between the UAW-CIO and the 13 companies involved was certified to the WSB.

After examining the inequities in the industry, a special WSB panel made the following recommendations:

1. A 15-cent wage increase, retroactive to October 15, of which 11 cents was cost-of-living adjustment and four cents was an annual improvement factor increase.
2. An additional two-cent cost-of-living increase, effective February 1.
3. That the parties negotiate a pension agreement before the end of 1952.
4. That improvements in insurance plans be considered if agreement is reached to extend the contracts beyond 1952.
5. That three-week paid vacations be granted to workers with 15 or more years' seniority.
6. That a seventh paid holiday be included in Connecticut contracts.
7. That other miscellaneous issues be referred back to the parties for further negotiations.

Both industry and labor members of the panels objected to some points in the recommendations as the panel report was submitted to the WSB.

After considerable needless stalling by the WSB, the steel situation emerged as a chips-down test of the Board's influence. The final WSB decision on copper and brass has been delayed further due to the steel crisis, but a WSB decision is expected any day.

The Steel Case

The United Steelworkers, under the leadership of President Philip Murray, are waging a gallant fight against the blind selfishness and greed of steel industry management. It is a fight they are carrying on in behalf of all the American people and for the protection of the American economy.

The Steelworkers have the complete support of the UAW-CIO.

While striving to win the kind of contract and wage standards to which they are morally and economically entitled, the Steelworkers are fighting for the basic principle of increased purchasing power through wage increases without price increases.

The steel industry, on the other hand, following its traditionally backward pattern of industrial relations, is trying to use the legitimate demands of the Steelworkers to blackjack the government into unwarranted and inflationary price increases.

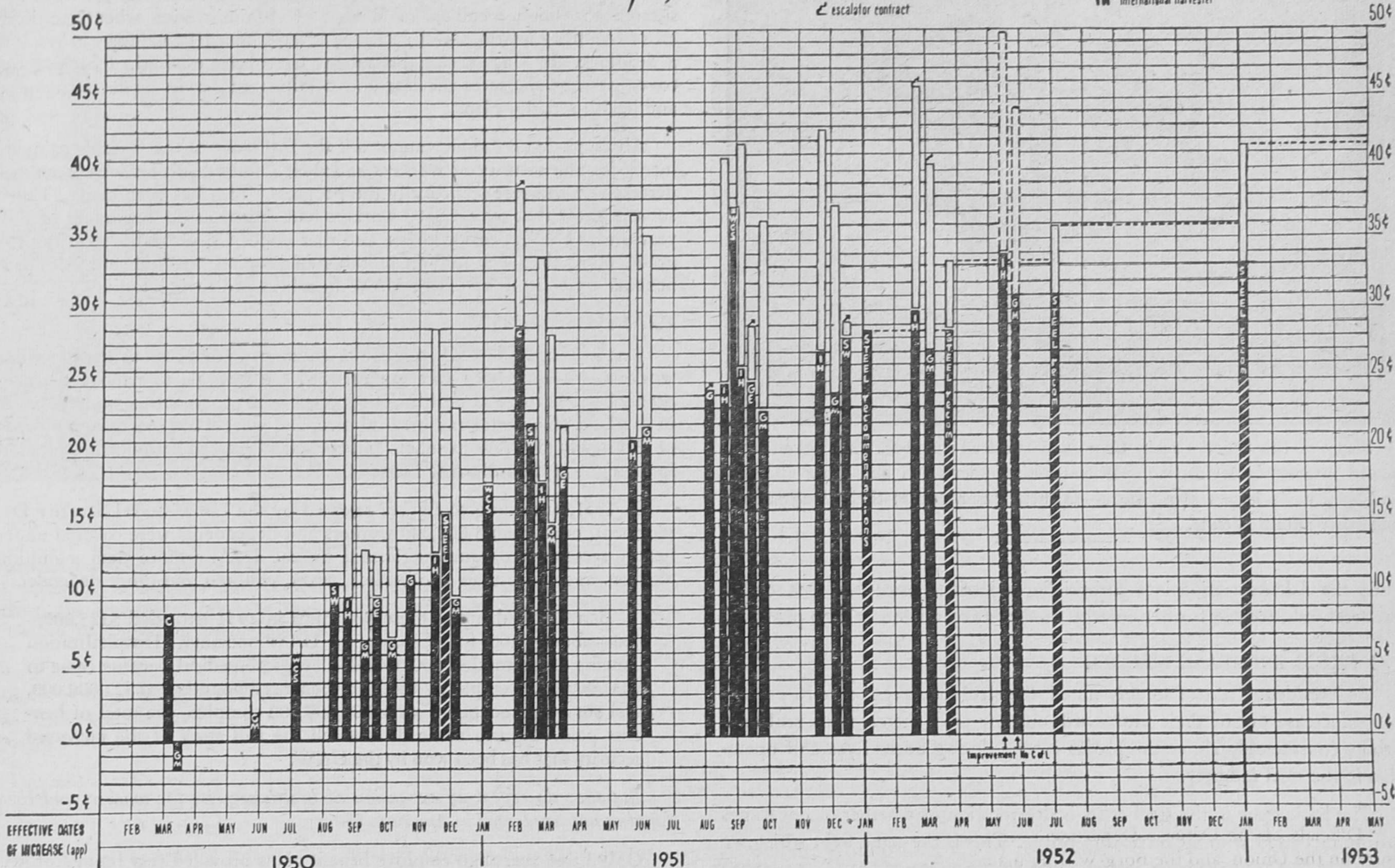
UAW-CIO contracts are a powerful—though little publicized—force supporting the Steelworkers.

(Continued on next page)

Steel Wage Recommendations Viewed in Light of Trends in Leading Settlements since January 1, 1950

CUMULATIVE INCREASES IN WAGE RATES AND IN 'FRINGES' (est)

■ steel
 ■ wage rate increases, cumulative since Jan 1, 1950
 □ estimated fringe increases, cumulative since Jan 1, 1950
 ⚡ reopenable or reopened contract
 ⚡ escalator contract
 C - Coal
 GM - General Motors
 WES - West Coast Shipbuilding
 SW - Swift
 IH - International Harvester
 GE - General Electric
 G - Goodyear



This chart was prepared by the Economic Stabilization Agency. It supports the position of the Steelworkers Union in insisting on full implementation of the Wage Stabilization Board's recommendations in the steel case. As the chart shows, even after the last parts of those recom-

mendations are put into effect in January, 1953, the Steelworkers' gains will be less than what UAW has already gained since January, 1950. Compare the General Motors and International Harvester bars with the bars for steel.

While spokesmen for Big Steel howled that the Wage Stabilization Board recommendations would set new precedents in wages and other benefits, UAW-CIO contracts documented the fact that the steel industry propagandists were lying.

AUTO AND STEEL WAGES

By way of illustration, General Motors workers, since May 29, 1950, have received 29 cents per hour in cost-of-living and improvement-factor wage increases plus additional amounts for workers in the skilled trades and other special groups. Workers in other auto companies have gotten approximately the same. The Steelworkers got an average of 16 cents (some got only 12½ cents) in December, 1950, and are due for another 12½ cents now under the Wage Stabilization Board's recommendation, making their total gains 28½ cents.

The Board's recommendations will give the Steelworkers another 2½ cents in July. But auto workers meanwhile will have gotten another four-cent-per-hour improvement-factor increase. So, the Steelworkers will still be behind.

If we start from December, 1950, when the Steelworkers got their last wage increase, it turns out that auto workers have already gotten increases of 17 cents per hour since that month, as compared to the 12½ cents now recommended for Steelworkers.

The Bureau of Labor Statistics made a special wage survey of auto industry wage rates early in 1950 and a similar study of steel early in 1951. The average found in motor vehicle plants was over \$1.63, which, with subsequent wage increases, would mean at least \$1.92 at present. The average in steel—after elimination of shift premiums, which are not included in the auto industry figures—was \$1.766. Add the 12½ cents recommended by the Wage Stabilization Board, and the Steelworkers with \$1.891 will be three cents short of catching up to auto workers.

It may be argued that averages are meaningless because of the widely different nature of the work in the two industries. But if we examine rates for specific, comparable jobs, it becomes apparent that the Wage Stabilization Board would have been justified in recommending far more than 12½ cents for the Steelworkers. Janitors in the Cadillac plant in Detroit now are paid \$1.60 an hour after they complete their 90-day probationary period. Janitors in U. S. Steel's northern mills are now paid \$1.31 per hour. The skilled trades, on the other end of the wage structure, show a similar situation. Maintenance carpenters, for example, are now paid from \$2.00 to \$2.16 an hour in the Cadillac plant, as against a flat rate of \$1.91 in U. S. Steel's northern operations. (Rates in the Corporation's southern steel mills are 10 cents lower than in the North for all classifications.)

FRINGE BENEFITS COMPARED

The justice of the Steelworkers' demands and the inadequacy of the Wage Stabilization Board's recommendation become even more apparent when steel fringe benefits are compared with those prevailing in autos. Auto workers on late shifts now receive premiums of approximately 10 and 15 cents for the second and third shifts, respectively. Steelworkers now get four and six cents, which will be increased to only six and nine cents under the Board's recommendations. Auto workers are paid double time for work on Sunday as such. Steelworkers now get no extra pay unless Sunday is the sixth or seventh day of their scheduled work weeks. They will get time and a quarter for Sunday work under the Board's recommendations, but not until next year.

Steelworkers now need 25 years' seniority to qualify for three weeks' vacation. Auto workers need only 15 years. The Board's recommendations will bring the long-service Steelworkers into line with their fellow workers in autos by reducing the qualification period for a three-week vacation to 15 years. But the Steelworker with three to five years' seniority will still get only one week's vacation, compared to a week and a half for auto workers. Auto workers have six paid holidays a year, but the Steelworkers will continue to have none until the Board's recommendations are put into effect.

Auto corporations pay twice as much per hour as the steel companies for hospital-medical-insurance protection of their workers and families. Steelworkers pay a larger share of the cost for lower benefits. Weekly sickness and accident benefits in steel, for example, average \$26 as against \$38.50 in the major auto companies—a difference of almost 50 per cent. Pension benefits in steel are still on a level comparable to that provided under the first Ford pensions plan negotiated in 1949. But since then, auto industry pension benefits have been substantially increased. The Ford maximum, for example, was raised from \$100 a month to \$125. The Wage Stabilization Board's recommendations do not call for any improvement in either hospital-medical-insurance or pension provisions of the present steel agreement.

Auto workers already have the union shop that the Wage Stabilization Board has recommended for steel.

STEEL INDUSTRY DISREGARDS TRUTH

In the face of these facts, it requires a peculiarly brazen disregard for the truth to quarrel with President Truman's statement that the Wage Stabilization Board's recommendation will only permit Steelworkers to catch up to what other workers have already gotten.

The deliberate campaign of distortion, to which anti-labor papers so willingly lend themselves, is geared to the attempt of the steel industry to

(Continued on next page)



Many of the Union's more than 12,500 retired members have taken a renewed interest in legislation, political action, recreation and other affairs—and they write letters about them—to their Union and to their Congressmen and other public officials.

bully the Administration into authorizing unjustified price increases so that the steel industry can further enlarge its already scandalously high profits.

NO PRICE INCREASE NEEDED

As President Truman so ably stated, the steel industry is able to pay the wage increase out of their profits without any price increase and still earn profits considerably above the profits earned during normal years of operation in the steel industry.

The basic issue in the steel crisis is the question of whether or not wages can be increased without increasing prices. This is the same fight which we in the UAW-CIO have been championing for many years.

The issue boils down to the simple proposition of whether the wage increase to which the Steelworkers are entitled shall be paid out of the swollen and scandalously high profits of the steel industry, or whether the cost of these wage increases shall be taken out of the pockets of the American consumers through higher prices.

The campaign of propaganda and distortion is directed at blocking the Steelworkers in their efforts to win justified and overdue wage adjustments, or, failing in this, to get the steel industry unjustified price increases.

As this report goes to press, the situation in the steel controversy is too unsettled to make any accurate report of the outcome. The question of government seizure of the plants and the government's authority to put into effect the Wage Stabilization Board's recommendations is still in the hands of the Supreme Court.

Regardless of the outcome of the case, however, we know that the Steelworkers will press their case to a successful conclusion and that they will have the full and united support of the UAW-CIO and the entire labor movement, because the struggle of the Steelworkers in this crisis is the struggle of all the American people, a contest between those who believe in progress for the people as opposed to those who believe in increased corporate profits at the expense of human progress.

Social Security Progress

During the last year, the activities of the UAW-CIO in the field of social security have been concentrated on efforts to extend and consolidate the Union's unprecedented gains in bringing increased security into the lives of UAW members and their families.

The patterns which the Union established in the "Big Three" for pensions, insurance and hospital-medical programs have been extended to cover hundreds of smaller companies throughout the country.

Improvements have been made in many situations, with the result that the trend of settlements has been continuing upward as the drive for workers' security has been carried forward throughout the Union.

Particular attention and effort has been devoted to working with Regional Offices in establishing worker security programs for workers in small shops. Representatives of the Social Security Department worked directly for an extended period with a committee established by the Wage Stabilization Board in formulating recommendations which resulted in establishment of regulations permitting the continuation of the Union's drive for workers' security and expansion of established patterns to cover additional groups of workers.

PENSION BOARDS OF ADMINISTRATION

Where worker security programs have been established by the Union, the Social Security Department, upon request, has provided consultation and assistance to Joint Boards of Administration in developing operational procedures and in meeting problems which arise. Although deadlocks on joint Boards have been quite infrequent, the Department has provided assistance to Union members of Boards of Administration when questions arose requiring hearings and decisions of an Impartial Chairman to resolve a deadlock. By this service, precedents have been established bearing on coverage entitlement to benefits and crediting of service under retirement and health security plans.

Although figures alone cannot tell the full story of the Union's gains in increasing the security of workers and their families, surveys have been undertaken to measure statistically the progress which has been made. These surveys show that over 12,500 workers had retired at the beginning of this year under UAW pension plans, and that under UAW health security programs more than \$10 million monthly in hospital, medical and insurance benefits are being received by UAW members and their families.

HEALTH SECURITY

Just as the UAW-CIO fought the good fight for pensions for the older workers, we have been carrying forward the struggle to remove the economic barriers to good health. The scope of the progress that we have made in the field of hospital and medical care, and what it has meant to hundreds of thousands of UAW members and their families, can better be appreciated in the light of the following facts:

- In 1951, according to figures released by the UAW Social Security Department, more than 3,000,000 workers and dependents were covered under health security programs negotiated by the UAW—more than a million workers and more than two million wives, children and other dependents.

Benefits paid under these programs in 1951 exceeded \$125,000,000—about \$100 for the average UAW member. Hospitalization benefits alone totaled \$50,000,000. Surgical-medical benefits came to \$23,000,000. Temporary disability benefits amounting to \$27,000,000, and survivor benefits of over \$26,000,000 complete the total of benefits paid. Figures alone do not tell the full story of the increased security that has been won by the UAW.

But they do reveal an expansion of health security for workers and their families unprecedented in American history.

Only three years ago employe benefit plans provided very limited protection for few workers and even fewer dependents.

By 1951 the Union had secured employer payments of one-half or more of the cost of health securities protection, not only for the worker but also for his dependents under most contracts.

Employe and dependent participation in the plans has expanded to about twice the original enrollments. At the same time that protection was being brought to more people, new and higher levels of protection were being attained. The more comprehensive coverage which resulted has meant a truly phenomenal increase in health security for UAW members.

The greatest gain which has been made is in protection against the cost of hospital care.

Every day more than a thousand UAW workers and family members are admitted to hospitals.

(Continued on next page)



Retired UAW-CIO members are not sitting back and just resting. They are participating in a retired workers' organization sponsored by the International Union. Above are three attending one of the many meetings being held in the Detroit area. The Union intends to extend such activities into other regions.



This tiny premature infant weighs only one and one-half pounds and it will be many weeks before he will reach five pounds and be able to leave the special incubator. Specialized care in this case, including around-the-clock vigil by trained hospital personnel, will cost \$1,700.

The UAW believes that protection and care should be provided from the moment of birth, so that children will have every fighting chance that modern medicine and the hospital can offer.

Most of these UAW patients remain in the hospital for about one week. Even those who stay as long as 120 days are usually covered under UAW-negotiated plans.

The bills usually run high—often very high. Even for a one-day stay, you can rarely get out of the hospital with a bill of less than \$20. Every day, on the average, five UAW workers get a hospital bill for a thousand dollars or more. *The top in hospital benefits was hit by a machine operator in Detroit, whose hospital bill of \$7,511 was paid for by his UAW-negotiated health security program.* Without this care he and many other UAW members and dependents might not be alive today.

Most of the hospital bills were paid in full under the plans negotiated by the Union.

The need for hospital care is often sudden, usually unpredictable. As many as 385,000 actually received such care during 1951. They stayed an average of one week and received benefits totaling \$50,000,000. But even more important is the fact that 3,000,000 workers and dependents were protected against the cost of hospitalization during the whole year.

Although great gains have been made, existing health security plans need improvement in many important ways. Temporary disability benefits in many cases do not provide adequate levels of income maintenance and, with increasing living costs, are offering less protection than when they were originally negotiated. Coverage of surgical care and medical care administered in the hospital is far from complete and workers are still charged substantial extra amounts. More adequate arrangements for maintaining workers' protection during layoffs are badly needed. More effective ways need to be found for providing hospital-medical protection for retired workers whose medical needs are even greater than when they were still working. No health security program is really complete without rehabilitation. And no medical care program is complete without preventive services.

The development of health security plans was retarded in 1951 by the Wage Stabilization Board freeze which would have required any improvements to be charged against the allowable wage increases. The UAW played a leading role in labor's successful efforts to unfreeze health security benefits. Now, under new regulations issued by the Wage Stabilization Board, there is room for continued growth and development of health security plans.

Plans are now being developed for moving ahead under the new WSB regulations toward increased health security for all UAW members and their families.

Despite the tremendous progress made both in the field of pensions and health and medical care, there still remains much work to be done before workers and their families have the kind of complete care and protection to which they are entitled. In the long run, it will become more and more apparent that the most significant achievements we have made in the field of social security was not the amount of benefits currently being paid, but the fact that the UAW-CIO was willing to start its pension and social security programs on a sound foundation that would permit steady progress in the years ahead. Few, if any, other unions in the American labor movement were prepared to wage the struggles which were required to establish the basic principles on which our social security program is founded.

As we move ahead to complete the task of winning a fuller measure of social security and dignity for our members and their families, we in the UAW-CIO can draw confidence and inspiration from the struggles that we have fought and the victories that we have won in this field. We are care-

fully laying the ground work for moving ahead both in the field of pensions and the field of hospital and medical care.

We have set as our next goal the winning of \$200 per month pensions with an escalator clause provision to protect retired workers against the increases in the cost of living and for comprehensive hospital and medical care for workers and their families fully paid by the corporations.

Recreation and the Retired Workers' Program

Our recreation program has been expanded during the past year to help local unions sponsor activities for all age levels and every member of workers' families. We do not limit our program to sports and recreation, but make an effort to give our members and their families a chance to use their leisure time to develop cultural attainments as well. In accordance with one of the best principles of the UAW-CIO, we cooperate in these programs with community agencies everywhere possible. One of the most significant developments in this area of activity has been a program for our retired members to which each department of the International Union contributes with the Recreation Department coordinating their efforts.

THE UNION'S SENIOR CITIZENS

As of last January 1, approximately 12,500 workers had retired on the pensions, but the interest and obligation of the Union does not stop there.

Our senior members encounter some special problems which we must help solve. One of them is finding ways to make good use of the new-found leisure time. Medical coverage is an extremely serious problem. Many of our retired workers simply cannot afford the kind of medical care they need, and often they don't know how to gain the benefits of medical care that is available.

In Detroit, the largest concentration of retired workers, the senior members of our Union are helping us develop a program which will be extended throughout the UAW-CIO as the need for it develops.

In five different sections of Detroit, retired workers have been meeting each month. The first section of the sessions is devoted to discussions of their problems, led by experts in the field. For example, they learn about all their rights under Social Security laws, or what health services are available. After that comes informal entertainment and a general social get-together.

At Christmas, we had a combined Christmas party attended by more than 1,000 retired workers. No other union in the world has ever sponsored anything like it.

We are planning drop-in centers where these retired workers can come any day. They will include facilities for developing hobbies, playing games, holding discussion groups. Each center will have a library and a television set.

In time, this program is going to be one of the biggest activities of our Union. By July 1, our Social Security Department estimates that the number of retired workers will increase 33 per cent.

All these workers continue on as honorary members of their local unions. Their local unions will continue to bargain for them. One of our goals is to get them covered by Company-paid medical insurance. Many of our locals are developing their own retired workers' programs, which will form a nucleus for expanding our activities in this field.



Scenes like the above at the gates of the Ford Aircraft Engine Division in Chicago took place all over America as the UAW-CIO pressed its expanded organizing campaign into high gear. Ford Aircraft workers voted overwhelmingly for UAW-CIO representation.

Guaranteed Annual Wage

Achievement of a guaranteed annual wage that will assure our members and their families a full week's pay, 52 weeks in the year, is the next major goal of our Union. This is, perhaps, the most fundamental and far-reaching bargaining demand that the American labor movement has advanced throughout its history. The guaranteed annual wage transcends in importance any normal collective bargaining demand, because it is directed at one of our most basic economic and social problems—the problem of how a free people in a democratic society can so arrange their affairs as to achieve and maintain full employment making the good things of life for themselves and their loved ones in times of peace.

It is tragic but true, nevertheless, that to date we have been able to create full employment and full production each time we are compelled to forge the weapons of war and destruction, but have failed to achieve and maintain full employment and full production geared to the peacetime needs of the people.

The establishment of a guaranteed annual wage for American industry will be a major contribution in the creation of the economic and social mechanisms by which we can achieve a full-employment and full-production economy. America has made great progress in the development of the technological know-how of mass production. We must now do a comparable job to insure that our mass productive power is balanced by mass purchasing power in the hands of the people. Depressions and unemployment are man-made and result from the failure of the great mass of people to receive sufficient wages and salaries to provide the mass purchasing power necessary to match our productive power.

FREEDOM, DEMOCRACY CAN'T LIVE WITH MASS UNEMPLOYMENT

The history of the last half-century has proved repeatedly and conclusively that freedom and democracy are not compatible with mass unemployment. Hitler, Mussolini, Stalin and other dictators built their power upon poverty and human desperation, and mass unemployment has always proved to be their greatest source of strength. The lessons of history should teach us that mass unemployment is one of the major economic and social ingredients out of which dictatorships are made. When people get hungry enough and desperate enough, they will trade freedom for the promise of bread. They will put their souls in chains in the hope of getting some food in their stomachs. Our task is to prove that men can have both bread and freedom.

The guaranteed annual wage can be our most powerful weapon in this fight to secure for all people an ever-increasing measure of both bread and freedom. Since our economy in peacetime breaks down on the distribution, and because of the imbalance between productive power and purchasing power, it stands to reason that our major effort must be directed toward correcting this imbalance. The guaranteed annual wage gets at the root of this basic problem.

WE MUST LIVE BY THE YEAR

The imbalance between mass productive power and lack of comparable mass purchasing power cannot be corrected so long as workers and the families (who, as a matter of biological necessity, must eat and live by the year) are paid by the hour or, in many cases, by the piece. As I stated to the Cleveland UAW-CIO Education Conference, our modern industrial society has created a new problem—the problem of living by the year while being dependent upon wages with which to purchase the necessities of life when such wages are measured and paid by the hour or by the piece.

Under feudalism, the feudal barons fed the serfs 12 months a year because they had to keep them alive to do the work; during the period of chattel slavery, the slaves were fed 12 months a year because they, too, were needed to do the work. Through struggle and sacrifice, our forefathers shook off the shackles of feudalism to gain the freedom we enjoy today. It is our task and the supreme challenge of today that we demonstrate that political and spiritual freedom are compatible with economic security and well-being and that we can all live together in Democracy's house.

The guaranteed annual wage will go far in the right direction and will be a major step in shifting the cost of unemployment from the backs of workers and their families by placing such costs as a proper charge in the operation of industry. All of the basic costs which industry rightfully accepts as normal costs of operation are calculated by the year—interest rates, depreciation costs, taxes, executive salaries, etc., and labor costs must also be considered as an annual cost.

ANNUAL WAGE MEANS ANNUAL EMPLOYMENT

The fight for a guaranteed annual wage is, in reality, a fight for guaranteed annual employment. We have been asked if we want people to get paid for not working. The answer to that question, of course, is a most emphatic NO. What we do say, however, is that we do not want workers and their families to be penalized, as they are when the worker, who is the breadwinner of a family, is denied an opportunity to work. All the fine theory, all the noble rationalizations, all of the economic papers that can be written by students seeking their Ph. D. degrees in the schools of higher learning will not find an answer to this basic problem until the cost of unemployment is transferred from the backs of workers to the back of industry, where it properly belongs.

We have said many times that our experience as it relates to call-in pay can be applied in this situation. As long as workers had to pay for sitting around and waiting for material, as we used to do in the early days before

our industry was organized, as long as the worker sat there and waited and did not get paid, management did little to correct the problem.

But when we fought for and won call-in pay—first one hour, two hours, and now a minimum of four hours—the situation changed and management made it their business to schedule the flow of materials so as to minimize waiting time, since they were paying the bill.

When the situation comes about in America that industry has to pay workers a guaranteed annual wage 52 weeks in the year, they will have the incentive to find a way to achieve full employment. As I reported to the last convention:

"In the past 15 years, your Union has worked and fought hard to create the tools with which democracy must do its job. Seniority protection, wage increases, overtime and vacation pay, night-shift premiums, call-in and holiday pay, pension and hospital-medical care, cost-of-living and annual wage improvement are all important tools. The guaranteed annual wage is next on our schedule and certainly it constitutes one of the most important tools in finding the answer to full and continuous employment in a free society.

WE ARE GETTING THE FACTS

"During the period of our long-range agreements, we must apply ourselves to the challenging task of gathering the basic economic data and preparing our position to support our demand for a guaranteed annual wage.

"We shall not win this by wishful thinking. This is a fundamental demand that gets to the root of our basic economic problem and, like other of our basic economic demands, will arouse resistance from forces in industry who are unable to understand and unwilling to accept their responsibilities in a free economy.

"Industry must also come to recognize that a guaranteed annual wage would be an important step forward in giving security to millions of American workers and toward removing the threat of unemployment and getting the needed balance between productive power and purchasing power.

"The guaranteed annual wage will be a practical stimulant for better planning of production schedules, since, if management will have to pay a worker a yearly wage, there will be a very real incentive to provide yearly employment. This will challenge the ingenuity and develop the vast management potential concerning which we hear so much in our collective bargaining sessions with management."

CAREFUL PLANNING NEEDED

The last UAW-CIO Convention, in endorsing the guaranteed annual wage as our next major goal, recognized the need for careful planning, so that our approach to this fundamental problem would be made on the soundest possible basis. In accordance with this decision of the Convention, the International Union has set up a special Study Committee on the guaranteed annual wage. We have drawn together the most competent technological personnel, who in cooperation with the International Officers, are making a comprehensive study of this problem and are developing the economic facts and data on which to project our demand for a guaranteed annual wage.

Like our efforts in the field of pensions, we are determined to do the job right. We are not looking for an easy answer that looks good on the surface, but which does not rest on a solid foundation and which, therefore, breaks down just when the workers who will depend upon it will need the protection most.

The work of laying a solid foundation for a guaranteed annual wage is progressing steadily and carefully. As soon as the preliminary work is completed, we shall submit the issue to management well in advance of contract termination dates, so that the problem can be jointly discussed and explored under circumstances that will prevent management from trying to avoid its responsibility by arguing that they lack adequate time to give the matter proper consideration.

Between now and the time actual bargaining begins on the guaranteed annual wage, we shall continue to discuss the economic and moral justification of our demand publicly, so that both management and the general public will understand the merits of our general demand and will fully realize that we are deadly serious in our determination to win a guaranteed annual wage the next time we go to bat.

Organization Progress

Following the 1951 Convention held in Cleveland, Ohio, the UAW-CIO International Executive Board undertook an expanded organizational program. This action was consistent with the views expressed by many convention delegates during debate on resolutions and constitutional amendments, particularly the one concerned with the increase in dues. The delegates voted the needed dues increase in order to increase tools for expanded organizational activity.

During the calendar year of 1951, our Union maintained the largest average dues-paying membership in its history, despite heavy layoffs amounting to more than 175,000 toward the end of the year. The average dues receipts showed a membership for 1951 of 1,184,507, indicating a good standing membership of well over 1,250,000.

That position has been further improved in the first four months of 1952. In March of this year, per capita tax was paid to the International Union

(Continued on next page)



Organization of workers at the Detroit-Michigan Stove Company was aided by workers from other locals in Detroit. Above, members of Briggs Local 212 demonstrate their support of the stove workers in front of the plant.

on 1,271,000 members, definitely showing a good standing membership of more than 1,300,000.

There are now 1,170 active local unions chartered by the International Union, representing thousands of collective bargaining units.

During the year since our last International Convention, we have won more than 350 representation elections. These elections have been won through outstanding work done by the Regional Directors and their staffs, and by the mobile organizing staffs of the Competitive Shops, Aircraft, Skilled Trades, Agricultural Implement, Foundry and Die Cast Departments. Vice-Presidents Gosser and Livingston, under whose direction these organizing staffs work, deserve much credit for the outstanding organization progress which has been made.

Outstanding organizing victories in the aircraft industry, which has been expanding rapidly because of the emergency, were:

Douglas Aircraft, Tulsa, Oklahoma, where the employment is expected to reach a total of 15,000;

Ford Aircraft Engine Division, Chicago, with a future employment of some 12,000 workers;

Hayes Aircraft, Birmingham, Alabama, with a future employment of more than 10,000;

North American Aviation, Fresno, California, which will ultimately employ more than 5,000.

Studebaker Aircraft, Chicago; Kaiser Aircraft, Oakland, California; AVCO, Bridgeport, Connecticut; Dixon Aircraft, Coffeyville, Kansas; and Mallard Aircraft, Stratford, Connecticut, were among the many other victories scored in aircraft.

A victory over the FE-UE at the South Bend plant of the Oliver Company featured another year of steady progress in the organization of agricultural implement workers.

The increase in dues made it possible to enlarge, among others, the staffs of the Competitive Shop, Skilled Trades, Foundry and Die Casting Departments. These departments, under Vice-President Richard T. Gosser, cooperate in many organization drives.

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.

Indicative of the wide area in which organization drives were conducted, the UAW-CIO participated in elections occurring in 26 states and throughout Canadian Provinces.



RICHARD T. GOSSER

Despite the outstanding organizational progress which has established the UAW-CIO as the largest free trade Union in the world, we must continue to press our efforts to complete the organization of the unorganized so as to protect the job security, wage standards and working conditions of our members.

MICHIGAN STOVE

One of the most soul-satisfying organizing victories the UAW-CIO has ever had came when workers at the Michigan Stove Company voted to join the UAW-CIO despite gangster efforts to keep them out of our Union.

The stove works received national publicity during the Kefauver hearings in Detroit early last year when UAW-CIO Secretary-Treasurer Emil Mazey and other witnesses introduced evidence showing that Santos Perrone, notorious Detroit gang leader, has a lush scrap contract with the Company and in return handled the union-busting activities for the Company.

The Company had a long record of breaking unions. It had been organized several times by various unions, including the UAW-CIO, but they had never managed to survive the campaign of physical terror and intimidation directed by Perrone.

In a previous organizing drive, Union leaders within the plant and our organizers had been brutally beaten.

This time, bribery and attempts at intimidation failed to stop us. Although Perrone watched proceedings from his filling-station headquarters across the street, the workers still chose the UAW to represent them in the NLRB election.

Subsequently, Perrone and other members of his gang were arrested on charges of union-busting activity. Michigan Stove, its hand exposed, hastily signed a contract with the UAW.

This month, Perrone and four of his henchmen entered guilty pleas to charges of "interfering with the formation of a union." They will be sentenced later in the month.

CHRYSLER NEW ORLEANS ELECTION

As this report is being completed, we have just received the results of the National Labor Relations Board election held on May 5, 1952, at the Chrysler tank engine plant in New Orleans, Louisiana. I cite this election specifically because it clearly demonstrates the high respect that workers have for the UAW-CIO, a respect based upon the record of achievement that our Union has made for more than a million workers and their families. The results of the NLRB election for the main unit at the Chrysler New Orleans plant, which covered production workers and certain maintenance employes, was as follows: UAW-CIO, 462 votes; no union, 1 vote. Even among the skilled trades groups, where the majority of the workers involved were recruited from AFL craft unions in the building trades, the UAW made a remarkable showing. The results were as follows:

- Pipefitters—UAW-CIO 14
Pipefitters—AFL 4
- Operating Engineers—UAW-CIO 9
Engineers—AFL 1
- Millwrights—UAW-CIO 9
Carpenters—AFL 4
- Toolroom—UAW-CIO 68
IAM 11
No Union 6
- Electricians—UAW-CIO 20
IBEW—AFL 5
- Carpenters—UAW-CIO 7
Carpenters—AFL 9

Only among the carpenter group did the AFL craft unions get a majority, and in this case certain irregularities occurred and the results of the election are being challenged.

Political Action and Legislation

The legislative record of Congress during the past year shows sharply the need for more intense political action on the part of labor and other progressive groups in the nation. Every major piece of legislation aimed at improving the lot of the common people of America and of strengthening democracy at home was either defeated or buried in committee. The unholy alliance of Dixiecrats and Northern Republicans had the strength to shape every major piece of legislation that was passed so that it protected the wealthy to the disadvantage of the lower-income groups.

To cite a few examples:

Amendments to the Defense Production Act, particularly those having to do with price controls, were a major triumph for speculators and profiteers.

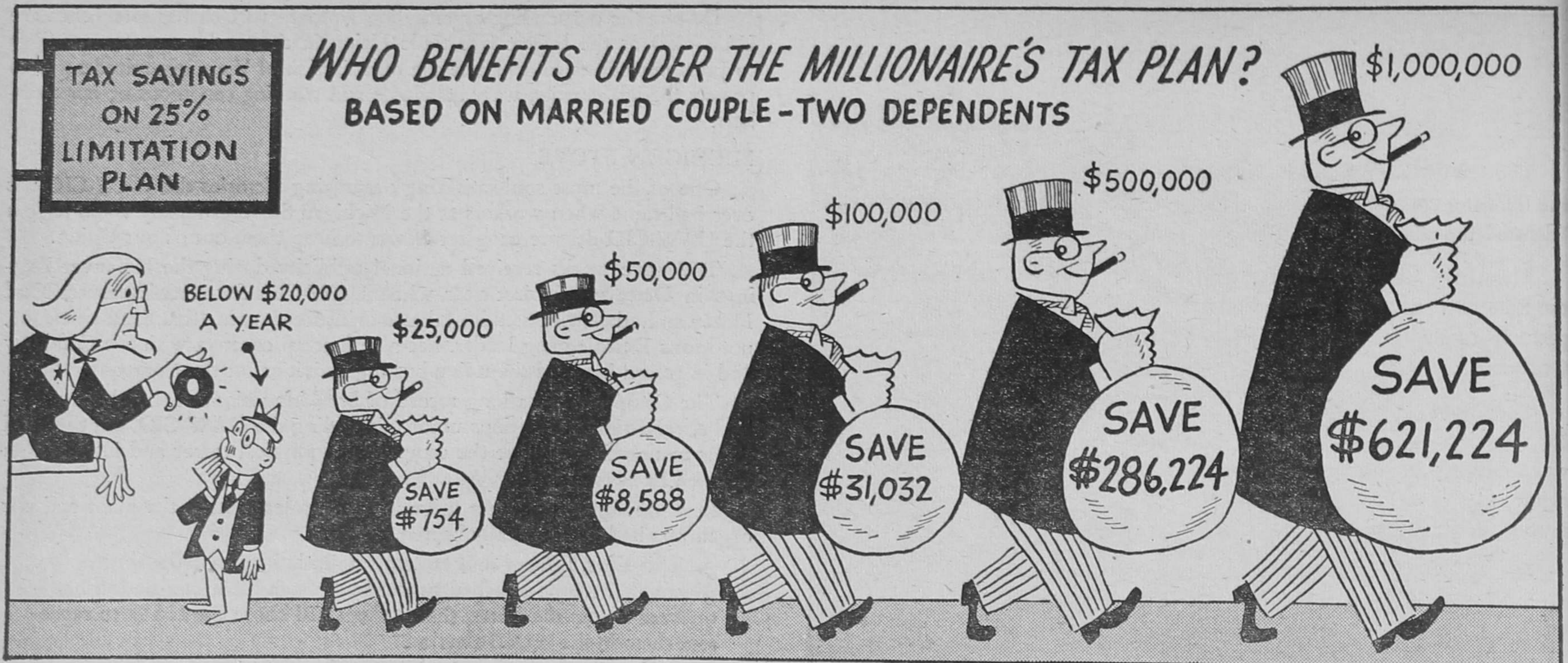
The new tax law added to the already unfair burden of taxes on lower-income groups.

Fair Employment Practices and other civil rights legislation were killed by the threat of Senate filibuster.

Dixiecrats and Northern Republicans teamed up with the American Medical Association to prevent the passage or even any intelligent Congressional discussion of a National Health Bill.

This bleak legislative picture is not because UAW-CIO officers and their Union's Washington Legislative Representatives have not worked hard

(Continued on next page)



during the past year on efforts to get progressive, constructive legislation enacted. We have testified at numerous Congressional hearings on pending legislation and have spent many hours on Capitol Hill in Washington with individual Senators and Representatives in efforts to win their support for our legislative program.

EFFORTS NOT ALL IN VAIN

Nor have our efforts been entirely in vain. Bad as the amendments to the Defense Production Act were, some of the worst ones proposed were defeated as a result of united labor opposition. These included the Lucas Amendment which would have encouraged resort to Taft-Hartley injunctions in industrial disputes by destroying the tri-partite character of the Wage Stabilization Board and denying it jurisdiction in labor disputes. On last-minute roll call votes the House also rejected some of the worst inflationary amendments it had approved on earlier teller votes.

Even on the tax bill our efforts showed results. In midsummer the National Association of Manufacturers launched a drive to promote a hidden federal sales tax. The NAM scheme would have raised the total tax take from families of less than \$1,000 a year cash income to substantially more than 50 per cent. This would have resulted in a tax reduction of 25 per cent for families in upper-income brackets. It would relieve wealthy families of more than \$5 billion a year in taxes, shifting that burden to families with incomes of less than \$5,000 a year.

TAX BILL TESTIMONY

On behalf of the UAW-CIO, I testified August 7 before the Senate Finance Committee and submitted a proposal for a progressive tax on spending that would increase the tax yield, decrease the inflationary pressure and prevent even more of the tax burden from being placed on the low-income groups.

Speaking for our membership, I called upon the Congress to enact legislation that would cut the standard of luxury of the few who have too much before cutting the standard of living of the many who have too little.

Our spending tax proposal would have achieved this purpose. No family would have been hampered in the purchase of necessities. Every well-to-do family could have maintained a high standard of living, but its standard of luxury would have been somewhat curtailed.

Congress has not adopted our spending tax proposal, and did enact an income tax law that placed a still heavier and unfair share of taxation on low-income groups.

But neither did it pass the NAM sales tax proposal, which would have meant, in effect, a wage cut of about \$200 a year, or \$4 a week, for the average auto worker with a wife and two children.

ANOTHER TAX THREAT

While the NAM drive for a sales tax stalled last year, it is threatening again at the present time in connection with the proposed Constitutional Amendment, already approved by some states, which would limit the amount of federal income tax to 25 per cent of income. This amendment, if adopted, loads even more of the tax burden on lower-income groups, and would do it through a sales tax.

The entire labor movement is fighting the 25 per cent limitation amendment and its accompanying threat of a sales tax.

MOODY-DINGELL BILL

One of our most important legislative projects this year was to seek enactment of the Moody-Dingell Bill that would provide for federal supplementation of state unemployment compensation for workers laid off as a result of the defense program. The Moody-Dingell Bill is discussed in detail in the section of this report, "Fight for Jobs," on Page 2. I only want to comment here that, although the bill has not been passed, our vigorous

support of it had the effect of prodding government mobilization agencies into taking some practical steps to meet the problem of defense unemployment.

Several officers and staff members appeared before Congressional Committees and otherwise worked for the enactment of FEPC and other civil rights legislation. While legislation in this area is still stymied by the Dixie-GOP coalition, I believe we have laid the basis for an effective campaign to abolish Senate Rule 22, the rule which permits unlimited debate (filibusters) by requiring a two-thirds majority vote of the Senate to close debate. Our work in this respect is discussed at length in the section on "Civil Rights" on Page 12. However, I want to emphasize here that even more is involved in this issue than just civil rights legislation. Rule 22 is the roadblock to the promotion of economic, social and political justice through federal legislation. As a people and a nation, we shall continue to enjoy the poor health of economic and political chills and fever until the American people rid themselves of this impediment to orderly democratic implementation by the Senate and Congress of the people's will to meet their needs through majority rule as intended and provided by the Constitution.

In the field of foreign affairs, Congress has voted billions for weapons and munitions, but continues to fail to meet boldly and realistically the problem of economic aid abroad. A majority of the present Congress refuses obstinately to recognize that the threat of Communist tyranny cannot be overcome by guns alone. Human hunger and poverty are Communism's most effective weapons, and the causes of hunger and poverty cannot be removed by munitions. For a detailed discussion of our position on this point, see the section, "Working for Peace," on Page 15.

FOR FAIR DEAL LEGISLATION

In cooperation with the CIO, the rest of the labor movement and with all other progressive forces, we in the UAW-CIO shall continue to fight for the Fair Deal legislative program, the major items of which are:

1. Effective price control and a fair tax program.
2. Expanded social security.
3. National health program.
4. Repeal of Taft-Hartley Law.
5. Civil rights program.
6. Adequate housing.
7. Aid to federal education.
8. Foreign policy program to strengthen America in the face of Communist aggression, and to work with the free peoples of the world to win the peace.
9. Abolition of the Filibuster Rule 22.

However, the key to the success of our legislative program lies in our political action program. In accordance with the mandate of the last Convention, the International Union has acted to increase the size of our PAC staff, which, in conjunction with the Education Department, is carrying on a day-to-day, year-around political education campaign among our members.

This campaign is directed at the two basic problems of (1) mobilizing people to get them to register and then get out and vote on election day, and (2) developing an understanding of the basic issues on which political decisions are being made and where the interest of the people lies.

In 1950, only 44 per cent of the people eligible to vote cast their ballots. That's why today we have a serious legislative problem. That's why we have as poor a Congress as we have.

We have a tremendous job of getting people to understand that we cannot defend the things we are trying to defend in the world unless we make democracy work. Democracy cannot be made to work until everyone realizes that for every democratic privilege there is a democratic responsibility, and a major responsibility is to vote.

If the American people can be made aware of the issues—if they register, if they vote—there is no question that they will elect to office candidates who stand for progress, freedom, peace, abundance and democracy.

Civil Rights

The UAW-CIO has for the past year centered its fire on Senate Rule 22—the filibuster rule which permits a handful of Senators to block by unlimited “debate” the enactment of legislation, particularly civil rights legislation.

The UAW-CIO filed a brief with the Senate which, we believe, proves the Rule unconstitutional. I presented the UAW testimony in support of this position during the hearings conducted by the Senate Rules Committee last October.

The campaign against filibuster Rule 22 was climaxed by a dramatic two-day Leadership Conference on Civil Rights in Washington. The Conference was sponsored by the UAW-CIO, the National Association for the Advancement of Colored People, and 50 other organizations. The UAW-CIO, I am proud to say, had the largest delegation present.

The UAW-CIO also published a booklet on Rule 22 which received nationwide distribution and much favorable reaction.

At the Washington Conference, I underscored the statement which we had been making in meetings and conferences all over the country, “Abolition of filibuster Senate Rule 22 and passage of civil rights legislation must be made the most important political and moral issue of the coming elections.”

The International Executive Board also took action in the recent outbreak of repeated crimes of violence against Negroes, protesting and demanding action from the Attorney General and the President.

The UAW-CIO has been in the forefront in the fight to establish a permanent FEPC law in order to end discrimination at the hiring gate. We have repeatedly testified before Senate and House of Representatives committees in support of FEPC and other civil rights legislation, and we have worked with civic, religious and other groups to make civil rights progress at the community, state and national levels. The fight for civil rights and an end to every ugly form of discrimination in American life must be placed high on our agenda, and we must not slacken our efforts until we have enacted the full civil rights program as recommended by President Truman.

In this struggle in the world between freedom and tyranny, there is one thing that we are failing to do which is giving the forces of Communist tyranny and aggression a tremendous advantage, and that is the fact that we in America are still tolerating double standards in citizenship and in economic opportunity. We are permitting discrimination in many ugly forms.

The people with dark skins in America are in the minority, but in the world in which we live, in the world in which this struggle between freedom and tyranny is being fought, two-thirds of the people of the world have dark skins.

Not only as a matter of human decency should we square our preachings with fair practices in the field of civil rights, but we ought to do it as a matter of democratic survival, because if we don't, we turn the rest of the world, these hundreds of millions of people, over to the Communists.

Fight Against 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 change in production schedules during the past year which resulted from government mobilization directives created certain problems on production standards, since many plants have to reallocate manpower as a result of the change in the number of units being produced. 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, will continue to carry out this policy in all parts of our Union, in large and small plants alike, in order to protect and improve the working conditions of our members.



One of the strongest co-working organizations with the UAW-CIO in the field of civil rights is the National Association for the Advancement of Colored People. Above, Walter Reuther takes out a NAACP membership during a drive for members. Left to right, Dr. Arthur Thompson; Walter White, NAACP Executive Secretary; Reuther; Dr. J. J. McLendon, NAACP National Board Member.

Cleveland Education Conference

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.

RANK-AND-FILE PARTICIPATION

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 income—both at the local and international levels—to educational purposes.

During the past year, 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.

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

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 a thousand guests from all over 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. While the list of outstanding speakers and authorities was impressive, of much greater significance was the serious and untiring way in which the delegates applied themselves.

(Continued on next page)



This was apparently one of the lighter moments of a very serious Education Conference, probably resulting from one of the many pointed (if not "loaded") questions from the delegates. On the platform, above, are: from left, Senator William Benton of Connecticut, UAW President Reuther, Senator

Wayne Morse of Oregon, Senator Hubert Humphrey of Minnesota, UAW Political Action Coordinator Roy Reuther, and UAW Region 1-D Director Leonard Woodcock. The three Senators, statesmen all, were possibly the "stars" of the Conference.

DELEGATES WORKED HARD

For example, on Saturday, the third day of the Conference, the Cleveland Music Hall was packed at 10 a. m. for the addresses of Senators Hubert Humphrey, William Benton and Wayne Morse. At 1:30 p. m., the various discussion groups were filled solid. At 3:30 p. m., the Music Hall was crowded again as delegates returned for a question and answer session with the senators. That evening we had another full house to hear talks by Willard Goslin, the National Education Association's "Educator of the Year," and Arthur M. Schlesinger, Jr., Professor of History at Harvard University.

At the end of the general evening session, delegates were told that purely optional conferences would be held at 10:30 p. m. Since it was Saturday night, and the delegates already had been in four meetings, it was felt that the turnout would be small. Nearly 800 persons took part in those extra sessions.

A lot of ground was covered. The guaranteed annual wage was explored. We discussed foreign policy and the race prejudice problem with Walter White, Executive Secretary of the National Association for the Advancement of Colored People, and the attack on our basic freedoms with Zechariah Chafee, Professor of Law at Harvard University.

We heard an address on the economic outlook by Leon Keyserling, Chairman of President Truman's Economic Advisory Council, and later the delegates put a lot of questions to him. Insight was gained into what scientific developments will do to our bargaining problems from T. Harrison Davies, Acting Director of the Institute of Radiobiology and Biophysics, University of Chicago. Victor Reuther, National CIO Representative in Europe, outlined the problems of workers in Europe and the relationship of their problems to our problems in the struggle between freedom and tyranny.

Every one who spoke had to answer a great many penetrating questions from our delegates so the speakers had little chance to pull their punches.

In the summary address, Brother Emil Mazey, UAW-CIO Secretary-Treasurer, supplied some figures to show how important educational work is to our organization. "In checking our financial returns since 1936," he said, "I find that the membership of our Union has turned over almost three times. If we would have given these new workers in our plants some basic training, some orientation as to what we have accomplished, these workers who worked in our industries a short time and then go on to other fields could be goodwill ambassadors for our labor movement. We have got to carry on mass education among our membership so that everyone in our Union can have a full appreciation of the meaning of belonging to a labor organization."

The Conference also was a great help to us in getting the facts of life to people who do not belong to unions. Not only did the delegates learn firsthand about the need for intelligent political action from the three senators, the entire country received a lesson in political science as the senators discussed Congress in a coast-to-coast television program originating at our Saturday morning meeting. Brother John W. Livingston, UAW-CIO Vice-President, was the moderator.

NEW YORK TIMES COMMENT

The Cleveland UAW Education Conference did a lot to open the eyes of people with stereotyped ideas about unions. The *New York Times*, one of the few papers in this country chiefly concerned with presenting the truth, had this to say about us in an editorial carried April 18: "With organized labor's strength increasing daily, it is axiomatic that union power be matched by responsibility. It was this goal that was set by the United Automobile Workers (CIO) at its recent Educational Conference at Cleveland, where it was agreed that those who have or seek power must also have the proper tools of knowledge if they are to understand the complex world in which we live and mold it closer to their heart's desire."

Representing the 1,300,000-member Union were some 1,900 delegates and 1,000 wives and visitors, and 95 per cent of these men and women were able to participate in the discussions because of the unique set-up of the Conference. The chief speakers, who included scientists, educators, and

senators, first made their formal addresses and then the gathering divided into round-table discussion groups of ten each.

"These groups talked over what they had heard and selected questions for the invited speakers. These questions were further cleared with larger groups until a representative series of nearly 200 questions were agreed upon. It was then that the big meetings were again called to order and the entire gathering heard the speakers' reaction to that of the rank-and-file participants. Authorities on adult education who were present agreed that the Conference was a landmark in the history of adult education in the United States.

"There have been many fine accomplishments by pioneer organizations in the field of adult education, like the International Ladies' Garment Workers' Union and others. But the method which marked the Cleveland meeting opened up a vista of the Union as a "university" with great future usefulness in the age of television."

Skilled Trades

The abnormal and increasing demand for skilled trades workers to meet the greatly expanded tooling requirements of the defense program has created a number of difficult problems for skilled trades workers. In the early part of 1951, it became evident that if the machine-tool bottleneck was to be broken, the skilled trades workers would be required to take on the job of training additional people in order to expand the skilled trades manpower to do this essential job.

The International Union, in an attempt to minimize the dilution of the skilled trades, and to protect the job security of skilled trades workers, and avoid a repetition of the widespread unemployment that resulted following the last emergency, developed a program which provided for a systematic induction of non-skilled trades workers into the skilled trades jobs on a basis that would facilitate the training of required workers, while at the same time protect the job security of journeymen. This program developed by the International Union and known as the "Change-over Agreement," was approved by the National Skilled Trades Conference. It is believed that the universal acceptance of the Change-over Agreement will both protect the job security of skilled trades workers and at the same time facilitate the completion of defense tooling as expeditiously as possible, so that unemployed production workers can be re-employed on defense work.

In addition to the problem of protecting the job security of skilled trades journeymen, the International Union has also been making every effort to correct the wage differentials and wage inequities that have developed in the skilled trades groups.

The International Union was instrumental in getting the Wage Stabilization Board to establish a special Tool and Die Study Panel. This Panel made a complete and thorough study of the manpower shortage in the skilled trades field in order to determine what could be done to overcome the serious manpower shortage that was creating a bottleneck in the machine-tool industry and causing widespread unemployment among production workers. A representative of the UAW-CIO Skilled Trades Department served as a member of the Wage Stabilization Board Special Tool and Die Study Panel.

After numerous hearings held throughout the various sections of the country, the labor members of the special Tool and Die Study Panel, supported by the public members, recommended a wage formula for the skilled trades workers which they felt would correct some of the wage differentials and wage inequities and would go far toward expanding needed skilled trades manpower. This Wage Stabilization Board Panel recommendation also provided for the implementation of our Change-over Agreement in all instances where it was necessary to expand the skilled trades manpower force. Unfortunately, the industry members of the special Wage Stabiliza-

(Continued on next page)

Board Panel refused to go along, and industry mobilized its full pressure and was able to persuade the Wage Stabilization Board to reject the recommendation of the majority of the special Tool and Die Panel.

This rejection of the Panel's recommendation caused widespread unrest and dissatisfaction among the skilled trades workers.

The International Union has been and is continuing to make a vigorous fight to reverse the position of the Wage Stabilization Board so that the wage inequities and wage differentials existing in the skilled trades classifications can be corrected.

In addition to our continuing efforts to have the Wage Stabilization Board reverse its position, we have had repeated conferences with management representatives in our industry in an effort to get them to move on the wage problem.

One of our weaknesses in dealing effectively with skilled trades problems was the reluctance of other CIO unions to establish skilled trades machinery through the National CIO throughout the country coordinating the efforts of the various CIO unions as they related to skilled trades problems. I am happy to report that following the last national CIO convention, I succeeded in having the National CIO establish a Skilled Trades Coordinating Committee in which there are representatives of the major CIO unions, including, in addition to the UAW-CIO, Steelworkers, International Union of Electrical Workers, Rubber Workers, Shipyard Workers, Oil Workers, Telephone Workers.

This Committee has held several meetings and, under the direction of Vice-President Richard Gosser, who is Director of the Skilled Trades Department of the UAW-CIO, the Committee is working to mobilize support behind our efforts to get the Wage Stabilization Board to act favorably on the wage question, and steps are being taken to work out a joint apprentice program so that all of the CIO unions can move together in expanding and broadening apprentice programs in America's basic industries.

CIO Jurisdiction Agreement

The Executive Board of the National CIO last October adopted a program to resolve jurisdiction problems within the "family" of CIO.

The main points of the program, which was subsequently agreed to by the International affiliates of CIO, had been worked out by the UAW-CIO and the United Steelworkers during their discussions of problems existing between the CIO's two largest affiliates.

While, on the whole, the CIO has been free from the type of jurisdictional dispute which has weakened other segments of organized labor, certain practical organizational problems have arisen from time to time because of the closely related jurisdictions of several CIO unions.

"Many of these cases have been amicably settled by agreement between the parties with the aid of the National CIO," the Board pointed out. "In other cases, there have been open campaigns in which one CIO affiliate competed with another in NLRB elections."

The rules adopted by the Board provide general principles to guide CIO unions in their organizational drives as they affect other CIO affiliates.

They also provide for the establishment, as a court of final appeal, of the office of CIO Organizational Disputes Arbitrator and define his functions.

Under the procedures established, representatives of the unions concerned in any jurisdictional dispute will meet promptly and attempt to resolve it. If they fail, the National CIO Director of Organization will convene the national officers or representatives of the unions in an effort to settle their differences.

As a third and final step, any union concerned, or the CIO Director of Organization, may submit the dispute to the CIO Organizational Disputes Arbitrator.

(Dr. George W. Taylor, former member of the War Labor Board, was selected to fill this post. His appointment was approved by the CIO Executive Board.)

The Arbitrator will make his determination on the basis of what will best serve the interests of the employes involved and will preserve the good name and orderly functioning of the CIO.

The UAW-CIO believes that this jurisdiction agreement is not only beneficial to the CIO but that it may prove to be an important tool to work toward labor unity. If this system works well—and we believe it will—then we are sure that it will work as well between other unions as it does between unions of the CIO. The question of jurisdiction, of course, is one of the most important roadblocks toward the achievement of labor unity.

Labor Unity

The United Labor Policy Committee, formed in January of 1951, and composed of representatives of the American Federation of Labor, CIO, Railway Brotherhoods, and International Association of Machinists, was dissolved upon a motion by the AFL on August 28.

The ULPC was established to coordinate the efforts and pool the strength of the various branches of the labor movement in a common effort to make the maximum contribution to the mobilization program and to protect the interests of working people during the emergency.

The CIO deeply regretted this move on the part of the AFL, and urged unsuccessfully that the ULPC be continued and that, parallel with the functioning of the ULPC, we meet on the problem of organic unity.

We in the UAW-CIO looked at the United Labor Policy Committee as an effective instrument by which labor could present a united front against the forces of reaction who are attempting to profiteer at the expense of the American people during the emergency.

It was our hope that the practical day-by-day working solidarity resulting from association in the United Labor Policy Committee would strengthen and improve the prospects of achieving a united labor movement on a sound and constructive basis at the earliest possible date. The CIO's participation in the United Labor Policy Committee and the continuation of the ULPC were, in our opinion, completely compatible with efforts to achieve a united labor movement. Only the enemies of organized labor can profit by the dissolution of the United Labor Policy Committee.

It will be our policy to continue cooperative relationships with AFL unions at the local, state, national and international level, and representatives of our Union serving on government boards or in government agencies have continued to cooperate with representatives of the AFL on such boards and in such agencies.

We in the UAW-CIO believe deeply in the unity of all organized labor. It is a goal toward which we shall continue to work with all the resources at our command. The overwhelming importance of the economic, social and political problems which face American labor far transcend any paltry consideration of what union gets which worker's dues dollar.

Working for Peace

Working people all over the world share the same hopes and aspirations—they want an opportunity to earn a decent living, to live at peace with their neighbors, to enjoy a measure of economic and social justice, to have the status and dignity of free men, and to be able to provide their children with a better start in life than they had, so that their lives will have meaning and be worthwhile.

The UAW-CIO joins with people of good will everywhere to win a world of peace, freedom, justice and brotherhood. We pray that negotiations in Korea will result in an early and honorable peace, so that the lives of our men can be spared.

While praying for peace, the people of the free world recognize and accept the necessity of building adequate military strength to meet the threat of Communist tyranny and aggression. We in the UAW-CIO, as a part of the free labor movement of the world, support the efforts of the free nations with whom we are allied in the building of adequate military strength with which to defend ourselves. However, we have said repeatedly that the struggle to make peace and freedom secure in the world in the face of the threat of Communist tyranny cannot be won with guns alone. We need to be strong to meet the threat of Communist tyranny on the battle front, but we also must fight the threat of Communism on a positive basis by working on the economic and social front to abolish poverty and hunger, which are the sources of Communist power. America must be strong on the economic and military fronts, but we must also develop the moral leadership to match our economic and military leadership.

The historic fight of free labor for a better life proves conclusively that where the average man and his family enjoy a measure of economic and social justice, there Communism is weak, but where a few people enjoy great wealth and luxury at the expense of the many who live their lives in the midst of poverty and privation, there Communism is strong, because it is able to forge this poverty and human desperation that results therefrom into power.

In every country in the world where there is a strong, free labor movement, with the strength, the courage and the vision to win a measure of economic and social justice for the great mass of people, there Communism is without strength. It is an indisputable fact that the free labor movement of the world is freedom's greatest bulwark against the spread of Communism.

The UAW-CIO and the National CIO are affiliated with the International Confederation of Free Trade Unions, which is a world organization composed of the free labor movements of the world, representing approximately 50 million organized workers in countries outside of the Iron Curtain. Working through the International Confederation of Free Trade Unions, we are helping to build strong, free unions throughout the world, so that workers everywhere can win the security and dignity to which people everywhere aspire.

The American labor movement has supported the programs of our government to help other people to help themselves in developing their economic resources, so that by their efforts they can raise their living standards and improve their lives.

The UAW-CIO is also affiliated with the International Metalworkers' Federation, which is an organization of free unions in the metalworking industries. At the last conference of the International Metalworkers' Federation, I was elected President of the Automotive Division of the International Metalworkers' Federation. The Automotive Division of the International Metalworkers' Federation is coordinating the work of the free labor unions of the world in the auto and truck industry in an effort to strengthen their mutual efforts at collective bargaining to win better working conditions, higher wages, shorter hours, and, in general, improve the economic and social position of workers in this industry.

The free labor movement of the world recognizes that peace, freedom and the economic well-being of all people are indivisible and that, therefore, people of good will everywhere must work together if we are to build a better world in which peace and freedom can be made secure, a world in which the noble principles of the brotherhood of man can be given substance in the everyday lives of people everywhere.



Immediately following the UAW Unemployment Conference, these De Soto workers, members of Local 227, put on a demonstration in support of their Union's program. The picket lines marched around the plant and in front of the Company's main offices.

Finances

Under the careful and efficient stewardship of Secretary-Treasurer Emil Mazey, the financial situation of our Union continues to be sound. Our resources increased substantially during 1951 and during the first quarter of this year. As of the first of this year, our net worth was nearing the \$9 million mark, while our liquid assets were more than \$6 million.

Our Union is continuing its policy of periodic detailed financial reports, which are published in the *United Automobile Worker*. These reports are submitted in the belief that every member is entitled to know where every penny of his Union's money goes.

In accordance with the decision of our last convention, the bulk of our increased expenditures has gone into organizing. This subject is dealt with more fully in the section of this report headed "Organization Progress."



EMIL MAZEY

Despite our improved financial progress, we are continuing our efforts to economize in order to insure maximum results from each dues dollar of our membership.

Solidarity House

Solidarity House, new headquarters of the UAW-CIO, was dedicated June 9, 1951, "to the memory and in honor of the men and women who gave of themselves—their courage, loyalty and strength in the building of the UAW-CIO."

By the end of June, the building was occupied. Many UAW departments and offices scattered around Detroit were brought together under one roof, thus contributing immensely to the operating efficiency of the Union and saving expensive rentals.

The building, in both construction and arrangement, has proved to be wholly satisfactory—as it must be, since the International Headquarters of America's largest and most progressive Union is one of the busy nerve centers of our national life. It is the scene of UAW International Executive Board meetings, daily conferences with local union delegations, meetings with industry and government officials, and is visited frequently by trade union and other delegations from abroad and by student and civic groups.

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

Local 600

The International Executive Board found it necessary to establish an administratorship over Local 600 on March 14, 1952, after full, fair and democratic hearings. There was overwhelming evidence that the officers of Local 600 were violating the International UAW-CIO Constitution and were doing great damage to the membership of the International Union as a whole.

The International Executive Board voted unanimously to establish the administratorship in order to:

1. Put an end to the influence and disruption in Local 600 of a small, well-disciplined Communist clique which, by maneuvering and a combination of political deals, had become able to use the official machinery of the Local Union to exploit the prestige of Local 600 and carry out Communist policies detrimental to the best interests of Ford workers and our Union.

2. Effectively meet and solve the problems of Ford workers. The program of Communist disruption had played into the hands of the Ford Motor Company, which was able to escape meeting its obligations to the Ford workers by taking full advantage of the division created by the Communists. The Communists were more interested in playing politics with the problems of Ford workers than they were in settling those problems.

3. Get the truth and the facts to the membership of Local 600. Control and abuse of *Ford Facts* was the most effective weapon the Communist Party had in carrying out its program of disruption. Through falsification and misrepresentation in *Ford Facts*, the Communists sought to drive a wedge between Ford Rouge workers and the rest of the 1,250,000 members who are the UAW-CIO family. In doing so, they violated Article XXVIII, Section 8, of the Constitution, which states:

"Local publications shall conform with the policies of the International Union."

4. Stop irresponsible action which was doing great harm to the whole Union. Publication of malicious and false material and other irresponsible actions by the leadership of Local 600 have been exploited to the utmost by anti-labor companies, other enemies of our Union, and by competing unions in our organizational work. The Board's action was taken after numerous UAW-CIO local unions had bitterly protested the irresponsible actions of the leadership of Local 600 and had repeatedly demanded that the International Union take steps to protect the membership of the Union as a whole against these irresponsible actions.

A number of critical NLRB collective bargaining elections were lost by the UAW-CIO as a direct result of the anti-union character of *FORD FACTS* and other materials published by the leadership of Local 600.

There has never been at any time in this situation any question of the right of local union officers or any other UAW-CIO members to criticize or disagree with the officers of the International Union. That right is fully guaranteed in our Constitution and will be fought for as vigorously by the present administration of the International Union as by anyone else. The actions of Local 600 officers have not been anti-International Union leadership—they have been anti-union and have been exploited as such by anti-labor forces throughout the nation. It was the compelling necessity to put a stop to these activities of Local 600 officers that forced the International Executive Board to establish an administratorship over the Local Union.

Eternal vigilance is the price that every individual union member must pay for the preservation of sound unionism. The International Union, UAW-CIO, is proud of the manner in which the rank-and-file members of the UAW-CIO have successfully met with courage the Communist penetration into labor unions and have, through the democratic processes of the UAW-CIO Constitution, rid their local unions of any Communist influence. We are confident that the workers at the Ford Rouge plant will meet this challenge with equal courage and success.

Teamwork in Leadership

More than four years after our historic 1947 International Convention, where we solidly welded our ranks together, the slogan we raised then still holds good—"Solidarity in the Ranks; Teamwork in Leadership."

The steady progress we have made on all fronts has been due to the solid backing by the rank and file of the cooperative efforts of our International officers and International Executive Board members. I want personally to thank Secretary-Treasurer Emil Mazey, Vice-Presidents 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 year of progress recorded in this report.

* * * *

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

Respectfully submitted,

Walter P. Reuther

President.