

White Collar or Noose?  
The Occupation of Millions

*Leo F. Bollens*

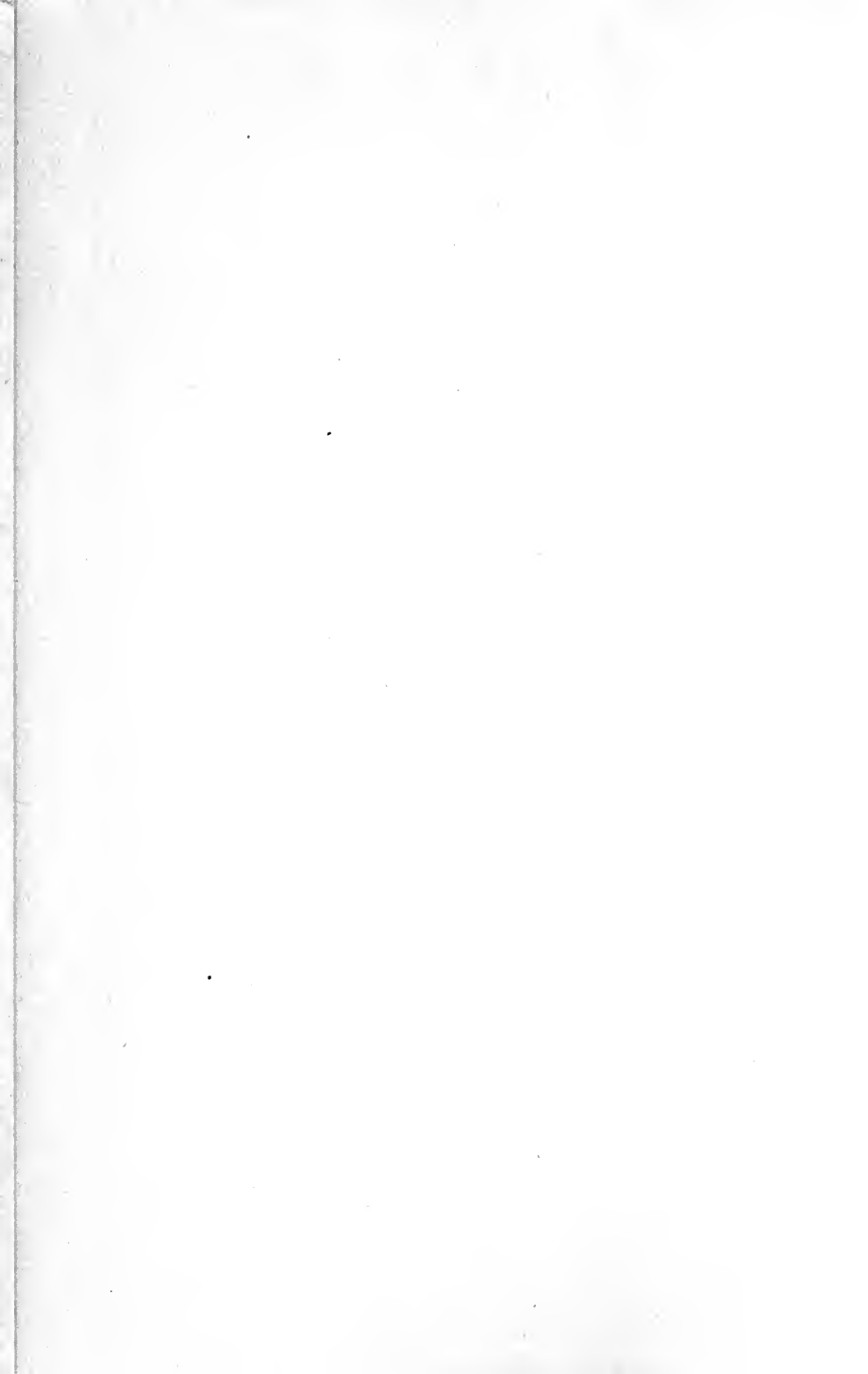
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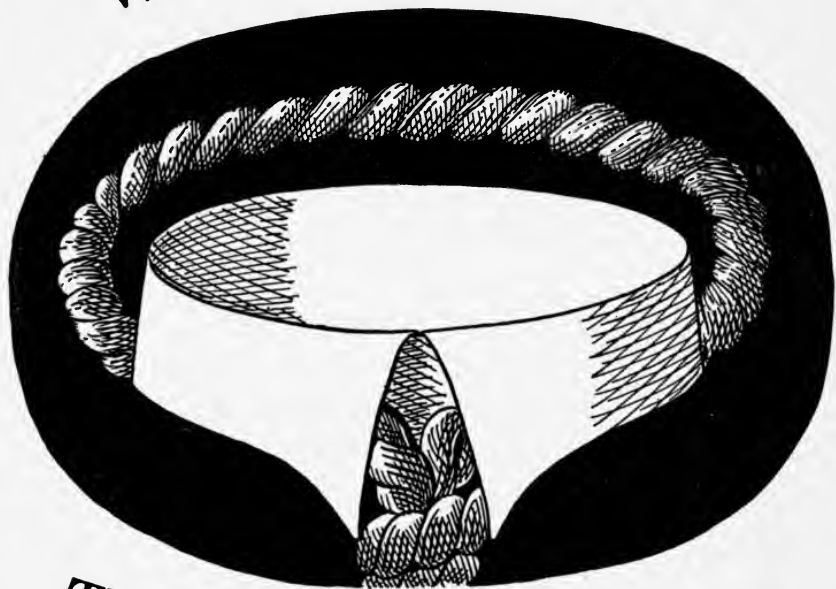


WHITE COLLAR OR NOOSE?  
THE OCCUPATION OF MILLIONS





White Collar or Noose?



The Occupation of Millions

BY

LEO F. BOLLENS

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*Dedicated to the unsung heroines of this labor movement, the wives of our leaders, without whose patience, self-sacrifice and long-suffering this movement would never have been a success.*



## PREFACE

### DIRECTIVE WHITE-COLLAR THINKING ON DEMOCRACY AND AMERICA

A Democracy is a state of Society characterized by nominal equality of rights and privileges be they political or social.

The broad concept of the above definition must never be distorted to suit the specific convenience of any individual or group, for to do so would be to devalue the efforts of man in his eternal struggles and eventually also destroy those who would seek to profit by manipulation.

Primitive man found many advantages in association with others of the same kind. The first was protection motivated by the law of self-preservation. However, this primitive man gave up some individual rights he formerly had—namely, to kill others indiscriminately—for the greater advantage of not becoming the ready victim of such promiscuity.

From the foregoing, it is apparent that life is basic and fundamental and that man has learned through a social order to cooperate to preserve it—to give up the primitive rights to kill and to steal and thus form families, clans, tribes and nations.

Consequently, it is hardly conceivable that it should be the inalienable right of any individual or group of individuals to exploit or jeopardize the welfare of society as a whole. To presuppose such an inalienable right might raise the question as to their destiny were they to find themselves suddenly unprotected by the society whose welfare they chose to ignore and thus became themselves objects of exploitation.

At this point, it is well to repeat what has already been stated once before.

The world was moving through a field of strong forces and unrest which found expression in a European War, and it is the thought of every real American thinker that a true picture and

solution can come only as a result of assembling the "jig-saw" pattern of analytical thought; to conduct an uncensored unprejudiced clinic on our social and economic problems free from selfish monetary gains and motives.

We must not permit wishful thinking to be-fog our complete understanding of the fundamentals causing national and international discomfort. To that great mass of us who sacrificed to defend our democratic ideals, it will be energy well spent to witness the complete regeneration of democracy in our own nation as an example to the world at large and, in so doing, help to remove the causes of war.

Before passing on to the elements comprising a social order, let us pause and reflect that none of the benefits of a civilization or democracy have been obtained easily and painlessly. When violations of the common good have been apparent or real, it has been necessary to pass laws of conduct or call into play the more powerful element of public opinion. Unfortunately, the necessity for such action implies the existence of groups who are more concerned with themselves than their social responsibilities and that, by and large, we demand of government and its agencies a higher standard of conduct than exists in our economic life by virtue of its responsible position in the control of our common well-being.

In a true democracy, the high standards and ethics which so profoundly control the well being of the group as a whole, must rightfully be required of private institutions as well as individuals. When such a time arrives, and we have true democracy in our economic life, there will be little need for passing laws for internal self-protection. Also, our definition of a democracy may be readily enlarged as:

A state of society characterized by nominal equality of rights and privileges, be they political, social or *economic*.

This adds the economic element which has contributed most to unstable conditions and which, when properly evaluated, will contribute most to national and international well being and peace.

Democracy and *only* democracy is the "American Way." And

only by hewing close to the line with rigid and uncompromising analysis can we hope to preserve America and its democracy.

We cannot afford to permit political and wishful catch phrases to obscure our destiny and lead us into State Socialism or Fascism (a corporate state).

We can and must be strong to be free. Likewise to accomplish this end we must be productive. However, productivity must be made to serve the ends of democracy and be subservient to it, otherwise we may find ourselves at the mercy of a despotism more vicious than concentrated power—the victims of private dictatorships.

Through the centuries of man's progress he has been chiefly concerned with the development of a political and social unit, and has produced the present day democracy. His next job must be the development of a democratic economy, the dusting off of old conceptions, and arranging them in their proper relationship to the other elements of democracy.

However, when we look below the surface and over the horizon, we are aware that all is not well with the world at large. We know that much of the seeming prosperity is false, and that the measure of prosperity that we now enjoy is reserved only for our country, and our neighbors in South America.

To those of us who consider life seriously, it is clear that all the courage, effort and cooperation of our people will be required in the coming year to keep us on an even keel. The present sense of peace and security, brought about by increased employment and fuller pay envelopes, will do much to forestall a full realization of the seriousness of our position in relation to all other nations of the world. If one ever needed the desire and ability to think and think straight, it is now. On every side we find individuals or groups wishing to sway our support to one effort or another. We find equally respected and able personages seemingly lending their support to each and every cause. This sort of situation is not only confusing but dangerous to the welfare of our nation.

In the past few years we Americans have become lazy thinkers. It has been easier to listen to a popular authority, on the public platform or radio, and then take his or her opinions as gospel

truth rather than to take the time and make the effort to analyze the statements and arrive at a few opinions of our own. If, after honest effort, in thinking for ourselves, we arrive at a wrong conclusion, we will be far better off than if we had not tried at all. Our ability to think straight is usually in proportion to our desire to think at all. Therefore, when we let others do our thinking for us we are letting our own machinery deteriorate with disuse, and usually the other fellow has a "bill of goods to sell," and, therefore, his conclusions can be just as far from logical as ours would have been had we done the thinking ourselves.

Lack of the desire and ability to think straight, at any time, is dangerous and a handicap to our individual future; however, in times like the present, this lack becomes infinitely more important, not only to the individual, but to the Nation. The greater the number of people who rely on others to do their thinking, the more apt we are to be led astray because the "crack-pot" inevitably paints a rosy picture of the future for those who subscribe to his theory. The wise and honest man knows that no right way or secure future can be attained without hard work and sacrifice. That is why many of us listen to the "crack-pot" instead of to the wise men. That is why Dictators have been able to gain power; it seems easier to many to let someone else worry about the affairs of state than to make the effort to govern oneself intelligently.

If our future in America is to contain all the promise and hope for the individual that has been a part of the past, we must, each one, make use of the privilege that is yet ours, to think for ourselves. We must begin at once to weigh all questions, no matter how small, in the light of experience and reason, then govern our activity accordingly. By thinking through small problems carefully, we will be better equipped to solve the big ones intelligently and quickly. The few mistakes we make in arriving at our own conclusions will serve to guide us away from greater pitfalls later, so long as our thinking process is honest, thorough and sincere.

Should we Americans make use of the intelligence that is ours, augmented by use of our wonderful educational system, Com-



munism, Fascism and Nazism will no longer be a menace to our land. Neither will foreign propaganda of any kind influence our future course. We will live more happily, peacefully and with a greater degree of real prosperity so soon as we revert to the habit of using our brain, and the education which has provided it with tools, to direct our acts and efforts. The most effectual way to undermine a nation is to cause confusion among its people and the greatest safeguard against this form of attack is intelligent thinking among the individuals which make up the masses.

Let each of us firmly resolve to make his own decisions and weigh all questions to find their true value for a proper solution.

#### THINKING AND ACTING AS A DEMOCRACY

In meeting the challenge presented by white-collar workers, we must understand the problems confronting us, and then devise means for overcoming them. America has never failed in an endeavor where the objects and aims were clearly stated and accepted as being in keeping with our highest ideals. Therefore, it is necessary that each of us receive a clearer picture of the problems of the future, as well as the problems of the present.

The first great lesson that we must relearn, as Americans, is the meaning of the term "democracy." A democracy is a form of government and association of human beings where everyone is fundamentally equal. Where every individual has the God given "right to life, liberty, and the pursuit of happiness"; where there are no classes, social, political, economic or religious; where the privileges and desires of the individual must be tempered by their effect on the welfare of the people of America.

We have come dangerously close to forgetting these vital principles of democratic life by thinking of ourselves as labor, management, agricultural, consumer and other groups or classes. Such thinking tends toward class distinction, discrimination and disunity which can only divide our people and restrict effective cooperation in working to maintain high ideals and of attaining a higher standard of living for all.

The aim of every true American is to live in peace and happiness, not only with his neighbors, but with the world at large.

If this aim is to be attained, we must realize that our individual happiness and prosperity depends upon others sharing the same privileges. It is fundamental that one cannot be truly happy while his family is impoverished, hungry or quarrelsome. Likewise, a full measure of enjoyment of life cannot be attained in a community or nation where a large portion of the people are lacking the advantages necessary for healthful and carefree life. By the same token, America cannot prosper and be truly great unless it is willing to exert every reasonable effort to see that all other peoples of the world enjoy as many of the rights and privileges as we claim for ourselves.

It is our duty, individually and collectively, to weigh all of our desires in the light of the public good. Surely the industrial laborer cannot prosper at the expense of the farmer; industry cannot attain maximum production unless the worker shares equitably in the returns. Likewise the worker, whether hourly paid or salary, cannot expect to prosper indefinitely by making unreasonable demands upon management. Therefore, every request or demand for increased privileges, whatever they may be, by any group, should be carefully considered in the light of their effect on the prosperity and well being of the people of America and the world. Frequently, what seems to be a right or privilege, due an individual, ceases to have merit when measured by the effect on others.

If we are to meet the challenge, we must think democratically, of others as well as of ourselves. We must temper our desires by a full and thoughtful consideration of the common good. We must think constructively and act wisely.

### THE PRIVILEGE OF CRITICIZING

Much of our conversation today is destructive criticism of various government agencies, criticism of past military strategy, criticism of industrial management, criticism of labor and of many other groups as well as individuals. The privilege to criticize is inherent in a democracy and must never be curbed or eliminated. However, the ability to criticize constructively is rare and present

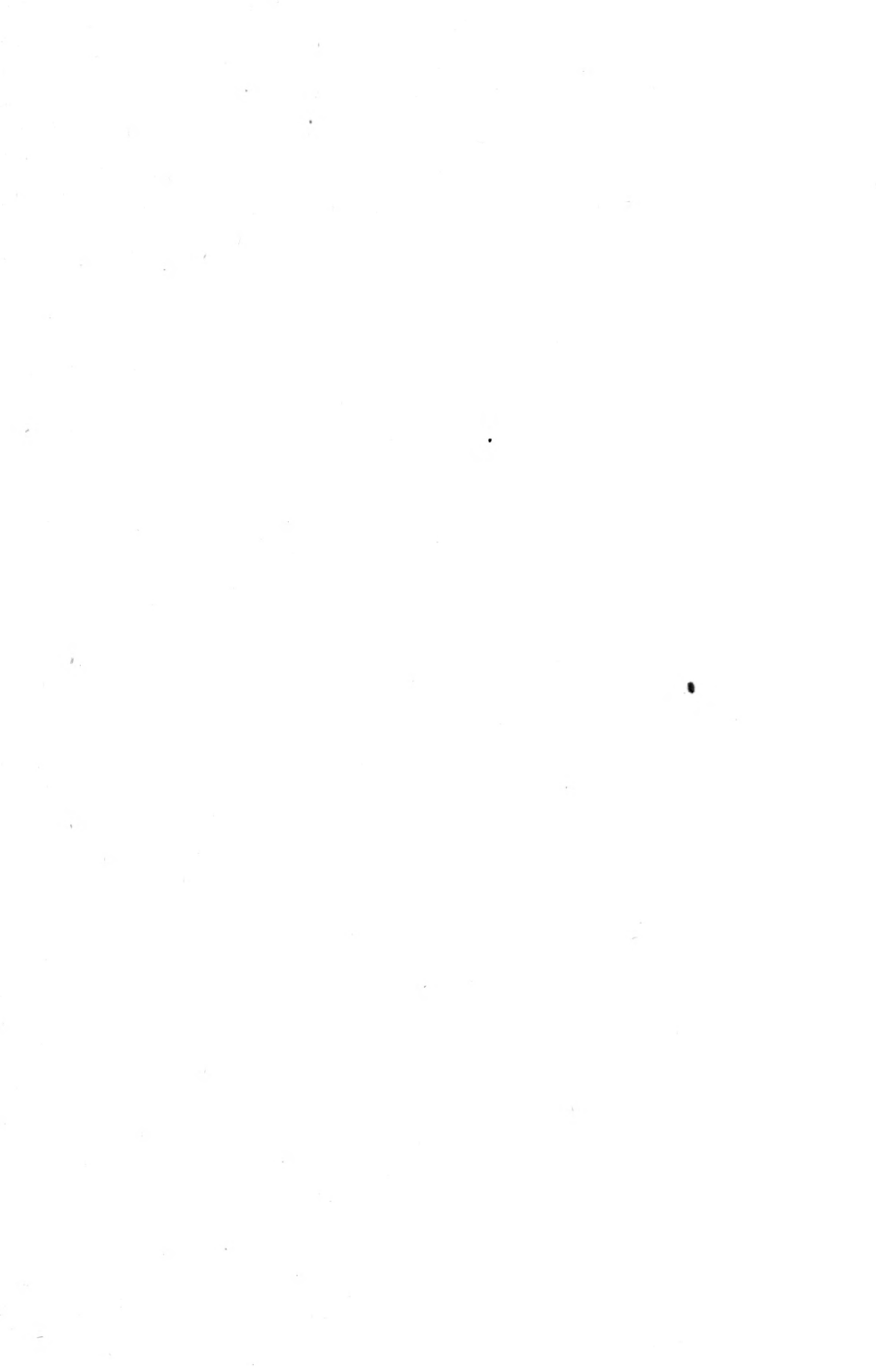
criticism, for the most part, can be classed as "grousing," which destroys morale and causes disunity at a time when both morale and unity are sorely needed.

In order that one may criticize constructively he must first possess a reasonable familiarity with the subject. In addition to being critical, to be fair, one should be in a position to advance sound methods for improving the condition or policy under discussion. Wisdom and knowledge, gained by experience and study, are the prerequisites of sound qualities in sufficient measure so that it does not warrant our spending too much of our valuable time in criticism.

Should we analyze ourselves and wisely become convinced that we are not sufficiently informed to criticize constructively, we have only two sensible courses of action left. One is to firmly resolve to become well informed on the subject in which we have the greatest interest and then to think before we speak. The other and only sensible alternative is to hold our tongues and listen to others who possibly may be better informed than we.

If our criticism can really be classed as complaining, we are exhibiting a sad lack of ability to stand hardship. We Americans have always boasted of being strong, rugged and resourceful; we have been—we can be—but, are we now? Isn't some of our complaining due to narrow mindedness, refusal to see the good that others are doing and hunting only for their faults and failures? Aren't we overlooking the sacrifices of others in a selfish desire to retain all that we can for ourselves? Our minds are staying too close to home and failing to see life and the world in a broad perspective. We need to read more, and think more, and to look at both sides of a question, not just the one that pleases us most.

Many of the problems of today are too great and too broad to be solved by little minds and for this reason, each of us, for his own good, must spend more time thinking and less time talking. An unjust criticism by an uninformed critic may cause untold damage. Let us confine our criticism to those subjects on which we are well informed, and our energies to winning the peace.



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## *Chapter I*

### THE FORGOTTEN AMERICAN—THE WHITE-COLLAR WORKER

#### THE PLIGHT OF THE FORGOTTEN AMERICAN

In the early days of the depression steps were taken to assure food and clothing for the unemployed; this was followed by other steps all of which, in themselves, were quite necessary and laudable. Likewise, there have been added to the statute books numerous social laws, all fundamentally beneficial and necessary. However, the psychology of security and government aid has grown upon all of us until we have lost sight of the fact that we are becoming weak.

All of these things, fundamentally good and in most cases necessary, have slowly drugged us into insensibility to the things which have made America great and the only things that will keep her so. These are: work, perseverance and selfsacrifice. It is only by these three things that we are able to remain strong enough to govern ourselves and remain free. This applies to rich as well as to poor, to industrial management as well as to labor, and in short, to every American citizen worthy of the name. For the past few years we have, each one, been prone to look to the government to solve our problems and to provide security; it is with a feeling of shame that we should immediately throw off this subtle drug, which we have all accepted without compulsion, and firmly resolve to fight unflinchingly for the kind of America we all want.

Social security is necessary and beneficial so long as each one recognizes that it is established to relieve our minds of worry about our economic futures, and thereby, permit us to use that released energy to create better things.

A fair minimum wage level and a limit to working hours is beneficial to humanity so long as the added wealth and time is used to create character and better understanding among men.

Guarantees of labor's rights to bargain collectively are necessary because of lack of a full realization by some management of the need for observing the simple rules of humanity in dealing with employees. These guarantees are beneficial only when used for the purpose for which they were intended, that is, to create industrial harmony, greater productivity and higher living standards.

Equalization of the lot of the farmer with that of the manufacturer is beneficial so long as it does not become regimentation on the part of the government or a drug to the ambitions of the farmer.

It was not so long ago that employees in shops and mills had to work 10 or 12 hours a day to earn a wage, which generally was very low even for those times. Salaried employees worked from 44 hours a week up and as many evenings a week as their boss demanded, without receiving any compensation for the overtime. In those days, a good office boy was paid \$5 a week and sometimes less, and clerks, bookkeepers, etc., received correspondingly low salaries. It is true the cost of living was much lower then than it is now but the differential is not as great as a comparison of the salaries paid then and now indicates. In those days the average family was satisfied to do without many of the necessities and luxuries that the families of today demand.

Even more recently, the worker had very little to say about his own welfare. The white-collar worker, particularly, always had the short end of the stick. If he hollered about an injustice he was usually branded as a troublemaker and fired from his job. Very often his advancement and even his retention on his job depended on the whim of some "straw boss." There is no doubt that this still goes on in some companies where the white-collar workers are unorganized. There is much to be done to improve the lot of the average white-collar worker, and the proper type of unionization will do it in good time.

How times have changed! Our standard of living has been

raised and it is our duty to see that this standard is maintained and if possible, improved. This much we owe to ourselves and our children. No longer is the "little man" satisfied to do without luxuries and necessities. He helps produce them and he is determined to get his just share of the profits derived from the goods he makes in order to be able to purchase and enjoy the fruits of his labor. This determination, however, will avail little unless salaried employees band together in organizations with other fellow white-collar workers. Only in this way can we expect to obtain those things which in the eyes of God and all right thinking men are rightfully and justly ours.

Before the advent of industrial unionism, which was destined to sweep the nation and completely revolutionize the union movement, the salaried employees or "white-collar" workers were essentially "holding their own" with salaries comparable to the wages received by hourly paid workers in the unskilled, semi-skilled and skilled brackets.

In addition, in a great many large industries and in a considerable number of small businesses the salaried employees were enjoying two weeks' vacation with pay after one year's service, payment for absent time due to sickness or personal business, shorter working hours and better working conditions.

However, during the years 1935 and 1937, when the country was slowly beginning to recover from the severest depression it had ever faced, a movement was initiated by the large industrial unions to raise the national hourly rate of wage earners 22½ cents per hour. All the hourly paid workers of the nation who were represented by labor unions (and there were millions) from common shop labor through the skilled labor bracket received at this time a substantial increase, while most of the country's white-collar workers, who had received severe cuts in pay during the "lean" years, were merely having restored to them amounts that had been taken from their monthly pay. This action created an extreme differential and inequality between the hourly paid and salaried employees and this differential was later frozen into the salary structure by the application of the 15% Little Steel Formula to both groups.

In December of 1941, when the sneak attack on Pearl Harbor swept the United States into war with Japan and consequently her axis partners, requirements for materials of war brought about a period of prosperity and with it an increased cost in living.

That year and in the succeeding ones, the wages of these same organized hourly paid employees spiralled skyward until the national basic hourly rate for common shop labor had increased from the 1935-37 level of 62½ cents to 72½ cents and later 78 to 80 cents, and with the new wage schedules, now range from 96 cents to \$1.05 per hour!

A few fortunate salaried or white-collar employees may have been granted some percentage increase during this time, but it in no way compared to the cents per hour increase granted hourly workers and came nowhere near eliminating the 22½ cents per hour inequality which took place between the years 1935 and 1937.

Where did the white-collar workers fit in the scheme? They had received no increase in 1937 and are receiving very little, if any, increase now—yet they are forced to buy in the commodity market inflated by the higher paid production workers. The weekly salary of the average salaried employee in 1944 was \$18 to \$30 per week, while the average hourly paid worker was earning from \$40 to \$65 per week.

*The white collar was slowly but surely being removed.* White-collar employees throughout the nation were beginning to realize that while they were keeping their white collars immaculate, their overalled brothers were “reaping in the dough.” The so-called “privileges”—vacations, etc., that were once theirs as salaried workers were dwindling as organized labor was securing more and more of the same advantages for their hourly paid membership.

The white-collar employee's attitude toward his position changed as his pocketbook shrank. Whereas previously, parents who worked in shops pursuing various trades were eager to have their sons and daughters secure as high an education as possible in order to obtain a “better” position in the white-collar

or salaried field, since it was once an accepted fact that the opportunities for larger income and higher advancement were greater in this field than among the various crafts, the situation has now become completely reversed. Parents who are high paid wage earners, as well as well-educated "white-collar" parents are advising their children to become proficient in a trade, where they can actually earn a livelihood. The once stifling feeling of superiority of the office employee over the shop worker has rapidly disappeared.

The old snobbish antipathy toward organizing was also rapidly disappearing, together with the myth that union affiliation would mar a salaried employee's chances for advancement in industry.

As the indiscriminate granting of increases to organized hourly paid workers forewarned of inflation, the government became alarmed, and in an attempt to prevent an inevitable post-war economic collapse, insofar as it would be influenced by too high wages, the War Labor Board drew up a wage payment plan known as the famous Little Steel Formula. The Formula recognized the increase in the cost of living from January 1, 1941, to May 15, 1942, and in the way of compensation permitted wage increases up to 15% of the employee's basic rate. This made it possible for unions to negotiate increases in rate structures if they had not already obtained increases up to 15%. Under this plan, the national basic hourly rate for shop labor was upped to the 78 to 80 cents per hour mentioned earlier.

As previously stated, in the years 1935 to 1937, the hourly paid workers of the nation secured an increase in their basic hourly rate from 40 cents to 62½ cents per hour while the nation's white-collar workers made little or no progress. The adoption of the Stabilization Act of 1942 applying to both hourly paid and salary workers on the same percentage basis consequently froze this inequity in the salary wage structure because white-collar workers had not received a corresponding increase in monthly income.

During wage negotiations under the Little Steel Formula, some salaried employees were granted general increases apparently comparable to the general increases granted hourly paid

employees. However, these increases were not truly comparable since practically all salaried employees are working on a fixed monthly wage, while some hourly paid employees increase their hourly rate by a bonus of from 10 to 20%, and a great many others increase their hourly rate by a bonus of 40 to 50% by means of an incentive system. Hence, the hourly paid employee always receives more in a general increase than does the salaried employee. For example, if an increase of \$2 per day be granted, the non-production or hourly paid day worker on a 10% bonus plan would receive \$2.20, and the production worker or hourly paid incentive worker on a 40% incentive system would receive \$2.80, but the salaried employees would receive only \$2.00 per day.

By applying the Little Steel Formula or the 15% factor, the hourly paid employees under the plans referred to above are not limited to 15% but are only limited to the extent of the 15% times the bonus percentage of the groups. That is for example, if we assume that a group is making 150%, which is not uncommon, the hourly paid employees will receive not 15% as was intended by the Little Steel Formula, but 150% of 15% or 22½%. It was quite obvious that the intent of the Little Steel Formula was very easily circumvented by merely liberalizing the time values for the hourly paid incentive workers.

What is most important to all salaried employees or white-collar workers is not certain limitations that have been supposedly established by some formula but what the average employee takes home in his pay envelope. What has already been said should make it quite apparent to the white-collar employees that the Little Steel Formula as interpreted had established a most unfair differential when we observe how flexible this 15% factor became when applied to the hourly paid employees enjoying incentive or bonus plans.

Time and one-half for overtime means real money to the shop hourly paid employees but the white-collar worker sees very little of this money. Furthermore, this time and one-half factor is a multiplier applying to the shop man's bonus as well as his base rate.



For example: A salaried employee receiving \$1 per hour would receive \$1.50 per hour Saturday work at time and one-half, while a shop hourly paid employee working for \$1 per hour would receive \$1 times one and one-half times his incentive bonus of approximately 40%, or \$2.10 per hour.

The inconsistencies in take-home pay between the two groups are due to:

- a. Higher base rates for hourly paid employees.
- b. More overtime for hourly paid employees.
- c. Bonuses for hourly paid employees.

Due to lack of organization among salaried employees, community and area averages are far below the comparable hourly paid positions making it difficult for the organized white-collar groups to negotiate with their employer for better wages or to eliminate inequities.

Even though some white-collar workers' salaries were increased by the 15% allowance, millions still had less money after paying the abnormally increased taxes! These same employees had a 29.4% (according to United States Labor Bureau statistics as of July, 1945) rise in living costs to overcome; in addition, they were expected to invest 10% in War Bonds.

For example, in 1940 a married man with two dependent children with a yearly income of \$3,000, paid no taxes; in 1943, having been granted the 15% increase, which brought his salary up to \$3,450, this same individual had to pay a tax of \$379. Thus, he would have left after payment of taxes \$3,071, or an actual yearly increase of \$71 with which he must purchase War Bonds and cope with the 23.4% increased cost in living.

Those salaried employees (with the same number of dependents and with the 15% increase) who were in a higher income bracket—if one can call \$5,000 a "higher income" today—were taking home even less money after paying their 1943 taxes. In 1940 a salaried employee earning \$5,000 per year paid \$75 in income tax, and had left \$4,925. With the 15% increase, in 1943 he was making \$5,750. His income tax that year amounted to \$941, which left him an actual income of \$4,809, \$116 less than he received in 1940!

Those salaried employees with incomes of from \$1,000 to \$2,000 in 1940 (with the same number of dependents) fared slightly better in 1943 after receiving the 15% increase, and after paying the 1943 tax. In computing these taxes, no allowances were made for deductions, contributions, etc.

In addition to his 1943 tax, the average white-collar taxpayer had to pay half of his "forgiveness tax."

It must also be kept in mind that a great number of salaried employees *never* received the 15% permissible under the Little Steel Formula!

However, the Little Steel Formula did not turn out to be the panacea it was expected to be, and on October 2, 1942, the President issued Executive Order 9250 \* "in order to control so far as possible the inflationary tendencies and the vast dislocations attendant thereon which threaten our military effort and our domestic economic structure, and for the more effective prosecution of the war." This order actually turned the Little Steel Formula into law.

Officially titled "an Act to amend the Emergency Price Control Act of 1942, to Aid in Preventing Inflation, and for Other Purposes," the Act ordered the establishment of an office of economic stabilization policy and administration thereof, among other provisions. Briefly, the Order prohibited general increases beyond the 15% limitation, but contained provisions for granting some individual increases, for the following specific reasons:

- a. To eliminate substandards of living.
- b. To correct maladjustments, inequalities, or gross inequities, or to aid in the effective prosecution of the war.

Individual increases were to be permitted where established rate ranges were in existence for two reasons:

- a. For merit.
- b. For job reclassification, which included promotion or established job progression.

The main effect of the Order was to definitely prohibit negotiation of general wage or salary increases except for the reasons mentioned above.

\* From the *Federal Register*, October 6, 1942.

Six months later, in April, 1943, Executive Order 9328, "Stabilization of Wages, Prices, and Salaries," was issued. The Stabilization Act, or as it was more popularly known, the "Freeze" or "Hold the Line" Order had a two-fold purpose: to further restrict indiscriminate granting of wage and salary increases and to stabilize living costs.

The Order states: ". . . to safeguard the stabilization of prices, wages, and salaries, affecting the cost of living on the basis of levels existing on September 15, 1942 . . . and to prevent increases in wages, salaries, prices and profits, which, however justifiable if viewed apart from their effect upon the economy tend to undermine the basis of stabilization, and to provide such regulations with respect to the control of price, wage and salary increases as necessary to maintain stabilization . . ."

Its immediate purpose was to combat growing pressure to eliminate the 15% limitation set on general increases by the previous order; also to prohibit the granting of general wage or salary increases by using the argument that increases in living costs since May 15, 1942, had created gross inequities, etc.

The Order reaffirmed the 15% increase limitation, set by the Little Steel Formula, and removed the question of gross inequities and inequalities from the reasons for which general wage and salary increases could be granted. As for the controlling of prices, the Order instructed Economic Stabilization Director Byrnes to take whatever action he deemed necessary and advisable to stabilize living costs at a figure which would remove this as an argument for further wage and salary increases.

The nation sat back to await developments of the next few months which would prove whether "the line" could actually be held at both ends. Unions which had been prepared to request general increases for their members, held such negotiations in abeyance, until the success or failure of the Order could be determined.

Meanwhile, the white-collar workers, as usual, were getting the tough end of the bargain. Now they were hopelessly held to their fixed rates with no possibility of "catching up" with the higher paid hourly workers. True, the Order prohibited granting of

further increases to hourly paid workers, which would have widened the great differential between them, but this was little comfort to the nation's 20,000,000 white-collar workers, who were caught in a vise-like grip from which there seemed to be no escape.

Thus it may be seen that the salaried employee's problems were being "by-passed," not only by the large international unions, who were primarily interested in the problems of their hourly paid majority, but by the government boards and agencies!

The white-collar had been removed, and the noose was beginning to be applied! Slowly, but effectively, the salaried employees were being forced to realize that the advantages of being a white-collar worker existed only in theory. They did not, however, come into this state of mind through some revolutionary change. Actually, it had been the result of a number of little things, accumulating over a period of years, until the present, when the white-collar workers of the nation were proven to be the scapegoat in a war economy. Certainly the 20,000,000 white-collar workers of the nation were ripe for organization!

#### THE WHITE-COLLAR WORKER AND THE PERILS OF INFLATION

As the wage and price increases made in the steel, coal, electrical and other industries in the early part of 1946 begin to show their effects in the economic system, the country was drifting into inflation. Since there is always the possibility that a period of general or mild price and wage inflation may bring about a period of "run-away" or wild inflation, it is well to contemplate the foreseeable effects of run-away inflation upon the lives of salaried employees.

It is generally accepted that wages do not increase as fast as prices rise during a period of inflation; and further, that the more rapidly prices rise, the further wages lag behind prices. Since hourly wages tend to be adjusted far more quickly than salaries, it is readily apparent that bad as the effects of run-away inflation are upon the hourly wage earners, they are devastatingly damaging to the white-collar workers and their families.

Since run-away inflationary periods almost follow periods of relatively high earnings, the hourly paid production employees can enter such a period in good financial shape with accumulated savings. While the purchasing power of these accumulated earnings may grow less and less, unless supplemented by a continuous saving plan, nevertheless they do exist and are definite assets and can be used if necessary to supplement earnings or cover unexpected expenses. Salaried employees, having participated to a lesser extent in the period of generally relatively high earnings, due to their lower base rates, less overtime bonus and lack of coverage under the various incentive bonus plans, are rarely, if ever, in good shape economically when the inflationary lid blows off. Since they generally enter a period of run-away inflation in poor financial shape and since their dollar salary increases get so far behind increased living costs, their lot grows progressively worse, possibly even before their hourly paid neighbors begin to feel the pinch of prices increasing faster than earnings. From that moment on, salary income families begin to collapse as going families, due to loss of homes, enforced family separations and inability to pay for the necessities of life.

Governmental thinking in Washington is regrettably hourly pay minded—seeming to believe that salary checks will pay for anything and everything while hourly pay checks (which reach families with more votes) must be kept in line with increased living costs as much as possible.

True enough, the wage increases granted early in 1946 in many cases included equal cents per hour increase for allied salaried employees, but these equal cents per hour increases when added to comparably lower salary incomes, left the salary incomes still comparably lower. In the cases of the relatively higher paid professional white-collar employees, such as design engineers, etc., the equal cents per hour increases actually made them relatively lower paid because of the effect of progressive income tax demanding a greater share of their equal cents per hour increase than the same tax schedules require from unskilled laborers, etc.

It is possible that equal cents per hour raises will continue in

many cases because of the growth of salaried unions and governmental and managerial moves to discourage such organization.

This latter is in itself proof of the great need of the effective organization of salaried workers so that they can secure their just share of the returns from production and not have to continue to be put off with token increases which leave them relatively worse off after each such token increase in a period of inflation.

## *Chapter II*

### WHITE-COLLAR WORKERS MUST ORGANIZE FOR SELF-PROTECTION

#### WHITE-COLLAR ORGANIZATIONS ARE NECESSARY

It might be well to consider first a few highlights of the present day labor situation and something of the origin of organized labor. For many years Capital has had things very much its own way with respect to labor. One needs only to review the treatment of the working man in the not too distant past by certain corporations, particularly in the mining, steel and garment industries, in order to appreciate the necessity for some form of equalizing force. Slavery had been abolished, but there still remained an inhuman form of submission that was destined to cause a revolt. Then came the day when labor organized, demanding recognition of human rights and consideration. Also with it came innumerable labor laws and finally "relations" departments in industry. It is not our purpose to commend or deplore what has happened. The point we do want to bring out is the fact that either by assent or by drastic action, a sociological and human balance must be struck in all industrial relations. The net result today is that we have on the one hand an executive and managerial group strong because of authority and finance, and on the other hand the organization of many workers into powerful labor unions which are beginning to exert a strong balancing influence.

But what of the vast multitudes of educated, conscientious, salaried individuals who are very much "in-between"? Sometimes they are called the "white-collar" or middle class; they are the group to whom is entrusted much of the mental work so necessary to the success of any institution. The value of this

group is readily apparent when one considers that it is largely from among their number that the future "generals" are chosen. But who chooses these new officers when there is a vacancy? Usually an individual presumably competent, but who often is either prejudiced or too ambitious in his own behalf. And in the same manner, too many outstanding men are released in periods of depression without due consideration to their ability, seniority, etc. Innocent victims in these shakeups . . . and there have been plenty . . . appear to have no recourse or chance for appeal. In civil life we have courts and juries and legal counsel, but unfortunately, in many industrial organizations this recourse is denied. Summary and final action is the privilege granted managers and supervisors and should an appeal be made higher up, the complainant only finds himself back where he started, with alibis, stalling, and buck-passing as his only consolation. Hence, the desire of salaried organizations or unions to preclude repetitions of this unfair setup and establish an equivalent of a Court of Equity.

#### THE WAGNER ACT IN A NUTSHELL

Many employees are still somewhat in the dark about the labor legislation enacted for their benefit. What is this so-called "Wagner Act"? What does it do? What does it mean to me? These are some of the questions which are being asked.

The Wagner Act (better known as the National Labor Relations Act) was enacted by Congress about 11 years ago. Its purpose is to assure to employees the right to bargain collectively with their employers. Like other Congressional Acts, it applies only to industries engaged in interstate commerce, as distinguished from those local in nature. (Employees of local industries are protected by state legislation, their certifications and problems being handled by one of the state regional boards.)

The Act sets up a board of three members,\* appointed by the President, which chooses its own regional and local officers and

\* The new Labor Management Relations Act, effective June 23, 1947, changes this number to five.



agents for handling complaints. It protects employees in the right to organize to bargain through their chosen representatives, and to engage in common activities to that end. It forbids certain conduct on the part of employers, which it calls unfair labor practices. These include: interfering with the organizational rights of employees, controlling or financing labor organizations, and discriminating against union members. It requires employers to bargain with the representatives of employees on question of wages, hours, and working conditions, and provides that when one representative is authorized to act for a majority of the employees, within what the Board regards as an "appropriate unit," the employer must bargain solely with that representative.

In the main, the Act has been successful in carrying out its purposes. Before a recent Congress, amendments were sought to increase the board to five members, to permit the employers to take the initiative in ascertaining what union represented a majority of the employees and to give the employers more liberty in discussing labor relations with their employees. For example, when the law was first written, it was ruled to be an unfair practice for employers to indicate their preference \* as to type of organization of the employees. Another change which was sought before the same Congress concerned the AFL desire to make craft units \* mandatory; that is, that when a majority of the members of any particular craft within the plant so indicate, their craft must be treated by the Board as an appropriate unit for bargaining purposes. Absolute independence for employees to choose their respective bargaining units was retained.

The Act also offers a democratic method of handling industrial relations. If employees use its privileges, take an active part in union affairs, select loyal and dependable leaders, and withal retain their good judgment, restraint and common sense, the resulting advantages will be immeasurable.

\* The Labor Management Relations Act of June 23, 1947, incorporated both of these examples.

## TYPICAL BOARD CASES OF DISCRIMINATION

*Question:* What assurance has an employee who takes an active part in union affairs that such activity may not cost him his job?

*Answer:* To begin with, the Wagner Act prohibits, as an unfair labor practice, the discouraging of union membership by discrimination in regard to hire or tenure of employment.\* The N.L.R.B. in applying the Act, has been alert to protect the employees with respect to their rights to engage in union activity.

Several typical cases illustrate this. In one of them, an employee was discharged for "reported misconduct." The Board found that the real reason for discharge was union activity, the employee being an active union member, and the employer failing to investigate or verify the alleged report. As a result, the employee was not only reinstated with back pay, but was given the same or an equivalent job at the Board's order. (Model Blouse Co., 15 N.L.R.B., No. 19.) In another, an active union member was discharged allegedly for spoiling pins, but again there was no investigation by the employer to determine the real responsibility for the spoilage and reinstatement was ordered. (Oil Well Manufacturing Co., 14 N.L.R.B., No. 84.) A third case relates to an employer's refusal to hire an applicant because of his prior union activity. Here the Board not only ordered the employer to give employment to the applicant, but for the first time since the Wagner Act was enacted, ordered the payment of back pay from the date of refusal. (Waumbe Mills, Inc., 15 N.L.R.B., No. 4.)

In this connection, it may be noted that during the month of July, 1939, wage restitutions ordered by the Board for discriminatory discharge cases totalled \$47,708.00, distributed among 722 employees. Hence, it is now clear that an employee may engage in union activity with full assurance that it will not prejudice him in his employment. However, union activity will not render the employee immune from discharge for proper rea-

\* The Labor Management Relations Act of June 23, 1947 does not change this portion of the Wagner Act.

sons, such as insubordination. (Hope Webbing Co., 14 N.L.R.B., No. 5); intoxication, (American Oil Co., 14 N.L.R.B., No. 77); breaking tools and absence from work, (American Scale Co., 14 N.L.R.B., No. 76); lack of work, (Dallas Cartage Co., 14 N.L.R.B., No. 29); violation of a no-smoking rule, (Hope Webbing Co., supra), and the like.

### WHY ARE EMPLOYEE ORGANIZATIONS DESIRABLE

This and many similar questions are asked or are in the minds of many salaried employees. This is especially true in industries where groups and departments have been harmoniously and fairly administered for many years.

Organization of, or membership in a union is in no way a reflection upon the company, a specific department or a department head. It is merely a step toward active cooperation in the affairs of the company of which the employees are a vital part. By interested, intelligent and fair-minded effort on the part of everyone, the union can assist in creating a harmonious relationship between employees and management.

Employees should recognize that programs or policies initiated by the management are often misunderstood or misinterpreted by the employees due to lack of understanding of the reasons making these policies or programs necessary. Facilities for clearly explaining moves have not always been available. Likewise, employee reactions have not been transmitted to the management because the proper channel was not available and discontent grew needlessly. The causes could have been promptly corrected or properly explained if the reactions of the employees had been known to the top management of most industries.

It is regrettable but inevitable that in large industries, there are supervisors who are overzealous or who are lacking in understanding of human psychology, and do or say things in a way to cause discontent or friction which impairs harmonious relations. If called to their attention, proper steps could be taken to correct the difficulty. Likewise, there are a few men who feel that the position of supervisor places them in a position where

the persons under them have no right to question what is done by them or by higher management, and that one's rate of pay, hours of work, or vacation are all affairs to be governed and regulated by the management as a right over which the employee should have little or no control. Such acts and attitudes are modified where organizations exist and thereby create a means of advising the management of dissatisfaction caused thereby.

On the other hand, some employees feel that they should get as much and give as little as they can get away with. Also, the abuse of privileges is resorted to in some cases. There are abuses on both sides which, if presented and discussed under proper conditions and by recognized and reasonable representatives of both management and employees, can quickly and easily be eliminated.

A person spending almost one-third of his or her daily life in any organization or activity is certainly entitled to proper surroundings and relations which will promote both physical and mental well-being. This latter aspect of industrial relations is most often overlooked by supervisors interested only in efficiency. Employee morale cannot be evaluated in dollars and cents, and is thereby discounted or often entirely overlooked.

By encouraging and supporting the proper kind of an employee organization, by membership and active participation, the means are provided whereby through cooperation and suggestion, all manner of discord can be eliminated, and unwittingly reserves will profit to the benefit of both the company and the employee. All will be happier, more contented, and feel more secure in their jobs.

#### SOUND POLICIES ARE OF REAL VALUE

Salaried unions must hold firmly to a policy of honesty, fairness and respect for those with whom they deal. The job of organizing is not an easy one and employees face many trying problems even after the union has become the recognized bargaining agent for the employees it represents. For this reason, it should have not only the interest but active support of every white-collar

employee eligible for membership. With this support, it can continue to improve its position in the company and safeguard the employee's livelihood.

### WHAT THE COMPANY OWES ITS EMPLOYEES

One of the major executives of a certain company once made the statement that in his opinion, the company does not owe its employees anything—that so far as he is concerned, the company owes him nothing. To further prove his independence, he stated that he had on one occasion left the employment of the company of his own volition and obtained employment elsewhere.

These statements are interesting because they represent one stand on the important question of the relation of the worker to the company for which he works. Does a company owe its employees anything? This question can be answered in many ways. The following, in the author's opinion, are some of the company's responsibilities to its employees:

1. The company owes the payment of at least a living wage—sufficient for a worker to maintain himself and his family in decent comfort. For positions requiring additional skill, special training, experience, and those involving acceptance of unusual responsibility and discretion, the wages must vary correspondingly.

In a large organization, there are many individual cases which need attention in the matter of improving wages. Some groups are underpaid for the type of work they do. From time to time, the general wage level requires close scrutiny by employee representatives because the dual responsibility of management may easily lead to an unbalanced situation. On the one hand is management's responsibility to the stockholders, and on the other hand is its obligations to the employees. Since management is responsible to the stockholders for their positions, there is a tendency on the part of management to favor the interests of the stockholders.

2. The company should recognize the right to organize. Cor-

responding to this right to organize is management's obligation to deal with the organization.

The more than 2000 Associations of Employers in the United States indicate that invested wealth realizes how necessary is organization for its self-preservation. Surely this same right of organization is not to be denied to the workers, those who need it much more. It is useless and hopeless for management to fight collective bargaining and at the same time expect loyalty from the workers. No worker will show appreciation for the needs of his company or be convinced of the integrity of his employer if he has to fight for the existence of his union. Management cannot consider unions as outlaw organizations and expect workers to meet its demands for confidence with any assurance of conviction. The organization of workers in a company enables firms to predict their labor costs. Each employer is put on the same minimum basis as every other and competition is practically eliminated from the field of labor expense. An adequate organization protects the right of workers to offer constructive criticism without fear of discrimination or discharge.

3. The company owes its employees the best possible working conditions, including adequate, healthful and well-lighted working accommodations; well-trained and considerate supervisory force as well as those intangible extras that promote harmony and good morale.

Press of business on one hand and need for economics on the other may result in overcrowding employees with consequent danger to health. Poorly lighted working space is especially detrimental because it affects adversely a faculty which is most precious to the worker. Badly regulated temperature and ventilation are distinct causes of sickness. Nerve strain, the continued use of certain muscles, and working in dusts, gasses, metals, vapors and fumes also have a deleterious effect upon health. Women workers are especially subject to ill health from occupational conditions. In addition, considerate and well trained management will promote harmony and efficient operation where the reverse will result in inefficient and disinterested workmanship.

4. The company owes consideration to the extent of diplomati-

cally offering guidance and assistance in the performance of daily tasks. Consideration should be a part—not a tool—of the company's organization where each loyal employee merits the right to the knowledge of the functioning of the unit of which he is a part.

Often management and employees alike fail to realize that the employees ARE the company, and anything that injures the workers also injures the company. Both groups are guilty of this shortsightedness. Some individual managers still feel that the employee is merely the possessor of a commodity which is to be bought and sold at will and that the price paid (wages) gives the company full right to deal with the individual without consideration for the human factors involved. But labor cannot be considered apart from the human being who furnishes it.

5. The company should guarantee fair and honest treatment, especially where employees of long service are concerned, because the worker's years of service have given to the company something for which mere money cannot repay.

If employees gave to the company only that part of themselves that is paid for, salesmen would not spend nights and weekends selling the company first and then its product; engineers would not spend their extra time figuring out some knotty problem involving a new invention, nor would they be willing to spend day and night on a job helping to get their company out of a bad commercial situation. Neither would the clerical help or the men in the shop remain with their work for many long hours—even for the extra pay—and help to develop new methods and new processes whereby the company could profit or improve its competitive situation. Too often these factors are forgotten in hard times or when personal feelings enter into the picture to distort the facts. Too often the value of morale is overlooked when evaluating the effect of a discharge or move made without adequate thought having been given to the human angle involving self respect and initiative.

When considering employee independence it is well to realize that one's independence as an employee is affected to a great extent by his background, the advantages he has had for extra

training, his length of service on the position, not to mention his financial status. One's background is often not of one's own choosing and the necessity for earning a living generally limits the ability to change positions. Likewise, the ability to obtain special or advanced training is often limited by the same considerations. A good employee with long years of faithful service to the company is unavoidably handicapped in making a change for many reasons. His knowledge may be very valuable to one company but useless to another. This is especially true in large corporations. In this connection, it may be well to state that some jobs preclude an individual's obtaining a general knowledge which would be of much benefit to him in any other place. And, as an added handicap, there have been instances where employees were prevented from access to new or better positions because of the intervention of supervisors. There have been cases where employees actually obtained positions outside the company and then were prevented from making the change by management intervention.

These are some specific instances of the responsibilities of any company to its employees. In addition, every management should take steps to educate supervisors in their duties as personnel men and encourage them to take an interest in this phase of their work. A business-like method should be instituted for prompt handling of the broader phases of collective bargaining to the end that more freedom be given the various personnel managers to make decisions rather than just act as buffers between top management and employee organizations. The union and the management should face the problems which confront them and deal with them in a true spirit of cooperation.

#### WHAT THE EMPLOYEE OWES THE COMPANY

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Now the other side of the story—what does the employee owe the company—requires a few words of explanation is apparent from remarks made by an employee of a certain company on one occasion. This employee stated that he was not interested in the



company, its surplus, or the taxes it had to pay; and the view that employees are a part of the company is false.

In the past it has been generally regarded as the duty of a labor organization to look after the employees, and not to bother about the company; that the company is capable of looking after itself. However, an employee has a certain amount of responsibility to the company which employs him if he expects anything more than daily wages won after hard bargaining, and both the employee and the union have the obligation to be fair and honorable in all their relations with the company.

A few of these obligations include:

1. To render an honest day's work for an honest day's pay. Obviously, no sensible worker can accept the idea of doing as little work as possible or loafing on the job. This is contrary not only to sound ethics, but also to the basic principles of common sense. It is hard to see how a man, who takes money for work he hasn't done, is very much better than a common thief. The worker's own welfare depends to a great extent on his doing the best possible job. This is not in defense of any kind of a "speed-up." But assuming that the worker has been granted job security, a living wage and decent conditions, it is to his own interest that he should cooperate to cut costs and make the business successful. If the business is marked by all kinds of waste and inefficiency because the workers desire a maximum of return for a minimum of service, the business fails and the workers are on the street and out of work.

2. To abide by just agreements freely made. The cornerstone of harmonious relations is mutual respect, and mutual respect will not and cannot exist where one party to an agreement will not hesitate to violate its promises. Every just agreement freely arrived at must be held sacred by the union and its members. Violation by the company does not excuse violation by the union, just as the faults of one man do not excuse the faults of another.

3. To respect property rights. Employees must exercise reasonable care when using machinery, tools, furniture and other property belonging to the company. They must practice strict honesty

in regard to supplies and other small articles that are easily removable. Employees should not take from company property anything to which they have no title. Furthermore, unfair advantage is not to be taken of special consideration and concessions made for the benefit of employees.

4. To recognize that the company must maintain a sound financial foundation. If the employees are not interested in the financial status of the company for which they work—beyond its ability to pay wages from pay period to pay period—they cannot expect much in the way of protection as regards job security in the future. A company to be sound must lay away some funds in time of prosperity to survive periods of depression. Perhaps a company can afford to pay higher wages now and put away less in reserves, or pay less to stockholders. But reserves are what make it possible to keep many employees at their work in slack times, developing new products or in improving standard lines so they can be sold at lower prices and thus better the market for the products. Likewise, in good times the stockholders expect larger returns to compensate them for the small return they received in slack times. It is the stockholder's money and the employees' production which enables the company to exist and do business.

5. To enforce strict honesty and democracy within the union. This means supporting the union, attending its meetings and keeping a careful check on the honesty and efficiency of its officers, thereby not only protecting the union for the benefit of its members, but also establishing a union that has the respect of management. Without such watchful participation by the "rank and file," the union may fall into the hands of dangerous men, either racketeers or those promoting some un-American form of political and industrial activity. The racketeer has no concern for the welfare of the worker and less for the welfare of the company; he is out to get all he can while he can get it. The other group seeks to wreck industry through unjustified strikes and slowing up of production, thus hastening the collapse of the country. These men also seek to involve the union in affairs which are not a part of its rightful activity. A union is at its best

when it is attending strictly to union business . . . the shoemaker must stick to his last.

We are now brought to the issue of the justification for the feeling that employees are a part of the company. None, if they have no interest in it. In that case they are merely so many machines paid to do a job so long as there is a job to do, or so long as they can do the job more efficiently and less expensively than some other machine. And under this condition, management is under no obligation to consider them in any other way; they may be dismissed at will and replaced as the company sees fit in order to have the job done better or more economically. One might say that this is where labor organizations come into play—to protect the rights of workers. What are the rights under such conditions? Not human rights, since they have foresworn those rights by becoming machines, bought at a price duly bargained for. This condition presupposes right by force of numbers, economic strength, etc. Number is only of value when large numbers of machines are in demand to do a job and ceases to be effective in hard times. When the economic strength is considered, the corporation is far more able to stand an economic strain than is the employee or any group of employees.

With this in mind, it behooves all employees to remember that they are a very important part of the company, as a group of human beings, with human aims, human interests, and human rights. As human beings, workers are interested in their futures, and being interested in the future, they must of necessity be interested in the company of which they are a part.

#### A GOOD UNION PROTECTS LIKE A GOOD INSURANCE POLICY

The philosophy of the older type of labor organization is based on the theory that anything they can secure from management is better than nothing at all without any regard to the cost to the company, the consuming public, or the employees themselves, as against the better labor organizations whose philosophy insists that something good and sound is better than just any old

thing. Let us consider a labor organization as insurance—insurance against arbitrary treatment.

When a man considers buying insurance, one of the first items that will be brought to his attention is the amount of protection provided. Not only are the terms of the policy of importance but the background and stability of the insuring concern is also of prime importance. Likewise the cost and the terms under which the premiums are paid is intimately connected with the life of the policy, and the usefulness of it to the parties—the one pays his premiums (or dues) and the other provides the services of protection to serve the best possible ends.

The worker must examine his "Labor Insurance" policy and determine whether the "terms" (or actions of the labor organization) are going to provide for his general overall good or whether they may adversely affect his future well being.

The attitude of the worker toward his union should be one of being protected—the very existence of his union is assurance that he will be individually and collectively heard and represented—and the relative value of that service is in its very existence rather than in terms of any arbitrary ends it may be caused to serve.

The relationship of the worker and his union has been compared to his relationship with his insurance policy. And like an insurance policy, the cost of operation must be paid by the members in order that immediate needs may be taken care of and at the same time prepare the ground for the future as regards employer-employee attitudes and relationships.

### IN THE DRIVER'S SEAT

In concluding this chapter, a few words remain to be said concerning the overall subject of unionism. Until recent years the employers of the country were the dominant group. Many of them were experts in the art of domination. Too many still retain these characteristics. They find unionism a bitter pill to swallow. They seem incapable of realizing that, so long as dominant groups deny basic economic rights to weaker majorities,

so long will industrial turmoil and strife continue to exist; that the economic well-being of both employer and employee lies in friendly relations between the two groups.

Now the worker is in the driver's seat and if he is big enough to forget some of the rough treatment he has been subjected to in the past, and instead of trying to repay in kind, will demonstrate that he is a reasonable person who wants only what is right and just, he will retain possession of the seat.

If organized labor is smart, it will make every effort to stay in the enviable position it now occupies. To do this it has a selling job to do. It must sell the large number of unorganized workers the idea that their interests are best served by belonging to a labor organization. It must sell itself to the general public by conducting its affairs in a manner to command the respect and confidence of all the people.

Such a program will require sacrifices. Some of the practices now employed by some labor organizations will have to be abandoned and replaced by practices which will receive public approval. The net result, however, would more than compensate for any sacrifice made. Labor would be more powerful than ever. It would be respected. It would be in an infinitely better position to see that workers received justice. Such a program could result in labor peace as witness the case of Sweden where both the employee and employer are highly organized, where there have been no big strikes for years; where there is no anti-strike legislation; where organized labor is the powerful and dominant group but has not abused its great power.

This is the long range goal which American labor leaders should strive to reach. They can do it only by drastic re-organization of present policies. They must make union membership so attractive to all Americans that they will be proud to say they belong to a union.

## Chapter III

### ADVANTAGES OF A WHITE-COLLAR UNION

#### COLLECTIVE BARGAINING VERSUS INDUSTRIAL DISCORD

A common misconception is that pertaining to the effect of unions upon strikes and industrial tie-ups. The charge has often been made that unions by their very nature give rise to all kinds of discord, particularly strikes. Some strikes are justifiable; some, however, it must be admitted, are absolutely unjustifiable. A little reflection will show that the strike is a two-edged sword which may well injure the employee as much as the employer; for by far the greater majority of workers have no other resources than their own wages, while the employer, or more specifically the management group, have been able to put away something upon which they can draw in time of necessity. Since the worker's wages stop during an industrial disturbance, his existence becomes precarious and the needs of his family cannot be adequately met. However, at all times every means to bring about peaceful understanding between representatives of labor and management should be exhausted before resorting to the strike or lockout weapon. When industrialists refuse to recognize labor's just demands, union leaders are then faced with employing the only effective economic weapon they have left to use in defense of their rights, and that is strike. Strikes are to be avoided wherever possible without sacrificing the real rights of the workers.

Contrary to popular belief, ordinarily it is not the *existence* of unions that is the cause of strikes. Rather, it is the refusal to recognize the rights of these agencies, and to deal with them honestly and promptly that most often causes work disturbances. When unions are weak and unrecognized, many ineffective and often disastrous strikes may be the consequence. When unions

are strong and are dealt with fairly and promptly, the number of strikes is considerably reduced.

The National Labor Relations Act, or the Wagner Act, because it has protected and encouraged the organization of workers, has come to be looked upon with disfavor by many employers. Some have gone so far as to call the act "the greatest tool of subversive agents." The Act and the Labor Board have been painted as promoters of discord in collective bargaining. Before the statute was enacted, Bureau of Labor Statistics show that a little more than half of the strikes were caused by acts of employers which the Wagner Act subsequently prohibited under the name of unfair labor practices. In connection with the misconception regarding the effect of the Labor Board and unions on strikes, a few statistics may be of interest.

The trend of strikes has been sharply downward since workmen have been accorded legal protection in their organizing efforts. In the year 1937, the Wagner Act was upheld as constitutional by the Supreme Court. During the next year, the number of strikes declined 42%, and during 1939, strikes were 45% lower than in 1937. It must also be remembered that in these years there was a substantial increase in the number of organized workers.

In the basic industries, the declines were as follows (according to Bureau of Labor Statistics): the number of iron and steel workers on strike declined 84% in 1938, and 92% in 1939, as compared to 1937; in non-ferrous metals, the decline was 73% and 79%. Similar decreases in the number of men on strike appear in textiles, rubber, machinery manufacturing, transportation and communication, lumber and marine transportation. The industries which ran counter to this improving trend were few and relatively unimportant.

Ten years ago there were few, if any, labor agreements in many of our basic industries. Today, written agreements, renewed yearly, apply in the majority of the nation's machine shops. Rail and water transport and the long shoremen who serve the ships are almost entirely covered by agreements. Soft coal mining is entirely organized and petroleum production partially.

During the past ten years, labor unions have made much headway, because they have proven their worth. Collective bargaining and written agreements have served to extend union recognition, to establish a clear and indisputable record of terms of agreement and to provide for continuous dealing between workers and employer representatives. Unions have decreased employment turnover, increased stability of production, placed responsibility on union shop stewards instead of armed company guards, and have accorded workmen that independence as men which alone can assure loyalty to any enterprise.

With collective bargaining based on written agreements, it is in its very nature rooted in democratic procedure. As liberty for working people is attained through industrial democracy, collective bargaining performs valuable service to society as a whole. Thus, far from being a cause of strikes, strong unions with public recognition actually prevent the occurrence of such disturbances and the evils that result from them.

#### WHAT IS UNION SECURITY?

Union security is a general term for contractual devices by which the union's continued existence is assured (which necessitates a strong membership and sure financial support). It has several forms, which are briefly outlined below:

The first is the closed shop. With this type of security, every employee must belong to the union, and the employer is permitted to hire only union members.

The second is the union shop, which requires that all employees join the union within a specified period, but does not require that they be union members before they are hired. This means that the employer is free to hire whomsoever he chooses.

The third form is the preferential shop, which requires that the employer give preference to union members in hiring or layoff or both.

The last is the maintenance of membership. The basic principle of this form of agreement is that every member and any employee who becomes a member of the union during the life



of the contract must maintain his membership for the period or be penalized. The penalties are, in most cases, fines to be paid to the union plus payment of delinquent dues and check-off dues; loss of seniority; or the alternative for either, which is dismissal from his job. With this form of union security, employees who are not members are not compelled to join.

In an article in the Labor Relations Reporter, the N.L.R.B. once stated that union security should be considered from the viewpoint of maximum production. The union is entitled to a maintenance of membership clause where some union security is needed to protect the organization against rival unions and hostile supervisors, and to enable the union to cooperate with the management in an effort to obtain maximum production.

The War Labor Board, while it existed, showed a decided preference for the maintenance of membership form of union security in settling cases, and had this to say in recent decisions:

"Unions should be protected from depletion in their ranks because of circumstances arising out of the war, and non-union members should enjoy the freedom to join or not join unions as they please. . . . We believe that strong, independent and self-disciplined union organizations and the leadership of responsible union officials constitute a great and indeed an indispensable asset available to us in this critical moment of our country's history. . . . It is the declared purpose of the nation, manifested in the National Labor Relations Act and in many other congressional enactments, to encourage the processes and to protect the instrumentalities of collective bargaining. Responsible labor organization has a primary place among these instrumentalities.

"This Board was created on the assumption that the peaceful cooperation of responsible organized labor and responsible management is essential in carrying out the war. It follows as a close corollary that the Board, in peacefully settling the labor disputes which come before it, must continually bear in mind the broad principle that neither management nor labor shall take advantage of one another as a result of changed conditions, brought about by the war, either by direct aggression or by indirectly

bringing about a situation which leads to a natural process of disintegration.”

The differences between the various forms of union security have been briefly explained to give the thinking of government officials on this subject, and it must not be construed to mean that the author approves any of these particular forms of security unless modified to suit each union's conditions and unless approved by the majority of the membership. It is clear to the author that a militant, upright, independent, salaried union can sell itself and retain its membership solely upon its accomplishments and can refrain from any form of union security that would enslave those who become members or deny the freedom of choice of union membership to those who are not members.

#### WHAT IS JOB SECURITY?

Prior to 1920, the matter of “job security” troubled very few people in America. Expanding business and new enterprises generally provided openings for anyone temporarily out of work. However, in the years from 1929 to 1935, conditions were such that there were far more workers than jobs and for this reason a person out of employment found it extremely difficult to find a position. With this fact in mind everyone has become increasingly conscious of the desire for some measure of security in his work.

Many attempts have been made by employee groups, as well as by some companies, to provide assurance of continuous employment at least for the older employees. Obviously, no hard and fast rule can be established preventing an employer from reducing his force under any condition. In times of fluctuating volume of work, the force must also fluctuate or the company can not long remain in business. With this in mind, the most common and at first glance simplest solution to this problem is a “seniority plan.” Such a plan usually includes some “share of work” provisions and endeavors to insure employment in proportion to length of service of the employees.

Actually, when a fair and serious-minded group of people endeavor to formulate a seniority plan which will protect employ-

ees, and at the same time not dangerously handicap the employer, some obstacles arise. For instance, any inflexible rule is bound at some time to react unjustly on some employee or group of employees. Likewise, if administered flexibly, problems will arise which are as difficult to solve as those which arise where no seniority rules exist.

The ideal policy of every white-collar union should be to concentrate on fairness in all relations between company and employees. When considering security of employment, fairness is of vital importance and when practiced by both parties can be the means for dispelling the employee's fear of losing his job without regard to years of service with the company. If the employee is certain that his personal rights will always be respected, there need be no fear of unjust action in connection with termination of employment. It is only just and fair that every discharged employee be properly informed of the full reason for such discharge. Furthermore, it is seldom justifiable to discharge an employee "for cause" without having diplomatically, and with true regard for human frailties, informed him of his shortcomings, offered suggestions and assistance for improvement. Likewise, strictly personal dislikes should have no place in management or labor organization.

It is a humanly difficult task for a supervisor to properly discuss shortcomings with an employee and equally difficult for the employee to take criticism in the proper manner. However, such action is warranted and should be insisted upon, before dismissal is agreed to in any cases where an organization is in existence. By adhering to this rule, everyone is insured of a fair chance to correct his shortcomings and the responsibility for good work and proper attitude is fairly placed on the individual. From the author's experience, some supervisors favor the procedure of warning an employee of undesirable traits or actions, and everyone must recognize the justice of a policy of this kind. A fair measure of "job security" will be attained if everyone plays the game fairly and with honest regard for the right of the individual to be informed of his shortcomings and to be given assistance in overcoming them. Likewise, the problem of devising a work-

able seniority plan will be greatly simplified where this procedure is fairly administered.

#### ALL EMPLOYEES SHOULD BELONG TO THEIR UNION

Today the worker enjoys certain rights and privileges which he never had before. These rights and privileges are guaranteed under the law of the land. No matter what some people may think of these laws they are here to stay. It is even safe to predict that present laws will be improved and new ones adopted which will benefit the worker. This is a bitter pill for some of our present day industrialists. Some of them cannot become reconciled to changing conditions. This attitude is difficult to understand as it is a proven fact that in companies where harmonious relations have prevailed for years between employer and employee, both the company and the worker have benefited.

The banding together of workers in unions has helped the employee improve his lot. It has helped raise the average worker from virtual serfdom to a self-respecting citizen of his community. Many things prompt the organization of unions. The usual case is that employees had some general grievance, like impatience with management treatment of personnel, or a desire to wipe away low wage rates.

Many unions, on the other hand, are formed because a group of men see the potential value of organization, of creating a bona fide procedure for the settling of individual grievances and conducting collective bargaining. Such a case does not result from some special difficulty, lack of harmony, or trouble. Cooperation, good will, and the elimination of the cause of grievances by better understanding are the objectives.

More and more groups are organizing for these reasons. It is an established fact that there is a decided trend toward unionism among white-collar workers which is gaining momentum at a rapid rate. However, there are some employees who think they can take care of themselves without belonging to a union. They think that because they have many years of service and have always been able to get along with their boss, things will always be rosy. We would like these people to answer one question. If they

suddenly found themselves working for a new boss, and he started pushing them around (and it has been and will be done), just what could they, as one individual, do about it? Obviously, the answer is "nothing"; but if they had a union fighting for them then something certainly could be done if action were justified.

Some employees who refuse to belong to a union in existence at their place of employment have intimated that their boss is opposed to unionism and for this reason they hesitate to join. While the boss has every right to his personal opinions, when he discourages employees in this manner, he is not only unfair but also is breaking the law. This being the case, these people should dispel their fears on that score. Assuming some bosses do have that attitude, would not the employee be immeasurably better off to have that organization in back of him in a fight for his rights? If the boss would take an arbitrary stand on a question, what could one person do about it? You know the answer to this question.

Finally, it should be remembered that a certified union is certified to bargain for ALL the employees in the entire bargaining unit for which it is certified as the bargaining agent. Then, if an organization is going before management and continually negotiating policies that cover all of these employees, is it not just common sense that all employees should belong to that organization and thus have a voice in determining its policies and action? Any persons who are not members of the union which represents them should join immediately.

#### A UNION IS WHAT ITS MEMBERS MAKE IT

Independent salaried unions are good labor organizations when they honestly seek the true good of every member. How long they remain that way is determined by how active a part individual members take in the affairs of their union, to give it an upright spirit, which directs its actions and organization. All forms of radicalism are opposed to this democratic philosophy and individual members must be eternally vigilant to prevent the organization from falling into the hands of the few who would destroy its democratic principles.

Those who do not have the true interest of labor at heart are responsible for the organizations which fall into disrepute. If anything is wrong with a union, it is often because the complainers sit at home and bemoan the fate of their organization while their antagonists attend meetings and run the union. Policies contrary to the best interests of the employees are adopted because workers fail to participate in the union's affairs.

Also, men must be trained by educational and practical methods to become capable and trustworthy leaders. To offer constructive measures, they must know the rights and duties of labor and be able to root out falsehoods and facts. They must be able to speak effectively, to voice their opinions freely and factually. They must know parliamentary procedure so that they will not be outmaneuvered when they seek the floor at meetings.

The best kind of leadership should go beyond this with factual knowledge of labor relations and American labor law; familiarity with the history of labor, especially of the labor movement; and finally a familiarity with economics to refute false economic theories.

Although this may sound imposing, it is not beyond the reach of those interested.

It makes no difference what you call a union; any union is just as strong as its members make it. Members elect their own officers and representatives from among their own group and the actions of these representatives is determined, not by the name of the union, but by the calibre of the representatives elected by the members, and also, *regardless of how good a representative may be, he can not do anything for his people unless they have the initiative to tell him what they want, and enough backbone to go all the way with him to reach a satisfactory settlement.*

#### A WHITE-COLLAR UNION AND A FEW OF ITS RESPONSIBILITIES

Any individual or group associating themselves with a well-known company immediately assume a serious obligation—serious because of the standard of quality and the reputation made possible by men and women who have worked for that company

for years. Therefore, it is the solemn duty of every union of employees to maintain the best organization possible, and this can be done only with the wholehearted cooperation of all. No single individual with the best intentions in the world could have "made" the company, and certainly no group of individuals with selfish interests or "second best" aims would have created it.

Companies that build on shallow foundations, greed, or those which are satisfied with anything but the best, never endure for many years. Likewise, companies with lesser ideals have fewer veteran employees. Also, loyalty to an ideal can often keep labor trouble to a minimum.

There are many pitfalls for organized labor to avoid, thus it requires levelheaded and firm leadership. In addition, the spirit of democracy must guide its members who must guard their rights and privileges jealously or disaster will result. Every successful organization presents a temptation to some individuals to exploit it to their own selfish ends. This can only be prevented by each member exercising his rights, as set forth in the Union Constitution, in seeing that the organization is run to his satisfaction. Neglect, indifference and loose criticism will not bring about a better order, but will destroy the house which may have been built on even the strongest foundation. If the house doesn't suit you as it is, generally, it is cheaper to make it over than to build another.

It is the duty of every salaried employee who is thinking in terms of organizing to accept only the best in organization and then fight to maintain it. It must remain free from company interference or domination as well as free from control by any group which has as its aim the destruction of the organization or the ideals for which it stands. Likewise, it must have and show a spirit of cooperation to any individual or group with which the company must negotiate.

#### THE VALUE OF UNION MEMBERSHIP

Many people think of the word "value" in a purely personal way; everything is of value or not as it applies to them individually.

Anything which directly benefits them is of value in their eyes and anything less tangible in its application to them is liable to be viewed as of little or no value. It is not the object here to point out how membership in any labor organization can be of value to the type of individual who is always looking for something for himself. Rather, it will attempt to show the value of such association to labor as a whole and to the organization by which they are employed.

No progressive business management today looks upon an organization of its employees as a menace, nor do they look upon its members with distrust and suspicion. Rather, they welcome such an organization if sponsored and directed by responsible and broadminded people. Labor unions are and will continue to be an ever-increasing part of our national life and it is the duty of every right-thinking and educated person to become a member and take an active interest in some such body. Too many of us, feeling that some organization or civic body has poor leadership, refuse to take an active part even though we approve of the principles involved. If we pause to think, we immediately realize how foolish this attitude is, since our lack of participation may be the very reason why poor leadership has had the chance to obtain a foothold.

Every employee should recognize the importance to himself and his company of participation in union activities. It is the duty of every employee to become a member of the union which is certified to bargain for him, to lend his effort and intelligent cooperation to making it better and more representative of the calibre of the employees. Sitting on the sidelines and criticizing is of little value to any organization since anyone can criticize but it takes intelligent participation to accomplish results.

The value of membership must be looked at from the viewpoint of general welfare and the common good. There can be no value without intelligent participation by all, but with such cooperation, there is no limit to the extent of that value. What are some of the values?

First, realization by all of a greater sense of job security. This is true because the negotiators will be planning a program which



involves recognition of service on the job as well as ability and the many other factors which are to be taken into consideration in promotion, lay-off, re-hiring, etc. There is also the realization that there is someone besides themselves authorized to represent the individuals to see that they get fair consideration in all matters involving their jobs.

Second, the organization is always alert to institute programs and policies which will add to the employee's happiness and welfare, such as hospital and surgical insurance, educational programs, procedure for settling and eliminating the causes for complaints and many other similar matters.

Third, the institution and supervision of means for assuring proper and comparable wage payments to all classes of employees. Means for checking living costs, wages, and to maintain information of value in discussion of wage and salary rates for the group as a whole.

Fourth, the organization acts to promote education of the employees on the complex subject of labor legislation; provides a means for studying labor laws with the idea of suggesting changes and improvements where necessary; also to guide legislators with helpful suggestions when new legislation is being considered.

Fifth, it provides a common ground for discussion of employee-employer relations with management. This can be effective only when a trained and experienced group is developed through the organizational set-up. Constant contact between employee representatives and management is the best means for developing an intelligent program of industrial relations by both the employee group and the management.

There are many other benefits to be gained through proper employee organization.

In these days, when there are so many demands on the salaried worker's time and finances, it behooves everyone to evaluate each activity in which he is asked to participate. Most of us are prone to ask the question: "What will I get out of it?" Others want to know the value of the activity in terms of general good. When unions are sponsoring a membership campaign these ques-

tions deserve answering in a straightforward manner for the benefit of those who are being asked to become members.

In the first place, the union should be viewed as an organization of employees banded together in the interest of all salaried employees or white-collar workers. With this clearly in mind, they will see that the policies must of necessity be such as to do the most good for the most people and, therefore, it will not always be possible to please every individual no matter how earnestly the organization should strive to that end.

### CHOOSING PROPER UNION REPRESENTATIVES

The union will represent its members and their views to the extent that each one shares the responsibilities of the organization by seeing that proper representatives are selected who will participate in all union affairs.

With the above in mind, we can begin to consider the benefits which will accrue to all employees organized into an independent white-collar or salaried union. These benefits are as follows:

1. Discussion of problems and policies with management through capable representatives of the employees' own choice.

2. Definite assurance that there is a means for preventing unfair treatment of any individual or group through appeal to its representatives for assistance.

3. A trained staff of fellow employees working continuously to safeguard the union's interests and assure its members of constantly improving working conditions and wages as conditions change.

4. Assurance of continuation of beneficial policies affecting wages and working conditions by embodying such features in signed agreements or contracts.

5. Development and administration of a fair and uniform wage policy eliminating, insofar as possible, inequalities and irregularities.

6. Formulation of a sound job security program based on length of service and other conditions assuring all conscientious employees of just treatment under changing economic conditions.

7. Means for safeguarding the membership's interests by presentation of views and recommendations of its representatives before state and national legislators and labor department heads.

8. By being represented by individuals who endeavor to understand the many problems of management and finances of the company and thereby formulate policies and requests on the basis of sound economics.

9. By careful selection of officers and representatives, build an organizational structure which can win and maintain the respect of the public, management, and the members with whom they must deal.

All of the above is the right and privilege of every organized employee. Each certified unit legally represents each and every employee included in that unit regardless of any individual's wishes. This usually applies to every person working in a position below that of supervisor and, for this reason, it behooves every employee so represented to take an active part in the formulation of the policies of the organization. The more responsible the position held by the employee, the more it is to his interest to be an active union member and thereby protect his interests. By remaining a non-member or an inactive member, one leaves the way open to the election of officers who may formulate policies beneficial to one group and harmful to the group which has not seen fit to assume an active role in the organization.

#### THE EMPLOYEE'S RESPONSIBILITY TO HIS UNION

Fighting the war brought to mind that if we are to exercise our democratic right, we should be consistent about it. We do not want the sort of political organization wherein the individual gives up his right to help make the decisions and to share the responsibility. Neither do we want to lose our INDUSTRIAL DEMOCRACY.

To get democratic control over working conditions, employees choose or organize a union. But does designating a union mean that employees are governing matters that affect them? It depends on the employees. The union is only the agency and as

such must be instructed to act by those whom it represents. If the employees are to be really represented, it becomes the responsibility of each employee to participate in the functioning of his union.

Participation by the individual member, however, involves far more than merely paying dues, although this is a prerequisite of any union activity. It also involves:

1. Reporting grievances—not complaining that the union never does anything about a particular situation.
2. Presenting only justified grievances, where the facts show there is a case in actual need of adjustment.
3. Helping to formulate policies which are to be negotiated for the entire bargaining unit of employees.
4. Cooperating with the local representative and keeping informed of union activity.
5. Loyalty, moral support and interesting new employees in the union.

It is only logical that filing a grievance or at least verbally reporting a situation, is absolutely necessary before the union can attempt to have a situation corrected. It is the responsibility of the member to notify his representative, to give him all the facts, and to support him when he takes up the case with the local management representative—not to back down by saying "Please don't mention my name," or to contradict him later.

#### EMPLOYEES MUST TELL THE UNION WHAT IS WANTED

It is essential that the employees speak up concerning the negotiation of policies which affect all employees in the unit. Often we hear of workers in certain plants objecting when a union suddenly comes in and organizes the plant, even when these same workers agreed there should be a union and voted it in—for "now the employees will have their say." Then why do they object after the union is certified to bargain for them? Immediately after winning the election, the union sends in a ready-made contract and BANG! The employees do not have the chance to approve or reject the contract. They do not have industrial democracy;

they merely have been placed under a new dictator. However, in a union where the employee can speak up, it is the responsibility of the members to attend the general meetings, where the work of the negotiators is approved or voted down. They can also relay opinions through their representatives, and appear before their executive committees to present proposals.

Knowing the local representative, keeping informed of union activities and bringing in more members also are very real parts of the employee's responsibility to his union. Each member bearing his share of the load aids bargaining. It leaves the union free to concern itself with only legitimate problems, and makes it unnecessary to stir up unreal problems to keep the membership interested.

From management the employees expect decent wages and working conditions and from employees the management expects an honest day's work. While the unions seek to see that this is always the case, the union itself expects something from both management and employees and that is FAIR DEALING.

#### DISCRIMINATION AND FAIR PLAY

The company should not discriminate, through supervisors or other employees not included in the union, against any employee because of membership in or activities for the union.

It should be unnecessary to make the above statement, as no supervisor worthy of his position would hold any resentment against any individual because of his membership in or activities for the union. Any supervisor who tries to treat the employees working under him in a fair manner will realize that the formation of a union is not a criticism of the supervisor or top management but is an attempt to aid in giving fair and just treatment to the employees.

Any large corporation is necessarily constituted of thousands of individuals, and among these are some who are individualists to the extreme. These people are after personal gain, regardless of who may be injured on the way. Such individuals and their activities are one of the prime reasons for the formation of unions.

Often such individuals hold only minor supervisory positions, or they may be fellow workers who hope to advance their own cause. Experience shows that individual supervisors are not always free from prejudices, or arbitrary action inspired by indigestion, misunderstanding, or sometimes, just plain perversity.

In a certain locality, it was discovered that a minor supervisor had been putting words into the mouths of one or two of the employees working under him, suggesting that connection with the union was the same as taking action against the principal manager. This discrimination reached such a point that one of these employees told a fellow employee that unless he took action to show management that he desired no connection with the union, management would "jump on him with both feet."

There are two dangers involved in this situation. First, management should never allow any situation to exist which will identify to them those who are members of the union from those who are not, since, if they do not have this knowledge, they cannot be accused of any discrimination because of union membership. Second, management should not allow any employee to make untruthful statements about management's policies.

In modern industry today, human relations can be realized only through collective bargaining negotiations wherein employer's representatives and workers' representatives meet as equals, seeking to determine wages, hours, and working conditions fair to all.

#### FREE SPEECH VERSUS UNLAWFUL PRESSURE

According to our democratic way of life, management is, of course, permitted freedom of speech. But the line which separates privileged statement of opinion on the one hand from unlawful vocal pressure on the other, is drawn by the Labor Relations Board in such a way as to qualify statements as lawful or unlawful. On one occasion the employer contended that certain statements amounted only to advising employees of the consequence to his business if they joined the union in question. The Board, however, advised that they were designed to discourage union

activity. (Ref: July 27, 1942, issue of the Labor Relations Reporter.) Some of these statements were:

1. Unions never did anybody any good.
2. Unionization will create a wall and barrier between employer and employees.
3. A particular union, disfavored by the employer would demand wage scales which would necessitate curtailment of work and personnel.

### CONFIDENCE IS PERSONAL

A "personal relationship" is an aid in maintaining the proper attitude between employer and employee and is a phase of industrial relations frequently overlooked.

In the past decade, more books and short articles have been written on the subject of industrial relations than in any similar period of time. Almost without exception, the fundamental thought on these writings is the encouragement of closer personal relationship between supervisor and employee, and that an increased personal interest would bring about greater regard for human values and personal rights.

After reading many of these books and articles, there is little wonder that those of us who are interested in the problems of industrial relations between employer and employee begin to question whether some men who have been placed in positions of responsibility have fully appreciated the importance of this phase of their work. Many times we have heard it said:

"My door is always open to any person in my department. I am always glad to receive their complaints or talk over their problems."

Actually, the speaker feels that he is sincere in this statement, but that door which is supposed to be open is generally closed both figuratively and literally and we well know that it takes more courage than most of us possess to open a door and approach a big executive whom we see only on rare occasions, no matter how congenial he may be. In this connection it is regrettable that many of our most personable executives are little

known by many of the men and women in their departments. Often their only personal contact with the employees is at one departmental "picnic" or "outing" a year. At other times they are closeted behind a door marked "Manager", "Superintendent", etc., and are seldom seen by those who could do so much more for them in an emergency if there existed that confidence instilled by personal contact and a genuine show of personal interest.

It is fundamental that a large corporation or extensive enterprise tends to limit personal contact and submerge personalities to the extent that human relations and human interests are often overlooked. But it is the personal interest and regard for human values that have given us some of the most outstanding examples of harmonious business enterprise in the country.

In general, the main talking point of any union or employee organization is higher wages and salaries. This is only natural because it is a concrete subject with a direct appeal to most workers and one which can be discussed at length. Although the primary interest of any union is in seeing that all employees receive the maximum wage commensurate with their ability, length of service and the company's ability to pay; morale and efficiency, as well as physical and mental well-being, are promoted by something far simpler and more easily obtained than dollars. Few people have the courage to protest a discourtesy, a personal slight or a lack of regard for personal right on the part of a supervisor, but those oversights are far more destructive to morale than other things often considered of greater importance by the management.

Confidence in management begins with confidence in and respect for the immediate supervisor and grows with each step up the ladder of the supervisory structure. Confidence and respect needs start at the bottom because it is a long way to the top and the personal touch is much harder to give from that plane. For this reason, confidence in a company rests upon the confidence of employees in their immediate supervisors. The responsibility of the supervisors is the greater, and one that is too often overlooked from the personal angle.



## SECURING WAGE INCREASES IS NOT THE SOLE FUNCTION OF UNIONS

Securing necessary wage increases is, of course, one of the principal functions of any union. But it must be kept in mind that it is only one function, and there are many others of equal importance. In many cases, these other functions greatly transcend the economic motive in importance.

Most important of these is the quest for security. Lack of the guarantee of some sort of security is one of the greatest worries that an individual can have. If an employee knows he can expect reasonable protection against discrimination, favoritism, arbitrary discharge and other factors that make for insecurity, he is a much better workingman and citizen, a valuable asset to his employer and his community.

Another very important function of a union is to promote industrial democracy by the creation and maintenance of harmony between employer and employee. The higher the degree of harmony realized, the greater will be the loyalty of the employee to the company and the fairer the treatment accorded the employee by the company. Harmony will prevent a return to the old attitude of "Quit-if-you-don't-like-it" on the one hand, and the attitude of "I-should-worry-I-only-work-here" on the other. Where a sincere effort is made to understand the other fellow's problems, industrial peace and harmony will prevail.

Unions are not only good for the worker; they are equally good for the company. They make the worker feel a sense of security which he did not have before the union was in existence. This sense of security works to the company's advantage in that it creates loyalty and efficiency, making the worker feel that he is part and parcel of the company.

Any company, after it has recovered from the shock of having the employees bargain for those things which they think they have a right to expect, should get around to the full realization that it has a responsibility to its employees. It should come to realize that the happiness and economic welfare of its employees and the continued success of its business depends in a large measure on its treatment of the employees.

All these things spell harmony and security and together they spell industrial democracy.

#### WHY A SENIORITY POLICY IS NECESSARY

Until recent years the problem of job security was not of primary importance to the average individual. A good workman could usually find employment regardless of age or length of employment with his former employer. However, during the past fifteen years all this has changed, and, today, loss of one's position is often a major catastrophe, particularly for a man with a family and property. For this reason the assurance that one's position in industry is secure is of prime importance if we are to have peace of mind and be able to plan for the future.

A large percentage of American families have ceased to migrate from place to place and from job to job and have settled down, accepting their responsibilities as citizens in a particular community. The more responsible the individual, the greater his contributions to the community and the more valuable he becomes to his employer. Most of us plan for the future, such as rear children, prepare for their education and buy homes. This is what has made America the progressive nation that it is today.

In order that such progress may continue, now that business conditions are rapidly changing, we must adjust our principle of employment. With the end of our present wave of prosperity the market will probably be glutted with employables in many lines. Management will then set higher standards for new employees. It is even conceivable that a company, in the interest of efficiency, may seek to discharge some employees of long service, who would normally be satisfactory employees, to be able to hire persons who are younger and better educated. This move certainly could be justified, on the surface, as in the interest of economy, but there can be no doubt about what such practice would do to morale. And, morale, in the long run, has a very definite effect on efficiency of an organization.

From an entirely different angle, and one which is just as important from the standpoint of seniority, personal likes and dis-

likes frequently play a major role in determining who is to be advanced, hired or discharged without regard to background or experience. In an organization where the practice is not to interfere with sub-management in the exercising of their personnel relations, even though the act of a particular manager may be open to serious question, instances of unjustifiable discharge and discrimination occasionally occur. The only security employees have is the fact that the great majority of supervisors exercise judgment in such matters.

For many years employees in industry have gotten along without any specific seniority policy and in general the results have been satisfactory to the majority. However, times have changed; also, a few inconsiderate individuals still remain in supervisory positions and for this reason adoption of basic rules governing seniority seem desirable. These rules should at least provide the maximum of consideration for human rights.

No seniority plan, however carefully prepared, can meet all conditions; therefore, it must be recognized that basic fundamental rules are all that can be written into any agreement. To some, it would seem that the preparation of a plan to insure maximum job security and consideration to men and women with long service should be very easy. However, in companies with widely divergent occupational groups, it becomes a very difficult matter. Straight seniority can only be applied in some instances and exceptions must be made in many others. It is these exceptions which make the problem a difficult one to solve, and the matter of individual opinion creeps in to becloud the issue and make agreement difficult.

It is an established fact that agreements with management, on rules governing seniority and kindred subjects, can only be entered into by a legally recognized employee group. For this reason it is essential that all salary employees and white-collar workers on an hourly rated basis should organize themselves into appropriate units and obtain certification as bargaining agents. After certification is obtained, negotiations can be begun out of which will come a definite understanding of the policy to govern employment, advancement, etc. A well defined policy of this

kind can greatly enhance the employee's feeling of security since the possibility of discrimination and discharge without due cause will be practically eliminated. Machinery should be set up to review all cases where an employee feels that he has been unfairly treated.

In conclusion, it is well to state that it should never be the intention of any seniority agreement to handicap management in exercising good judgment in the matter of personnel affairs. Nor can it be the intention to provide the means for any careless and incompetent employees to retain their employment after they have been duly and properly warned or instructed in the matter of their conduct.

#### SENIORITY RIGHTS

One of the primary concerns of men or women working in industry is job security. To accomplish this end, workers become rather specialized in particular fields and at the same time establish their roots in the community life.

As time goes on such a development of conditions and circumstances make us more valuable to, and dependent upon, the industry and community of our choice. Again, such a development destroys the opportunities of the worker to make changes because he is not only becoming older but each day adds an increment to the values he has already given to his employer for which no new employer is willing to bid.

It is foolish to insist that the worker has absolute freedom of action; therefore, as a price for the lost freedom and for the deposit of unpaid values given by the employees during their years of service, an increasing degree of security must be provided by industry in the form of Seniority Rights.

Is it just to take five, ten or fifteen of the best years of a person's life without giving something in return, when that accumulation of years of service operates to limit his opportunities anywhere else? Most certainly that person's financial status, as a rule, has not been improved willingly by the management as a reward for such service; therefore, we say very definitely that a

Seniority Policy must be established which acknowledges the fundamental principles involved.

### DON'T NURSE A GRIEVANCE

A suspended member of a union once wrote a caustic reply to his union office regarding his suspension notice. His reason for loss of interest in the union was that his salary was not up with those of other persons on similar work and he felt that the union had done nothing about it. He wanted to know why he should pay his dues each month for a lot of stalling around rather than a square deal from the organization.

Immediately upon receipt of his letter, union officers took up his case, went out to talk to him personally to secure more information. Likewise, the aggrieved member learned a great deal through this personal contact. It so happened that his salary was below that of persons on similar work, and that his supervisor considered him as capable as any of the others. In addition, he had many years of service.

Within a few days, after officers talked with local representatives and supervisors, the aggrieved member was scheduled for a substantial increase in salary.

It was not an open and shut case, but it was one deserving consideration by all concerned. It shows that mere statement that an increase in pay is desired is not enough. Everyone wants that. The point here is: no one thoroughly knew the case—neither the representative nor the officers. The member never explained his grievance—he only nursed it.

Grievances, whether fancied or real, are things to be settled. If you feel you have a grievance, go to your union representative and tell him about it. He wants to know about it and will do everything possible to see that it is corrected.

Remember this: there are limits beyond which a union cannot go. Everybody thinks he is good. Occasionally, however, in the eyes of his boss and many times in the opinion of his fellow workers, he is not as good as he thinks he is. If a man has reached the limit of his capabilities, there is not much a representative

can do to help him win promotion or an increase in salary unless he prepares himself by additional education for the job ahead. Do not hold this against the representative or the union. In cases like this it is up to the individual to consider ways and means of increasing his efficiency and value to the company.

Whether you have reached the limit of your capabilities; whether you have reached the top of your class; whether you have come to the red light on the road of progress for some other reason, membership in the union is a thing to be valued. Even if the union has never done anything for you personally, think of the benefits you have received along with every other employee through collective bargaining. Some of the ways in which you, and many others have benefited because unions exist are: (1) general salary increases; (2) holiday overtime rates; (3) salary rate reviews; (4) night turn bonuses; (5) seniority plans; and (6) job security, etc.

Do not nurse a grievance and if the grievance is not settled to your liking, do not nurse a grudge. Try to realize that all complaints cannot be settled to the satisfaction of everyone concerned, and at least give your union credit for trying to solve the problem. Most unions are conscientiously trying to do the right thing. If your representative is not, remember that you helped to elect him and must be satisfied with him until the next election or convince a sufficient number of members in your group or district that he should be removed.

## *Chapter IV*

### HOW TO ORGANIZE WHITE-COLLAR WORKERS

Before any organization can come into being there must be some general condition of insecurity, some necessity, some appealing objective, or some unjust or irritating condition or circumstance to motivate the founders and stimulate the interest of the prospective members. It may be the need of an impersonal approach to management. Next, there must be very careful preparation and planning by the sponsors even before the new union is publicly announced and membership solicited. The most important feature of the preliminary structure is the selection of sponsors who are both capable of service and interested in the project as well as being persons commanding respect of their associates, management, and the public. Further aims of the organization must be carefully considered and plans made for presenting them to the prospective members. Finally, a sound financial policy must be devised which will include plans for future needs, as well as for adequate current operating expenses.

After the preliminary groundwork has been laid, there is no need to fear reprisal from management for organizational activity. In fact, it is distinctly advantageous to publicize the names of your organizing committee as that lets everyone know who they are and you are then protected against discrimination by the National Labor Relations Act. Individuals interested in forming an independent salaried union should contact their Regional Director of the National Labor Relations Board for a copy of the National Labor Relations Act and familiarize themselves with its contents.

With the preliminaries out of the way and temporary officers elected, the next step is to announce the organization to the public. This important step must be as carefully planned as any

other, since a bad beginning or improper approach will prove the worst kind of handicap to success. The psychology of the prospective members must be known and analyzed and all of the obstacles to organization must be clearly understood. Clear, understandable and honest publicity must be prepared and distributed, then membership should be solicited in an open and straight-forward manner.

Membership in the union should be limited to employees below the rank of supervisor. This policy should be adopted because obviously a supervisor's duties make him management's representative and he must of necessity sit on management's side of the table in any controversy. All unions in the process of organizing should adopt such a policy.

A good definition of a supervisor is "anyone spending more than 80% of his time supervising the work of others, one who has the right to hire or fire or the recognized right to recommend for hiring or firing"—Fair Labor Standards Act. The new Labor Management Relations Act of June 23, 1947, contains a much better description of a supervisor.

Early and frequent committee and membership meetings must be held either of small groups or of the membership as a whole for the purpose of education and for determining the wishes of those members in all matters concerning the activities of the organization. No action should be taken by the officers unless they are definitely assured that such action represents the will of the majority. And as soon as it is possible, an organization meeting must be held, at which permanent officers should be elected and a Constitution and By-Laws adopted.

It is the duty of the elected representatives of the membership to familiarize themselves with labor problems and proper procedure in handling personnel relations. Adequate information on these subjects is available in this book and other up-to-date books and periodicals.

As soon as temporary officers are elected and the organization announced, the next step to be taken is that of contacting the management of the company through the proper channels and acquainting them with the objects and policies of the organiza-



tion with the request that means be provided for the discussion of mutual problems. All contact with the company management must be scrupulously avoided up to this time and all future contacts must be kept on a strictly business-like and impersonal basis in order to avoid embarrassment to both the union and the company. This procedure is necessary in order to avoid any grounds for charges of company interference or domination, which often cause the downfall of independent organizations. Inexperienced organizers, such as often are found in the independent unions, are particularly vulnerable to company influence or domination and therefore must carefully consider and plan each step taken in both organization and negotiation.

Organizers are cautioned to conduct all organizational activity off company property and not to ask for or accept from management or supervisors any support or favors. Before labor board certification, it is perfectly permissible to represent union members (but only members) in dealings with management. Problems of any kind *concerning members* may be discussed with management. However, problems of a general nature may be considered by management as not coming under the jurisdiction of the organization since it does not legally represent all employees of the particular plant or group.

This excuse may be used by management in refusing to discuss certain subjects unless the organization has been given the stamp of approval, in the way of certification by the Labor Board, as sole bargaining agent for a specific group of employees. Certification to a labor organization is similar to incorporation of a business organization, although not with the same legal and financial obligations, and it places them on a recognized footing in the business and labor world.

In order to be in a position to obtain such certification, the officers must petition the National Labor Relations Board and be prepared to participate in an election, when ordered by the Board. In the election, the Association must poll a majority of the votes cast by all the employees voting, thereby proving the right to represent the employees in the unit for which certification was requested.

A certified labor organization, association, or union, whatever you choose to call it, having an alert and informed group of officers and a sound industrial relations program, as well as an adequate financial policy, can be of immense value to both employees and company alike.

A COMPREHENSIVE PROCEDURE TO FOLLOW FROM THE FORMATION  
OF AN INDEPENDENT SALARIED OR WHITE-COLLAR UNION  
TO ITS CERTIFICATION AS A BONA FIDE BARGAINING AGENT  
IN CHRONOLOGICAL ORDER

1. Arrange for meeting, off company property, of representative group of employees.
2. At the meeting explain purpose, aims, and advantages of an organization. A few of the most outstanding are:
  - (a) to promote more harmonious employee-employer relations.
  - (b) To negotiate with management a grievance procedure whereby any individual or collective problem which affects members can be satisfactorily settled within definite time limits.
  - (c) To prevent injustices to members and create a greater degree of job security.
  - (d) Negotiate with management a salary position classification set-up and ranges of pay.
  - (e) To conduct periodical salary rate reviews—perhaps every six months.
  - (f) To negotiate with management a fair and equitable seniority plan.
  - (g) To cooperate with management in all matters where such cooperation is compatible with the union's obligation to its members.
  - (h) To conduct the affairs of the organization in a manner worthy of the support of its members and command the respect of management and the general public.
  - (i) To inform members on legislation and rulings affecting their status as employees.

- (j) To foster and develop collective thinking and cooperation regarding problems which affect the group as well as the individual.
- 3. Take secret ballot or entertain a motion on question of whether or not those present desire to form a white-collar or salaried organization.
- 4. Elect temporary officers:
  - (a) President
  - (b) Vice President
  - (c) Secretary and Treasurer or Secretary-Treasurer depending upon the ultimate size of the organization.
- 5. Choose a name for the organization.
- 6. Explain need for dues. The most important are:
  - (a) To have sufficient income to rent an office for a headquarters.
  - (b) To defray printing expense of membership cards.
  - (c) To defray cost of publicity materials.
  - (d) To enable officers to prepare and distribute literature for the purpose of keeping members informed of activities and progress of the organization.
  - (e) To build up a reserve fund for the purpose of defraying any necessary expenses of the organization, such as hiring an attorney or an experienced advisor, or renting a hall for membership meetings.
  - (f) To enable officers to subscribe to publications or purchase books and literature which will keep them informed on all matters pertaining to their duties, labor laws, and rulings affecting their members.
  - (g) To cover the cost of subscription to or the publishing of an organization paper.
  - (h) To enable officers or elected delegates to attend conferences called to discuss problems affecting members.
  - (i) To meet the traveling expenses and loss of income of local officers (or those appointed by them) when it is necessary for them to appear before the various government agencies at Washington when legislation is being acted upon that may adversely affect their membership.

- (j) To provide funds for emergencies, such as arbitration or mediation, which are often surprisingly expensive.
7. Establish amount of dues to be charged by vote of those present. Also decide upon how dues will be collected and the effective date of dues for new members. (See recommendation on page 67 of this Chapter)
    - (a) It is suggested that the first month's dues for new members in lieu of an initiation fee be for the month in which they are received irrespective of the date on which received.
  8. The President should appoint a Membership Committee consisting of not less than three members but including one member from each different employee occupational group.
  9. Determine the extent of the unit to be covered by the organization. The unit may include any or all employees except bona fide supervisors of the company regardless of the branch or activity or the supervisor to whom a group of employees report. Employees from any specific groups may be omitted if no interest toward the organization is shown by those employees. However, the unit should include all employees except supervisors in the division of the company to be organized. In seeking certification, it is best to define the unit which you expect to have certified by the various occupations of the people employed therein.
  10. The president should appoint a committee of not less than three to draw up a Constitution and By-Laws for the organization to be submitted to the membership for approval before adoption. (See Chapter V, pages 78 to 88, for typical Constitution and By-Laws).
  11. The president and other elected officers should call upon an appropriate management representative and advise him of the formation of the union and request a schedule of periodic meetings to discuss any problems which may arise. No officer of the Association should contact a management representative alone on union business. Two or more union officers or representatives should always be present during any discussion of affairs with management in order to avoid

possible criticism or misunderstanding. This does not apply to representatives or stewards when contacting immediate supervisors.

12. The organization should decide who should constitute the executive committee and delineate its authority. The temporary executive committee may be appointed by the president and should include besides the elected officers, one member from each occupational group.
13. Regulations which *must* be rigidly adhered to in order to conform to the rules of the State and National Labor Relations Boards and to avoid possible involvement in charges of company domination by a rival labor organization.
  - (a) Confine organizational activity to outside working hours.
  - (b) Hold *no* meetings on company property.
  - (c) Use *no* company facilities in organizational work.
  - (d) Permit no bona fide supervisor to take part in or to encourage the organization, or to attend any meetings.
  - (e) Solicit no members or dues during working hours.
  - (f) Do not coerce employees in soliciting members. Be fair, honest and understanding of the views of others on the subject of employees' organizations.
  - (g) Any officer or official delegate paid by salary who is away from work on purely organizational work should notify the proper company official to deduct the correct amount from his or her salary to cover the absent time. The organization should authorize payment, out of the treasury, for such deduction so long as the official or delegate is performing duties assigned by the executive committee or as provided for in the constitution and by-laws.
14. Activities which are permitted by law, rulings of the Labor Boards, or precedent set by the company.
  - (a) Any employee group is protected in its right to organize by the State and National Labor Relations Acts which provide that an employer may not discriminate against any employee for his or her activity for or in any labor organization. Recent court rulings permit an employer

to express his opinion on the subject of an employee organization so long as such opinion is not expressed for the purpose of coercing any employee and so long as it is not followed by any acts of coercion and discrimination.

- (b) An employee may comment on or answer questions about the organization during working hours so long as the company permits discussion of other activities, such as golf, baseball, recreational activities, etc., during working hours and so long as such comments are held within due bounds of propriety and are such as to have little effect on the employees' daily work or activity.
- (c) Officers or duly appointed or elected representatives of the organization may discuss grievances or questions of policy, affecting members, with representatives of management on company property and during working hours. Management is required by law to deal with the representatives of the organization for its members at any time after the organization is formed and *before* certification as sole bargaining agent by the State or National Labor Board.

15. The permanent organization should consist of:

- (a) President
- (b) Vice President
- (c) Secretary and Treasurer or Secretary-Treasurer
- (d) District Representatives or Division Stewards elected from each major occupational unit.
- (e) An Executive Committee usually composed of the elected officers and District Representatives or Division Stewards.
- (f) Group Representatives or Group Stewards elected from and by the employees in each small occupational group. These representatives should be entirely familiar with the employees in and the work of the group which they represent, more so than is possible for the District Representative who is elected by the members in a large divisional activity.

- (g) Officers (President, Vice President, Secretary, Treasurer) are elected by the entire membership while District Representatives or Division Stewards are elected by the members in a major occupational group. Group representatives or Group Stewards are elected by the members of a small occupational group.
  - (h) A Negotiating Committee, consisting of the President and Vice President, and one or more members of the Executive Committee, should be elected by the Executive Committee. This Negotiating Committee should present all general subjects for discussion and negotiation to the authorized management representatives.
16. Handling of grievances or complaints:
- (a) Individual or collective problems or grievances should be prepared by the group representative in writing on the grievance form adopted by the union and presented to the first immediate supervisor of the employee or employees involved.
  - (b) The district representative involved may be called upon for assistance and guidance in handling the negotiation if the group representative or steward so desires.
  - (c) If the problem is not settled to the satisfaction of the respective union representatives by the immediate supervisor within a short time (preferably two days), the grievance should be presented to the next higher supervisor with a time limit not exceeding four days.
  - (d) If the grievance is not satisfactorily settled by the immediate supervisor or the supervisor next in authority, it should be presented to the Executive Committee for study and if further action is deemed necessary, it should be turned over to the Negotiating Committee for discussion with the Industrial Relations representatives.
17. Procedure to be followed for certification as sole bargaining agent by the State or National Labor Relations Board for all employees in the unit.
- (a) When a representative membership (approximately 50%) of those eligible in the unit has been obtained, the Presi-

dent should *write a letter* to the management representative requesting that the organization be recognized as the "sole bargaining agent" for all the employees (non supervisory) in the unit. The bounds of the unit should be definitely stated in the letter. Management's reply should be in writing and will probably be to the effect that Management cannot comply until the organization has been certified by the State or National Labor Relations Board.

- (b) A refusal by Management to recognize the organization as "sole bargaining agent" should be followed by the organization officers filing a petition for certification with the State or National Labor Relations Board. If the company is engaged in intra-state commerce, the petition is filed with the State National Labor Relations Board; if engaged in inter-state commerce, the petition should be filed with the Regional Office of the National Labor Relations Board.
- (c) Filing of the petition for certification will be followed by an informal hearing called by the Board at which representatives of management, officers of the organization and representatives of any other interested labor organizations will present their views before an attorney of the Board. The officers who file the petition, as a rule, will be required to give a history of the organization, state any affiliation and proof that they are officers of a bona fide labor organization which is duly constituted, holds meetings of members, collects dues and has representatives which represent the employees before management in any questions affecting wages, hours, and working conditions. They will be required to state whether or not any other labor organization has an interest in any of the employees which the organization wishes to represent in the unit. Employee membership, if such be known, in any other labor organization, usually is the only cause for interest of the other organization.



- (d) If the other interested labor organization or management objects to the petition as to the bounds of the unit, or if the other organization intervenes by claiming membership, and such objections or interventions are recognized by the Board attorney, a formal hearing will be ordered at which time the interested parties may present witnesses and arguments to sustain their positions. The labor board will supply counsel for the organization if counsel is desired or the organization may retain an attorney of their own choosing. Following the formal hearing the labor board in Washington will hand down a decision on the basis of the evidence presented and, as a rule, an election among the employees affected is ordered.
- (e) If the informal hearing results in no major objection by management or any interested labor organization, the Board attorney will call upon the organization to submit their signed membership cards for examination. In addition, the company will be asked to submit to the Board a list of all eligible employees in the proposed bargaining unit. This list will be made available to the officers of the organization for check. However, the membership cards will be regarded by the Board as confidential information and will not be made available to management or to any other labor organization. The cards will be returned to the organization officials after they have been checked with the list of eligible employees.
- (f) If the list of names submitted by management does not contain some of the names for which the organization presents membership cards, an understanding should be reached and these names added to the list of eligible voters which will be posted on the company bulletin boards prior to any election. If management objects to adding these names to the list of eligible voters, the names may be included under protest and these employees will vote on a special ballot which will be con-

sidered separately in the event of a close election. Eligibility may be decided by the Board after the election.

- (g) It may not always be necessary to conduct an election, because if management is willing to accept a "card check," the Board will determine if the organization represents a substantial number of employees, and the Board may order certification on the basis of the card check (if more than 50% of the employees are shown to be members). However, an election is generally ordered, said election to be held as agreed upon by the parties concerned and under the supervision of representatives of the Board. The Board will prepare notices of the election which must be posted on company bulletin boards by the management several days prior to the actual date of the election. A list of eligible voters will also be posted at the same time. Ballots will be prepared and supplied by the Board, who will also supply the voting facilities if necessary. Unless some other labor organization has submitted proof of membership and requests to appear on the ballot, the ballot will simply provide means for an employee to express his preference for or against the original petitioning organization as his bargaining agent with management.
- (h) An election for bargaining agent may be held on company property without prejudicing the organization involved, if agreed upon between management, the organization representatives, and the Board representatives.
- (i) Both the organization and company management may have "watchers" at the polls on the day of the election. However, the organization will be expected to supply the necessary checkers and assistants to conduct the election. The Board representatives will be present only to see that the election is conducted according to rules. Ballots will be counted immediately following closing of the polls. The organization representatives will count the ballots and certify the tally sheets.

- (j) The organization representatives participating in the conduction of the election, if required to lose time from work, should be paid by the organization for their time and the company should be notified in writing of those persons who are to be "docked" for pay while serving on election boards.
  - (k) Following the election, the Regional Office of the Board will submit a report of the result of the election to Headquarters in Washington. Approximately thirty days following the day of the election, both the company and the organization will be notified of the certification provided the organization received a majority of the votes cast.
18. Activity following certification:
- (a) After certification as "sole Bargaining agent" the officers of the organization should actively engage in any collective bargaining matters affecting *all* employees in the bargaining unit. Management *must* bargain with the designated representative for any and all problems presented.
  - (b) Bargaining must proceed in good faith on both sides with an honest desire to reach an agreement on all subjects. An attitude of understanding and fairness must prevail at all times. Both parties must make an honest effort to understand the other person's point of view and be honest and fair in all dealings.
  - (c) Membership meetings should be held periodically to inform the members of the activities of the organization and in order to permit the members to express opinions on policy and to guide by motions, etc., the activities of the union.

#### PITFALLS TO BE AVOIDED IN ORGANIZATIONAL PROCEDURE

Charge of "company domination" is one of the major pitfalls to be avoided by independent salaried unions. The large international unions look upon independents with scorn and call them

"company unions." They will usually do everything they can to have independents disbanded. Within the past few years over 1,000 independent unions were ordered "disestablished" by the Labor Board because they were charged with company domination by the large internationals. It is, of course, ridiculous to even think that more than 1,000 unions with their thousands of members submitted to company domination. A few of them probably were dominated and deserved to be disestablished but the others were penalized for making a few mistakes that would have not been made by more experienced unionists. Some good rules to follow are listed below:

Do not elect in an official capacity any persons who were or are connected with existing or former employees-employer representation groups.

Draw up your own Constitution and By-Laws. (See Chapter V, Pages 78 to 88 for Constitution and By-Laws of the Association of Westinghouse Salaried Employees).

Under no condition permit active support and assistance by supervisors and other company officials. Insist that all company officials refrain from coercing or intimidating any of the employees you are trying to organize.

Conduct negotiations for your members only on an individual basis until you are certified by the labor board as a bona fide bargaining agent.

Insist upon no interference with the right of the employees to organize and to join a union of their own choice.

If your organization is a successor to a company dominated predecessor insist that the company post notices withdrawing recognition of the predecessor and renouncing any connection with your organization.

Accept no assistance in any form from the company in financing your organization.

Until certified by the Labor Board, do not solicit members or dues on company time. After certification it is perfectly proper to do so on company property at lunch time or before or after working hours.

Do not restrict (in your constitution) choice of organization

representatives to employees of the company. This does not mean that you must employ an outsider to run your union but such a clause in your constitution is a good safeguard for future expansion or legal advice.

After certification negotiate a written contract. Do not attempt to do so until certified by the Labor Board.

If employer persists in interfering, complain immediately to the local office of the Labor Board.

Do not permit your organization to lapse into inactivity. Be an aggressive group determined to fight for your just rights.

Do not try to operate without dues. An organization is no organization at all in the eyes of the Labor Board if dues are not collected. Do not make the mistake of charging too small a fee for dues, as many an independent union has gone on the rocks because they tried to operate on a few pennies per month dues fee. A fee of \$1.50 per month per member is advisable.

## *Chapter V*

### HISTORY OF A SUCCESSFUL SALARIED UNION

#### ORIGIN AND HISTORY

This history was written after 8 years of experience gained through actually facing and solving the innumerable problems with which embryonic leaders in the field of independent salaried unions are confronted. It has to do with the formation and early development of the Association of Westinghouse Salaried Employees, an independent union of salaried workers of the Westinghouse Electric Corporation, unaffiliated with any of the large international unions. Therefore not having any financial backing, the members of the organizing committee contributed \$5 each to pay the Association's first month's rent for its new headquarters and for the printing and distribution of pamphlets announcing the opening drive to organize the salaried employees of the main plant of the Westinghouse Electric Corporation.

The idea of a bargaining unit for Westinghouse salaried employees was conceived in July, 1938.

Beginning the drive for organization, an organizing committee of eleven Westinghouse employees, which had been formed August 1, 1938, opened the Association office at 102 Cable Avenue, East Pittsburgh, Pennsylvania, in September, and passed out pamphlets on the street.

The Association maintained headquarters at the above address near the main entrance of the Westinghouse Company. Here meetings were held, dues collections were made, and the business for running the organization was conducted. The office space has since been enlarged so that now the large outer room of the office is furnished with facilities for the recreation of members. Labor literature, current publications, minutes of meetings in mimeographed form, and notices of the organization are

available. On file are also information on labor laws, analyses; Labor Relations Reporter and Wages and Hours Reporter, publications containing complete reports of national labor legislation and enforcement, published by the Bureau of National Affairs at Washington, D. C. Books and other literature on collective bargaining are also available.

Membership in the Association was open to salaried employees and other clerical and technical employees, both men and women, in the Pittsburgh administrative district of the Westinghouse Electric Corporation. Excluded from membership were those employees who were in bona fide supervisory positions and who represented the Company in its relations with the employees. Employees were eligible to join the Association as soon as they came into the unit represented by the A.W.S.E.

During the same month, August, 1938, the group arranged with local Westinghouse management a definite weekly schedule for discussing problems for its membership only. Issuing two more pamphlets during October, the Association became large enough by December to hold its first annual membership meeting. Constitution, By-Laws,\* and the name, Association of Westinghouse Salaried Employees, were adopted at this meeting on December 1, 1938. During the month, members elected their officers by mail ballot.

Association of Westinghouse Salaried Employees representatives met with representatives from the Sharon and Derry Westinghouse employees' associations for the first time at an informal meeting in Pittsburgh, Pa., in February, 1939.

Meanwhile, Association members decided to publish "The Regulator" as the official publication of the A.W.S.E. With the first issue appearing on February 28, 1939, and the second in April, 1939, "The Regulator" was issued twice as the publication

\* The Constitution and By-Laws of the Association of Westinghouse Salaried Employees have been made a part of this Chapter and will be found on Page 78 to Page 88. No claim is made that this Constitution and By-Laws are the most outstanding ever developed, but they can serve as an effective guide for the establishment of a Constitution and By-Laws in other independent white-collar unions.

of the Association, but starting in May, 1939, the paper was sponsored by the Federation of Westinghouse Independent Salaried Unions.† The Federation had been formed during the previous month when A.W.S.E. representatives met for the second time with delegates from Sharon and Derry and also with delegates from the South Philadelphia Association.

During the first few months of the Association's existence, the matters of discontinuing furloughs and restoration of a ten per cent salary cut (effected June 1, 1938) were taken up. Furlough days were eliminated by January 1, 1939, and the restoration of the salary cut was effected June 1, 1939.

Having obtained a majority of the eligible employees as members, the Association on April 22, 1939, filed application with the National Labor Relations Board for sole bargaining representation of salaried employee groups in the Westinghouse plants at East Pittsburgh, Homewood, Trafford, and Linhart.

In August, a preliminary hearing on the Association's petition took place in the National Labor Relation Board Offices in Pittsburgh, and in October, 1939, a formal hearing was held before a Trial Examiner. These events were followed by the Association officers appearing in Washington before the Labor Board on December 7 for presentation of the Association's case. Several weeks later on January 19, 1940, the Board ordered an election to be held February 15 among all salaried employees except those shop groups including inspectors, production clerks, and power house operators. So that these groups also might vote in the election, the Association's Attorney filed an appeal to this order. The Board, however, directed the election as scheduled. With 2,217 persons voting, a total of 2,136 voted to be represented by the Association as sole bargaining agent while only 81 voted "no."

† In May, 1939, the Federation was known as the "Federation of Westinghouse Employee Associations." See Chapter VI, Page 89, for a complete history of the Federation, which includes the reason for this change in name. The relationship of the Association of Westinghouse Salaried Employees to the Federation of Westinghouse Independent Salaried Unions is that of the largest and parent affiliate.



On April 13, 1940, the National Labor Relations Board ordered an election among the employees excluded from the first election. This election, which took place on May 7, resulted in 460 voting for the Association and 79 against A.W.S.E. representation. This made a total vote of 2,756 with 2,596 voting for representation by the Association and 160 voting in the negative, or a favorable vote of 16 to 1. Certification by the Board was received May 22, 1940.

After certification as the sole bargaining agent for Westinghouse salaried employees, the Association began active negotiations for policy agreements with Management on June 18, 1940. Among the first agreements obtained were those on rate reviews for salaried employees, a hospital insurance program, negotiation procedure, and changes in the vacation schedule.

The Association of Westinghouse Salaried Employees negotiated 20 more overall policy agreements from the latter part of 1940 through the first half of 1942, among which were included a general salary increase (\$18 a month retroactive to April 8, 1941), transfer of white-collar hourly employees to salary, night turn bonus, revised salary review procedure, scheduling of overtime, military service policies, transfers and dismissals, straight time pay for hours worked in excess of schedule up to 40 (after which overtime rules apply), irregular hours pass, and overtime-rated pay for Sunday and holidays. A.W.S.E. representatives and management conducted the first salary review during the summer and fall of 1940, the second during July and August, 1941, a special review for 400 forty-hour employees in September, 1941, the third regular review in January and February of 1942, and the fourth in October, 1942. From this date on, reviews have been conducted semi-annually.

The most controversial issue between management and the Association rose over the matter of adjusting the salaries of 400 regular 40-hour employees who were out of line with persons on similar jobs who were 37½-hour employees put on a 40-hour schedule with a proportionate salary increase. Revision of the salary keysheet to reflect the increase from 37½-hours to 40-hours also was sought at the same time. Five weeks of negotiating and

a month's deadlock took place, and finally a one-day protest walkout was set for August 11, 1941. The walkout, however, was cancelled, when the Association was granted its requests just a few minutes before the time set for the protest demonstration.

Publication of the monthly "A.W.S.E. Reporter" had begun in April, 1941. Issued monthly, the "Reporter" contains news of various committee and group meetings, news of negotiations with management, and general news of the Association. The "Reporter" is issued at the end of the month and is mailed to the members' home addresses.

The membership in the organization has steadily and satisfactorily grown. It is interesting to consider why. Probably the underlying cause is the unstable and uncertain economic condition of the country, and of the world as a whole, which has given rise to a feeling of insecurity and fear of what the future may bring. The 10% salary reduction of June 1, 1938, forcibly brought home to all employees their individual helplessness. Discriminatory furloughing and the fear that furloughing of salaried employees with every fluctuation in load was becoming a definite part of company policy was also an influence. This practice, introduced when possibly justified by conditions, will, if perpetuated, undermine morale, personal initiative, and the individual responsibility which the salary system fosters. These factors, however important, are not sufficient alone to account for the growth. The tactful and responsible functioning of the organization in its relations with the company, the freedom from the suspicion of racketeering, the democracy, integrity, and responsibility of the organization in its relation with its members, have undoubtedly been of primary importance. Continuation of growth until all salaried employees are embraced is to be expected. The Association conducts a membership drive each year to bring into the organization those employees in the units it represents who are not yet members.

On February 26, 1942, the Federation opened negotiations for a contract pattern which each affiliated Association could use as a basis in obtaining a local contract. Throughout the next few months, A.W.S.E. negotiated for its contract. Settlement on wage

provisions was held up pending national trends, but was finally reached August 12, 1942, when a general increase of 5.5 cents an hour—retroactive to June 1, 1942, and keysheet revision were granted.

The Association of Westinghouse Salaried Employees signed its first contract with the Westinghouse Company at its East Pittsburgh Plant on August 31, 1942. The Federation master pattern contract \* was used as a basis and the contract embodied all of the agreements negotiated between 1940 and 1942. Contracts with management of each of the other three bargaining units (Derry, Research, Pittsburgh District Office) were also signed. The contracts cover all agreements on policy between the Association and the Company, including recognition, wages and hours, seniority, holidays, vacations, job classification, overtime, and mutual arbitration.

Certified as the collective bargaining representative for the non-supervisory salaried employees, the Association is an independent labor union, affiliated with other similar unions in the Federation of Westinghouse Independent Salaried Unions.

#### PURPOSES, OBJECTS, AND BENEFITS

The Association of Westinghouse Salaried Employees was organized to provide a legal and accredited means by which the salaried employees could bargain collectively with management. The Association promotes the industrial and economic welfare of those it represents. Its aims and functions further include:

1. Promoting more harmonious employee-employer relations.
2. Negotiating with Management all individual grievances and all problems of a general nature which concern members until such problems are satisfactorily settled.

\* The Federation of Westinghouse Independent Salaried Unions has negotiated four master contracts since August 31, 1942, and for the information and guidance of the readers, the author is reprinting the latest Master Agreement, dated April 1, 1947, and one of the 12 latest local A.W.S.E. Supplements covering seniority on Page 176 to 180, Chapter 7.

3. Preventing injustices to its members, thereby creating a greater degree of job security.

4. Reviewing salary job classifications, established by management, prior to their being made effective.

5. Conducting semi-annual salary rate reviews.

6. Cooperating with management in establishing a fair and equitable seniority plan.

7. Cooperating with management in all matters where such cooperation is compatible with the Association's obligation to its members.

8. Conducting the affairs of the A.W.S.E. in a manner worthy of the support of its members and commanding the respect of management and the general public.

9. Informing members on legislation and rulings affecting their status as employees.

10. Fostering and developing collective thinking and cooperation regarding problems which affect the group as well as the individual.

11. Providing a means for directing thinking along lines of labor's future responsibility in industry.

12. Establishing means for cooperative action with other Westinghouse independent unions.

During the war period, there was enthusiastic cooperation with management in boosting output of war material. The Labor-Management Committee and subcommittees were the chief media.

Some of the things which the organization does for the benefit of its members:

1. Five representatives and three officers meet with management weekly to discuss problems and conduct negotiations affecting wages, hours, and working conditions.

2. Nineteen committees are working on problems and preparing data on negotiations which affect each member personally, with the idea of continually bettering the members' relations with the company.

3. A means is now in existence whereby an individual's grievance will be settled even if this necessitates carrying it all the way up to top management.

4. Working relations, built on mutual respect and a sincere desire for cooperation, have been established between district representatives and practically every department head in the respective local bargaining unit area.

5. Through Association efforts several employees are on the company's roll today who would not be there had the union not discussed their cases with management. As proof of the soundness of Association judgment and the extent of cooperation received from management, some of those persons have been granted salary increases through rate reviews and some have better positions today because the Association interceded to prevent a miscarriage of justice.

6. Definite promotion and seniority plans have been established.

7. All salaried positions are now classified uniformly and clearly, and salary rate ranges have been established. By agreement with management, every employee is notified of his classification and salary range at the time of any change.

8. Twice each year, Association representatives and department heads review all salaries with the intention of seeing that each individual is properly classified and that his salary reflects his ability to perform the requirements of his position.

9. Twenty-two other Westinghouse independent employees' associations have already been formed with the assistance of the officers of the Federation of Westinghouse Independent Salaried Unions with which the A.W.S.E. is affiliated.

10. The A.W.S.E. is kept advised on new and changed labor laws by means of the most reliable source of information available—such as Prentice Hall B.N.A., and R.I.A., weekly publications received from Washington.

11. The Association is responsible for having the Pittsburgh Plan (Blue Cross) for hospitalization insurance, which is believed to be superior to any available plan of comparable cost.

12. The Association has negotiated seven salary keysheets

which have salary ranges considerably higher than the first key-sheet that was being used when the organization came into existence. The average salary, due to general increases, rate reviews, and these keysheets has been increased by over fifty per cent in less than six years.

13. Further guaranteeing the employees' rights are the Local Supplements to the Master Contract.

None of these things existed for salaried employees at East Pittsburgh prior to September, 1938, when the Association of Westinghouse Salaried Employees was organized.

#### ORGANIZATIONAL STRUCTURE

For convenience in representation, the Association is divided into 23 districts and each district is subdivided into a number of groups, making a total of 180 group representatives within these respective districts. A district is generally composed of the employees in a particular operating division or department. The group within the district is a number of employees on a similar type of work, such as engineers or draftsmen. Each member's district and group number is indicated on his membership card.

The general membership, group representatives, district representatives, committees, and officers make up the structure of the organization.

Bargaining is handled first through the group representative, then district representative, Executive Committee, and Negotiating Committee. Representing a group of members in a similar type of work within one district, the group representative settles or assists in settling grievances at the level of origin. If the group representative cannot settle the problem, he transmits it to the district representative for discussion with the department manager. The group representative also distributes news and information among the members of his group.

The district representative, overseeing several group representatives, and a large portion of the membership, has two main functions: (1) he serves as a member of the Executive Commit-

tee, and (2) he presents grievances within his district to the manager of the department involved. If a problem cannot be settled here the grievance is referred to the Executive Committee. One of the functions of this committee is to consider all unsettled grievances referred to it by district representatives, and to determine the necessity for turning a problem over to the Negotiating Committee for discussion with management. Besides this work, the Executive Committee formulates policy for the Association, conducts all the business, and approves all the expenditures of the organization.

The Executive Committee is composed of the officers, the junior past president of the Association and the 23 district representatives. Group representatives may attend Executive Committee meetings, introduce problems and speak on them, but if motions are necessary they must be made, seconded and voted on by members of the Executive Committee only.

Working under the direction of the Executive Committee, the Negotiating Committee meets each week with management and conducts all the bargaining for the Association. Members of this committee are the president, both vice presidents, and five people elected by the Executive Committee. Included with the negotiating group can be the interested district or group representative.

Officers of the Association direct and coordinate the work and act in official capacity for the organization. Assisting the officers is an advisory committee composed of four members of the Executive Committee in addition to the Association president and two vice presidents. The committee meets on the day of the Executive Committee meeting and assists in planning the business for the meeting.

Various other functions of the Association are performed by regular and special committees whose titles are self-explanatory as to their functions. These are: Executive, Negotiating, Advisory, Grievance Clearance, Membership, Position Evaluation, Liaison, Statistical, Post War Planning, Pension & Retirement, Educational, Employment, Legislative, Review Scheduling, Auditing, Editorial, Quarterly Meeting, Constitutional, and Social.

## A.W.S.E. CONSTITUTION AND BY-LAWS WITH AMENDMENTS

As previously stated in the footnote on Page 69 of this Chapter, it is not claimed that this Constitution and By-Laws are the most outstanding ever developed, but it is felt that they can serve as a guide to other white-collar workers who are contemplating the formation of an independent organization.

ARTICLE No. 1—*Name*

The name of the organization shall be known as the "Association of Westinghouse Salaried Employees."

ARTICLE No. 2—*Object*

The Association of Westinghouse Salaried Employees is organized to provide a legal and accredited means for collecting bargaining and for the promotion of the industrial, economic and social welfare of its members.

ARTICLE No. 3—*Qualification of Members*

Section 1. The Association shall be composed of all salaried employees and other clerical and technical employees of the Westinghouse Electric Corporation in the Pittsburgh Administrative district, both men and women, who shall comply with the rules and regulations of the Association, except those who spend fifty per cent (50%) of their time in supervisory capacity or who represent the Company in its relations with the employees.

Section 2. Associate Membership: Any member who, due to change of employment status, or absence from work due to sickness or layoff, becomes ineligible for full membership, and any salaried employee of the Westinghouse Electric Corporation not otherwise eligible, except those in a supervisory capacity, may become an associate member. An Associate Member has all the privileges of a member except the right to vote or hold office.



ARTICLE NO. 4—*Officers and Their Election*

Section 1. The officers shall be President, First and Second Vice Presidents, Secretary-Treasurer.

Section 2. The President, Vice Presidents, Secretary-Treasurer and representatives shall be elected for one year.

Section 3. The Executive Committee shall consist of the President, First and Second Vice Presidents, Secretary-Treasurer, District Representatives, and the Junior Past President.

Section 4. The Executive Committee shall be the governing body and direct the management of the affairs of the organization.

Section 5. The Executive Committee shall meet at least once each month and one-third of the membership of this Committee shall represent a quorum.

Section 6. Special meetings of the Executive Committee can be called at the discretion of the President or upon the request of three committee members.

Section 7. There shall be an Advisory Committee of five members appointed by the President, who shall act as Chairman, with approval of the Executive Committee, who shall be subject to call by the President for discussion of problems of the Association.

Section 8. In any operating division consisting of two or more districts, the District Representatives shall elect one of their number as Division Representative who shall maintain familiarity with all negotiations within his division, and take part in all negotiations with the division manager and other negotiations in the division as required.

Section 9. Roberts Rules of Order shall govern the procedure in all meetings of the Association and of the Executive Committee.

ARTICLE NO. 4-A—*Nomination and Election of Officers*

Section 1. Nominations for President, First and Second Vice-Presidents, and Secretary-Treasurer, only, shall be made at the annual meeting.

Section 2. The nominations for District and alternate District

Representative shall be made in writing by not less than five (5) members, in good standing, of the district and shall include written consent of the nominee to serve.

The nominations for Group and Alternate Group Representative shall be made in writing by not less than three (3) members, in good standing, of the group and shall include written consent of the nominee to serve.

These nominations shall be presented to the Executive Committee before the annual meeting. In case of absence of such nominations in any district or group, the incumbent shall be automatically nominated.

There shall be one District and Alternate District Representative for the central office workers in each apparatus division, and one District and Alternate District Representative for each district of shop salary workers.

Section 3. Election of President, First and Second Vice Presidents, and Secretary-Treasurer, District and Alternate District Representatives, Group and Alternate Group Representatives, shall be by suitable secret mailed ballot. The vice-presidential nominee receiving the largest number of votes, shall be the First Vice President. The nominee receiving the next largest number of votes shall be the Second Vice President.

Section 4. The ballot shall be distributed to members in good standing, as of the date of the Annual Meeting. No member joining or putting themselves in good standing after the Annual Meeting will be entitled to a ballot for that year. The ballot for Group and Alternate Group Representatives shall be separate from the main part of the ballot. Ballots shall be mailed within two weeks after the Annual meeting with return double envelope to be used by election committee for check-off.

Section 5. The poll shall be closed twenty-eight days after the annual meeting.

Section 6. A Board of five members shall be appointed by the Executive Committee to prepare, distribute and to count ballots and post names of elected officers.

Section 7. The term of such elected officers shall begin on the first day of January, following the election.

ARTICLE NO. 4-B—*Vacancies*

Section 1. If a vacancy occurs in the office of President, the First Vice President shall take his place. The Second Vice President then takes the place of the First Vice President.

Section 2. If a vacancy occurs in the office of Second Vice President or Secretary-Treasurer, this shall be filled by a vote of the Executive Committee.

Section 3. Any vacancies among the District Representatives on the Executive Committee shall be filled by appointment by the Executive Committee, subject to the approval of two-thirds of the Group Representatives in that District. The new representative shall serve for the unexpired term of the officer he succeeds.

ARTICLE NO. 4-C—*Compensation of Officers*

Section 1. All officers of the Association shall serve without compensation except the President \* who will receive from the Association the difference between what he would normally receive from the Company and that actually received from the Company for negotiations, plus 20% added to the total amount.

The Executive Committee shall be authorized to determine each year whether or not finances are sufficient to continue the practice, and payment or discontinuance of payment shall be left to the discretion of the committee.

Section 2. The Executive Committee may at their discretion employ stenographic and secretarial help as required to conduct the business of the Association. The amount expended for salaries of such help shall not average more than twenty (20) cents per member, per month.

ARTICLE NO. 5—*Negotiating Committee*

The Negotiating Committee shall consist of the President, First and Second Vice Presidents and one, or more, additional members to be elected by the Executive Committee.

\* This portion of the Constitution was amended in 1945 to provide compensation for a full time president.

*ARTICLE No. 5-A—Exception for Special Cases*

Section 1. In special cases this committee may be accompanied by the elected representative of a District when such District is involved and the Committee requests his presence.

Section 2. Where special talent is required, the President shall have authority to procure same, subject to approval of the Executive Committee.

*ARTICLE No. 5-B—Functions of Negotiating Committee*

This Committee will handle all negotiations with the management of the Westinghouse Company upon instructions from the Executive Committee, as established by the By-Laws.

*ARTICLE No. 6—Meetings of the Association*

Section 1. A regular annual meeting of the Association shall be held on the first Friday of November of each year at the hour and place designated by the Executive Committee.

Section 2. Notice of such meeting shall be given by adequate publicity at least five days prior to the meeting.

Section 3. Special meetings of the members may be held at any time upon call of the President or by call of the majority of the Executive Committee or at any time that fifty (50) members of the Association shall make a demand in writing upon the Secretary for such meeting.

Section 4. Notice of such meetings shall be given in the same manner as the notice of the annual meeting of the Association and such notice shall state the purpose of the special meeting.

Section 5. No other business, except that for which the meeting has been called, shall be transacted.

SECTION 6. When matters of a confidential nature are to be considered, the President may call a closed meeting, which only members having the right to vote may attend.

ARTICLE No. 7—*How to Amend Constitution*

Section 1. An amendment to the Constitution may be proposed by any member if submitted in writing to the Executive Committee and endorsed by fifty members, or by the Executive Committee. The Executive Committee shall call a regular meeting for consideration of the amendment, within sixty days from the time of receipt of the proposed amendment by the Committee.

Section 2. The amendment must be quoted in the Call for special meeting and the Call must be issued to the members ten days prior to the date established for this meeting.

Section 3. An amendment, to become effective, must be approved by two-thirds of the members present at such special meeting.

ARTICLE No. 8—*Drastic Action*

Section 1. Should any drastic action ever be necessary such as a call for a strike, such action shall be voted on by the membership by secret ballot in writing. The Executive Committee shall provide the method of taking such a vote.

Section 2. No general strike call shall ever be issued unless such action shall be voted on by the membership by secret ballot, in writing. The Executive Committee shall provide the method of taking such a vote.

Section 3. No general strike call shall ever be issued unless such call shall have been approved by a two-thirds vote of the entire membership.

Section 4. The President, First and Second Vice Presidents and Secretary-Treasurer may be recalled on vote of two-thirds of the membership of the Association. A petition calling for such a re-call of election shall be signed by not less than twenty-five per cent of the membership. A District or Group Representative or their Alternates, may be re-called on vote of two-thirds of the membership of the District or Group. A petition for such a re-call shall be signed by not less than twenty-five per cent of the membership of the District or Group. The re-call shall be

carried on by secret ballot in the same manner as a regular election. Before a re-call ballot is taken the representative is entitled to a hearing before the Executive Committee.

#### BY-LAWS

*Headquarters.* The Association shall maintain a suitable headquarters or mailing address as a means of contacting the officers. Said headquarters to be within the borough of East Pittsburgh or Turtle Creek, Allegheny County, Pennsylvania.

*Official Action.* All acts of the organization shall be in the name of "Association of Westinghouse Salaried Employees" and signed by the President and attested to by the Secretary-Treasurer. No political candidate or political party shall be endorsed by the Association.

*Membership to Continue.*—Until the member be expelled according to the rules hereinafter set forth, or until such member gives notice in writing to the Secretary, of his resignation.

*Rules for Suspension of Membership.* A member may be suspended if (1) his dues are in arrears in excess of three months; (2) his status of employment makes him ineligible due to supervisory capacity. A member who is subject to suspension shall not be considered in good standing for voting purposes, nor eligible for nomination to office.

When a member has resigned or been suspended due to non-payment of dues he shall be reinstated to membership upon payment of dues in arrears at the time of his resignation or suspension.

*Conduct.* If the conduct of any member, except elected officers, shall appear to the Executive Committee to be in willful violation or disregard of the rules and regulations of the Association or prejudicial to its interests, the Executive Committee may upon affirmative vote of two-thirds of the entire committee, suspend or expel such member provided that before such action, a written copy of charges shall be served upon him and opportunity given him to be heard. Such expelled or suspended member may be reinstated by a two-third vote of the Executive Committee, or by a majority vote at a membership meeting.

*Voting—Quorum.* The presence of not less than 10% of the Association members shall constitute a quorum for doing business at any regular or special meeting of the Association, and a majority of those present shall be sufficient to pass any resolution, except where drastic action (described under Constitution) is to be considered.

*Dues.\** The dues for all men shall be one dollar (\$1.00) a month, or \$12.00 a year in lump sum paid in advance. Dues for women shall be seventy-five cents (.75) a month, or \$9.00 a year in a lump sum paid in advance. Method of dues payment shall be confined to voluntary monthly payroll deductions and advance yearly payments.

Dues for Associate members shall be fixed by the Executive Committee.

Dues: Past Presidents of the Association shall retain full membership in the Association as long as eligible for membership and shall not be required to pay dues.

Dues may be suspended temporarily or reduced at the discretion of the Executive Committee, if sufficient surplus accrues to warrant such change. Dues paid in advance will be extended or properly credited for the duration of such change in dues.

Motions or resolutions providing for increased dues must be adopted by majority referendum vote. The ballots shall plainly explain the necessity for increased revenue.

*Finance Committee.* A finance committee shall be appointed by the President to collect dues and otherwise arrange for financing the Association.

*Use of Funds.* The funds of this Association shall be used for regular expenses or for such purpose as two-thirds of the members present at an annual or special meeting decide by voting. The Executive Committee shall approve all expenditures in excess of twenty-five (\$25.00) dollars.

\* Dues were increased to \$1.50 per member April 14, 1946 by membership authorization.

## DUTIES OF OFFICERS

*President*

(a) He shall preside at all general meetings, preserve order and decide questions upon which members may be equally divided, and direct the affairs of the Association.

(b) He shall be privileged to be an active member of all other committees.

(c) He shall appoint all committees not otherwise provided for.

*First Vice President*

(a) Act, in the absence of the President, performing, in such case, the duties incumbent upon the President.

(b) Act as Chairman of the Executive Committee.

*Second Vice President*

(a) Act, in the absence of the First Vice President, performing in such case, the duties incumbent upon the First Vice President.

(b) Act as Member of the Executive Committee.

*Executive Committee*

(a) In the absence of both the President and First Vice President, the Second Vice President shall preside.

(b) Give due consideration to all grievances presented by the District Representatives before presenting the same to Negotiating Committee.

*District Representative and Alternate District Representative*

(a) He shall serve on the Executive Board.

(b) He, accompanied by a Group Representative, shall present all grievances within his district, to the manager of the department or division involved, unless the subject is a personal matter and the person involved asks the representative to handle the problem personally. If satisfactory agreement cannot be obtained within the department or division involved, they shall refer the grievance to the Executive Committee for further action. Here



his functions cease, unless the Negotiating Committee requests further action.

(c) Alternate Representative shall serve only in case District Representative is unable to fulfill the duties of his office.

### *Group and Alternate Group Representative*

Each group of members doing a similar type of work in each district may elect a representative who may:

(a) Transmit grievances to the District Representative.

(b) Settle or assist in the settling of grievances within the district.

(c) Assist in transmitting news and information among the members of his group.

(d) Alternate Group Representative shall serve only in case the Group Representative is unable to fulfill the duties of his office.

### *Secretary-Treasurer*

(a) He shall attend all meetings of the Association.

(b) Keep a proper record of the minutes of all meetings and spread same upon the minute books in a clear and concise manner.

(c) Notify all members of special meetings.

(d) Have his signature registered at such banks as are depositories for the Association.

(e) Keep a copy of the Constitution and By-Laws in a book provided for that purpose and properly keep it up-to-date concerning any changes in same.

(f) Read all papers and communications addressed to the Association.

(g) Receive all dues and deposit same in an insured bank, and keep proper record of same—available at all times.

(h) Keep a book containing the names and home addresses of every member of the Association, together with the member's department location.

(i) Prepare and submit his books quarterly for inspection by

the Executive Committee and once each year submit his books for audit by the Auditing Committee.

(j) Pay to the order of the Association, the amount called for by such order out of the monies in the treasury when such warrants are countersigned by the Vice President.

(k) Keep a regular account of all monies which he may receive or disburse and make a full report of his financial proceedings to the membership annually.

(l) Perform such other duties as are provided for him in other sections of the Constitution and By-Laws.

(m) At the expiration of his term of office, deliver to his successor all monies, books and papers belonging to the Association; same to be in order and suitable for inspection.

(n) The office hours of the Secretary-Treasurer shall be provided by the Executive Committee.

(o) Any of the above duties may be delegated by the Secretary-Treasurer, with the approval of the Executive Committee, to employees of the Association, provided that any person responsible for funds of the Association shall be bonded in a coverage in excess of any funds in their care, such bond to be paid for out of the treasury of the Association.

*Activities Committee.* Shall be appointed by the President to take charge of activities relating to educational, social or other general problems which may be assigned to it by the Executive Committee.

*Auditing Committee.* To be appointed by the retiring President for the purpose of auditing the Secretary-Treasurer's books. This committee must submit their report to the membership not later than one month after the incoming President takes office. In addition, a C.P.A. will audit the books of the Association during the First Quarter of each year.

*Executive Committee.* Shall be given power to change By-Laws and Constitution regarding English or contradictory points.

## *Chapter VI*

### ORIGIN, HISTORY, AND ACCOMPLISHMENTS OF THE FEDERATION OF WESTINGHOUSE-INDEPENDENT SALARIED UNIONS

Early in the year 1939, a group of aggressive, serious-minded men representing three independent salaried associations of the Westinghouse Electric Corporation, formally met for the purpose of coordinating the activities of the separate organizations, and to provide a means for the interchange of information.

It was the fond hope of its leaders and elected officers that the organization would some day grow to include all salaried workers in the Westinghouse Electric Corporation, and that it would eventually obtain for these forgotten white-collar workers all the benefits and salary increases necessary to put them on at least an equal footing with their hourly paid brothers, who were being represented by one or the other of the large internationals.

To this end the Federation of Westinghouse Employees' Associations (now the Federation of Westinghouse Independent Salaried Unions) was formed, and its creators dedicated to actively and conscientiously negotiate with top management on company-wide problems for the betterment of salaried workers throughout Westinghouse, and to do all in their power to obtain local, state and national legislation that would benefit the "forgotten Americans" throughout the entire country.

The Association of Westinghouse Salaried Employees' representatives met with representatives from the Sharon and Derry Westinghouse Employee Associations for the first time at an informal meeting in Pittsburgh in February, 1939. At this meeting it was quite evident to all those present that there were many mutual problems and common views, and that serious thinking

should be given to the formation and development of a Federation of Westinghouse Salaried Employees.

At the first meeting the following matters were considered:

(a) The action being taken by the East Pittsburgh and Sharon Associations toward obtaining restoration of the 10% salary reduction which had been given to all salaried employees June 1, 1938. Letters requesting restoration were written to the management by each Association. The entire proposition was discussed, as well as plans made for concerted action by all organizations.

(b) The furloughing of salaried employees was discussed and it was deemed advisable to insist on an established company-wide policy, jointly prepared by management and the representatives of the salaried workers.

(c) Problems and points of interest covering the obtaining of collective bargaining rights were touched upon and information exchanged.

(d) The suggestion was made that each association take an active interest in promoting and presenting suggestions to the Management, for improving methods, machines, and efficiency.

(e) A plan was established for effectively exchanging information on the programs and activities of the various associations; taxes, cost of living, Company and divisional operations, rates of pay, etc., also methods of procedure in presenting and prosecuting complaints to the management as well as providing the machinery for concentrating the strength of all organizations behind a problem of mutual importance. This discussion culminated in a resolution which is stated later.

(f) Methods used by each organization to obtain membership, stimulate and maintain interest and circulate information among the members were put on a uniform basis.

(g) The following resolutions were presented for consideration of the group:

“Resolved that there be formed a coordinating committee of representatives of Independent Unions of the Westinghouse Electric Corporation upon the following plan:

(1) Each cooperating union shall select two representatives to the committee.

(2) The committee shall meet at the call of the secretary of the committee approximately every three months at a place convenient to the members.

(3) That the general purpose and duty of the committee shall be to discuss and to bring about cooperative action among the member unions in matters of common concern.

(4) That a secretary pro-tem shall be appointed by the representatives and a permanent secretary to be elected at the first formal meeting of the committee."

(h) The date for holding the next meeting was chosen as April 22, 1939.

(i) The secretary was instructed to mail copies of the report to all interested organizations of Westinghouse employees and to notify associations, not present at the meeting, of the time and place for the next meeting and invite them to send representatives.

Meanwhile, A.W.S.E. members decided to publish "The Regulator" as the official publication of the Association, with the first issue appearing on February 28, 1939, and the second in April, 1939. "The Regulator" was issued twice as the publication of the Association, but starting in May, 1939, the paper was sponsored by the Federation of Westinghouse Independent Salaried Unions.

The first joint conference meeting of the Federation was held on Saturday, April 22, 1939, in the office of the A.W.S.E. at 102 Cable Avenue, East Pittsburgh, Pa., with representatives present from Sharon, Derry and East Pittsburgh.

The subject, "Irregularities in Furloughs" was discussed by all representatives. A motion was made, seconded, and passed, that a joint conference body should work on matters of company-wide policy. "We should organize an Association skeleton and details of what is to be done, and also things to be ironed out as a natural consequence."

A motion was made, seconded, and passed, that the joint conference be called "The Federation of Westinghouse Employees' Associations."

It was also moved, seconded, and passed, that there would be

a Chairman, Vice Chairman, and an Executive Secretary. Officers were elected before the next order of business.

Letters were read from all associations giving authorization to the Federation to speak for all of them regarding the restoration of the 10% cut that had been given to all salaried employees of the Company.

The various delegates reported that "the organization of all associations into a Federation had strengthened each individual association."

It was decided to incorporate information from the different Associations in "The Regulator," and also to have copies of the paper delivered to individual members of each affiliated association.

Salary classifications, rate reviews, and hospitalization plans were discussed at some length.

#### POLICY OF THE FEDERATION

The first main objective, that of unification, having been attained, the Federation representatives paused to take stock. Questions naturally arose concerning the future of the Federation, and the affiliated associations. What were to be the basic policies, and the organizational viewpoints? What activities were contemplated?

The Federation was formed to provide a means of interchanging ideas and information and for obtaining concerted action, when necessary, on company-wide problems. It was, in fact, a coordinating committee composed of two representatives from each organization, these representatives being elected by the respective executive committees. Quarterly conferences were established to discuss problems of mutual interest. The several units, of course, remained autonomous in all respects. Concerted action was to be authorized by the respective executive bodies of the affiliates. Joint use of "The Regulator" provided the most economical means of reaching all members, and acquainting both members and non-members with the activities of employee organizations in other plants.

Officers of the Federation were of the opinion that all Westinghouse salaried employees should be organized and were authorized by the member units to engage in organizational activities in the District Offices and other plants of the Westinghouse Corporation, and they freely offered the benefits of their experience to any group of employees seeking organizational advice.

The editorial policy of "The Regulator" is to present facts and information to all employees in as fair and unbiased a manner as human frailties will permit, and since it is primarily interested in the welfare of the salaried employees, it may take the company to task when necessary. However, it is recognized that the company is honorable and endeavors to be fair, although not free from the natural bias of an employer.

The first and most important activities contemplated by the Federation were (1) to increase the membership of the individual affiliates so that they would be assured of winning their respective N.L.R.B. elections and become certified; (2) immediately following certification, each member unit was to negotiate the establishment of position requirements and rate ranges and conduct rate reviews; (3) grievance procedures were to be negotiated and followed; (4) hospitalization plans were to be negotiated; (5) the negotiated items were all to become a part of each affiliate's local contract; and (6) Federation officers were to endeavor to negotiate a master pattern contract covering all member units of the Federation.

#### EARLY FEDERATION MEETINGS AND RESULTS OF N.L.R.B. ELECTIONS

On Saturday, July 29, 1939, two representatives from each of the affiliated groups met in the Association Office at East Pittsburgh. The entire day was spent in a discussion of subjects outlined in the call of this second regular meeting of the Federation.

A report of membership and organizational work of the individual units was made and legal technicalities discussed. Problems peculiar to each unit were studied with the thought of helping each solidify their respective locals.

Considerable interest was shown on the matter of hospital insurance and information on the subject was exchanged.

Exchange of information among the associations on the handling of grievances was quite instructive and valuable.

The greater use of "The Regulator" was urged as an educational medium for spreading information about our various organizations.

The personal contact with the representatives from other plants promoted a clear understanding of each other's problems and the interchange of ideas and experience made possible by these meetings proved invaluable from an educational standpoint.

An N.L.R.B. election held early in 1940 at the Sharon Plant to determine the sole collective bargaining agent for the 534 salaried employees resulted in a vote of 422 for the Sharon Westinghouse Employees Association and 12 against, or a vote of 35 to 1.

In an election held by the National Labor Relations Board on February 15, 1940, the salaried employees in the East Pittsburgh District voted on a "Yes" and "No" ballot to grant the Association of Westinghouse Salaried Employees the rights of sole collective bargaining agent. Out of a total of 2828 eligible employees, 2136 voted yes, 81 voted no, 2 ballots were voided and 609 failed to vote. This was 26 affirmative votes to each negative vote.

About this time, management of the Westinghouse Corporation made the Derry Plant a sub-division of the main plant located at East Pittsburgh. Consequently, it was necessary to secure certification for the Derry organization under the banner of the A.W.S.E. After an election conducted on June 2, the Association was certified on June 21, 1941, by the Board to represent salaried employees at the Derry Works.

The overwhelming vote of confidence given the first two units of the Federation, namely Sharon and East Pittsburgh, left the Federation leaders awed by the task which confronted them. Until this time, they had been primarily concerned with the problems incidental to creating an organization of the type which would appeal to Westinghouse salaried employees. Now that success in that venture had been attained, they suddenly realized



that their work had only begun. The broader scope of the work now made possible by certification as sole collective bargaining agents for over 7,000 fellow workers required skill, tact, and understanding of the highest degree.

Success, such as had been attained could mean lessening of activity since their original goal had been reached. On the other hand, the increased responsibilities which were theirs required them to take stock of themselves and their organization and plan for the future. The first step was to broaden the scope of contact with those whom the officers were elected to represent, to the end that they could better understand the sentiment and reactions of the various groups of workers.

The splendid cooperation of the many associates in the elections indicated an interest in the organizational activities far beyond the fondest hopes of its proponents. It was for those interested then, to stimulate this interest by education and activity and make use of the available talent to really put the independent Westinghouse Unions on the map. The way had been shown towards formation of organizations which have since been proven in the democratic way to be the type desired by the employees.

It was the duty of the officers to formulate methods of procedure and policies which would be sound, fair to both employee and management, and, above all, which would truly represent the sentiment of their associates. They dared not interpret the ideas of an individual, no matter how good, to be the wishes of the group. Too often the governing body, or even the head of an organization may act to initiate policies which do not truly represent the wishes of the members. To prevent such errors, it was the policy of the officers to act only after an attempt had been made to determine the wishes of the employees. They were not expected to act on their own initiative except in the most urgent cases, since, to act without authorization of an individual or group is not true representation and may result in embarrassment to the organization. The membership must meet and pass on all important issues.

With these thoughts in mind, the leaders hoped that any individual approached with the invitation to participate in the activi-

ties of organization would avail himself of the opportunity to serve in this interesting and worthwhile activity. It had been their privilege to see the interest in this type of activity grow and the old fear of organization vanish from the minds of the Westinghouse salaried employees. Vast new fields of interest were opened to all of the leaders and they were looking forward to proving their ability to truly represent the high type of employees found in the various Westinghouse organizations.

The privilege of serving in the activities of an employee association or union is one which offers unlimited opportunity to broaden one's education and usefulness. There were many new avenues of conquest and experience open to all. One cannot engage wholeheartedly in the activity of industrial relations without becoming more diplomatic, understanding, tolerant, and materially gaining in wisdom.

On Saturday, March 16, 1940, representatives from the affiliated groups, and a representative from Mansfield, met in the Association office, and discussed subjects of interest.

Policies concerning "The Regulator" were explained as well as ways and means of making it a vehicle of maximum benefit to the employees. "The Regulator" was made available at a subscription rate of 50 cents per year to employees located where there was no affiliate, or to those not eligible for union membership.

In the fast expanding field of labor and industrial relations, it was recognized that very few employees were familiar with the changes in their status since the passage of the Wagner Act and that information vital to the workers' welfare should be taught in schools. Adult education and the possibility of education through Parent-Teachers Associations were reviewed.

A preliminary Constitution and By-Laws was drawn up and submitted to all of the affiliates for study and suggested changes.

Wage classifications and salary schedules were explained.

Seniority rights of employees was found to be a major problem and was placed on our program for action.

Overtime without additional pay was debated and action requested.

A special committee was appointed by each local to study the various hospitalization plans that were available in their respective communities.

A uniform procedure for handling grievances in all affiliated units was established.

The next meeting of the Federation was scheduled for the weekend of June 8, 1940. One day had proved too short a time for proper discussion of the subjects brought before the Federation and a two-day meeting was planned.

The next quarterly meeting in 1940 of the Federation was held at Conneaut Lake, Pennsylvania, on the week-end of Saturday and Sunday, June 8 and 9th. There were delegates present from East Pittsburgh, Sharon, Buffalo, Derry, and the Nuttall Works, and, in addition, three observers from Sharon. Saturday afternoon was spent in discussion of a Constitution and By-Laws for the Federation. This Constitution was to be presented to the membership of each Association for adoption before being put in force. Discussions of rate reviews, hospital insurance plans, organizational problems, methods of handling grievances, seniority policy and material for "The Regulator" were also held. Three separate committees were appointed to study and recommend a method of financing the Federation, to revise the Constitution and By-Laws and to review various seniority plans and regulations.

Saturday evening was spent in Committee meetings and informal discussion of problems presented by the various Associations. From 10 A.M. to 4 P.M., Sunday, the delegates heard committee reports and conducted the business necessary to reaching a final understanding of all the questions presented for discussion.

The sound and continuous growth of the Federation is notable and important. In many respects, it is of significance in the history of labor organizations in America. The growth has not been the result of either real or artificially stimulated antagonism between the employees and the management, nor as the result of disputes between rival labor organizations. Westinghouse employees recognize and appreciate that despite the few apparent lapses on the part of management, it is the intent and estab-

lished policy of the Company to be fair in its relations with its workers. If the Federation's organizational methods had been based upon accusation and condemnation of the management or of extreme vilification, upon unreasonable demands, it would not and could not have succeeded. Neither would it have succeeded if pressure methods of membership solicitation had been employed. It had to be both sane and sound.

Notwithstanding the predictions that salaried employees could not be solidly organized, notwithstanding the claims that an independent organization could not be free from company domination, and further notwithstanding the fact that no extreme antagonism exists between the company and its employees, the Federation has continued its voluntary growth and sound administration. Why? There are a great many reasons, but the following few will suffice:

1. In modern industry today, good industrial relations can be realized only in collective bargaining negotiations wherein the representatives of management and the representatives of the workers meet as equals in a friendly atmosphere in which both parties bargain in good faith and with an honest desire to understand each other's point of view; seeking to determine wages, hours, and working conditions, fair to each and all.

2. Because experience shows that employees are the recipients of the actions of individual supervisors who are not always free from prejudices, arbitrary action inspired by indigestion, misunderstanding, or, sometimes, by just plain perversity.

3. Because Westinghouse top management intends to be fair, and mistakes have been, and will usually be corrected through methods of collective bargaining without the necessity of extreme measures.

#### HIGHLIGHTS IN THE HISTORY OF THE WESTINGHOUSE FEDERATION

*April 22, 1939.* Formation of the Federation of Westinghouse Employees Associations. Present at the first formal meeting: delegates from Derry, East Pittsburgh, and Sharon salary groups.

*June, 1939.* The first main objective achieved—restoration of the 10% salary cut—at which Federation officers also spoke for the new employee organizations at Lima and Baltimore. Organizational work was begun in various Westinghouse plants and district offices, and Associations were organized which later applied for admission into the Federation.

*August, 1940.* Buffalo Administrative District Sales Offices became a member of the Federation.

*February, 1941.* Cleveland Works joined the Federation.

*April, 1941.* Nuttall Works joined the Federation.

*June, 1941.* First general increase, \$18.00 per month for those working 40 hours per week; \$16.88 for 37½ hours; time and one-half for Sundays and holidays.

*August, 1941.* Los Angeles District Office and Baltimore Works joined the Federation.

*November, 1941.* Negotiations opened for second general increase.

*December, 1941.* Lima joined the Federation.

*January, 1942.* Affiliates voted to negotiate a separate contract for each unit, but to carry on these negotiations simultaneously, and to have the contract contain similar clauses—uniform classifications, seniority provisions, etc. Pittsburgh District Sales and the Research Laboratories joined the Federation.

*March, 1942.* Request for second general increase tabled to await national trends. Contract negotiations continued.

*May, 1942.* Three years of collective bargaining experience went into the Federation's master pattern contract completed this date. Affiliates were to negotiate local agreements which were not covered by the master pattern. The master pattern agreement included: recognition of the Federation as a further step in the collective bargaining procedure of all the units, thus opening the way for overall negotiations; uniformity of position classifications; protection of seniority; recognition of the local Associations as official bargaining agent for wages, hours, and working conditions; a procedure covering rate reviews; a policy and a grievance procedure; overtime, vacation, night turn bonus, and equal pay for women on men's jobs were also covered.

*July, 1942.* When "Little Steel" case broke, negotiations for a general increase, modified to conform with WLB formula, were reopened.

*August, 1942.* Just as negotiations were about to be taken to a conciliator, a general salary increase of \$9.53, which was in keeping with the WLB formula, was granted to the Federation, together with provisions for revisions of the salary keysheets and special rate reviews for all units. These provisions were incorporated in the master pattern contract.

*September, 1942.* The East Pittsburgh A.W.S.E. was the first Federation affiliate to sign a contract with the Corporation. This contract covered approximately 6,000 salaried employees. It is believed that this was the first time in history that a collective bargaining agreement was signed for so large a number of salaried employees in a single bargaining unit.

*January, 1943.* Cincinnati District Office joined the Federation.

*May, 1943.* Negotiations for requested general increase held in abeyance until success of Presidential "freeze" order could be determined . . . negotiations continued for other features: 6th, 7th day bonus, overtime bonus, additional vacation compensation, voluntary dues deduction, incentive bonus for salaried employees, improved grievance procedure, time and one-half for exempt salaried employees, etc.

*June, 1943.* Federation delegates voted for a master contract to cover all affiliates.

*August, 1943.* The following was negotiated and made a part of the master contract dated September 10, 1943: Any adjustment plan for salaried workers whereby earnings may be increased through additional effort will be a subject for later negotiations and any agreement reached will be incorporated in a supplement to this agreement.

*September, 1943.* Company ruled to be free from restrictions of Order 31, a ruling which substantiated the proof submitted by the Federation to the W.L.B.

First master contract signed September 10, and contract money clauses submitted to the National War Labor Board for approval.

*October, 1943.* Federation officers received assurance from Congressional representatives of their consideration of the "white-collar problem."

Middle Atlantic District Sales Offices joined the Federation.

*November, 1943.* The Salary Stabilization Unit of the Treasury Department disapproved the payment of time and one-half for overtime hours for the administrative and professional exempt employees with base rates of more than \$5,000 per year.

*December, 1943.* Federation officers conferred with War Labor Board officials on contract "money clauses," and were successful in gaining WLB approval on December 31, 1943 for all clauses except 6th and 7th day bonus which became an appeal case.

*January, 1944.* Federation requested "cost of living" increase of \$35.00 per month.

*February, 1944.* Federation testimony presented at "White-Collar Pay" hearings before U. S. Senatorial Committee, and a nine-point program to aid salaried employees was proposed.

Delegates at the Westinghouse Federation meeting voted to sponsor a National Federation of Salaried Unions so that the benefits of independent salary unionism could be spread to the employees of other companies.

*March, 1944.* Federation officers requested the Treasury Department to review their ruling on overtime hours for employees making more than \$5,000 per year base rate, as the WLB in December, 1943, approved the payment of time and one-half for overtime hours for all employees making less than \$5,000 per year base rate.

Mansfield Works and Newark M & R Engineers joined the Federation.

*June, 1944.* Financial Accounts Division joined the Federation. U. S. Conciliator assigned to assist in settlement of long-standing grievance of AWSE Production Clerks regarding their rate of pay, but no progress was made.

*July, 1944.* Contract between the Federation and management was signed. Several items that were subject to governmental approval were: group leader's remuneration; overtime vacation pay privileges, daily overtime, and time and one-half pay for the 6th

and 7th day when absent due to involuntary absence reasons. A joint Form 10 petition was submitted to the WLB for approval of these items.

Having failed to arrive at a satisfactory agreement, despite the efforts of the conciliator, on the rates of pay for production clerks, the case was certified to the WLB on July 28, 1944.

*August, 1944.* Appeal case on 6th and 7th day half-time bonus for involuntary daily absences during the week was approved by the WLB.

The Federation became perturbed with top management's evasive, indifferent and lackadaisical attitude toward a settlement of the year old problem of the establishment of an overall incentive adjustment plan negotiated in August, 1943, to compensate salaried employees for increased production similar to the plan granted by the Company to its hourly paid day workers, such as janitors, elevator operators, lavatory attendants, chauffeurs, plant guards, etc. Consequently, it withdrew its original request and substituted a request that the Day Workers' Bonus Plan be amended to include salaried workers who it felt were more directly connected with production than hourly day workers given the bonus. Making no progress, the Federation requested and was granted a Federal Conciliator.

*September, 1944.* Three meetings were held by the conciliator with representatives of top management and the Federation on the salary incentive case, but no progress was made because management continued to maintain its stubborn attitude.

*October, 1944.* On October 7, the Third Regional Board issued a Directive Order that the production clerks' case must be submitted to arbitration.

Controversy involving adjustment of salaried employees' rates to conform to the bonus plan covering hourly paid day workers submitted to the WLB on October 9, 1944, following a year of negotiations.

On October 17, the Company appealed the Directive Order of the Third Regional Board ordering arbitration on the production clerks' case—thus further delaying this case.

On October 21, the WLB advised that the Salary Incentive



Case would be assigned to a tri-partite panel, but a few days later requested the parties to agree to a hearing officer in order to expedite this long pending case.

The production clerks, incensed at the Company's delaying tactics, on October 26, authorized the officers of the East Pittsburgh local to request a strike vote in keeping with the Smith-Connally Act.

*November, 1944.* On November 2, both the Federation and the Company agreed to a hearing officer on the Salary Incentive Case. First briefs were submitted and exchanged on November 6 and 9th. On November 20, oral arguments were presented before the Hearing Officer in New York, with the Company slipping in a second brief as a surprise.

The strike vote requested by the Production Clerks was scheduled for November 27 by the NLRB, but on November 10, the Company agreed to withdraw its appeal regarding the Board-ordered arbitration if the Federation would withdraw the case from the WLB and withdraw the request for the strike vote from the NLRB. The representatives of the Company and the Federation would then revert back to the Federation Contract provisions for mutual arbitration. This was done.

*December, 1944.* The WLB approved the Federation's contract clauses covering overtime vacation pay plan; time and one-half for work on the 6th and 7th day when absent due to involuntary reasons; group leaders remuneration based upon number of employees in each group; and overtime payment of time and one-half for all hours worked in excess of eight in any one day.

On December 11, the Federation submitted its second brief in reply to management's surprise brief of November 20 on Salary Incentive Case.

During December, the rules for the arbitration of the Production Clerks' case were worked out.

*January, 1945.* Judge Fred M. Vinson, Director of the Bureau of Economic Stabilization, backed the Treasury Department's previous ruling of November, 1943, and refused to grant payment of time and one-half for overtime hours for salaried employees making more than \$5,000 per year base rate.

The Company submitted its third brief on the Salary Incentive Case on January 8, thus keeping this case open. On January 25, the Federation submitted its final brief. The Federation's brief contained the statement that this should be the brief to end all briefs, as it was felt that top management had delayed settlement long enough.

During January, the three man arbitration panel was chosen for the Production Clerks' Case. The rules and facilities of the American Arbitration Association were used.

*February, 1945.* Two hearings before the arbitrators on the Production Clerks' Case were held on February 9 and 27th.

Federation established Executive Council to consist of Presidents of all member units of the Federation and to meet quarterly. At the same time, Federation delegates voted to have the Federation meetings semi-annually instead of tri-annually.

*March, 1945.* After five months of intensive campaigning conducted by both the UE and the Federation, the East Springfield Salaried Employees represented by the UE-CIO for more than two years, voted in favor of an independent union to become affiliated with the Westinghouse Federation.

For all salaried employees making more than \$5,000 per year base rate, the Federation officers negotiated with Management representatives the following: exempt pass to be returned; scheduled hours at base rate plus overtime in accordance with Treasury Department schedule; retroactive pay for recorded hours worked in excess of scheduled hours between October 1, 1943 and February 1, 1945; future scheduling of overtime hours to be as near actual hours worked as possible; adjustment in base rates to at least a minimum of \$440 per month; adjustment of base rates within the approved rate range now in excess of \$416.67 to values above \$440 per month in relative equity with each other and with due consideration of the inequity in the rate of overtime pay as compared to the time and one-half paid the administrative and professional employees earning less than \$5,000 per year base rate.

At a private session on March 12, the arbitrators on the Pro-

duction Clerks' Case worked out their decision but did not advise what it was.

*April, 1945.* On April 6, a copy of the Arbitrators' Award and Opinion on the Production Clerks' Case was secured, and lo and behold, they had confused the testimony and based their award on their crossed-up summary of the evidence. The labor representative dissented to both the confusion of the testimony and the award. The Federation promptly requested a review of the decision because it was not based upon the facts. The Production Clerks were boiling. Fifteen months of negotiations, hearings, briefs, arbitration, etc., had ended in confusion. Their patience and long suffering were at an end. At a mass meeting of production clerks on Thursday night, April 26, after demanding the exodus of the officers, they voted to go on strike at nine o'clock the next morning in an endeavor to force some clarifying action. About an hour after they had walked out, a letter was received in the regular mail from the arbitrators offering to have a hearing on their decision on Saturday, April 28. The hearing was held and the arbitrators agreed to reconsider their findings but stipulated that the production clerks must go back to work Monday, April 30 and remain back until they would have had time to write a new decision.

*May, 1945.* The Production Clerks met May 7 to receive the new decision but it was not forthcoming. During that afternoon the arbitrators had met and matters concerning the facts continued to be in such a state that the labor member resigned; thereby dissolving the arbitration panel and throwing the problem back into the hands of the Federation and Management. The Production Clerks could not be induced to wait more than two days for final settlement before they would go out on strike and stay out until final settlement was made. All the next day the conciliator met with various management representatives, and succeeded in setting up a meeting of the union and the Vice-President in charge of the East Pittsburgh Plant. At this brief meeting, a satisfactory compromise was worked out to the satisfaction of both parties. The final settlement raised the rate ranges of the Class C and B Clerks one step and the A and Master

Clerks two steps, retroactive to June 1, 1944. This compromise was the same one offered by the Union to top management eleven months previously.

On May 17, the NWLB mailed to the Federation a copy of the Hearing Officer's recommendation of May 5 to the NWLB on the Salary Incentive case. Five days after receipt of the Hearing Officer's report, the Federation submitted the prescribed fifteen copies of its objections to the recommendation to the N.W.L.B.

The Hearing Officer's bold recommendation that the request of the Federation be denied and the Federation objections to such a recommendation were read at an AWSE membership meeting on May 31. Acting upon the recommendation of their Executive Committee, the membership almost unanimously voted to authorize their officers to request a strike vote if a satisfactory answer was not received within 60 days from June 5.

*June, 1945.* The Federation Executive Council members meeting on June 2 gave approval to the East Pittsburgh units action and were confident that their units would take similar action at their next membership meeting. At the same meeting, the Council members voted to have a full-time president with staff and establishment of a Pittsburgh headquarters.

The Company, on June 15, submitted its objections to the Federation's objections to the recommendations of the Hearing Officer.

*July, 1945.* The NWLB was advised of the seriousness of the Salary Incentive Case on July 17 and a favorable reply requested by August 4 so that the pending request for a strike vote could be averted. On July 30, the NWLB advised that the case was scheduled for consideration during the week of July 30.

The Detroit Salaried District Office Associations were certified and applied for admission to the Federation.

*August, 1945.* Receiving no reply from the NWLB, on August 4, East Pittsburgh, Sharon, Lima, East Springfield, Baltimore, Research, Derry, Buffalo, Pittsburgh District Office, Cleveland, Nuttall, Financial Accounts, Cincinnati and Newark requested the NLRB to conduct strike votes. Mansfield, Middle Atlantic District, Los Angeles and Detroit, the newest affiliate, did not

request strike votes. At the Federation Convention of August 4, a revised constitution increasing the number of officers and their duties was adopted and new officers were elected.

*September 6, 1945.* The largest strike vote in the history of the country among white-collared employees was conducted by the NLRB. Of the 14 units voting, all but one voted overwhelmingly to go on strike. The total vote was 8,320 yes votes and 451 no votes, or an 18 to 1 affirmative vote. The number voting is significant when it is borne in mind that about 10 per cent of the employees were away on vacation, ill, or on company business on that day. Interest was high and feelings clearly indicated.

About four o'clock, after virtually all the votes were cast, the NWLB decision made on August 8 drifted into the Federation office, two days after it was finally mailed. The decision stated that the Federation's request for participation in a Salary Incentive Plan was denied, labor members dissenting.

*September 8, 1945.* The Federation Executive Council at a special meeting voted to go on strike at 9 A.M. on Monday, September 10, at the insistence of the memberships of the various affiliates. After this serious decision had been made, the NWLB found out about the strike vote which had been taken and of which they received only fourteen copies of the various requests for strike votes made on August 4. The NWLB contacted the Executive Council by phone and when advised of the time set for the strike asked us to meet with the Chairman of their Appeals Committee and representatives of top management the next day. The Federation officers, wishing to leave no stone unturned to bring about a peaceful settlement of this dispute, agreed to meet all day Sunday if necessary.

*September 9, 1945.* Following several meetings, top management representatives advised the Executive Council that they were in no position to make a settlement. The NWLB representative then requested the Council to call off the strike scheduled for Monday, September 10, and give the WLB ten days to reconsider and review the case.

After a full discussion of the geographical problem involved, the Executive Council voted to call membership meetings at all

plant and office locations at 8:30 A.M. Monday, September 10, and receive instructions from the various memberships as to their desires in the matter. The Executive Council went on record and recommended that the respective memberships give the NWLB another opportunity to really study the case before going on strike.

*September 10, 1945.* The membership of the various locals decided overwhelmingly to go on strike at once as they had no faith in the WLB. So the strike was on as of 8:30 A.M., Monday morning.

Late in the afternoon, the National War Labor Board wired the Federation president directing him . . . "to effect an immediate termination of the strike and every striking employee is directed to return to work." As the Federation has local autonomy for each affiliate, the Federation president, who was also president of the largest affiliate, AWSE, wired back that although he would endeavor to favorably influence each unit, it was necessary that similar wires be sent to the president of each affiliate.

During the night, the Federation endeavored by all possible means to get all employees at all locations back to work. Several affiliates refused to go back to work and many of those whose officers were willing to return could not be certain that the employees could be kept in because of lack of faith that either the National War Labor Board or the Company would effectively act to settle the dispute.

The employees had little or no faith in the NWLB because of the way it had handled this case, because it was on the way out, and because its representatives had given different stories to some affiliated units. The employees' faith in the fairness of their Company had been severely shaken by its one-sided handling of wage payments during the war period.

*September 11, 1945.* All affiliates decided to continue the strike.

The Federation Executive Council was called to Washington by the NWLB to show cause why the strike should continue.

*September 12-13, 1945.* The Executive Council conferred with officials of the NWLB in an attempt to come to an understanding on board procedures and the extent of the authority of the Board

to enforce its orders, and returned convinced that the Board was both powerless and helpless to effect any settlement of the dispute.

*September 20-21, 1945.* The Executive Council met formally to report continued unity on all strike fronts and to discuss future strategy.

*September 25, 1945.* The Manhattan Procurement District Project of the U. S. Army, better known as the Atomic Bomb Project, became increasingly active in an effort to bring the parties together. While unsuccessful efforts had been made in the preceding two weeks, the big wheels in Washington began to get set to move.

*September 27, 1945.* Executive Council met again to discuss strike strategy and was requested by officers of the Manhattan Project to permit Army officers and a representative of the NWLB to meet with them the following day.

*September 28, 1945.* Through the intervention and untiring efforts of representatives of the NWLB and the Army, an exchange of letters took place between officers of the Company and the Federation. Based upon this exchange, the Executive Council voted to put the matter before the various memberships and to recommend that they return to work for the following two reasons:

1. Representatives of top management of the Company agreed, conditioned on the striking employees returning to work Monday, October 1, to meet with the Federation officers on Tuesday morning, October 2, and negotiate wages, hours, and working conditions, and through collective bargaining, the elimination of inequalities and inequities within our salary structure.

2. The NWLB assured the Federation, conditioned upon the striking employees returning to work, that an early meeting would be scheduled in Washington for the reconsideration and review of the day workers' bonus case and promised a decision ten days following the oral hearing before the Board.

*September 30, 1945.* The various memberships reluctantly voted to go back to work upon the recommendation of the Executive Council.

*October 1, 1945.* The employees almost to a man returned to work.

*October 12, 1945.* New Federation contract signed, embodying almost all the clauses which management had been disputing since the first of the year.

*October 15, 1945.* Oral hearing before NWLB in Washington, wherein it developed that there were groups of salaried employees who were as directly connected with production as the hourly paid day worker receiving the day worker's bonus, and other salaried groups who were connected to a lesser degree.

*October 29, 1945.* The NWLB issued its decision, on its reconsideration and review of the case, which on the surface denied the bonus to the salaried employees as a whole, but which in effect gave the case back to the Company and the Federation to negotiate on the inequalities and inequities brought about by the Company granting the Day Worker's Bonus only to its hourly paid workers.

*November 8, 1945.* Representatives of top management and the Federation met to review the decision of the NWLB and to open negotiations on the settlement of the dispute.

For top management and the Federation to have agreed to negotiate the inclusion of those salaried employees 100% connected with production under the Day Workers' Bonus would have created further inequities within the salary structure that neither management nor the Union could live with; therefore, the Federation requested top management to jointly agree in the determination of the percentage of participation applicable to the salaried employees as a whole.

*November 15, 1945.* Harry C. Jones, Executive-Secretary-Treasurer of the Westinghouse Federation spoke before the Labor-Management Conference called by President Truman in Washington and recommended that a national board be established to handle labor disputes, and that independent and salaried union representatives be members. He further recommended that any formula established for a general increase take into consideration inequalities between salary paid and hourly paid em-



ployees receiving bonus or incentive compensation in addition to their base rates.

*December 1, 1945.* At the Federation convention, the Executive Council, in view of the pending CIO and AFL strikes in the electrical industry, by a vote of 17-1, passed a resolution to *recommend* to the affiliated units that they "respect the picket lines of any legitimate union in our country." This was a recommendation and not a mandatory order and as such was subject to the approval of the membership of each local unit. The Federation officers and its Executive Council do not dictate to its respective units as the Federation believes in and practices local autonomy and democracy.

The stand taken by the Federation Executive Council concerning the pending U.E. strike was diametrically opposite to that taken by the UE-CIO national headquarters at the time that the Federation was on strike. The UE-CIO violated the picket lines of the Federation affiliates at various locations in the five different states where they represented hourly paid employees. The UE represented no hourly paid employees in the other three states. It is further interesting to note that the largest unit of the UE-CIO, Local 601, publicly set about to raid the membership and destroy the largest Federation affiliate, the AWSE at East Pittsburgh, during the Federation strike.

*December 4, 1945.* Representatives of top management finally consented to another meeting with the Federation as they had by then reviewed the bonus problem with the involved officers and directors of the corporation. The corporation had no solution to offer particularly in view of the nationwide requests for general increases in all industries and the general strikes looming on the horizon.

The Federation proposed the unification of all salary keysheets or rate ranges throughout the corporation as a step towards the solution of the bonus problem. The Company proposed the establishment of a six-man sub-committee to represent both parties and to submit recommendations on:

- a. Elimination of Sex Wage Differentials.
- b. Elimination of Salary and Hourly Differentials.

c. Elimination of Area Differentials.

*December 28, 1945.* The Sub-committee made the following recommendations:

a. A series of 22 rate ranges be used to cover all non-supervisory classifications with no reference to sex or age.

b. The elimination of salary and hourly differentials could not be resolved by the sub-committee, but it was recommended that the full committee consider establishing a relationship between the maximum rate for the minimum labor grade salary and the maximum rate for the minimum grade hourly, and the establishment of a definite minimum salary rate below which no local rates would be established.

c. The elimination of area differentials could not be resolved, but it was recommended that some common practices should be established which will tend towards more uniformity, which was so definitely needed.

*January 15, 1946.* The UE-CIO went on strike and by January 31, the Federation had won from Management the promise that it would continue to pay the salaried employees represented by the Federation, who could not work because they were picketed out of the offices and plants, their regular salaries. By repeated negotiations for each bi-monthly pay period, the Federation was successful in getting the Company to pay regular salaries up to March 15 regardless of whether or not the salaried employees were working in hotels, etc., and half pay from March 15 to March 31 for all non-working salaried workers. The Company further agreed to provide work and places to work outside their regular work locations for as many salaried employees as possible for the period following March 15.

The willingness of the Company to accede to the request of the Federation that it pay its salaried employees who had no quarrel with the Company over the matters involved in the UE-CIO strike did much to improve the relations between the Company and its salaried employees who felt that the Company had treated them so unfairly and with so little consideration during the War Period.

*January 25, 1946.* The Sub-committee report was discussed by

the full negotiating committee of the Company and the Federation and the following recommendations were made:

a. The establishment of a series of rate ranges without reference to sex or age and that 22 rate ranges be used to cover the full range of positions that may be included in any certification which includes all salaried positions which are non-supervisory in character.

The position descriptions for the anchor positions in these rate ranges, when once established can be changed only by national Federation-Management Negotiations.

b. A tentative conclusion was reached that a relationship could be established between the maximum rate for the minimum code or salary range number on the proposed salary classification schedule and the maximum rate for the minimum code or job in the hourly group. The remainder of the salary ranges on the schedule were to be determined by local negotiations independent of the hourly rate ranges because as a comparison of positions and jobs along the entire range was considered by Management to be generally impractical.

The relationship between the maximum rate for the minimum code, hourly and salary, was so vital that company-wide opinion was requested from all units of local management and local affiliates of the Federation.

c. The elimination of area differentials could not be resolved, because of the Company's insistence upon continued recognition of past practices adhering to the recognition of area differentials which had become a part of local situations.

The Federation negotiators, although not convinced of the justification of Management's area differentials, agreed that the establishment of a single keysheet without reference to age or sex and the elimination of differentials between hourly and salary rate range along the entire range would go a long way towards clearing up the present situation.

*January 29, 1946.* Four days later, after having won top management representatives over to the side of the Federation Negotiating Committee's thinking on the advantages of a national salary keysheet and national uniform salary position classifica-

tions, the Federation reversed its stand and lost its overall favorable position and returned the problem to the various local affiliates. This unfortunate and regrettable occurrence was brought about by the insistent pressure of the largest affiliate of the Federation, the AWSE at East Pittsburgh representing over half of the employees affiliated with the Federation, so that it could settle its keysheet locally. The AWSE took the position that the national keysheet would take too long to work out due to local management thinking in some plants, and that the East Pittsburgh management fully understood the Federation's keysheet aspirations and would settle very quickly on a local basis if permitted. The AWSE insisted that to put anything in the way of the prompt settlement of its local keysheet would financially penalize the largest block of employees in the Federation, as it hoped that the settlement of the East Pittsburgh keysheet would be of assistance to the other affiliates of the Federation in settling their salary rate ranges or keysheets. The Federation officers could not agree with this thinking in its entirety, but to avoid a schism in the Federation, went along with the largest affiliate so that it could secure what it wanted for itself; and brought down upon its head the collective and vociferous complaints and denunciations of the many affiliates who were not so fortunate as to have as broadminded and well-informed Management representatives to deal with as did the AWSE in the huge main plant of the Company at East Pittsburgh.

*February 18, 1946.* The AWSE settled locally the pattern of its salary keysheet and the approximate dollar values for each rate range. This new keysheet to be effective March 1, represented an increase of 10% overall in the weighted average of the maximums of all rate ranges.

*February 20, 1946.* Federation officers met with top officers of the Company and presented their request for a general increase for all salaried employees. This was before national wage policies were established by the government. The general increase requested was \$26.00 per month (15 cents per hour) for all employees earning \$260.00 or less per month and a 10% increase for all employees earning more. This request was predicated upon

the Company's ability to pay and yet remain in a competitive position in the electrical industry.

*March, 1946.* During the last week in March, Federation representatives and management representatives held four meetings to discuss the matter of a general increase.

At the second meeting, March 26, the Company made a tentative proposal offering a general increase of 18½ cents per hour to salaried employees, of which one cent was to be set aside in a fund to be used principally toward eliminating differentials between the salary ranges of men and women. This meant a general increase of 17½ cents per hour or \$30.30 per month (\$7.00 per week) to be effective April 1.

This proposal included the following joker: "In those units (affiliated with the Federation) where the problem of inequalities has been tentatively resolved, the subject will be reopened and modifications made due to the Company's proposed elimination of the Day Work Adjustment Plan (covering hourly workers not represented by the Federation), which was the main factor in the Federation's claimed inequalities. The ten per cent adjustment tentatively agreed to with the AWSE at East Pittsburgh for maximum rates will be revised downward by 4¼ per cent. A similar downward revision of 4½ per cent will be made at the Derry unit. The minimum rates for the different rate ranges will also be revised downward."

This tentative proposal, of course, was not acceptable to the Federation officers because top management was attempting to tamper with two new keysheets that had already been negotiated locally by two member units of the Federation, namely AWSE and Derry units. As the Federation officers saw a fallacy in Management's logic, they had a special meeting with top management representatives on March 27 and presented statistics and data to show that the Company's reasoning as to the basis for lowering the two keysheets was fallacious, and convinced top management representatives of the authenticity of the Federation's approach and the error in their evaluation of the frozen increment for hourly day workers which the Company had proposed to the hourly paid employees.

The next day, March 28, at a meeting consisting of the Federation officers, top management representatives, and representatives of the East Pittsburgh and Derry plants and unions, the arguments of the previous day were reviewed for the benefit of local union and local plant representatives.

The Federation then offered a counter-proposal requesting that all keysheets agreed to locally stand unchanged; and that the amount of the general increase to be granted, aside from the one cent per hour fund to be used toward eliminating differentials between the salary rate ranges of men and women, should be \$30.30 per month, or \$7.00 per week, for all salaried employees earning a base salary of not more than \$379.00 per month or \$87.50 per week. Above that income level the general increase should be eight per cent of the base salary up to a maximum increase of \$43.33 per month or \$10.00 per week.

*April 9, 1946.* Top management representatives, no longer requesting the downward revision of the East Pittsburgh and Derry keysheets, made a definite offer of \$30.30 per month or \$7.00 per week for all salaried employees. The same amount was to be added to the maximums of each salary rate range but the minimums were to be subject to local modification. This trial balloon was loaded down with sand bags. This general increase, in order to be effective April 15, had to be accepted within six days along with page upon page of surprise national contract revisions.

*April 14, 1946.* Notwithstanding the geographical distribution of Federation units from coast to coast and the prevalent idea that democracies move slowly, the Federation Executive Council met, with each local president having been fully empowered by his respective membership at quickly scheduled meetings during the preceding week at which time the membership discussed the proposal of management word by word along with the other information received from Federation headquarters. By a vote of 25 to 5, the Executive Council rejected the Company's general increase offer unless through collective bargaining negotiations the Company would agree to omit certain changes with which the Company had sandbagged their general increase offer.

*April 15, 1946.* After an all day meeting of the negotiating

committees representing the Federation and top management, the Federation Negotiating Committee was successful in securing desired changes and eliminations in the Company's proposal regarding the national contract. The Executive Council in session late that same night, voted unanimously to accept the general increase offer of the Company with contract changes recommended by the Federation as amended earlier in the day.

*April 16, 1946.* Federation officers and representatives of the district office units completed negotiations for a nation-wide key-sheet covering all district office salaried positions and, in addition, national uniform salary position classifications. This significant accomplishment brought about national unification of salaries at all non-plant locations in the Company represented by the Federation. These district offices included Buffalo with its six sub offices covering all of up-state New York, Cincinnati, Cleveland Manufacturing & Repair, Detroit, Los Angeles, Newark Manufacturing & Repair Engineers, Philadelphia and Pittsburgh. In this list where no other designation is made, the local affiliate represents the sales personnel, the Manufacturing and Repair organizations, the Engineering and Service organizations and all allied salaried employees.

This is what the Federation could have accomplished for all of its plant and district office units as a body if the largest plant unit had been more patient and not jumped the traces.

It is interesting to note that the national district office salary keysheet has the top salary of most of its salary classifications equal to or above those of comparable salary ranges in any or all of the plant units and the tops of all ranges are very definitely well above the average of all the plant unit keysheets. Covering such a wide geographical area, it has worked out that some of the minimum salaries of some of the rate ranges are not as high as in some of the plant keysheets but they are not lower than any of the plant unit keysheets, except East Pittsburgh A.W.S.E.

*May, 1946.* The author advocated the establishment of a Federal Labor Court as a possible cure for strikes. The Court recommended should be established on a basis similar to the U. S.

Supreme Court with competent labor judges who would not be bound by union, management or political pressure. At such a court, union or management could air their differences and the scales of justice would be balanced in favor of the righteous group.

Courts of competent labor judges will not be absolutely infallible and mistakes in judgment will occur now and then the same as they do in matters submitted to other courts. But in the long run, they will yield a larger measure of justice to both capital and labor than the present irrational method of hurling injunctions, bricks, tear gas, picket lines, lockouts and bullets at one another.

*June, 1946.* At the Federation convention the progress of the various keysheet negotiations was reviewed. Only Sharon, East Springfield, Baltimore, Mansfield and Cleveland plants could not advise that their keysheets were completed. The Sharon keysheet was settled about a week later, Cleveland five weeks later, and Baltimore two months later. The East Springfield keysheet was in the process of settlement.

These keysheets under discussion were to include the general increase and the settlement of the inequities and inequalities issue which the company had agreed to settle following the salary strike in September, 1945. The local plant affiliates were aided and guided in the settlement of their keysheets by the Federation officers. The amount of assistance rendered depended upon the requests of the local affiliate and the availability of the officers.

At this same convention, a number of amendments to the Constitution and By-Laws were made and a committee appointed to carefully study the articles covering the voting power of the member affiliates, subject to the approval of the Executive Committees of the various Affiliates.

*July, 1946.* The Federation, after several years of requesting representation of independent unions in the various governmental agencies having to do with labor problems, expressed its ire at being sold down the river by Secretary of Labor Lewis B. Schwellenbach who had promised that he would request the appoint-



ment of an Under-Secretary of Labor representing independent unionism.

When the appointments were announced, one went to the AFL, one to the CIO, and one to a former member of one of the governmental labor boards. These appointments left the independent unions still holding the bag. The Federation wholeheartedly condemned this discriminatory action perpetrated upon independent unionism and the other millions of unorganized workers who have not seen fit to join either the CIO or the AFL. The Federation will fight on and on until the government sees the light and gives the majority of its people the democratic representation they so justly deserve.

*August, 1946.* The Federation took part in the conference called in Washington, D. C., by the Confederated Unions of America (independent) to unify independent union thinking concerning representation of independent unions in governmental agencies administering laws affecting labor. Representatives from this conference conferred with the Secretary of Labor and other governmental labor officials.

*September, 1946.* The office employees of the new Westinghouse Motor Division plant in Buffalo, N. Y., which will have approximately one thousand salaried employees when it reaches capacity, were formally organized and temporary officers elected to arrange for certification, to be followed by the adoption of a constitution and by-laws and election of permanent officers.

The Federation Executive Council met on September 28-29 to outline negotiations to be conducted with top management of the Corporation for the year 1947. These negotiations, of course, would be subject to change and ratification at the annual convention which was scheduled for the first part of December 1946.

*November, 1946.* After an informal hearing before the National Labor Relations Board, Buffalo, N. Y., a stipulation for certification upon a consent election was agreed upon between the local white-collar organization of the new Buffalo Motor Division, the FWISU, and the local and top management representatives of the Westinghouse Electric Corporation. The election was held on

November 14, 1946, for all white-collar or salaried employees including technicians as Unit 1, and another election on the same date for all design and manufacturing engineers as Unit 2. The choice on the ballot of both units was to be the same, that is, for or against the participating white-collar organization. If the employees in Unit 2 selected the participating organization, they were to become a part of Unit 1, provided, of course, eligible employees in Unit 1 likewise selected the participating organization. Following the counting of the ballots which indicated without doubt that the employees in both units wished to be represented by the Westinghouse Motor Salaried Employees Association—Buffalo, the NLRB certified the local union on November 29, 1946.

*December, 1946.* The Westinghouse Motor Salaried Employees Association—Buffalo, elected permanent officers, adopted its constitution and by-laws, and applied for admission to the FWISU.

The Annual Convention of the FWISU was held on December 7–8, and in addition to accepting the local at the Buffalo Motor Division Plant of the Corporation as a member unit of the Federation, the convention ratified and authorized the Negotiating Committee of the Federation to negotiate the following subjects with top management of Westinghouse Electric Corporation:

1. *A 16 % Cost of Living Bonus*—This percentage is based upon the increased cost of living from April 15, 1946 (date on which the salaried employees of the Westinghouse Electric Corporation received their last general salary increase) to December 15, 1946 (the date on which the Bureau of Labor Statistics' Index will reflect the full cost of living figures for the year 1946). The National BLS Index Cost of Living figure for the United States on April 15, 1946, was 131.1. The same BLS statistics, in all probability, will indicate a figure of 152.1 for December 15, 1946, in other words, a 21 point rise in the cost of living between the two aforementioned dates, or 16% rise in the cost of living between the same dates. The Cost of Living Bonus increase which we are requesting should be paid separately and not made a part of our present salary keysheets or rate range structures.

In addition to the above, we request that the following clause be added to our national agreement:

“Whenever the U. S. Bureau of Labor Statistics’ Cost of Living Index rises or falls 1% above or below the index figure of 152.1, then the Corporation, as soon as possible thereafter, but in no case longer than thirty (30) days after publication of the index, will correspondingly raise or lower the separate salary cost of living bonus of the employees represented by the Federation. It is further agreed that the increase and decrease mentioned above shall automatically continue in force so long as the BLS Index does not go below 131.1.”

If the Cost of Living Index does not reach our estimated figure of 152.1 by December 15, 1946, the Federation could still justify the application of a 16% increased cost of living bonus based on the following facts:

(a) The Index as presently calculated only partially shows the wartime effects of changes in quality, availability of consumer goods, etc.

(b) The President of the United States Committee on the Cost of Living has estimated that such factors, together with certain others not fully measured by the Index, would add a maximum of three to four points to the Index for large cities, between January 1941 and September 1944. If account is taken of continued deterioration of quality and disappearance of low priced merchandise between September 1944 and September 1945, which was estimated at an additional  $\frac{1}{2}$  point, the total large city adjustment would be 4.5 points. If small cities were included in the national average, another  $\frac{1}{2}$  point would be added, making the total approximately five points higher than the figures actually indicated in the BLS Index.

2. *A Just and Equitable Pension and Retirement Plan* for all salaried employees. The present pension and retirement plan applying to only those employees making more than \$3000.00 a year is an injustice perpetrated upon the thousands of salaried employees throughout the Company whose salaries are less than \$3000.00 per year.

3. *Additional Vacation*—Salaried employees with ten or more

years total service should receive in addition to their normal two weeks' vacation, one extra day for each additional year of service.

4. *A Definition of Severance Pay* should be added to the national contract.

5. *Excellent Attendance Bonus*—Additional time off for a minimum of absences from work within one year.

6. *Involuntary Absences*—Reinstate the eight reasons for involuntary absences in the national contract.

7. *Payment to Employees for Time Spent Traveling* outside their respective plant locations over and above eight hours per day when on Company business.

8. *Use of Personal Cars*—8¢ per mile allowance for all employees using personal cars on Company business. The present allowance of 5½¢ per mile is inadequate at present increased prices.

9. *E & S Engineers Overtime*—A sound basis for scheduling overtime hours for all E & S. Engineers.

10. *Hotel and Meal Allowance for All E & S Engineers*—An allowance of \$7.50 per day for hotel and meal expenses. The present allowance of \$6.00 per day is inadequate at present inflated prices.

11. *National Plant Keysheet*—A National Salary Keysheet or range structure for all Plant Units should be adopted.

12. *Holidays*—We request that Armistice Day be added to our present seven recognized holidays as defined in the contract. We also request that when a national holiday is declared in celebration of the World War II Victory, that holiday shall also come under the scope of this agreement.

In addition to the above, we request the modification of some of our present clauses and the addition of several new contract clauses as outlined in the attached proposal.

*January, 1947.* After several months of organizational campaigning by Federation officers, the Time Study Methods Engineers of the B. F. Sturtevant Division of the Westinghouse Electric Corporation were organized. On January 10, 1947, the NLRB, following an election that was held several weeks previously, certified this Association as an appropriate unit.

On January 9, 10, 30 and 31 the Federation Negotiating Committee met with top management representatives of the Westinghouse Electric Corporation for the purpose of coming to an understanding on requests made in writing December 10, 1946.

*February, 1947.* Negotiations were resumed with top management representatives of the Corporation on February 5. The scheduling of another meeting was held in abeyance in order to give management the opportunity to study all non-economic and economic issues involved in the Federation's requests.

On February 11, an informal hearing was held with the local NLRB in Chicago, Illinois, to determine an appropriate unit of white-collar workers, or salaried employees, of the M & R Division of the Corporation located on Pershing Road. The eligible employees in this M & R Division had been organized by the officers of the Federation about three months before this informal hearing.

*March, 1947.* The Federation Negotiating Committee and top management representatives of the Corporation resumed meetings on March 17, at which time management submitted to the Federation their contractual counter proposals covering all non-economic issues. On March 18 the Negotiating Committee met at Federation Headquarters to peruse management's counter proposals, and again on March 19, 20 and 21st, met with top management and agreed to accept the new contract with the exception of the clauses pertaining to professional and administrative employees and the termination date of the contract. The Federation Negotiating Committee requested time and one-half for all scheduled hours in excess of 40 per week for professional and administrative employees making less than \$400 per month base rate, and \$15.00 per month for each scheduled weekly hour in excess of 40 per week with the maximum payment including base salary not to exceed \$750.00 per month for professional and administrative employees making more than \$400.00 base pay. A request was also made for a contract on a two-year basis rather than an open-end 30-day contract as heretofore.

While the Negotiating Committee was meeting with top management on the 26th and 27th, Mr. H. C. Jones, Executive-Secretary of the Federation, was in Chicago, Illinois, attending a

formal hearing before the NLRB for the purpose of determining an appropriate unit for the white-collar employees located at the M & R Division of the Corporation at Pershing Road.

On March 29-30, the Executive Council Meeting of the Federation was held in Pittsburgh for the purpose of acquainting each one of the affiliate units with the new gains made in the contract and to secure their approval subject to ratification by the membership of each local.

*April, 1947.* On April 18, 1947, while the Federation Negotiating Committee was meeting with top management of the Corporation, the UE CIO issued a release to the local newspapers announcing that they had secured a general increase of 11½¢ per hour plus 3½¢ per hour in fringe negotiations for the hourly paid production and maintenance employees they represent in the Westinghouse Electric Corporation, and \$21.70 per month, or \$5.00 per week across-the-board for the salaried employees they represent. The Corporation offered the Federation the same general increase for its members but the Negotiating Committee absolutely refused to accept this proposition because it sincerely believed the salaried employees were entitled to much more than \$21.70 per month across-the-board because one of the fringe negotiations completed by the UE included payment for six holidays for the hourly paid employees. All salaried employees of the Corporation had been paid for holidays for years and inasmuch as the Corporation calculated these paid holidays for hourly employees to be equal to 3¢ per hour, the Federation believed that its members were entitled to something more than \$21.70 across-the-board.

The Federation Negotiating Committee continued to battle for this recognition of 3¢ per hour to be added to the general increase so as to bring about a just and equitable solution to the overall distribution of an amount of money equivalent to \$21.70 across the Board plus the 3¢ per hour that was granted the hourly paid employees in holidays, and met with management again on April 22, 23, 24, 25 and 29th. On the 29th of April, the Federation Negotiating Committee was successful in negotiating a sliding scale general increase of \$21.00 to \$42.00 per month, retroactive

to April 1, for the employees it represented. The general increase and the other fringe negotiations secured by the Federation on this memorable date were subject to ratification by the local membership of each affiliate unit on or before midnight, May 6, and are as follows:

1. An increase of \$21.00 per month (or \$4.85 per week) to all employees whose salary on the effective date was less than \$200.00 per month (or \$46.20 per week).

An increase of \$21.70 per month (or \$5.00 per week) to all employees whose salary on the effective date was between \$200.00 per month (or \$46.20 per week) and \$310.00 per month (or \$71.50 per week), inclusive.

An increase of 7% to all employees whose salary on the effective date was more than \$310.00 per month (or \$71.50 per week).

2. Three weeks' vacation for all salaried employees with a total employment of 20 years or more.

3. Professional and administrative employees exempt from coverage of the Fair Labor Standards Act will, when agreed upon locally, be issued exempt passes which do not contain a starting time, lunch period, or departure time. The pass provides for entrance or exit at other than regular working hours of the plant or office.

4. Professional and administrative employees exempt from coverage of the Fair Labor Standards Act and earning up to \$400.00 per month base rate will receive time and one-half for all hours scheduled in excess of 40 hours per week.

5. Professional and administrative employees exempt from the Fair Labor Standards Act earning more than \$400.00 per month base rate will receive \$15.00 per scheduled hour for all hours in excess of 40 hours per week with a maximum payment of \$750.00 per month less 10¢ for each \$1.00 of base rate under \$750.00 per month.

6. Consulting and application electrical and steam engineers will receive \$7.00 per day meal and hotel allowance instead of \$6.00 per day.

7. All salaried employees using their personal cars for company business will be allowed 6½¢ per mile instead of 5½¢ per mile.

8. Hours worked by non-exempt salaried employees on Sunday after 40 hours have been worked in the week will be paid for at double the employee's average earned hourly rate. The reasons considered as involuntary absences will be counted as hours worked for determining double time for Sunday.

9. All salaried employees transferred into higher positions of like occupational classifications will receive a 10% increase on the day of transfer.

*May, 1947.* Before midnight, May 5, the contract and all fringe negotiations were ratified by a unanimous vote of all the affiliates. The general increase was ratified by a vote of 21 to 1.

*June, 1947.* On June 7-8-9, the FWI SU held its semi-annual convention at the Hotel Adelphi-Witte, Wildwood, N. J. The most important subjects on a rather lengthy agenda were a complete explanation of the new and changed contract clauses and action on a motion to improve the financial reserve of the Federation.

#### BRIEF SUMMARY OF OUTSTANDING ACCOMPLISHMENTS OF THE FEDERATION

1. The salaried employees represented by the Federation have been covered by five national agreements negotiated with top management of the Company from 1942 until 1947.

2. A 3 $\frac{3}{4}$ % upward salary adjustment for employees transferred from a 37 $\frac{1}{2}$  to a 40 hour work week schedule with the understanding that the extra 2 $\frac{1}{2}$  hours would be scheduled throughout the regular five-day week and not on Saturday.

3. A 10% night-turn bonus for salaried employees working night-turn.

4. Salary keysheets which have salary ranges considerably higher than when the organization came into existence, in fact, an average increase of 51% has been added onto the maximum rates.

5. A general salary increase in 1941 of 10¢ per hour or \$18.00 per month for all those working 40 hours per week.

6. A general increase in 1942 of 5¢ per hour or \$9.53 per month for employees working 40 hours a week. Both general increases were retroactive for several months.



7. Blocked efforts by the N.A.M. to remove draftsmen from coverage of the Walsh-Healy Act.

8. Blocked efforts by representatives of industry to establish \$225.00 a month as a line of demarcation between exempt and non-exempt employees (the exempt employee being excluded from payment of overtime and the non-exempt employee securing overtime pay for all hours in excess of 40 in any one week).

9. Blocked efforts (by testimony presented to the Senatorial Committee on Banking and Currency) to freeze individual salaries. The testimony brought about several changes in the Wage Stabilization Act, making it possible to grant increases within the established rate ranges of the various classifications.

10. A salary rerate clause in the national agreement to provide the following: Employees hired and those promoted to higher class positions whose work is satisfactory will receive not later than six months (as determined below) after employment or transfer, an increase of at least 10% above their hiring rate, rate before transfer or minimum position rate, whichever is greater, provided the rate does not exceed the maximum for the position. Employees hired or promoted between the 1st and 15th of the month, inclusive, will be given credit for that month in computing the six-month period, and those hired or promoted between the 16th and the end of the month will receive no credit for that month in computing the six-month period.

11. An additional vacation day if a holiday falls during the regular work week of the employee's vacation.

12. Recognition of vacation days and holidays as hours worked in computing hours of work for the work week.

13. Time and one-half pay for all exempt and administrative employees earning less than \$5,000 per year base rate in all plant units.

14. A plan for all those employees earning more than \$5,000 per year base rate so as to equalize their take-home pay with those making less than \$5,000 a year base rate, applicable to all plant units.

15. A plan whereby all District Office Application Engineers, E & S Engineers, District Engineers and other non-supervisory

exempt employees will be paid overtime on a scheduled hours basis in line with the hours established for their various District Office locations.

16. Time and one-half pay for all hours in excess of eight in any one day applicable to all non-exempt salaried employees.

17. Double time for the seventh day worked in the work week in keeping with Executive Order 9240. (This order was cancelled on August 21, 1945, and time and one-half was secured for all plant salaried employees and for all District Office non-exempt salaried employees working the seventh day in the work week.)

18. Time and one-half for work on the sixth day when absent for any one of the eight involuntary reasons as defined in the contract:

- (a) Funeral or death in the immediate family.
- (b) Jury duty.
- (c) Time off for required appearance before draft board or related reasons.
- (d) Time lost due to injury in plant.
- (e) Time off for vacations and holidays.
- (f) Union activity contemplated in contract.
- (g) Furloughs which are days off at Management's request (disciplinary measures excepted).
- (h) Illness of any duration.

19. The establishment of group leaders and additional compensation to their base rate depending upon the size of the group.

20. Additional vacation pay based on the total number of hours worked beyond 40 in any one week during the war period.

21. Modification of W.L.B. Order No. 31 to recognize merit increases within our established rate ranges.

22. Twice each year local Association and Federation representatives with management department heads review all salaries with the intention of seeing that each individual is properly classified and that his salary is in line with the classification and his ability to perform the requirements of the position. This has resulted in many salary increases that otherwise would not have been granted.

23. The Federation officers have conferred with Government labor officials in the interest of sound legislation, and as a result, have established direct contact with four different divisions of the Department of Labor in Washington, D. C. They have also been called in for Senatorial Hearings on Wage and Salary Stabilization.

24. Definite promotion and seniority plans have been established.

25. Negotiated with top management of the Corporation full pay for non-working salaried employees for the first ten weeks of the UE-CIO strike.

26. Double time and one-half for all hours worked by salaried employees on the seven recognized holidays defined in the contract.

27. On April 15, 1946, the Federation negotiated a general increase of 17.5¢ per hour, \$7.00 per week, or \$30.30 per month for all salaried employees represented by the Federation, and prepared with top management representatives of the Corporation a joint Form 10 petition requesting the OPA for price relief.

28. New salary rate ranges were negotiated during 1946 for all nineteen affiliates to reflect not only the general increase of April 15 but also a goodly measure of the inequity between salary and hourly wage rates that had grown out of the Day Worker's Bonus granted by the Corporation to hourly day workers only.

29. The establishment of a single key sheet or a salary rate range for each affiliate without reference to age or sex.

30. On April 1, 1947, the Federation was successful in negotiating a sliding scale increase of \$21.00 to \$42.00 per month for all its members.

31. Three weeks' vacation for all salaried employees with 20 years' or more service.

32. Professional and administrative employees excluded from coverage of the Fair Labor Standards Act, will, when agreed upon locally, be issued exempt passes which do not contain a starting time, lunch period, or departure time. The pass provides for entrance or exit at other than regular working hours of the plant or office.

33. Professional and administrative employees excluded from coverage of the Fair Labor Standards Act and earning up to \$400.00 per month base rate will receive time and one-half for all hours scheduled in excess of 40 hours per week.

34. Professional and administrative employees excluded from coverage of the Fair Labor Standards Act earning more than \$400.00 per month base rate will receive \$15.00 per scheduled hour for all hours in excess of 40 hours per week with a maximum payment of \$750.00 per month less 10¢ for each \$1.00 of base rate under \$750.00 per month.

35. Consulting and application electrical and steam engineers will receive \$7.00 per day meal and hotel allowance instead of \$6.00 per day.

36. All salaried employees using their personal cars for company business will be allowed 6½¢ per mile instead of 5½¢ per mile.

37. Hours worked by non-exempt salaried employees on Sunday after 40 hours have been worked in the week will be paid for at double the employee's average earned hourly rate. The reasons considered as involuntary absences will be counted as hours worked for determining double time for Sunday.

38. All salaried employees transferred into higher positions of like occupational classifications will receive a 10% increase on the day of transfer.

39. Working relations, built on mutual respect and the desire for cooperation have been established with local and top management representatives of the Westinghouse Electric Corporation.

None of these accomplishments existed for salaried employees of the Corporation prior to the formation of the Federation of Westinghouse Independent Salaried Unions in April, 1939. The decision of a group to organize is no reflection upon the Corporation or a particular manager, but is merely the employees exercising their democratic rights of freedom of choice guaranteed to them by the Wagner Act.

MAGNITUDE OF THE FEDERATION

The magnitude of representation of the salaried employees by the Federation of Westinghouse Independent Salaried Unions can best be illustrated by listing, in alphabetical order, the various classifications of employees who comprise the membership of the various affiliates of the Federation:

Accounting Clerk, Learner	Division Staff Assistant
Accounting Clerk, Detail	Document Collector
Accounting Clerk, Budget	Drafting Group Leader
Accountant, Financial Accounts	Drafting Student
Accounting Specialist	Draftsman, Female
Addressograph Machine Operator	Draftsman, Detail Design
Advertising Assistant	Draftsman, Detail, Female
Apparatus Electrician	Draftsman, Diagram
Artist, Commercial	Draftsman, Forms
Attendance Control Clerk	Draftsman, Junior
Auditor, Traveling	Draftsman, Layout Design
Blue Print Machine Operator	Draftsman, Layout Diagram
Blue Print Trimmer	Drawing Inspector
Buyer	Drug Clerk
Buyer, Assistant	Duplicating Machine Operator
Cash Ledger Clerk	Duplicating Group Leader
Cashier, Paymaster or Trust Officer	Editor
Cashier, Petty Cash	Editorial Clerk
Catalog Illustrator	Employee Service Clerk
Claim Clerk	Employment Clerk
Clearance Clerk	Employment Statistician
Clerical Group Leader	Engineer, Assembly
Clerical Staff Specialist	Engineer, Application
Contract Order Supervisor, Assistant	Engineer, Commercial
Copywriter	Engineer, Contact
Correspondent	Engineer, Design
Cost Analysis Clerk	Engineer, Development Cost
Cost Clerk	Engineer, Equipment
Cost and Estimating Clerk	Engineer, General
Demonstrator	Engineer, Headquarters Service
Designer, Tool	Engineer, General, Foreign Language
Dictaphone Operator	Engineer, Industrial Hygiene
Dietician	Engineer, Insulation and Winding
Distributor	Engineer, Junior
District Order Clerk	

Engineer, Senior	Ledger Clerk, Stores
Engineer, Manufacturing	Librarian
Engineer, Materials or Laboratory	Load Dispatcher
Engineer, Order Service	Lumber Inspector and Storekeeper
Engineer, Order Interpretation	Mail Sorter
Engineer, Plant Layout	Mail and Transcribing Clerk
Engineer, Power Plant	Manufacturing Information Clerk
Engineer, Research	Manufacturing Information Dicta- phone Operator
Engineer, Service	Material Disposition Clerk
Engineer, Test	Material Dispatcher
Engineer, Test Record	Material Procurement Clerk
Engineer, X-Ray Application	Messenger
Engineer's Assistant	Metallographic Technician
Engineering Correspondent	Nurse
Engineering Correspondent—Foreign Language	Nurse, Social Service
Engineering Production Clerk	Nurse's Aid
Field Specialist	Order Assistant
File Clerk	Order Clerk
General Duty Clerk	Order Correspondent
Guide	Order Stock Checker
Handyman	Package Designer
Hydrogen & Gas Plant Operator	Panelboard Clerk
IBM Set-up Man	Patent Attorney, Assistant
Inspector	Paymaster's Assistant
Inspector, Routine	Payroll Auditor
Inspector, Class A-1	Payroll Clerk
Inspector, Crane	Photographer
Instructor	Photo Printer
Interviewer	Police Officer
Interviewer, Preliminary	Posting Clerk
Investigator	Price Clerk
Interworks Follow Clerk	Priorities Clerk
Janitor	Product Demonstrator
Job Analyst	Product Specialist
Key Punch Verifier	Production Clerk
Laboratory Aid	Production Dairy Clerk
Laboratory Assistant	Production General Duty Clerk
Laboratory Chemist	Production Material Checker
Laboratory Technician	Production Shipping Clerk
Lamp Representative	Production Record Clerk
Layout Detailer	Proof Reader
Learner	Publicity Assistant
Ledger Clerk	Publicity Writer

Purchase Follow Clerk	Shipment Tracer
Receiving Clerk	Special Assignment Clerk
Receptionist	Special Duty Clerk
Record Clerk	Stationary Stock Clerk
Repair Correspondent	Statistical Clerk
Requisition Clerk	Stenographer
Restaurant Attendant	Stenographic Training Instructor
Restaurant Baker	Stock Layout Clerk
Restaurant Bus Boy	Stock Supervisor
Restaurant Cook, Pastry	Stockman
Restaurant Cook	Storekeeper
Restaurant Dietician	Storeroom Attendant
Restaurant Maintenance Repairman	Sub-Office Stenographer
Restaurant, Pantry Group Leader	Suggestion Expediter
Restaurant Porter	Tabulation Machine Operator
Restaurant Steward	Technical Clerk
Restaurant Vending Machine Attendant	Technical Specialist
Restaurant Waitress	Telegraph and Teletype Clerk
Retoucher	Telephone Operator
Routine Clerk	Teletype Operator
Safety Assistant	Time and Motion Analyst
Safety Device Salesman	Time Value Clerk
Safety Inspector	Time Clerk
Sales Correspondent	Tracer
Sales Order Clerk	Tracing Reproduction Operator
Schedule Clerk	Traffic Clerk
Secretary, Manager's	Transcribing Clerk
Secretary, Officer's	Translator, Foreign Language
Secretary-Stenographer	Transportation Expediter
Secretary-Stenographer, Foreign Language	Treasury Correspondent
Service Assistant	Typist
Service Correspondent	Typist, Copy
Service Order Clerk	Typist, Moon Hopkins Operator
Service Estimator	Watchman
	X-Ray Serviceman
	Yardmaster

## *Chapter VII*

### NECESSITY OF A SIGNED CONTRACT

#### WHY A CONTRACT IS NECESSARY

Labor contracts are a matter of good business practice. They are documents embodying the terms and conditions which both employer and employee have agreed upon and are willing to abide by for a specified period of time. Instead of the loose methods usually used in the absence of a written agreement which leave the employee in doubt as to his exact status, the contract states in precise terms its various provisions. A labor contract further smooths out the running of a company because it serves as a ready means of making the lower levels of management, who have the most contact with the employees, fully advised concerning the labor policies of top management. Uniformity of management action at this level does much to promote industrial harmony.

During the past five years labor unions with written agreements have made much headway because they have proven their worth. Collective bargaining and written agreements serve to extend union recognition, to establish a clear and indisputable record of terms of agreement and to provide for continuous dealing between workers and employer representatives. Unions have decreased employment turnover, increased stability of production, placed responsibility on union representatives instead of armed company guards, and have accorded workmen that independence as men which alone can assure loyalty to any enterprise.

With collective bargaining based on written agreements, it is in its very nature rooted in democratic procedure. As liberty for working people is attained through industrial democracy, collective bargaining performs valuable service to society as a whole.



Collective bargaining is a continuous process and the signing of a contract does not stymie this process.

The contract itself is not a dormant document which can be filed away for posterity when once signed.

Management representation should remember that, under the law, the employer's obligation to bargain in "good faith" does not end with the signing of the contract.

The courts have ruled that refusal to meet with union negotiators for proposed changes in a contract is an "unfair labor practice."

The perfect union contract, like the perfect legal law, never will be written. Legal laws are tempered and refined in the courts, where the latest decisions bring the old laws up-to-date. The union contract undergoes similar changes because upon application certain clauses prove to be unworkable and it becomes necessary to develop other clauses to replace them.

Although it is not claimed to be perfect, the following contract is offered for consideration. The Westinghouse Federation believes it to be the most outstanding white-collar contract in existence today.

#### AGREEMENT

between

WESTINGHOUSE ELECTRIC CORPORATION

and

FEDERATION OF WESTINGHOUSE INDEPENDENT SALARIED UNIONS

*Entered into April 1, 1947*

*Agreement, entered into this 1st day of April, 1947, between Westinghouse Electric Corporation, hereinafter referred to as the "Company," and the Federation of Westinghouse Independent Salaried Unions, hereinafter referred to as the "Federation," on behalf of and in conjunction with its various Affiliates, hereinafter specified and assenting to this Agreement, hereinafter referred to as the "Affiliates."*

## RECOGNITION—SECTION I

The Company recognizes the Federation on behalf of and in conjunction with its Affiliates, for those units where the Federation or an Affiliate, respectively, through a National Labor Relations Board certification or other means satisfactory to both parties, have been lawfully designated and/or recognized as the exclusive bargaining agent. The Units for which the Federation or its Affiliates have been certified and/or recognized, and which are included within this Agreement, are set forth in the appendix attached hereto and made a part of this Agreement.

Any units for which the Federation or an Affiliate shall be lawfully certified and/or recognized, upon lawful certification and/or recognition and upon mutual agreement of the Federation, the Affiliate, and the Company, shall be included in and covered by this Agreement as of the date of certification and/or recognition.

The following definition will determine supervisors where excluded from the various certified bargaining units.

A supervisor is an employe who has been assigned the responsibility of overseeing and directing the activities of employes in order to secure efficient operations, which responsibility carries with it either the authority to hire and discharge or to effectively recommend such action, and who has responsibility to provide employes with information on position classifications and rates and reply to grievances arising in his department.

## BARGAINING COMMITTEE—SECTION II

The Federation has designated a committee of five consisting of the president or vice president of the Federation and four representatives from its Affiliates, and the Company has designated a committee of five of its representatives, for the purpose of considering, pursuant to the provisions of this Agreement, all matters relating thereto which said representatives of the Federation and of the Company, respectively, may deem Company-wide and generally applicable to the various certified collective bargaining units. Either party may at any time change said representatives,

provided that neither party will be represented by more than five representatives.

### COOPERATION—SECTION III

The Company will co-operate to effect the purpose of this Agreement; and will neither settle grievances other than with the Affiliates or the Federation nor negotiate regarding rates of pay, wages, hours of employment, or other conditions of employment except through the appropriate representatives of the Affiliates or the Federation.

The Company agrees that it or its supervisors or other representatives of Management will not discriminate against any employe because of membership or activities in the Federation or the Affiliates.

The Federation and the Affiliates agree that neither they, their officers, their members, nor persons employed directly or indirectly by them, will discriminate against any employe. The Federation and the Affiliates agree not to solicit members, dues or funds during the working hours of employes involved.

The Federation and the Company agree that collective bargaining can best succeed in a friendly atmosphere in which both parties bargain in good faith and with an honest desire to understand each other's point of view. The Federation recognizes that it is the responsibility and right of the Company to maintain discipline and efficiency, and agrees that Management shall have the freedom of action necessary to discharge its responsibility for the successful operation of the Company. Such freedom of action is limited only to the extent specifically provided for in this Agreement or local supplements hereto.

### CONSIDERATION—SECTION IV

This Agreement evidences the understanding reached through collective bargaining between the Company and the Federation. Both parties share the belief that publication of these provisions will tend to eliminate misunderstanding and promote accord, and the Federation and the Company will work in unison to that end.

The Company will, upon execution of this Agreement, or any local supplements, provide a reasonable number of copies to be made available to interested persons upon request.

The Company and the Federation recognize that mutual respect and confidence will aid greatly in carrying out the provisions of this Agreement and will also go far toward bringing about the harmonious relations which both desire.

#### COLLECTION OF DUES—SECTION V

The Company will continue present methods of deduction (either by written employe authorization or a list of members furnished to local Management) from the employe's pay of Affiliate dues for each month and the initiation fee, where such is used, in the amount authorized, and shall promptly remit same to the respective Affiliates.

Standard dues as established by the Federation are generally \$1.50 per month. Changes in present established dues by an Affiliate will be made effective only after a thirty (30) day written notice to the Company (local Management) and notification to the employes by the Affiliate, and, where used, the presentation of new employe authorizations.

Deductions for employes paid monthly will be started within the month provided the authorization is received by the Company not later than the sixth working day of the month. For employes paid weekly, all authorizations received by the last Friday in the Westinghouse payroll accounting month will be included in the deductions for the following month.

Deductions will be made from the first pay of the month in the case of weekly payrolls and from the end of the month pay in the case of monthly payrolls. If a member does not receive pay during the month, dues for that month will not be deducted by the Company from the pay in any subsequent month. Dues deductions will be automatically reinstated for employes returning to work after leave of absence or sickness.

Collection of any back dues owed at the time of starting deductions for an individual will be the responsibility of the Affiliate

and will not be the subject of payroll deduction unless such delinquency is a result of an error by the Company.

Termination of employe authorization of payroll deduction may be effected by written notice by the employe to the Company and the respective Affiliate thirty (30) days prior to the desired effective date.

Payroll deductions, when authorized by list of members, may be terminated during the yearly withdrawal period as established in local supplements.

### SALARIES—SECTION VI

Salaries will be paid according to a local schedule based upon the classification system in each bargaining unit. The place on the schedule of each position will be in relation to each other and in reference to the lowest and the highest paid positions. A written explanation of the local classification system followed will be furnished each Affiliate.

The following provisions are applicable to all bargaining units.

#### *A. Position Description and Evaluation*

The Union agrees that the preparation of descriptions and evaluation of new and changed positions are functions of Management.

The Affiliate president will be notified of changes in position descriptions and the evaluation of new positions before they are made effective. The Affiliate president will be notified at least fifteen days before the reevaluation of existing positions becomes effective and, where requested, a meeting will be held to discuss the change.

A request to review an existing description and/or evaluation may be made at any time by the Affiliate through the supervisor of the department on the regular grievance form.

#### *B. Group Leader Definition and Remuneration.*

Definition—A group leader is a non-supervisory employe who is a working member of a group, without disciplinary authority, who works under a minimum of supervision, who regularly leads,

instructs, and guides employes in the group, and who generally allocates the work.

Remuneration—Additional compensation for group leaders when group leading is not contained in the job description will be based on the following provisions and schedule.

Appropriate groups for salary employes based on securing better operations will be determined locally by Management and will be a subject for negotiation before they are established. It is understood that employes may work as a group without payment of a group leader when group leaders' duties are not assigned. Duties of a group leader will not be assigned to an employe where less than three (3) employes are involved. No group of more than twenty (20) employes, exclusive of the leader, will be formed.

#### Schedule

<i>Size of Group exclusive of the leader</i>	<i>Addition to Base Rate</i>
2 to 5	5%
6 to 10	7.5%
11 to 20	10%

#### C. *Salary Re-Rates*

1. Employes hired, whose work is satisfactory, will receive not later than six months (as determined below) after employment an increase of at least 10% above their hiring rate, provided the new rate does not exceed the maximum rate for the position.

2. Employes promoted to a position in a higher rate range, whose work is satisfactory, will receive not later than six months (as determined below) after promotion an increase of at least 10% above the minimum rate of the new position or the employe's rate before promotion, whichever is greater, provided the new rate does not exceed the maximum rate established for the position. Where the employe is known to be qualified and the transfer is to another position in a higher rate range in the same occupational line of work in the department, the increase will be granted at the time of transfer.

Employes hired or promoted between the 1st and 15th of the

month, inclusive, will be given credit for that month, and those hired or promoted between the 16th and the end of the month will receive no credit for that month.

#### *D. Night Turn Bonus*

Employes working night turn will receive an extra compensation of 10% of their earnings on night turn, when the regular quitting time is after nine o'clock in the evening (9:00 P.M.) and up to and including nine o'clock (9:00 A.M.) of the following day.

#### *E. Reporting for Work*

Employes who report to work at Management's request on regular furlough days and at times not regularly scheduled will be granted a minimum of four (4) hours of work or equivalent pay, subject to details in local supplements. If the employe has qualified for overtime in accordance with the overtime provisions of this Agreement, extra remuneration as provided in Section X—Overtime—will be paid for hours not worked.

**NOTE:** The foregoing provisions will not apply in the case of an emergency such as fire, flood, power failure, or work stoppage by employes in the plant.

#### *F. Salary Reviews*

Salary rate increases are based on merit and recognize improvement since the last re-rate by the employe in his capacity to handle the range of work of his position classification, his quality and quantity of work, and his cooperativeness and reliability. If the amount of improvement warrants an increase of 10%, an increase in rate of approximately that amount will be given, but not to exceed the maximum of the position range.

The salary review is an inspection of salary rates to establish the proper fulfillment of agreements and to determine that salary rates are currently consistent among employes in a given position in relation to productivity, quality of work performed, and experience. The effective date of any rate adjustments may be scheduled the first of the month following the period scheduled for the unit rate review or the first of either of the two succeeding months.

Salary reviews will be held semi-annually unless, due to existing circumstances, it is thought advisable by the Affiliate and

Management either to change or omit the scheduled review. The procedure for such reviews is as follows:

1. At least four copies of the review sheets (Form 21985) will be prepared as of the month preceding the review, will be completed by the first of the month scheduled for the review and a copy will be given to the locally designated Affiliate representative.

2. Employees within a basic unit or subdivision thereof are to be listed by position, and then in alphabetical order within a position group. The position name, number and rate range will be entered on the sheet, above the names of employees in a given position.

3. Sufficient information should be entered in the "remark" column to explain any special cases or conditions.

4. The district and group representative and an officer or member of the Negotiating Committee of the Affiliate will review the sheets with Management's representatives. An officer or representative of the Federation may attend the review.

5. All recommendations agreed upon at the review, including the new base rate and the effective date thereof, will be entered on the review sheets before completion of the review.

6. A list of the cases arising during the review on which further consideration is desired will be made up by Management. This list, after further consideration, will be discussed by the group making the review. If necessary, any special cases on which a decision cannot be reached will be submitted to the Negotiating Committee of the Affiliate for discussion with local Management.

7. The review sheets are to be numbered consecutively and the district representative, or an officer of the Affiliate, and the Management representative, will sign the original of each sheet, indicating that the review of the sheet is completed.

8. The original or Master copy of the review sheets is to be sent to the Industrial Relations Department when the review is completed. In District office locations, Management's copy is to be retained by the District Manager.

### *G. Information*

That portion of Company instructions on government orders and laws, or government interpretations of such orders and laws,



affecting employes and dealing with wages, hours, and working conditions, as well as instructions on interpretations of this Agreement, will, upon issuance by the Company, be sent to the Affiliate and the Federation.

Local Management shall furnish the Affiliate involved with copies of all local Management interpretations of releases from headquarters as furnished under the preceding paragraph and interpretations of local supplements. The Affiliate will be furnished, periodically, with lists of employes transferred, hired, re-hired, and released.

#### HOURS OF WORK—SECTION VII

The standard basic work week is forty (40) hours based on eight (8) hours per day, five (5) days per week, Monday to Friday inclusive. An employe's work day is the twenty-four hour period beginning with his regularly assigned starting time of his work shift, and his day of rest starts at the same time on the day or days he is not scheduled to work. His work week starts with his regularly assigned work period on Monday.

Local conditions may make desirable a basic work week different from the standard basic work week for all or a portion of the employes. Such variations will be a matter for local negotiations. Unusual situations may require modification of the established work schedules in the different units which may warrant special wage payment provisions which will be negotiated locally. The schedules of hours for the established shifts in the bargaining units are contained in the local supplements.

Different methods of attendance control are employed throughout the Company. The method used is determined by local situations and is designed to control local problems and is a subject for local collective bargaining.

In computing hours worked on late arrivals, early departures and for overtime in connection with attendance control, an employe will be credited with time worked from the start of the one-tenth hour interval in which the recorded starting time falls, and to the end of the one-tenth hour interval in which the recorded time of departure falls. Where starting or stopping times are

shown on the pass, entrance before and exit after the indicated time will not be credited. Elapsed hours will be computed in terms of hours and tenths of hours.

#### SENIORITY AND PERSONNEL ADMINISTRATION—SECTION VIII

The details for administration of seniority provisions for district Field Areas are covered in a supplement hereto. Details for administration of the provisions of this Section VIII at other locations will be embodied in local supplements.

Any employe transferred from a position in one rate range to one of a different rate range shall, unless otherwise agreed upon, receive a salary rate within the new rate range when transferred on the first day of the pay period, otherwise on the first working day of the pay period, following the transfer.

Information will be given an employe concerning his employment status at time of employment, upon change in position, change in rate, transfer between departments and granting of a leave of absence. Notification of change in employment status will be prepared at the same time the supervisor initiates the Authorization for Change in Salary and Employment Rolls, and will be given to the employe not later than the end of the pay period in which the change is made.

The Affiliate representative will be notified of a change in position of any employe prior to the time such change is made effective.

##### A. Seniority

It is understood that in all cases of re-hiring or lay-off due to increasing or decreasing the force, service credit, as determined locally, will govern if the employe can acceptably perform the job. Seniority for rehiring or lay-off will be considered equal if employes in question have been hired in the same calendar month or if the effective service dates are in the same calendar month. Seniority lists showing service credit will be maintained for all active employes and for all employes laid off.

At the written request of the Affiliate, during their terms of office, Affiliate officers and district and group representatives will be granted, at the time of lay-off, seniority preference to the

extent necessary to permit them to retain a position in their particular unit of representation.

### *B. Employment*

Employees will be re-hired from the inactive seniority list of the bargaining unit in order of seniority if the employee can acceptably fill the open position. Employees laid off who have less than one (1) year of continuous service at the time of lay-off shall not be placed on the inactive seniority list, and those employees who have more than one (1) year of continuous service will be retained on the inactive list for a period of one-half of their service credit.

The selection of persons for rehiring is a function of Management, subject to the grievance procedure. When the inactive seniority list of the bargaining unit does not provide qualified employees, Management will select and employ such individuals as required.

### *C. Transfer Procedure*

Jobs are established either on an hourly-rated or salary basis and transfers may be made between the two groups. When an employee is transferred from a job on an hourly-rated basis to one on salary, regardless of the duration of the transfer the method of payment becomes effective the first day the change in work is made. A similar practice is to be followed in case of a transfer from salary to hourly-rated basis.

An employee desiring a transfer will discuss the problem with his supervisor. If a position cannot be found in his department or division that Management is willing to offer him and which he is willing to accept, the employee may file an application for transfer with the Industrial Relations Representative and careful consideration will be given to such requests. Transfers require time to complete since a satisfactory position must be open and a replacement secured for the transferring employee. A request for a transfer will not be used as a reason for separation.

An employee who left a position which is within the bargaining unit, or a position which, if presently existing, would be within the bargaining unit, will be returned to the bargaining unit with the same seniority service credit as when transferred out, plus

credit for the period out of the bargaining unit. The above provision will not apply to non-supervisory employes returning from bargaining units represented by other bargaining agents unless such other bargaining agents have agreed to accord corresponding treatment to employes returning to work in such units.

#### D. *Upgrading*

It is Management's responsibility to maintain an effective organization, and rearrangements in personnel are made with this in mind, and Management welcomes recommendations in administering this policy.

Upgrading of employes is recognized as a fundamental principle in providing an efficient working force, and to provide reasonable opportunities for promotion. In some instances transfers between departments, divisions, or plants may be desirable. In reviewing employes for upgrading, Management will give consideration to the employe's qualifications for the position and his relative seniority.

Filling vacancies in supervisory positions is exclusively the responsibility of Management. However, when filling vacancies into supervisory positions by promotion, as distinguished from upgrading within the bargaining unit, Management's policy is to give consideration to the employe's fitness for the position, and his relative seniority.

The details of administration of this general policy, including job posting for jobs within the bargaining unit, are a subject for local negotiations.

#### E. *Leave of Absence*

The term "Leave of Absence" applies to a continuous period away from work without pay where the intent is to reinstate the employe at the expiration of the leave, subject to the prevailing conditions at that time, his return to work within the period of the leave of absence, and qualification under the usual employment standards including a physical examination. Seniority credit will be given for periods covered by a leave of absence.

An employe may request a physical examination before taking such leave of absence. Physical defects will be recorded and brought to the attention of the employe. Physical deficiencies, so

recorded, will be given consideration by the Medical Department in determination of medical standards for returning to work at the end of the leave of absence period.

The request for a leave of absence will be considered on the basis of production requirements, a satisfactory performance record, the reason for the request, and the length of service of the employe.

Where a request for leave of absence is made for a period of more than three months, the leave will be granted for ninety days and consideration may be given to an extension at the termination of the ninety day period. In no case will the total period exceed twelve months, except as outlined below.

An employe elected to an office of the Federation or as a delegate to any Federation activity or appointed as a Federation representative, necessitating leave of absence, will be granted the usual leave of absence, without losing seniority, not to exceed one year, unless an extension is granted. The determination as to whether such an extension will be granted will be reached through collective bargaining between the Union and Management, but in no case shall leave or leaves of absence or extension thereof total more than three (3) years. At the termination of this leave of absence, the employe will be restored to his former position or equivalent at the rate commensurate with his previous rate.

#### F. *Furloughs*

When furloughing of employes becomes necessary, the local representatives will receive such reasonable advance notice as is practicable under the circumstances. Furloughs are of three (3) types:

1. *Regular furloughs* are a number of days off per week or per month without pay given employes as a part of the program of sharing work in lieu of reduction of force.

2. *Emergency furloughs* are periods off without pay resulting from material shortages, power failures, labor disturbances or other conditions where transfer of employes to provide work is not feasible. When such conditions are anticipated, the subject will be discussed with the Affiliate Negotiating Committee.

3. *Disciplinary furloughs* are time off without pay as a punishment for misconduct of an employe.

#### G. *Dismissals*

When dismissals (discharges, releases, lay-offs) are necessary, the employe will be notified of the reasons for his dismissal, and in case of lay-offs or releases after one year of service, two weeks' notice will be given. The group representative of the Affiliate will be notified within twenty-four (24) hours after the notification to the employe, unless working out of the two weeks' notice is waived by the Company, in which case the representative will be notified 24 hours prior to notification being given the employe.

Employes with less than one year of service will be given at least one week's notice of lay-off, and the group representative of the Affiliate will also be notified within twenty-four (24) hours after the notification to the employe.

In the case of disciplinary discharges, the notification may follow actual separation of the employe from the roll.

Employes during a one year's probationary period, after being warned and their representative advised that their services are not satisfactory, may be released without further notice.

When it becomes necessary to lay off, employes with less than one (1) year of service may be dropped from the rolls and need not be transferred to another department in order to retain them on the rolls. Transfers of an individual employe within or between departments to comply with seniority provisions will depend on the ability of the employe to acceptably perform the job, and if work which the employe can acceptably perform is not available, the employe may be laid off. Such transfers will not be more frequent than every six months. Departments will be defined in local supplements.

### MISCELLANEOUS PROCEDURES—SECTION IX

#### A. *Jury Duty*

Salaried employes will be paid their regular salary while on jury duty but will be expected to report for their regular duties when temporarily excused from attendance at court. No salary

will be paid during furloughs or days that would have been furloughs while on jury duty.

*B. Voluntary Employes Benefit Plans*

The Federation will be advised fifteen (15) days before any major benefit established in one of the Company's voluntary plans is materially changed or eliminated.

OVERTIME—SECTION X

A. Non-exempt Employes

Hours worked by non-exempt employes, except hours worked on Sunday, in excess of 8 hours in any day or 40 hours per week, will be paid at an overtime rate of one and one half times the employe's average earned hourly rate.

Absent hours considered as involuntary will be considered as hours worked for determining overtime. Involuntary absences are defined as follows:

1. Funeral or death in the immediate family (includes relatives living in the same household with the employe, or mother, father, brother, sister, or child, who are not of the same household).

2. Jury duty.

3. Injury or illness of the employe.

4. Furloughs for which deduction from pay is made except in case of disciplinary furlough.

5. Holidays and vacation days.

6. Union activities by elected representatives as contemplated in this agreement.

Hours worked by non-exempt employes on Sunday after forty straight-time hours (including involuntary absences) have been worked in the week will be paid at an overtime rate of twice the employe's average earned hourly rate.

Hours worked on holidays by non-exempt employes will be paid at an overtime rate of one and one half times the employe's average earned hourly rate. Such payment is in addition to the employe's salary if the holiday falls within the work week, Monday to Friday inclusive. No salaried payment is made to employes for holidays falling on Saturdays not worked.

The above provisions apply to the standard basic work week.

Special conditions may require exceptions and local overtime provisions to cover such exceptions. These questions are a subject for local negotiations.

The earned rate for overtime purposes will consist of straight time earnings, including base rate, night turn bonus, group leader remuneration, and incentive payments.

#### B. Exempt Employes

Administrative and professional employes, exempt under the Fair Labor Standards Act, will, when agreed upon locally, be issued exempt passes.

Overtime hours of exempt employes in District Field areas will be paid on the basis of scheduled hours as provided in a supplement hereto.

Employes who are issued exempt passes shall be paid for extra hours only when scheduled by the supervisor. Incidental overtime worked shall be regarded as casual and a part of the job requirement and not subject to inclusion in schedules. Scheduled overtime will approximate overtime requested or approved by the responsible supervisor. Schedules will be prepared on a monthly basis, in advance, and expressed in terms of equivalent weekly hours. As a general policy schedules requiring Sunday and holiday work should be avoided.

Vacation payment will be limited to the basic work week.

Payment for scheduled overtime will be in accordance with the following schedules:

#### *Base Salary Rates for 40 hours*

Up to and including \$400.00 per month (\$92 per week).

Over \$400 per month (over \$92 per week).

#### *Pay for Scheduled Overtime over 40 Hours per Week*

Time and one-half.

\$15.00 per scheduled hour (\$3.50 per scheduled hour for weekly paid employes) with a maximum payment of \$750.00 per month (\$173 per week) less 10¢ for each \$1.00 of base rate under \$750 per month (\$173 per week).



## HOLIDAYS—SECTION XI

Holidays observed by the Company will be New Year's Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas. Special days observed in local areas will not be considered as holidays observed by the Company, but as "time off" days.

When a holiday falls on Sunday, it will be observed the following Monday. Basic hours on a holiday will be credited as time worked for salaried employes, when the holiday is observed within the basic work week of the individual.

## VACATION—SECTION XII

The vacation periods of employes will be arranged so that they do not unreasonably interfere with the operation of the plant or office. Insofar as practical, the employe will be permitted to take a period satisfactory to him. Where more employes in the same position desire the same vacation period than can be permitted to be absent, preference will be based on service credit.

Certain plants or offices will shut down each year for vacation purposes, and the time of the year for shut-down will be a matter for local negotiations. In these locations the vacation will run concurrently with the shut-down period. Employes who become eligible for vacations subsequent to the annual shut-down, but before the end of the year, will be granted vacation pay when they become eligible, if they were absent during the shut-down period, without additional time off for vacation. It is recognized that some employes will be requested to work during the shut-down period.

Salaried employes having one year continuous employment on salary immediately preceding the time of starting vacation will receive a vacation of two (2) weeks with pay. Salaried employes with five years total service will receive a two (2) weeks vacation after six months' continuous employment immediately preceding the time of starting vacation. Salaried employes with twenty (20) years total service, having six (6) months' continuous employ-

ment immediately preceding the time of starting vacation, will receive a total of three (3) weeks' vacation with pay.

Salaried employes working on an incentive basis will be paid vacations at their current base rate plus the average weekly incentive bonus for the preceding calendar quarter.

In the case of a salary employe where the one year of service immediately preceding the vacation period is a combination of hourly and salary and which includes at least three months on the salary roll (not necessarily continuous), the vacation will be the same as for all other qualified salary employes. An employe will be entitled to vacation for which he would have been entitled as an hourly paid employe up to the time he has completed 3 months of service on the salary roll. If not qualified for vacation at the time of transfer, he will be entitled to a vacation on hourly basis if he qualifies before completion of 3 months of service on salary, and after completing his three months of service he will qualify for any difference between salary and hourly paid vacation hours providing the 3 months are completed on or before December 31 of the year in which the transfer occurs.

When an established holiday or its observance falls on a normal week day within the vacation period of a salary employe, an additional vacation day will be granted.

It is the responsibility of Management to see that all employes take their allotted vacations.

When an employe is removed from the active payroll for any reason, except disciplinary discharge, payment for vacation not taken for the current year will be made if the employe has qualified for vacation.

#### BULLETIN BOARDS—SECTION XIII

The Company will permit the use of bulletin boards for the purpose of posting Federation and Affiliate notices or other information of interest to Federation members. All such notices will be subject to the Management's approval and arrangements made by local Management for posting.

## SETTLEMENT OF DISPUTES—SECTION XIV

The Federation or the Affiliates will not cause or officially sanction their members to cause or take part in any strike (including sit-downs, stay-ins, slow-downs or any other stoppages of work), nor will the Company lock out any employes or transfer work from any location, because of a dispute which is within the proper scope of the grievance procedure provided in this Agreement or the applicable local supplement, until such time as the grievance procedure has been fully exhausted, and in the event of a strike, it is authorized by the Federation. The Federation will notify the Company seven (7) days before it grants authorization to the Affiliate to strike.

Requests for contractual changes or additions to this Agreement or the local supplements are not proper subjects for consideration under the grievance procedure.

There shall be no strikes, during the life of this Agreement, in connection with demands for contractual additions or changes to this Agreement or the local supplements.

Employes taking part in any strikes in violation of this Agreement will be subject to disciplinary action.

Should the Management and Affiliate fail to adjust a grievance arising under this Agreement or the local supplements, such grievance shall be referred to the Company and the Federation. The Federation and the Company shall submit to each other, by the 10th of each month, any grievances referred to them by the Affiliate or the local Management, and during the remainder of the month (except in case of an emergency, in which event a special meeting may be arranged) the representatives of the Company and the Federation shall meet in an effort to settle such grievances that have been referred to each party during the first ten days of the month. Should the Federation and the Company fail to settle any of such grievances, then the parties may consider referring such matters to an impartial umpire or board by mutual agreement.

## PAYMENT FOR NEGOTIATING TIME—SECTION XV

It is agreed that negotiating time will be kept to a minimum commensurate with good practice and in the interest of efficiency. Unless of such nature as to be termed urgent, negotiating time will be scheduled by Management and the Federation or Affiliate representatives in advance and in such manner as to least interfere with regular work schedules.

Local Managements of the Company are to be kept advised by the Affiliates as to the names of their authorized representatives.

The following procedure will apply:

A. Officers and other representatives of the Affiliates and/or the Federation, whether exempt or non-exempt employes, must give notification to and secure a time report from their respective supervisors when stopping work to conduct union business, whether or not with Management (including, without limitation, investigation of complaints that may lead to grievances, handling and adjustment of grievances and attendance at meetings of Union committees) and must return the report to the supervisors when again ready to start work.

B. Payment will be made by the Company at the representative's salary rate only (whether exempt or non-exempt employe) for such time reports covering time spent in:

1. Investigation of complaints that may lead to grievances.
2. Handling and Adjustment of grievances.
3. Attendance at meetings with Management within the employe's basic work week.
4. Attendance at meetings with Management outside the employe's basic work week where such attendance is not voluntary.

Time covered by the above reports (subparagraph B) will be considered as hours worked for the purpose of determining overtime.

C. The Affiliate will reimburse the Company for all such payments except payments on time reports covering meetings requested by Management and rate reviews. The Company will deduct amount for which it is entitled to reimbursement from any amounts due the Affiliates, and the Affiliates will make up any

deficiencies by separate payment. Time reports covering such payments will be furnished to the Affiliates.

#### MODIFICATION — SECTION XVI

A. This Agreement expresses the understanding of the parties and it will not be changed, modified, or varied except by a written instrument signed by a duly authorized agent of each of the parties hereto. Any negotiations relating to proposed changes or additions in such provisions which are deemed to be Company-wide and generally applicable to the various collective bargaining units will be carried on between representatives as outlined in Section II.

B. This Agreement covers Company-wide matters. All agreements made locally, other than agreements as to settlement of specific grievances, shall be embodied in local supplements to this Agreement, agreed upon by the respective Affiliates and local Managements. Such local supplements shall be in writing and shall cover the procedures for administering the provisions contained in this Agreement.

C. In addition, the respective Affiliates and Plant Managements may, at any time, present to each other subject-matters covering items of collective bargaining not covered hereby and not deemed of a Company-wide nature or generally applicable to the various certified collective bargaining units, and any negotiations relating to such proposed items will be carried on between the respective Affiliates and Plant Managements and any such matters agreed upon will be embodied in local supplements to this Agreement.

D. Either party to this Agreement may, at any time, present to the other party by written notice proposed changes in the provisions of this Agreement or additions thereto as specified in the first and third paragraphs of this Section XVI, together with a statement of the reasons for such changes or additions. Within thirty (30) days after such notice is given, a conference will take place for the purpose of considering such proposed changes or additions.

E. If the Company and the Federation do not reach agreement prior to the end of the contract year with respect to any proposed contractual changes or additions or demands of the Federation for salary increases, submitted prior to March 1, of the contract year, and neither party gives notice of termination of this Agreement, the Federation may strike in support of any such proposals or demands presented by it, and the Company may lock out employees in support of any such proposals presented by it, after the beginning of the next contract year without violating Section XIV or any other provision of this Agreement, but in the event of such a strike or lockout either party may thereafter, upon one day's written notice given to the other party during such strike or lockout, terminate this Agreement.

F. The procedure outlined in the foregoing paragraph shall also apply with respect to unresolved issues involving local supplements at the end of any contract year, except that the right to strike or lock out employes shall be limited to the bargaining unit or units involved in the dispute, and the parties shall have the right to terminate this Agreement insofar as it applies to such bargaining unit or units upon not less than three (3) days' written notice. In the event of termination of this Agreement insofar as it applies to a particular bargaining unit or units, all local supplements in effect in such unit or units shall also automatically terminate.

#### TERMINATION—SECTION XVII

This Agreement terminates and supersedes the Agreement between the parties hereto entered into October 12, 1945, as modified by Supplement III dated the 15th day of April, 1946, and Supplements I and II to said Agreement.

All local supplements to the above-mentioned October 12, 1945, Agreement in effect on April 29, 1947, are hereby continued in effect, in accordance with their terms and to the extent they do not conflict with any provision of this Agreement, as local supplements to this Agreement in the same manner as though they were rewritten and reexecuted as local supplements to this Agreement.

If any proposed changes in or additions to any local supplement, covering items for collective bargaining usually included in local supplements and which are not Company-wide in character and not generally applicable to the various collective bargaining units, are presented to the other party thereto in accordance with subparagraphs C and D of Section XVI on or before May 29, 1947, and agreement on such proposed changes or additions is not reached on or before June 29, 1947, the Affiliate shall have the right to strike at any time within ten (10) days thereafter in support of any such proposals made by it, providing such strike is authorized by the Federation, notwithstanding the provisions of Section XIV of this Agreement or of the local supplement. Such right to strike shall be limited to the bargaining unit or units involved in the dispute and either the Company or the Federation shall have the right, on written notice to the other party of not less than three (3) days given during such strike, to terminate this Agreement insofar as it applies to such bargaining unit or units. In the event of any such termination of this Agreement, all local supplements in effect in such unit or units shall also automatically terminate. During the same ten (10) day period the Company shall have the right to terminate any provisions of such local supplements which are the subject of proposals submitted by the Company as above provided.

This Agreement and Supplements I and II attached hereto and made a part hereof, and any future Supplements to this Agreement, shall be binding upon the parties hereto and shall continue in full force and effect for a period of one year from the effective date hereof, and thereafter from year to year (each such year is sometimes referred to herein as the "contract year"), provided that either party may terminate this Agreement and such Supplements at the end of the first or any succeeding contract year by giving the other party written notice of such termination at least thirty (30) days before the termination date.

Upon termination of this Agreement, all local supplements to this Agreement shall automatically also terminate. Any such local supplement may also be terminated by any party thereto at midnight on the last day of the first or any subsequent contract

year during the life of this Agreement by giving at least thirty (30) days' prior written notice to the other party or parties. In addition to the foregoing provision for termination, which shall apply to all local supplements, the local supplements or parts thereof may also be terminated in accordance with any special termination provision that may be negotiated locally by local Managements and the Affiliates and specifically stated in the local supplement involved.

In the event that notice of termination of this Agreement is given in accordance with the foregoing provisions, which shall automatically also constitute notice of termination of all local supplements, the Affiliates and local Managements shall have the right by mutual consent to enter into local agreements on local matters, to continue in effect after termination of this Agreement and all local supplements.

#### EXCEPTIONS—SECTION XVIII

Exceptions to this Agreement are made with respect to the bargaining unit at Hyde Park, Mass., Sturtevant Division (Item 12 of the Appendix) as follows:

1. Section V and the third paragraph of Section VIII shall not apply to such unit.
2. Armistice Day shall be observed as a holiday in such unit pursuant to Section XI, in place of Washington's Birthday.

#### APPROVAL—SECTION XIX

This Agreement is subject to approval by the Federation and all the Affiliates involved; and shall not become binding upon the Company or the Federation unless the Federation notifies the Company of such approval on or before May 6, 1947.

WESTINGHOUSE ELECTRIC CORPORATION

BY W. O. LIPPMAN

*Vice President*

FEDERATION OF WESTINGHOUSE INDEPENDENT  
SALARIED UNIONS

BY LEO F. BOLLENS



*District Field Area*

## Overtime

## SUPPLEMENT I

Dated the First Day of April, 1947

Supplement to Agreement dated the First Day of April, 1947

Between

WESTINGHOUSE ELECTRIC CORPORATION

and

FEDERATION OF WESTINGHOUSE INDEPENDENT SALARIED UNIONS

District office exempt employes will be paid overtime on a scheduled hours basis in line with the following:

A. *District Offices (except Service Organization)*

The scheduled hours for overtime for Salesmen, Sales Engineers, District Engineers and other exempt employes will be based on the hours established for their office location. Exceptions may be made when unbalanced loading occurs.

B. *Service Organization*

(1) The District Engineering and Service offices will establish scheduled hours as the activities of the various groups of employes justify. The work schedule may vary from month to month, as conditions warrant, and will be based on the supervisors' best estimate of the load ahead and past month's performance.

(2) The District Engineering and Service offices will recognize unusual requirements of a large installation or repair job of more than one month's duration and special activities such as shipyards, U. S. Navy Yards, etc. and will in such cases establish scheduled hours on a selective basis consistent with the hours established for the job or activity.

(3) Schedules will be established the first of the current month and payment for the month will be made on these schedules. The local Union representatives will be notified in writing of these schedules, and the records of time worked by exempt employes will be available to the local Union representative on request.

*C. Compensation For Scheduled Hours*

Payment for scheduled overtime hours will be in accordance with Section X—Overtime of the Agreement of which this Supplement I is a part.

WESTINGHOUSE ELECTRIC CORPORATION

BY W. O. LIPPMAN  
*Vice President*

FEDERATION OF WESTINGHOUSE INDEPENDENT  
SALARIED UNIONS

BY LEO F. BOLLENS

*District Field Area*

Seniority

SUPPLEMENT II

Dated the First Day of April, 1947

Supplement to Agreement dated the First Day of April, 1947

Between

WESTINGHOUSE ELECTRIC CORPORATION

and

FEDERATION OF WESTINGHOUSE INDEPENDENT SALARIED UNIONS

*A. Probation Period*

An employe will not be recognized as having established seniority until he has completed a probation period of one year, and satisfactory progress has been demonstrated. If incompetent, he will be released without seniority status. It is understood that accepted methods of selection may be used for employment or transfers.

*B. Service Credit*

(1) An employe upon employment will receive service credit for each period of Company employment providing there has not been a break in service of more than five years, in which case

credit will be given only for periods of employment following the most recent five year break in service.

(2) An employe on leave of absence is considered as on the roll and will accumulate service during leave of absence.

(3) If an employe is transferred into the bargaining unit, he will be granted service credit in accordance with the provisions in paragraph (1) of this section.

(4) An effective service date for employes will be established at the time of employment or transfer into the unit. Credit will be granted for previous service as prescribed in paragraph (1) of this section in establishing the effective service date for an employe.

(5) The recognized service credit shown on the Seniority List of former employes (off-roll) will be the difference between the effective service date and the date of lay-off.

(6) A Seniority List of former employes (off-roll) having seniority status will be maintained and will be available for inspection by the members of the Negotiating Committee of the Union.

### *C. Loss of Seniority Status*

(1) The names of employes will not be added to, or if listed will be removed from the list of former employes with seniority status, for one of the following reasons:

(a) When an employe quits of his own volition.

(b) When an employe is released or discharged for cause.

(c) When an employe fails to acknowledge receipt of notice (with copy of notice to Union) to return to work within five working days after the mailing date of the notice. The name of the employe will be restored to the list of former employes having seniority status if he is able to prove that he had not received the notice within the five day period and he had attempted at the earliest reasonable date to contact the employment department.

(d) When a former employe on the seniority list has not been called for employment within a period of time equal to one-half his service credit but not less than one year.

(e) When a former employe, having been notified to return to

work, refuses to accept the position available, if the position is reasonably similar in salary and duties to his former position. Cases may arise where the question of retaining the former employe's name on the seniority list may be desirable. In such cases the question will be decided through collective bargaining based on the facts.

(2) The Union will be notified in writing of any names removed from the Seniority List, with reasons.

#### *D. Reduction of Force*

(1) The recognized basic units for the application of furloughs and lay-offs will be the following departments:

- (a) Application Engineering and Order Service
- (b) Engineering and Service
- (c) M & R
- (d) Electric Appliance
- (e) Lamp
- (f) Accounting
- (g) Treasury

(2) When activity falls adjustments will be made by transfers where possible.

(3) Where adjustments cannot be made by transfer, a reduction in force or a change in working schedule will be determined through collective bargaining between Management and local Negotiating Committees before action is taken.

(4) Where a reduction in force is worked out, it will be on the basis of seniority. Certain employes in the bargaining unit may be exempted from a reduction in force for the purpose of maintaining effective organization. Such exemptions will be determined through collective bargaining between Management and local Negotiating Committees prior to being put into effect.

(5) In applying the reduction of force, officers, district and group representatives of the Union will be granted, during their term of office, senior seniority status in their respective units.

#### *E. Increase of Force*

(1) In selecting individuals for employment during the periods of expanding activity, the former employe having the most senior-

ity credit and capable of doing the work will be employed first, consideration being given to experience on same or similar jobs.

NOTE: An employee will be recognized as qualified to fill a position when he is considered able to perform the duties of the position in an acceptable manner after a period of three months.

(2) When an employe is rehired to the position previously held or one of equal classification, he will receive a salary based on experience and the type of work on which he is being employed.

(3) Management will give consideration to previous service in establishing physical requirement when rehiring former employes with seniority status.

#### *F. Employment of Married Women*

(1) Married women, living with their husbands able to work, will not be employed.

(2) Women married while on the payroll may remain if they so choose.

(3) Married women whose husbands are working will not hold seniority rights at a time when a reduction in force is made due to low activity, over single women or married women without support.

WESTINGHOUSE ELECTRIC CORPORATION

BY W. O. LIPPMAN

*Vice President*

FEDERATION OF WESTINGHOUSE INDEPENDENT  
SALARIED UNIONS

BY LEO F. BOLLENS

#### *SUPPLEMENT III*

Dated the 1st Day of April, 1947

Supplement to Agreement Dated the 1st Day of April, 1947

Between

WESTINGHOUSE ELECTRIC CORPORATION

and

THE FEDERATION OF WESTINGHOUSE INDEPENDENT SALARIED UNIONS

### *General Adjustments*

#### *A. General Salary Increase*

The Company agrees to grant a general salary increase to all salary employes covered by this Agreement on a forty (40) hour weekly schedule as follows:

(1) An increase of \$21.00 per month (or \$4.85 per week) to all employes whose salary on the effective date is less than \$200.00 per month (or \$46.20 per week).

(2) An increase of \$21.70 per month (or \$5.00 per week) to all employes whose salary on the effective date is between \$200.00 per month (or \$46.20 per week) and \$310.00 per month (or \$71.50 per week), inclusive.

(3) An increase of 7% to all employes whose salary on the effective date is more than \$310.00 per month (or \$71.50 per week).

Proportionately smaller increase will be granted to employes on a weekly schedule of less than forty (40) hours.

#### *B. Key Sheets*

The maximum of present salary key sheet classifications (40 hour) will be increased by adding thereto the following amounts:

	<i>Amount to be Added</i>
(1) If the present maximum is under \$200 per month (or \$46.20 per week)	\$21.00 (or \$4.85 per week)
(2) If the present maximum is between \$200 per month (or \$46.20 per week) and \$310 per month (or \$71.50 per week), inclusive	\$21.70 (or \$5.00 per week)
(3) If the present maximum is more than \$310 per month (or \$71.50 per week.)	7% of the present maximum.

The minimum of such key sheet classifications will be increased by such lesser amounts as will retain the same percentage ratios

of minimums to maximums as existed before the above-mentioned increases in the maximums, respectively.

Proportionately smaller increases will be made in the maximum and minimum of salary key sheet classifications for less than a forty (40) hour weekly schedule.

### *C. Effective Date*

The effective date of the general salary increase and key sheet increase provided for in Paragraphs "A" and "B" above will be April 1, 1947, providing the National Agreement between the Westinghouse Electric Corporation and the Federation of Westinghouse Independent Salaried Unions and National Supplements I and II to such Agreement are signed on or before May 1, 1947, this Supplement III to such Agreement is signed on or before May 6, 1947, and such Agreement and Supplements I, II, and III are ratified by the Affiliates involved on or before May 6, 1947.

### *D. Changes and Additions to this Agreement*

The Company and the Federation agree that neither of them will request the other to consider any proposed changes in or additions to this Agreement, including any general salary increase (either locally or Company-wide), before January 1, 1948. It is further agreed that any such changes, additions, or salary increases requested after January 1, 1948, as above described, will be made on the basis of an effective date not earlier than April 1, 1948, unless an earlier effective date is mutually agreed upon.

WESTINGHOUSE ELECTRIC CORPORATION

BY W. O. LIPPMAN  
*Vice President*

FEDERATION OF WESTINGHOUSE INDEPENDENT  
SALARIED UNIONS

BY LEO F. BOLLENS

May 5, 1947

*APPENDIX*

UNITS FOR WHICH THE UNION OR ITS AFFILIATES HAVE BEEN CERTIFIED AND/OR RECOGNIZED AND MADE A PART OF THIS AGREEMENT. AS USED HEREIN, THE TERM "UNION" MEANS FEDERATION OF WESTINGHOUSE INDEPENDENT SALARIED UNIONS AND THE TERM "AFFILIATES" MEANS A LOCAL UNIT OF THE FEDERATION.

*ITEM 1*

Location BALTIMORE

BARGAINING REPRESENTATIVE: Salaried Employes Association of the Industrial Electronics Division

UNIT: All salaried, technical, office and office clerical employes of Westinghouse Electric Corporation (Radio and X-Ray Division), Baltimore, Maryland, including time study clerks, who are employed by the Company in its four plants located at Wilkens Avenue, North Monroe Street and South Monroe Street, Baltimore, Maryland, and its plant at Lansdowne, Maryland, known as Plant 1, 2, 3, and 4, but excluding executive and supervisory employes, Industrial Relations assistants, clerical staff specialists, secretaries to department heads, clerical supervisors, and all production and maintenance, and police employes.

*ITEM 2*

Location: BUFFALO

BARGAINING REPRESENTATIVE: Westinghouse Motor Salaried Employees Association

UNIT: All salaried employes, manufacturing engineers, classes A, B, C, and D; engineers assistants; junior engineers, classes A and B; engineers, test-record, classes A and B; engineers associates; engineers (4-EB-1.0); engineers order service, class A; senior engineers; engineers fellow; engineers contact, classes A and B; industrial mathematicians and material and process engineers of the Employer, Buffalo, New York, but excluding buyers, sales correspondents, secretaries, secretary stenographers, and



the following job classifications in the Industrial Relations Department: stenographers, class A, preliminary interviewers, nurses; women's counselors, interviewers and industrial relations assistants; and all supervisory employes with authority to hire, promote, discharge, discipline, or otherwise effect changes in the status of such employes or effectively recommend such actions.

### ITEM 3

Location: BUFFALO

**BARGAINING REPRESENTATIVE:** Buffalo District Westinghouse Salaried Employes Association

**UNIT:** All salaried employes below a supervisory capacity at the Buffalo Administrative District of the Westinghouse Electric Corporation.

### ITEM 4

Location: CINCINNATI

**BARGAINING REPRESENTATIVE:** Association of Cincinnati Westinghouse Salaried Employes

**UNIT:** All salaried employes in the Cincinnati office of the Westinghouse Electric Corporation, Cincinnati, Ohio, including clerical employes, in the following groups—Apparatus Sales, Engineering and Service, Manufacturing and Repair, Order Service, Warehouse, Building Maintenance, and the Lamp Division, but excluding supervisory and executive employes and secretaries of such supervisory and executive employes and those having the right to hire or discharge, and further excluding all employes of the Cincinnati Service Shop known as the Manufacturing and Repair Shop.

### ITEM 5

Location: CLEVELAND

**BARGAINING REPRESENTATIVE:** Cleveland Association of Westinghouse Salaried Employes

**UNIT:** Clerical employes of Westinghouse Electric Corporation, Lighting Division, Cleveland, Ohio, including engineers, time

study employes, the blueprint machine operators, the cost analyst, the manufacturing analysts, the assistant purchasing agent, and the nurse, but excluding supervisory employes.

### ITEM 6

Location: CLEVELAND SERVICE SHOP

BARGAINING REPRESENTATIVE: Cleveland Association of Westinghouse Salaried Employes

UNIT: All the employes in the plant of Westinghouse Electric Corporation, located at 5901 Breakwater Avenue, Cleveland, Ohio, but excluding supervisory employes, and confidential secretaries of supervisory employes, and also excluding all production and maintenance employes at such plant.

### ITEM 7

Location: DERRY

BARGAINING REPRESENTATIVE: Association of Westinghouse Salaried Employes

UNIT: All clerical and technical employes of Westinghouse Electric Corporation, Derry, Pa., including hourly paid shop clerks but excluding supervisors.

### ITEM 8

Location: DETROIT

BARGAINING REPRESENTATIVE: Westinghouse Detroit Salaried Association.

UNIT: All office and clerical employes at the Company's Detroit district office plant, including employes listed in Appendix A, attached hereto, but excluding confidential secretaries, 15/time and motion analysts, inspectors, receiving and shipping clerk, shipping clerk, and technical and professional employes listed in Appendix B, attached hereto.

The positions listed in Appendix A are as follows:

Production clerks, General duty clerks, Typists and dictaphone operators. Stock ledger clerks, Repair correspondents, Stenographers, Service correspondents, Appl. Engineering Assts., Semi-techn. appl. Engg. Assts., Dist. order clerks, Routine appl. engg. assts., Teletype operators, Telephone operators, File clerks, Treasury-acctg. clerks, Office Suprs. Assts., Claim clerks, Watchmen-elevator ops., Record clerks.

15/Excluded as confidential employes are the secretary to the district manager, and secretaries to the manager of the mfg. and repair, lamp, and X-ray divisions.

The positions listed in Appendix B are as follows:

Lay-out design draftsmen, Detail draftsmen, Design engineers, Lamp representatives, X-ray application engineers, Supervisory service engineers, District engineers, Application engineers—special, Application engineers, Technical-specialists, Production specialists.

### ITEM 9

Location: DETROIT

**BARGAINING REPRESENTATIVE:** Westinghouse Detroit Salaried Association

**UNIT:** All technical and professional employes at the Company's Detroit district office plant, including employes listed in Appendix B, attached hereto but excluding confidential secretaries, 16/time and motion analysts, inspectors, receiving and shipping clerk, shipping clerk, and office and clerical employes listed in Appendix A, attached hereto.

The positions listed in Appendix A are as follows:

Production clerks, General duty clerks, Typists and dictaphone operators, Stock ledger clerks, Repair correspondents, Stenographers, Service correspondents, Appl. Engineering Assts., Semi-Techn. appl. Engg. Assts., District order clerks, Routine appl. engg. assts., Teletype operators, Telephone operators, File clerks, Treasury-acctg. clerks, Office suprs. Assts., Claim clerks, Watchmen-elevator ops., Record clerks.

The positions listed in Appendix B are as follows:

Lay-out design draftsmen, Detail draftsmen, Design engineers, Lamp representatives, X-ray application engineers, Supervisory service engineers, District engineers, Application engineers—special, Application engineers, Technical-specialists, Production specialists.

16/Excluded as confidential employes are the secretary to the district manager, and secretaries to the managers of the mfg. and repair, lamp, and X-ray divisions.

### ITEM 10

Location: EAST PITTSBURGH

BARGAINING REPRESENTATIVE: Association of Westinghouse Salaried Employes

UNIT: The salaried employes of Westinghouse Electric Corporation at its East Pittsburgh Unit, excluding supervisory employes and excluding all tool designers and machine tool designers, telephone maintenance employes, and junior and senior order clerks in the shipping department.

### ITEM 11

Location: EAST SPRINGFIELD

BARGAINING REPRESENTATIVE: Association of Westinghouse Salaried Employes (East Springfield Plant)

UNIT: All clerical employes at the East Springfield Plant of Westinghouse Electric Corporation, East Springfield, Massachusetts, including draftsmen, but excluding shop clerical workers, tool designers, technical and service engineer, confidential secretaries, confidential pay-roll and savings clerks, nurses, police, time and method analysts, executives, supervisors, and all other supervisory employes with authority to hire, promote, discharge, discipline, or otherwise effect changes in the status of employes, or effectively recommend such action.

*ITEM 12*

Location: HYDE PARK (STURTEVANT DIVISION)

BARGAINING REPRESENTATIVE: Time Study Methods Engineers Association

UNIT: All time study methods engineers of the Westinghouse Electric Corporation (Sturtevant Division), Hyde Park, Massachusetts, but excluding manufacturing engineers, office and clerical employees, and all supervisory employes who have authority to hire, promote, discharge, discipline or otherwise effect changes in the status of employes or effectively recommend such action.

*ITEM 13*

Location: LIMA

BARGAINING REPRESENTATIVE: Lima Westinghouse Salaried Employes Association

UNIT: All salaried technical and clerical employes at the Lima, Ohio, plant of the Westinghouse Electric Corporation, excluding shop production clerks, secretary to the Plant Manager, secretary to the Manager of Industrial Relations, and all supervisory employes with authority to hire, promote, discharge, discipline, or otherwise effect changes in the status of employes or effectively recommend such action.

*ITEM 14*

Location: LOS ANGELES

BARGAINING REPRESENTATIVE: Los Angeles District Association of Westinghouse Salaried Employes

UNIT: All salaried employes in the Los Angeles District of Westinghouse Electric Corporation, Los Angeles, Calif., including clerical employes, and employes in the sales, engineering, accounting, treasury, merchandising, warehouse, building-maintenance, lamp and service departments, and the X-Ray Division, but excluding supervisory employes and executives.

*ITEM 15*

Location: MANSFIELD

**BARGAINING REPRESENTATIVE:** Westinghouse Salaried Employees Association

**UNIT:** All salaried employes in the following departments of the Westinghouse Electric Corporation at its Mansfield, Ohio, plant—Appliance Engineering, Refrigeration Cabinet Engineering, Industrial Heating Engineering and Works Engineering, but excluding supervisors and confidential secretaries.

*ITEM 16*

Location: NEWARK (Service Engineers)

**BARGAINING REPRESENTATIVE:** Association of Newark Westinghouse Salaried Employees

**UNIT:** All design engineers employed by Westinghouse Electric Corporation at the Newark, New Jersey, Manufacturing and Repair Plant, excluding the supervisor of engineering.

*ITEM 17*

Location: NUTTALL (Pittsburgh)

**BARGAINING REPRESENTATIVE:** Association of Westinghouse Nuttall Employees

**UNIT:** Salaried employes of Westinghouse Electric Corporation at the R. D. Nuttall Plant, Pittsburgh, Pa., exclusive of inspectors and supervisory employes.

*ITEM 18*

Location: PITTSBURGH (Central District)

**BARGAINING REPRESENTATIVE:** Association of Westinghouse Salaried Employees

**UNIT:** All employes of the Central District Sales Main Office of the Company in Pittsburgh, Pa., including the sales depart-

ment, engineering and service department, all treasury and accounting employes, and general employes employed in connection with the Central District Sales Main Office, but excluding general headquarters employes, any employes of the above mentioned departments who are employed at the Homewood Works, supervisory employes, and confidential secretaries to the principal managers.

*ITEM 19*

Location: PITTSBURGH (Headquarters)

BARGAINING REPRESENTATIVE: Association of Westinghouse Salaried Employes

UNIT: All salaried employes in the Financial Accounts Division of the Westinghouse Electric Corporation located in Union Bank Building, Pittsburgh, Pa., except for confidential secretaries and supervisory employes with authority to hire, promote, discharge, discipline or otherwise effect changes in the status of employes or effectively recommend such action.

*ITEM 20*

Location: PHILADELPHIA

BARGAINING REPRESENTATIVE: Middle Atlantic District Salaried Employes Association

UNIT: All salaried employes of the Middle Atlantic District Main Office, of the Westinghouse Electric Corporation, located at 3001 Walnut St., Philadelphia, Pa., including those in the application engineering and order service department, engineering and service department, lamp division, electric appliance division, treasury department, accounting department, X-ray Division, and manufacturing and repair department, but excluding confidential secretaries, telephone operators, all employes in the turbine division, the shop clerk of the maintenance and repair department shop, and all supervisory employes with authority to hire, promote, discharge, discipline, or otherwise effect changes in the status of employes or effectively recommend such action.

*ITEM 21*

Location: RESEARCH LABORATORY (East Pittsburgh)

BARGAINING REPRESENTATIVE: Association of Westinghouse Salaried Employees

UNIT: All employes in the research Department of the Corporation in East Pittsburgh, Pa., including clerical employes, and laboratory assistants, but excluding engineers, scientific research men, supervisors, and the confidential secretary to the Director of Research.

*ITEM 22*

Location: SHARON

BARGAINING REPRESENTATIVE: Sharon Westinghouse Employees Association

UNIT: All salaried employes of Westinghouse Electric Corporation at its Sharon, Pennsylvania, Plant, exclusive of supervisory employes, Otto J. Manse, Albert Molnar, Alice P. Joyce, inspectors, employes in the Production Department, and employes in the Stores and Shipping Dept., except those in the Purchasing Dept.

*ASSENTED TO:*

AFFILIATE: Salaried Employees Association of the Industrial Electronics Division } For Item 1 of the Appendix

By WILLIAM H. ROBERTS

AFFILIATE: Westinghouse Motor Salaried Employees Association } For Item 2 of the Appendix

By CLIFFORD W. ROE

AFFILIATE: Buffalo District Westinghouse Salaried Employees Association } For Item 3 of the Appendix

By FRED B. MEAD



AFFILIATE: Association of Cincinnati Westinghouse Salaried Employees } For Item 4 of the Appendix

By E. D. KROEGER

AFFILIATE: Cleveland Association of Westinghouse Salaried Employees } For Items 5 and 6 of the Appendix

By THEODORE W. REESE

AFFILIATE: Association of Westinghouse Salaried Employees } For Items 7, 10, 18, 19, and 21 of the Appendix

By JOHN H. DILLON

AFFILIATE: Westinghouse Detroit Salaried Association } For Items 8 and 9 of the Appendix

By J. E. McALONAN

AFFILIATE: Association of Westinghouse Salaried Employees (E. Springfield Plant) } For Item 11 of the Appendix

By WILLIAM J. DRISCOLL

AFFILIATE: Time Study Methods Engineers Association } For Item 12 of the Appendix

By GEORGE McDONALD

AFFILIATE: Lima Westinghouse Salaried Employees Association } For Item 13 of the Appendix

By R. L. RULEFF

AFFILIATE: Los Angeles District Association of Westinghouse Salaried Employees } For Item 14 of the Appendix

By R. J. WALKER

AFFILIATE: Westinghouse Salaried Employees Association } For Item 15 of the Appendix

By E. O. MORTON

AFFILIATE: Association of Newark Westinghouse Salaried Employees } For Item 16 of the Appendix

By A. B. NIEMOLLER

AFFILIATE: Association of Westinghouse Nuttall Employees } For Item 17 of the Appendix

By AGNES SCHMIDT

AFFILIATE: Middle Atlantic District Salaried Employees Association } For Item 20 of the Appendix

By HARRY J. SCHAEFER

AFFILIATE: Sharon Westinghouse Employees Association } For Item 22 of the Appendix

By W. M. BOGERT

*East Pittsburgh Local Supplement*

to

*Agreement*

between

WESTINGHOUSE ELECTRIC CORPORATION AND OTHERS

and

FEDERATION OF WESTINGHOUSE INDEPENDENT SALARIED UNIONS

Dated the 12th day of October, 1945

Local Supplement entered into this—day of———, 1946, between the WESTINGHOUSE ELECTRIC CORPORATION, East Pittsburgh, hereinafter referred to as the “Company” with respect to the bargaining unit as described herein and the ASSOCIATION OF WESTINGHOUSE SALARIED EMPLOYES, hereinafter referred to as the “Union” with respect to the Agreement between WESTINGHOUSE ELECTRIC CORPORATION and the FEDERATION OF WESTINGHOUSE INDEPENDENT SALARIED UNIONS dated the 12th day of October, 1945, hereinafter referred to as the National Agreement.

## SENIORITY

## A. PROBATION PERIOD

An employe will not be recognized as having established seniority until he has completed a probation period of one year, and satisfactory progress has been demonstrated. If incompetent, he will be released without seniority status. It is understood that accepted methods of selection may be used by the Industrial Relations Department for employment or transfers.

## B. SERVICE CREDIT

1. An employe upon employment will receive service credit for each period of Company employment providing there has not been a break in service of more than five years, in which case credit will be given only for periods of employment following the most recent five-year break in service.

2. An employe on leave of absence is considered on the roll and will accumulate service during leave of absence.

3. If an employe is transferred into the bargaining unit he will be granted service credit in accordance with the provisions in paragraph 1 of this section.

4. An effective service date for employes will be established at the time of employment, or transfer into the unit. Credit will be granted for previous service as prescribed in paragraph 1 of this section in establishing the effective service date for an employe.

5. The rate review sheets contain the official effective service date of each employe and are available to the local Union representatives for inspection.

6. The recognized service credit shown on the Seniority List of former employes (Off roll) will be the difference between the effective service date and the date of lay-off.

7. A Seniority List of former employes having seniority status will be maintained by the Industrial Relations Department and will be available for inspection by the members of the Negotiating Committee of the Union.

### C. INCREASE OF FORCE

1. In selecting individuals for employment during the periods of expanding activity, the former employe having the most seniority credit and capable of doing the work will be employed first, consideration being given to experience on same or similar jobs.

2. When an employe is rehired to the position previously held or one of equal classification, he will receive a salary based on experience and the type of work on which he is being employed.

3. The Medical Department will give consideration to previous service in establishing physical requirements when rehiring former employes with seniority status.

### D. REDUCTION OF FORCE

1. The following provisions are applicable only to employes in the bargaining unit. Employes on recognized training programs may be exempt from the provisions of this section until completion of their training.

2. The recognized basic unit for the application of furloughs and lay-offs will be a section of a department, like occupations in a department, or a combination of both. The department manager will establish these units as soon as possible after the effective date of this Agreement, subject to approval of the Negotiating Committee.

3. When activity falls adjustments will be made by transfers where possible.

NOTE: An employe will be considered qualified to fill a position if he is able to perform the duties of the position in an acceptable manner after a period of one month.

4. Where adjustments cannot be made by transfer, a reduction in force or a change in working schedule will be made in line with the provisions of paragraphs 5 to 9 of this section. The supervisor will notify the group representative of the Union concerning such reduction of force or change in working schedules as far in advance as possible.

5. The reduction of force will take place in the following sequence. The maximum relief obtainable from each provision

must be obtained before initiating any of the action covered by a succeeding provision, but when both reduction of force and furloughs are given in a single provision either may be used first or both may be used in any degree up to the maximum prescribed by the provision.

a. Employes in the basic unit having less than one (1) year of service will be released.

b. A reduction in force will be made among employes with less than three (3) years seniority service or uniform furloughs of not more than four (4) hours a week or equivalent will be instituted in the unit.

c. A reduction in force will be made among employes with less than five (5) years seniority service or uniform furloughs of not more than six (6) hours per week or equivalent will be instituted in the unit.

d. A reduction in force will be made among employes with less than eight (8) years seniority service or uniform furloughs of not more than eight (8) hours per week or equivalent will be instituted in the unit.

e. A reduction of force will be made among employes of less than ten (10) years of seniority service or furlough of not more than twelve (12) hours a week or equivalent will be instituted in the unit.

6. No basic unit will be permitted to apply paragraph (c) while employes with less than one year service remain on the roll in any basic unit. No basic unit will be permitted to apply paragraph (d) before all others have fulfilled the maximum provisions of paragraph (b) and the application of paragraph (e) will not be permitted until all other basic units have fulfilled the maximum provisions of paragraph (c).

7. A reduction in force extending beyond the above provisions will be made a subject of collective bargaining by the Industrial Relations Department.

8. Certain employes in the bargaining unit may be exempted from the above provision of reduction in force for the purpose of maintaining an effective organization. The selection of such employes will be a subject of collective bargaining between the

supervisor and the district and group representatives. The list, containing the names of the employes to be retained, shall be supplied to the Union Office by the Office Industrial Relations Department. The size of this exempted group will be the subject of collective bargaining between the Negotiating Committee and the Industrial Relations Department prior to the period of reduction in the working force.

9. In applying the provisions for reduction of force, officers, district and group representatives of the Union will be granted, during their term of office, senior seniority status in his unit.

#### E. LOSS OF POSITION ON SENIORITY LIST

1. The names of employes will not be added to, or if listed will be removed from the list of former employes with seniority status, for one of the following reasons:

a. When an employe quits of his own volition.

b. When an employe is released or discharged for cause.

c. When an employe who has been laid off fails to acknowledge receipt of notice to return to work within five working days after the mailing date of the notice. The name of the employe will be restored to the list of former employes having seniority status, if he is able to prove that he had not received the notice within the five day period and he had attempted at the earliest reasonable date to contact the employment department.

d. When a former employe on the seniority list has not been called for employment within a period of time equal to one-half of his service credit but not less than one year.

e. When a former employe who has been called back to work fails to pass the required physical examination. However, if the employe promptly takes the necessary steps to correct his physical deficiency, he will be re-examined by the Medical Department upon request and, if found fit, his name will be restored to the seniority list of inactive former employes.

f. When a former employe, having been called to return to work, refuses to accept the position available, if the position is reasonably similar in salary and duties to his former position.

## *Chapter VIII*

### EFFECTIVE WHITE-COLLAR REPRESENTATION IN WASHINGTON

#### DIGNIFIED SILENCE—OR THE LACK OF A NATIONAL SPOKESMAN?

The white-collar workers in the past have had to be content with the crumbs that fell from the negotiation tables, and the few times the plight of the forgotten American has been aired, the poor dazed white-collar worker has found himself buffeted from one legislative committee to another, and confronted with a maze of statistics nobody gave a whoop about, until finally the public interest died and the problem was put back on the shelf again, without even having had a thorough dusting.

Pity the poor white-collar workers! The truth of the matter was that there was no one to "go to bat" for them. The internationally powerful unions couldn't be bothered. No one person or group of persons had loomed on the horizon sufficiently experienced in handling salaried problems and with sufficient backing to demand even slight attention from the labor boards and government agencies.

That is, no one until the officers of the Federation of Westinghouse Independent Salaried Unions, official spokesmen for their organization, and self-appointed spokesmen for the unorganized salaried employees throughout the country, appeared in Washington before various senatorial boards and committees to offer testimony on, and have written into the laws, clauses directly benefiting the white-collar workers of the nation.

#### REPRESENTATION IN WASHINGTON

Early in 1939, the officers of the Federation of Westinghouse Independent Salaried Unions, realizing that a voice in Washington

was essential if the pleas of white-collar workers were to be heard, began to establish contacts with various governmental agencies at the Capital.

The first conference was held Monday, April 24, 1939, with Director Andrews of the Wages and Hours Division of the Department of Labor, perhaps better known as the Administrator of the Fair Labor Standards Act, for the purpose of discussing phases and interpretations of the Fair Labor Standards Act. At that time, pressure was being brought to bear on the Administrator of the Act by leading manufacturers to make \$225 per month the line of demarcation between exempt and non-exempt salaried employees instead of the interpretations as set forth by the Act as those coming under exempt or non-exempt such as exempt executive, administrative, and professional employees. The law clearly defines those employees who should be excluded from payment of time and one-half for all hours worked in excess of forty in any one week as to their executive, administrative, or professional occupations, but the request at this early date on the part of the representatives of industry was to establish \$225 per month as a line of demarcation instead of the occupational categories mentioned above.

In addition to several other outstanding points of testimony, the Federation officers stated that to establish \$225 a month as a basis for determining exempt or non-exempt employees would be pure and simple folly because numerous employees in industry would have like classifications and would be doing essentially the same amount of work and making less than \$225 per month and would be paid time and one-half for all hours in excess of 40 in any one week, while others would be paid their straight salary regardless of the number of overtime hours worked beyond 40 in any one week. They further stated that the establishment of this line of demarcation would create inequalities and inequities throughout the salary or wage structures of the industries coming under coverage of the Fair Labor Standards Act. Further, many hourly employees under the various production incentives have a monthly rate without overtime far in excess of \$225 and no record has ever been encountered of any question being raised



of their not being entitled to coverage under the Fair Labor Standards Act.

The Federation officers were commended by Mr. Andrews for the part they played in forestalling the requested changes which certainly would have seriously handicapped the white-collar workers in qualifying for overtime compensation.

Later, Federation officers contacted Mr. L. Metcalf Walling, Administrator of the Public Contracts Division of the Department of Labor, concerning the Walsh-Healy Act (time and one-half for all hours worked in excess of eight hours in any one day) as it applied to salaried employees in industries handling government contracts in excess of \$10,000.

Representatives of a great many industries were endeavoring to remove draftsmen from coverage of the Act. Federation officers were attempting, not only to keep the draftsmen under coverage, but to bring under coverage other allied salaried or white-collar occupations as well, such as production clerks, manufacturing information writers, design engineers, and clerical employees actually and indirectly engaged in supplying information to the employees in the shop. The Federation negotiators were successful in retaining draftsmen and inspectors under coverage of the Act and were assured by the Administrator that the other positions as mentioned would be very carefully checked and given due consideration. Later the Government ruled that draftsmen and inspectors were to be retained under coverage of the Act and further that production clerks, manufacturing information writers and other allied clerical help were to come under coverage of the Act.

Contacts were also made with other Washington officials which have been of considerable value to Federation officers in obtaining official interpretations of new labor regulations and in helping to bring salaried employees problems to the fore. These included: William B. Grogan, former attorney for Contracts Division; Miss Louise Stitt, Supervisor of the Women's Division of the Department of Labor, and many others.

Immediately following President Roosevelt's 1942 Labor Day speech on wages and price stabilization, officers of the Federation

requested the privilege of appearing before any committee, of either the House or Senate, which was set up to consider legislation relating to that subject. The Federation officers recognized that trends made wage stabilization legislation inevitable and merely wished to be assured that all factors would be taken into consideration when preparing any bill on the subject.

On September 15, 1942, the president of the Westinghouse Federation was advised by Senator James J. Davis that a public hearing before the Senate Committee on Banking and Currency would take place on Wednesday, September 16, 1942, and that the Federation would be permitted to testify. The President and Vice-President of the Westinghouse Federation went to Washington to be present during the hearing. At the request of Senators Davis and Taft, representatives of the Federation were privileged to offer testimony before the committee and were the only representatives of labor present beside President William Green of the A F of L and Mr. Van Bittner of the CIO, both of whom confined their remarks wholly to cover hourly paid production and maintenance workers. The officers of the Federation were the only labor leaders present to offer testimony on behalf of salaried employees or white-collar workers. The Federation officers were opposed to the freezing of individual wages and made very definite recommendations that salaried keysheets, variously known as salaried schedules or rate ranges, be frozen instead so that individual merit increases could be granted within the rate ranges.

The following testimony was presented and entered into the record:

1. For many years salaried employees have been unorganized and, for this reason, their monthly wages have lagged behind those of hourly paid employees.

2. Many salaried employees enjoyed benefits, over and above wages, which were not available to hourly paid employees. However, organized labor has obtained many of those benefits for the hourly paid workers, thereby negating this differential which existed in favor of the salaried individual.

3. The institution of the furlough system (that is: days off for

salaried employees without pay) for salaried workers tends to decrease their advantages and place those workers on the same plane as the hourly paid workers.

4. Due to organizational activity, hourly wage rates are much more nearly standardized and equalized than those of salary paid workers. Also, hourly wage scales are systematized to a greater degree than those of employees paid by salary.

5. For the above reasons, gross inequalities are found to exist between the monthly wage of the hourly paid employees and those of the salaried employees.

6. Also, due to lack of any systematic job classification and rate structure, for salaried workers there exists, even within an individual company, glaring inequalities in salaries paid for like or comparable classes of work.

7. In the four years of the existence of the Westinghouse Federation, it has, through cooperation with Westinghouse management, endeavored to correct conditions of inequalities and systematize the method of job classification and the corresponding wage structure.

8. During recent wage negotiations, a general salary increase was granted salary paid employees but only in an amount equal to the rate added to the base hourly rate of the hourly paid employees. Since practically all salaried employees work on a fixed monthly wage—with the exception of overtime pay for all hours worked beyond 40 hours in any one week—and since 85% of all hourly paid employees, in the Westinghouse Company, increase their hourly rate by a minimum of 8% and over 60% of the workers average more nearly a 25% increase, by means of some type of incentive system. Hourly paid employees have always received an actual increase in excess of that granted the salaried employees.

9. A major gain, made during the wage negotiations, concluded on August 16, 1942, was an agreement to establish a revised salary rate structure for all positions in the salary job classification manual. Also, a review of all salaries was to be made before December 31, 1942, and individual adjustments were to be made, where found warranted by the new salary rate struc-

ture. This new structure more nearly approximates that for hourly paid employees.

10. When establishing any national "Wage Fixing" policy, means should be provided for recognition of inequalities and inequities and permitting adjustments of rates of pay to eliminate those inequalities and inequities.

11. It is requested that increases in individual wages or salaries, for merit, be permitted to the extent of at least 10% of the individual's hourly or monthly base rate, per year.

12. When an individual is advanced from a position of one range of pay to one having a higher range, the individual's hourly or monthly wage should be increased in an amount which will bring his rate to, at least, the minimum of that established for the new position.

13. As new groups of employees are organized into bargaining units, it should be possible to negotiate wage and salary structures comparable to those already in existence for other similar bargaining units.

14. The above requests are based on the assumption that living costs can and will be stabilized at approximately the level which prevailed not later than July 1, 1942.

Senator Prentis Brown of Michigan assured Federation officers that, insofar as possible, the recommendations would be written into the bill to be presented to the Senate. This was the only commitment made by any member of the committee during the entire hearing so far as the Federation officers observed.

The bill as finally presented covered, directly or indirectly, most of the recommendations submitted by the Federation officers. Thus the Federation's requests are believed to have resulted in many of the provisions for salary regulation under the Stabilization Act. This is a matter of record, and can be verified by checking testimony of Bill No. S. J. Res. 161, Calendar No. 1661, Report No. 1609.

In May, 1943, officers met O. S. Smith, Director of Field Divisions of the National Labor Relations Board, for the purpose of discussing means of clarifying the status of employees classified by management as supervisors, but who were regarded by the

Federation as eligible for inclusion within the bargaining units. A copy of the letter written to Mr. Smith on this subject, dated May 21, 1943, by the officers of the Westinghouse Federation follows:

"The following will present some of the problems which we, as a labor organization, are experiencing with management relative to the question of who is and who is not a supervisory employee. This question is important because of the fact that many employees, classed by management as supervisors, desire to be members of our organization and to be represented by us in dealings with management. It is requested that the National Labor Relations Board establish a ruling which may be used as a guide to all labor organizations who may be confronted with a similar problem.

"For organizations of hourly paid employees the supervisory status of an employee is relatively easy to determine. This is true because most supervisory employees are paid by salary and are therefore not included in the bargaining unit of an organization which is certified solely for hourly paid employees. However, for organizations of salaried employees such easy means of segregation is not possible and we find ourselves at the mercy of management in this regard. Generally, management makes a flat statement that a certain individual is a supervisory employee, and without a clear definition of this type of position, it is usually impossible to arrive at a satisfactory agreement with management or the N.L.R.B.

"An industrial organization is made up of many groups of salaried employees, each group being headed by an individual with a title bestowed by management, and, in most cases these people are stated to be supervisors.

"It is our contention that a fair percentage of those persons currently regarded as supervisors are not strictly such on the basis of the type of work they do. Many of these so-called supervisors are merely group leaders who, for efficient operation of the group, parcel out work to maintain efficient loading of the group. These people seldom have the right to hire or discharge employees and in most cases they have no control over the

salaries of the individuals working in their group and neither do they direct the policies laid down by management other than to see that the employees maintain efficient operation of the group.

"Many so-called supervisors are record clerks or statisticians operating alone and are individuals who have no control over Company policies, do not supervise other employees and do not have the right or occasion to hire or discharge employees.

"One of our major contentions with management is our right to represent individuals whose titles are 'Managers of the Branch District Office.' In our district sales organization there are many small sub-offices employing from 2 to 6 employees. For commercial reasons the top salesman in that office is given the title of manager while he does exactly the same work as other sales employees and merely directs the work of the clerical staff in order to efficiently run the office. The clerical employees are seldom hired by him and he has no control over their wages and generally not over their tenure of service. All matters on company policy, office routine, placement and transfer of employees, as well as assignment of work of the employees is dictated by management in the head office of the District or from company headquarters.

"It is our contention that these sub-district office managers who would merely be classed as salesmen in any larger office, are in the same category with respect to their relation to the company as other salesmen and for this reason have the right to belong to and be represented by a salaried employees' union.

"In the salaried organization of an industrial concern, there are many people classified as 'Chief Clerks' who are merely high class clerical employees who, for efficient operation of the department, have no regular assignment of work but relieve other clerks of duties which would otherwise take up too much of their time. The chief clerk occupies his time in straightening out difficult situations which other clerks do not have time to handle along with their other assigned duties. The chief clerk neither hires, discharges nor regulates the salary of the other clerical employees and he does not represent management in discharge of policy matters.

"It is our recommendation that a supervisory employee be defined as follows:

"'A supervisory employee is one who has the right to employ and discharge other employees and who spends less than 20% of his time on the same type of work as performed by other non-supervisory employees whom he supervises. In addition to the above, a supervisor must supervise the work of more than five persons and in an industrial organization must receive a salary not less than \$250 a month.'

"It is recommended that the above interpretation be accompanied by the following statement:

"'A supervisor, under this interpretation, does not apply to those persons frequently classed as group leaders, chief clerks, staff statisticians or others who merely direct the activities of the group of which they are a part or who spend their time purely on statistical duties not affecting company policy in its relation to other employees. In addition, the term supervisor does not apply to those employees who do essentially the same work as other employees not classed as supervisors yet who carry a title for commercial reasons which might otherwise place them in the supervisory category.'

"We respectfully request the Board's consideration of our recommendation with the idea of issuing a clarifying definition of the term 'supervisor' as it applies to salaried employees and their relation to labor organizations."

With no answer forthcoming from Mr. O. S. Smith to the above letter, a similar letter was sent to Chairman Millis of the Labor Relations Board and on Sept. 24, 1943, the following answer was received from Mr. Ivar Peterson, principal attorney for the National Relations Labor Board:

"After careful consideration of the problem the Board recently adopted the following definition of supervisory employees: Those who have "authority to hire, promote, discharge, discipline, or otherwise effect changes in the status of employees, or effectively recommend such action." The Board customarily excludes such employees from units of non-supervisory employees. Necessarily, questions frequently arise as to whether certain individuals or

categories come within this definition. In deciding such problems, the Board must, of course, be guided by the record before it as made by the parties to the proceeding."

In June, 1943, the subject of price ceilings on food was discussed and ways and means for union cooperation with the Office of Price Administration were suggested at a meeting with I. Rubenstein, Assistant Director of the Labor Division of the O.P.A.

To further substantiate the claim that the Federation officials are interested in the welfare of all salaried employees or white-collar workers, the following letter is offered:

AN OPEN LETTER TO SENATOR CLYDE M. REED

*July 1, 1943*

"The officers of the Federation of Westinghouse Independent Salaried Unions, representing over 9,000 white-collar workers in 14 certified units located from coast to coast, were amazed to think that a man in your position would make such broad overall statements as contained in newspaper accounts of your remarks before the Senate on June 24, 1943.

"Following is the newspaper story:

"Washington, June 24 (UP) . . . Senator Clyde M. Reed (R., Kan.) opened the fight in the Senate against price control subsidies today with an argument that the American people can well afford to pay higher prices for essential commodities. A Senate vote on the issue was expected late today.

"'Paychecks of industrial workers have gone up much faster than the cost of living,' Senator Reed said.

"He cited statistics of the Bureau of Labor Statistics and the Bureau of Agricultural Economics to show:

"'In January, 1943, factory paychecks were 184% of the 1935-39 average, while the cost of living was only 120.7% of the five-year average. There is not the slightest equity in freezing prices of food-stuffs and wages at the 1942 level, in view of these figures,' Senator Reed protested.

"Senator Reed said that the President was 'making his last stand on the home front' by giving preferred treatment to 'the



wage earner.' This group, he said, 'threatens a spontaneous revolution,' unless they get their way—reduced prices.

"The above account is all too typical of the thinking which is prevalent among many of our congressmen. Such broad statements as 'the American people can well afford to pay higher prices for essential commodities' is ridiculous when one considers that there are millions of white-collar workers employed in department stores, dairies, banks, drug stores, grocery stores, small industries, etc., who have received little if any increase in salaries in the past four years. Yet these people are faced with increased taxes and cost of living.

"What possible means have these unorganized unfortunates to meet the ever-increasing demands on their insufficient incomes?

"You lump-salaried office workers together with the hourly paid shop employees and refer to the heterogeneous result as 'industrial workers.' To lump these two together is as appropriate as to pack airplanes and oranges in the same crate. The incomes of the individuals of the two groups are just as incongruous.

"The inconsistencies between the incomes of the two groups are due to (1) higher base rates for hourly paid employees, (2) more overtime hours for hourly paid employees, and (3) bonuses for hourly paid employees.

"Salaried base rates have remained essentially unchanged from the 1935 level, while hourly rates have increased by leaps and bounds until the hourly rate for common shop labor is now roughly forty cents an hour higher than the 1935 level, and other shop jobs have had like increases.

"Overtime payments at time and one-half add up to real money if much overtime is worked, and most hourly paid employees have plenty of overtime. Salaried workers see very little of this money.

"To further widen the income differential many companies pay bonuses of up to fifty per cent or more to their hourly paid employees, but nothing to their salaried office workers. This additional percentage applies to both straight time and overtime pay.

“True, some companies give special bonuses to their executives, but bonuses to this select class can in no way help the salaried office workers.

“You state: ‘In January, 1943, factory paychecks were 184% of the 1935–39 average while the cost of living was only 120.7% of the five-year average.’ It is perfectly natural for the payrolls in the year 1943 to be much higher than those in 1935–39 because thousands of employees have been added to factory payrolls and because of increased incentive and overtime bonuses for hourly paid employees.

“Here again a most important factor has been overlooked, and that is the plight of the thousands of white-collar workers who also work in factories, but whose salaries have not been advanced anywhere near to the 84% figure which you apply to all employees without reservation.

“Few people make fair comparisons between hourly wage rates and monthly salaries; too many feel that a clerk with a monthly salary of \$150 has quite a fine position, while a beginner in the shop, earning eighty cents per hour needs plenty of overtime and good luck if he is to make ends meet. These people fail to realize that eighty cents per hour means \$138.66 per month at straight time; \$201.06 per month with only twelve hours per week overtime at time and one-half; and \$301.59 with fifty per cent bonus on the previous figure!

“The salaried employees represented by our Federation are essentially better off than the salaried workers in hundreds of other industries because we are organized and have negotiated general increases for our white-collar workers over the past two years, which have conformed to the Little Steel Formula of 15%. Now for your edification and for the benefit of the other representatives of the American people who have failed to realize the huge number of white-collar workers in this country whose incomes have not kept pace with the increased cost of living, we heartily recommend that a study be made of the statistics of the Bureau of Labor as they apply to salaried employees. We are conversant with the fact that such statistics are practically nil, but we, as an organization, would welcome the opportunity to

present and discuss with you or a committee graphs, charts and data that apply to the incomes of hourly paid and salaried employees in the Westinghouse Company.

“Definite and immediate action must be taken to reduce the differentials in rates of pay which now exist between salaried employees and hourly wage earners.

“The price roll-backs which you decry are sorely needed, for while the incomes of farmers, hourly paid workers and big executives have been increasing, the incomes of salaried workers have remained relatively stationary, resulting in lowered living standards.

“The salaried employees are truly the forgotten Americans.”

#### FEDERATION CONTINUES TO REQUEST CONGRESSIONAL ACTION ON “WHITE-COLLAR” PROBLEMS

Contending that the problems of “white-collar” employees get scant attention from both the government and large national unions, the Federation of Westinghouse Independent Salaried Unions, in a series of letters in September, 1943, urged congressmen and senators to give serious consideration to the problems that constitute the grave “income dilemma” of millions of our average citizens.

Legislation was urged that would give salaried employees the consideration to which they are entitled and to alleviate conditions that are a constant worry to this vast number of organized and unorganized white-collar workers. “Millions of salaried workers are begging for help. The fact that they are unorganized is no excuse for their being forgotten by government, employers, and labor unions. These people are the real backbone of the American social structure, and if it takes legislation to alleviate their condition, then by all means, let’s have some legislation.”

The most important of these conditions as listed to Congress were:

“1. Cost of living prices which should be rolled back to May 15, 1942, or the 15 per cent Little Steel Formula scrapped and salaries and wages tied to living costs.

"2. Grade labelling, which is nothing but honest merchandising, and a protection to which our citizens are entitled.

"3. Support of Social Security Act amendments.

"4. Taxes—consideration of ways and means to increase taxes equitably with full consideration being given to ability to pay. It is recognized that the need for money by our national government to promote the war and bring it to a successful conclusion is apparent to the citizens of our country. However, before any additional taxes are considered, consideration should be given to the white-collar worker's and fixed income group's ability to pay."

#### READER'S DIGEST ARTICLE COMMENDED

As evidence that some clear thinking individuals are fully aware of this problem and are attempting to hasten its solution through newspaper and magazine articles and other means, the Federation commented on an article by Albert J. Engle, member of Congress from Michigan, which appeared in the September, 1943, issue of the *Reader's Digest*, and which paralleled the thinking of the Federation in many respects. Entitled "Unskilled workers: \$214 a Month," the article advised checking of inflation at its source—the high wages paid to unskilled workers, while salaried workers struggle along at pre-war levels.

The matter of inequalities and inequities between the "take home" pay of the hourly worker and the salaried worker should cause both government and labor leaders great anxiety.

#### REPRESENTATIVES PROMISE AID

Early in October, 1943, Representative Harold Knutson, Rep., Minn., a member of the House Ways and Means Committee, assured the Federation in reply to its letter to the Congressmen in September that "Sympathetic consideration to the problems of the white-collar class of workers will be given in discussing the proposed tax bill."

Representative Knutson further stated, ". . . they (white-

collar employees) constitute better than 50 per cent of our population and already they are paying as much in taxes as they possibly can."

The Federation had commended Representative Knutson for his remarks before the House in opposition to the contemplated \$8,000,000 boost in income taxes, which would be accompanied by a rise to 30 per cent in the withholding levy. Mr. Knutson had told Congress ". . . you've got a 20 per cent tax now that's very burdensome on the white collar class and they can't stand another 10 per cent. . . . It would mean we would have to increase salaries, which would contribute to inflation."

#### CONSUMERS' COMMITTEE STUDY PROBLEM

Representative Samuel A. Weiss, Dem., Pa., early in October, 1943, informed the Federation that the Consumers' Committee had met to consider its letter regarding the problem of the white-collar workers and insisted that prices must be rolled back if for no one else than the twenty million white-collar workers in the country who are discouraged and crying for help. Mr. Weiss stated "that legislation may be necessary to equalize the wages and salaries of this group which have been "frozen while prices have clambered tremendously during the past year." "Our objective is to roll back living costs," he wrote, "and if this cannot be done, the Little Steel Formula must be scrapped and wages upped proportionately to the cost of living."

Representative Weiss commented favorably on the Federation's program of grade labelling, social security legislation which would lower the age limit for pensioners from 65 to 60 years, and taxation based on ability to pay. He added, ". . . I have always opposed sales taxes for they are the 'sock the poor' taxes in my opinion."

Senators James J. Davis, Rep., Pa., and Joseph F. Guffey, Dem., Pa., and Congressman James A. Wright, Dem., Pa., promised their aid in any measure which would lessen economic pressure now being brought to bear particularly on the white-collar working classes and full support of the Federation's plea for price rollbacks

and other legislation which would better the economic condition of white collar and fixed income groups.

Senator Davis wrote, "The Senate Finance Committee is at present undertaking a comprehensive review of this entire situation in the hope that a means can be found to bring relief to those who now suffer unnecessarily because of the rigidity or complexity of our present policies and their administrative regulations."

Congressman Wright stated that the only practical way to help the white-collar workers which he described as the "forgotten people of our scrambled and inflated war economy" and in the same position as those people who are living on the proceeds of small life insurance policies or military allotment, is to attempt to keep prices down. "I believe that in principle wages should be tied to living costs. It would be fatal to our price structure should general increases in wages be granted . . . and an increase in normal wages which would skyrocket prices is an illusory benefit," he continued.

#### PRESIDENTIAL GENERAL ORDER 31

On May 26, 1943, the National War Labor Board issued General Order #31 specifying how salary and wage increases could be given employees of industry. Many provisions of the Order were not clear and certain items were definitely not equitable. After making a thorough study of the Order and preparing a list of questions and recommendations, the Federation officers discussed the Order with Mr. John Chamberlain, Asst. General Council for the National War Labor Board.

Although the Federation officers had been successful in having the salary keysheets frozen rather than individual wages, Order 31 seriously handicapped operation under the frozen keysheets because:

The extent of the limitations, so far as the Westinghouse Corporation was concerned, appeared to revolve around the question of what constituted a "plan" as defined in the Order. While it was not clearly determined whether past practices and procedures

of the Corporation constituted a "plan," the Corporation would have to be guided by the following until such time as it was proven the Westinghouse Corporation had a plan.

1. No employee may receive more than two merit increases during any calendar year.

2. No more than 50% of the average number of employees in a job classification may receive merit increases during any calendar year.

3. No merit increases may exceed 33% of the difference between the minimum and maximum rates of the classification applicable.

At this conference, Federation officers submitted information to prove that the Westinghouse Corporation did have a schedule and plan for salaried employees and the restrictions of Order 31 were not applicable to the Corporation.

Likewise on length of service increases within the established schedule. The following must apply:

a. The frequency may not be made more than four in a calendar year.

b. The amount of adjustment may not exceed 25% of the difference between the minimum and maximum rates of the appropriate classification.

Likewise, on promotion and reclassification to a higher position, the new rate must not be in excess of 15% above the former rate, or the minimum rate of the new job, whichever is higher.

Again the officers of the Federation did not confine their statements to cover only those members of the Westinghouse Federation, but requested Mr. Chamberlain to give due consideration to the handicap under which other industries who did not have a plan would have to operate by the rigid rules imposed by the order dated May 26, 1943.

The decision rendered by the Board on August 30, admitting the Westinghouse Company had a schedule and a plan, substantiated the proof submitted by the Federation officers that the Company did have a plan. The rewritten order adopted August 18, 1943, eliminated a great many of the ramifications that were contained in the first order, particularly that portion of the order

which stated that not more than 50% of the average number of employees in a job classification may receive increases during a calendar year. The Federation Officer's request for a modification of the plan carried a considerable amount of weight as proven in the rewritten order.

In August, 1943, Federation Officers talked with A. D. Burford and W. A. Gallahan, Deputy and Assistant Deputy Commissioner of the Salary Stabilization Unit, concerning general salary and wage subjects for all those employees represented by the Federation who make more than \$5,000 per year and come under coverage of the Treasury Department Salary Stabilization Unit rather than the War Labor Board. At the same time, a short conference was held with Robert Myers, Chief of the Division Analysis of the Bureau of Labor Statistics. Unfair labor practices were also discussed with Frank A. Mouritzen, Assistant Field Examiner of the National Labor Relations Board.

#### TESTIMONY ON BEHALF OF THE COUNTRY'S 20,000,000 SALARIED EMPLOYEES BEFORE THE SENATE SUB-COMMITTEE ON WARTIME HEALTH AND EDUCATION

On February 9, 1944, the President and Vice President of the Westinghouse Federation appeared before the Senate Sub-Committee on Wartime Health and Education, Senator Claude Pepper, chairman, and offered the following testimony:

#### PROBLEMS OF ORGANIZED SALARIED EMPLOYEES

1. In 1937, the hourly paid workers of the nation secured an increase in their basic hourly rate from forty cents to sixty-two and one-half cents per hour, while the nation's white-collar workers' salaries remained the same. The adoption of the Stabilization Act applying to both hourly paid and salaried workers consequently froze this inequity in the salary wage structure because white-collar workers had not received a corresponding increase in monthly income.

2. Due to organized action, hourly wage rates are much more



nearly standardized and equalized than those of salaried workers. Also, hourly wage scales are systematized to a greater degree than those of employees paid by salary. Consequently, we find gross inequalities existing between the monthly wage of our hourly paid employees and those of the salaried employees doing comparable work. During recent wage negotiations under the Little Steel Formula, some salaried employees were granted general increases apparently comparable to the general increases granted hourly paid employees. However, these increases were not truly comparable since practically all salaried employees are working on a fixed monthly wage, while approximately twenty thousand hourly paid employees in one company (Westinghouse Electric & Manufacturing Company) increase their hourly rate by a minimum of 10%, and approximately sixty thousand hourly paid employees increase their hourly rate by about 40% by means of an incentive bonus system. Hence, the hourly paid employee always receives more in a general increase than does the salaried employee. For example: If an increase of \$1 per day is granted, the non-production or hourly paid day worker would receive \$1.10 and the production worker or hourly paid incentive worker would receive \$1.40, but the salaried employee would receive only \$1 per day.

3. Time and one-half for overtime means really money to the shop hourly paid employees but the white-collar workers sees very little of this money. Furthermore, this time and one-half factor is a multiplier applying to the shop man's bonus as well as his base rate. For example: a salaried employee receiving \$1.00 per hour would received \$1.50 per hour for Saturday work at time and one-half, while a shop hourly paid employee working for \$1.00 per hour would receive \$1.00 times one and one-half times his incentive bonus of approximately 40%, or \$2.10 per hour!

4. To reduce the differential between the take-home pay of the hourly paid employee and the salary paid employee, a bonus system applicable to salaried employees should be considered. The inconsistencies between the incomes of the two groups are due to:

a. Higher base rates for hourly paid employees.

- b. More overtime for hourly paid employees.
- c. Incentive bonuses for hourly paid employees.

Salary base rates have remained essentially unchanged from the 1935 level, while hourly rates have increased by leaps and bounds until the hourly rate for common shop labor is now roughly forty cents an hour higher than the 1935 level, and other shop jobs have had like increases.

5. Due to lack of organization among salaried employees, community averages are far below the comparable hourly paid positions making it difficult for the organized salaried groups either to negotiate with their employer for better wages or to get War Labor Board approval of wage schedules to eliminate the inequities.

#### PROBLEMS OF THE UNORGANIZED WHITE-COLLAR WORKERS

The problems of the unorganized white-collar workers are essentially the same as the problems of the organized white-collar workers given in points 1 to 5 above, except that the unorganized have the following additional problems:

1. For many years salaried employees have been unorganized and for this reason their monthly wages have lagged behind those of hourly paid employees.

2. It used to be that many salaried employees enjoyed benefits over and above wages which were not available to hourly paid employees. However, organized labor has obtained many of these benefits for the hourly paid workers, thereby negating the differential which once existed in favor of the salaried individual.

3. The institution of the furlough system for salaried employees (days off without pay during periods of depression) tends to further decrease the advantages and place the salaried paid workers on a lower plane than the hourly paid workers.

4. Among the unorganized white-collar workers we find gross inequality existing between the monthly wage of the hourly paid employees and those of the salaried employees.

5. Also, due to lack of any systematic job classification and rate structure for unorganized salaried workers, there exists even

within an individual company, glaring inequalities in salaries paid for like or comparable classes of work.

6. Millions of white-collar workers are not employed in interstate commerce, and consequently do not enjoy the protection of the Fair Labor Standards Act. Their minimum rates are below those set up by the Fair Labor Standards Act, and they are not paid for overtime, leaving them far out of line in monthly and annual income, but still they must buy in the market inflated by the highly paid hourly production workers.

7. It is believed that employers of unorganized white-collar workers should be permitted to grant increases to this group up to the limit of the Little Steel Formula or any subsequent formula without War Labor Board approval. All such increases to be submitted quarterly to the Board or its agencies for examination.

#### RECOMMENDATIONS FOR SOLUTION

1. Definite and immediate action must be taken to reduce the differentials in rates of pay which now exist between salaried employees and hourly wage earners. We request that a committee or board be established by the War Labor Board to handle all white-collar problems; the members of the Board to consist of representatives of the public, management, and certified salaried unions. The labor representatives should be chosen from certified salaried unions representing large numbers and the appointments should be from among the labor leaders of salaried organizations in the A F of L, CIO, and the *Independent Unions*.

2. We request that the Little Steel Formula and the Wage Stabilization Act be changed for application to salaried employees so that:

a. The frozen inequality of the year 1937 in the salary structure be eliminated, and so that

b. The employers be permitted to submit classifications and ranges of pay comparable to hourly wage structures of pay.

In other words, Office Messenger Girls, Duplicating Machine Operators, Copy Typists, and File Clerks should be receiving wages comparable to, if not greater than, the hourly paid Janitor or Elevator Operator. The requirements to fill the salaried posi-

tions mentioned require a high school graduate, neat in appearance, and a diplomat, all for the magnanimous sum of \$60 to \$125 per month, whereas the hourly paid Janitors and common laborers receive \$136.04 per month without bonus, and with 11% bonus receive \$151.00 per month. This is quite a contrast.

3. We request that means be provided for recognition of inequalities and permitting adjustments of rates of salary pay to eliminate these inequalities and inequities.

4. We request that the recommended salary board set up a fair and equitable position evaluation scheme whereby regional boards will be more readily able to approve salary schedules submitted to them, and whereby employers who do not have established salary schedules may be permitted to make merit increases for deserving employees.

5. We request that as new groups of employees are organized into bargaining units, that it be possible to negotiate wages and salary structures comparable to those already in existence for other similar bargaining units.

6. That the Labor Board permit, without restriction, the institution of bonus systems in business enterprises where white-collar groups do not share in any established system, providing, however, that any system so instituted shall not result in creating further inequalities and inequities.

7. We believe that employees of unorganized white-collar workers should be permitted to grant increases to this group up to the limit of the "Little Steel Formula" or any subsequent formula without War Labor Board approval. All such increases to be submitted to the Board or its agencies once each quarter for examination.

8. That all restrictions concerning white-collar workers in a vital industry who wish to quit their job be removed in all instances where the employer makes no effort to eliminate present inequalities by the adoption of the recommendations herewith submitted or similar recommendations presented by others.

9. That the above or similar recommendations, if adopted, be given widespread publicity in order to eliminate the confusion which present regulations seem to have created.

## SUMMARY

In addition to the wage charts that we have introduced into our testimony, we request that our unanswered open letter to Senator Reed and the Editorial on Congress and the Economic Crisis, which appear in the July issue of our publication, *The Regulator*, be included in this testimony.

## THE WHITE-COLLAR CRISIS

*An open letter to the Honorable Harry S. Truman, President of the United States, and the Congress of the United States from the officers of the National Federation.*

June 21, 1945

As officers of the National Federation of Salaried Unions, we are essentially interested in the plight of the twenty million "Forgotten Americans," the white-collar workers of our nation. These people are worse off financially today than they were four years ago; that is, before the ugly spectre of inflation, high taxes, and the high cost of living appeared on the horizon. Included in this category are teachers, engineers, bank and drug clerks, department store employees, municipal office workers, employees of small business concerns, general clerical help, and most white-collar workers in industry. These people are in a much worse financial position now than they were prior to the war in 1939. Along with these white-collar wage earners may be included those persons depending on fixed incomes from annuities.

Outside of the low-paid white-collar workers in the large war industries, there are millions of white-collar workers who are not employed in companies engaged in interstate commerce. Consequently, they do not enjoy the protection which the Fair Labor Standards Act provides. The minimum rates of most of these employees are below those rates set up by the Fair Labor Standards Act, and further they are not paid whatsoever for overtime work, leaving them far out of line in monthly or annual

incomes; despite the fact that they must buy in the market inflated by the much higher incomes of the hourly paid production workers.

Certainly the white-collar workers are not responsible for inflation. In all probability, if an analysis were made, it would be found that they are contributing a far greater portion of their incomes to community funds and other charitable work than most of the hourly paid production workers who have enjoyed much higher hourly rates, plus incentive bonuses of one type or another, including overtime bonuses, while the white-collared workers, or fixed income group, have had to be satisfied with the meager effect of the application of the 15% Little Steel Formula to their low salary rates and exclusion from incentive plans. This group of salaried and white-collar workers, low paid for the respective requirements of their positions, form an essential part of the backbone of our financial structure.

We believe that everyone should be compensated in keeping with the requirements of their positions and their ability to perform such requirements. This is true of the vast majority of government employees including the elected representatives of the people—especially when consideration is given to the calibre of the men required to adequately represent the people and administer their welfare.

For most of these people the high cost of living and the increased taxes are equally burdensome. Yet few, if any, would deny the producer a fair return on his product be it food, clothing, or other consumer goods. No one will deny the necessity for all to sacrifice, in one way or another, in order that the war may be won, but salaried people must have enough healthful food and the essentials for a decent living if they are to do their share of daily work, with sufficient income to provide a cushion for the reconversion period of the post-war era. Few, if any, white-collar workers, with their present low incomes, are in a financial position to provide any appreciable cushion for the future. It may be difficult to devise a plan whereby all groups will bear their fair share of the financial burden of winning the war, but some means must be found, and found quickly for adjusting the inadequate

incomes of the white-collar workers to meet the high taxes and increased cost of living.

In the past our Federal Government has not evolved a sound policy for overcoming the dilemma in which the white-collar workers find themselves and in this failure the Legislative and Executive branches of the government share an equal responsibility. Neglect on the part of the representatives of our Government to take sufficient interest in the complex problems of the white-collar workers, and lack of planning and failure to delegate the responsibility has created bitterness in the minds and hearts of these people and, had it not been for their loyalty and patriotism, this neglect could very easily have resulted in the greatest possible deterrent to the war effort. No problem of such vital importance can be set aside, because of the difficulty of its solution, for very long without inviting eventual chaos.

#### WESTINGHOUSE FEDERATION OFFERS TESTIMONY

Much of the thinking in Washington, and that of many commentators, has entirely ignored the plight of these twenty million "Forgotten Americans" or fixed income groups. Due to being unorganized, the poor white-collar worker had no one to represent him in Washington before the various governmental agencies administering labor laws, consequently, his problems did not receive the consideration which they so justly deserve until the officers of the Federation of Westinghouse Independent Salaried Unions, duly authorized spokesmen for their organization and self-appointed spokesmen for the unorganized white-collar employees throughout the country, appeared in Washington before the Senatorial Committee on Banking and Currency, headed by Senator Wagner, to offer testimony as to why individual salaries should not be frozen. The major portion of the recommendations of these officers was written into the new bill. They also appeared before the Senatorial Sub-Committee on Wartime Health and Education, headed by Senator Pepper, which was investigating the plight of the white-collar worker. At this hearing they offered testimony and submitted a Nine-Point Program designed as a

solution to overcome many of the problems which confront the white-collar workers.

The Federation of Westinghouse Independent Salaried Unions, recognizing the need of effective representation for salaried employees outside of the Westinghouse Corporation, founded the National Federation of Salaried Unions.

#### SOUND PRICE CONTROL PROGRAM NEEDED

If our national economy is to be preserved and individual bankruptcy avoided among the white-collar workers, prompt and effective action must be taken. A sound and understandable price control program must be established and the wages of the white-collar workers increased immediately beyond the Little Steel Formula to establish them on an equal footing with the increased wages gained by the hourly paid production and maintenance workers from 1937 to the present.

To the best of our knowledge, the Little Steel Formula has never been broken, but it surely has been bent by the granting of fringe increases to any number of unions representing hourly paid production and maintenance workers.

The white-collar workers, whose efforts towards increased production in the war emergency is beyond question, have failed to date, due to the application of the Little Steel Formula, to receive any additional compensation from their employers or recognition from the Government to equalize the additional inequality created by the hourly rates as increased for the production and maintenance workers between the years 1937 to 1941, and the so-called fringe negotiations applied so freely to the hourly paid production and maintenance workers during the years 1941 to 1945.

The existing price control methods are, in the minds of many economists, hodge podge, of questionable soundness and inadequately administered. However, for the Government to nullify present policies without authorizing or enacting legislation to alleviate the condition of the white-collar worker can only result in loosing the flood gates of inflation which will engulf all



America. The first to suffer, as always, will be the white-collar groups.

It may be well at this time to point out that in 1937-38 organized common labor throughout the nation received an increase of twenty-two and one-half cents per hour, or an increase from \$.40 minimum hourly rate to \$.625 minimum hourly rate. At this time the white-collar employees were merely recovering some of the general decreases that they had suffered during the period of depression and have never received any part of this general adjustment that had been made for the hourly paid employees of the nation. Therefore, by way of comparison, there exists in the application of the Little Steel Formula to white-collar workers a frozen inequality to that extent.

In addition to the advantages enjoyed by the hourly paid employees which have already been enumerated, we should like to point out how the application of the Little Steel Formula grants the hourly paid production and maintenance workers added benefits that do not affect the white-collar workers.

#### HOURLY WORKERS' BONUS SYSTEMS

There are few hourly paid employees of the country who do not enjoy either an incentive workers' bonus plan or a partial bonus plan for not being covered by an incentive worker's bonus plan. By applying the Little Steel Formula or the 15% factor, the hourly paid employees under the plans referred to are not limited to 15% of their base rates but are only limited to the extent of the 15% times whatever the incentive percentage makeout of the groups may be. That is, for example, if we assume that a group is making 150% or 50% bonus, which is not uncommon, the hourly paid employees will receive not the 15% increase to their base rates as intended by the Little Steel Formula, but the effect of 150% of 15%, or 22½% increase on their base rates. It is quite obvious that the intent of the Little Steel Formula can and has been very easily circumvented daily by merely liberalizing the time allowance for the hourly paid incentive workers.

*We have no quarrel with the rate ranges and incentive bonuses*

*paid the production and maintenance workers and we believe they are entitled to every cent they are receiving. In fact, we believe they are entitled to a general increase to compensate them for increased taxes and the high cost of living. However, we cannot understand a Government which permits the application of the same formula to one group of workers who, through organization, have succeeded in securing so many additional benefits, such as: higher hourly rates, more overtime, fringe negotiations, and incentive bonus systems, while another group of workers are denied the same benefits simply because most of them are unorganized or because they receive their pay monthly or semi-monthly or—because of the color of the collar they wear!*

It is true that there are millions of white-collar workers who have received increases totaling 15%. It is also true that there are millions who have not received increases totaling 15% and the most fortunate of these two groups, or those receiving the 15%, are a great deal worse off financially than their hourly paid brethren who have received all the benefits aforementioned, plus the 15% granted under the Little Steel Formula. And those who did not receive the 15% under the Little Steel Formula are proportionately worse off than their more fortunate white-collar brethren and their very fortunate hourly paid brethren.

#### WHY HAVE THE SALARIED WORKERS BEEN PATIENT FOR SO LONG?

In view of the unfair and discriminatory handling of salaried employees, it may be wondered why these injured folk have not really asserted themselves—or rebelled. This is due to a combination of factors.

1. Since the twenty million white-collar workers are not effectively organized, the vast majority of them cannot take organized action, and these twenty million people have very few authorized spokesmen.

2. Salaried workers have long felt that their plight was temporary and many employers have encouraged their salaried employes to so believe; in an attempt to relieve the employers from taking appropriate action.

3. Some few workers know how badly off they are, but do not fully realize the extent to which they have been discriminated. Most salaried workers when hearing anything about the earnings of the hourly paid are filled with shame regarding their own incomes, become silent and the discussion ends.

4. Since most of the salaried workers felt that the discrimination was temporary, they did not want to change to new and unfamiliar jobs and lose their present job seniority for a temporary advantage. But now as the end of the war is approached many question the wisdom of their sacrifices during the pre-war and war periods since they could so easily have taken simpler jobs with much less nervous strain and earned much more money.

#### RECOMMENDATIONS

We recommend for your consideration and action a Fourteen-Point Program to aid these poor unfortunate victims, who have been made scapegoats in this war economy simply because they are unorganized and therefore do not constitute a group with sufficient pressure to secure the benefits they so justly deserve.

1. As a temporary expedient, direct a ten per cent general salary increase to all white-collar workers until such time as a careful study can be made and full restitution granted.

2. Correct the Little Steel Formula and the Stabilization Act for white-collar workers so as to eliminate the frozen inequality of 1937-41 and permit employers to grant increases retroactive for at least a year, for white-collar workers to the extent of this frozen inequality.

3. Appoint special panel under War Labor Board to handle white-collar problems. This panel to consist of representatives conversant with the problems of the white-collar worker and to represent the public, management, and certified white-collar unions.

4. Recognize other inequalities and permit adjustments of white-collar rates of pay to eliminate them.

5. Establish a just and flexible position evaluation scheme for white-collar positions to enable regional boards to more readily approve salary schedules.

6. Establish rules which will permit employers who do not have established salary schedules to grant merit increases subject to the approval of the board.

7. As new groups of salaried employes are organized into bargaining units, authorize white-collar rate structures comparable to those already existing for other organized units.

8. Recognize that the efforts of white-collar employes have a definite effect on production and permit and encourage institution of bonus systems for white-collar workers based on incentive systems or other recognized bonus systems already in existence for production and maintenance units.

9. Permit employers of organized white-collar employes to grant increases immediately to the limit of the Little Steel Formula, or any subsequent formula recommended under Point 2, without War Labor Board approval.

10. Remove restrictions against white-collar workers "quitting jobs" where employers fail to eliminate inequalities by adopting these or similar recommendations.

11. Give wide publicity to any adopted recommendations to eliminate confusion present regulations have created.

12. Appoint to the staff of the Secretary of Labor a person conversant with the problems of white-collar workers.

13. Appoint at least one white-collar representative as a member of the National Labor Relations Board to represent the twenty million white-collar workers of the nation.

14. Appoint white-collar representatives to all regional War Labor Boards and all War Labor Board panels dealing with white-collar problems.

*The application of the 15% Little Steel Formula to the exceptionally low incomes of the white-collar workers of the nation is inadequate and is accelerating economic chaos among this group of workers; economic decline promotes moral disintegration and the loss of the principles of Christian brotherhood. We request that you do everything in your power to alleviate the plight of*

*the white-collar workers since this group is facing an economic crisis.*

*The following letter was received from Fred M. Vinson, director, Office of War Mobilization and Reconversion, in answer to the National Federation's letter to President Truman entitled, "The White-Collar Crisis."*

*"President Truman has referred to me your letter of June 21 relating to salary stabilization for white-collar workers.*

*"I wish to thank you for submitting a comprehensive statement on factors affecting living standards of white-collar workers in wartime. In the formulation of wage policies, we are cognizant of the difficulties faced by those with relatively fixed incomes in a time of rising prices. As we enter the reconversion period, you may be assured that every effort will be made to establish substantial equity among different groups in the community through appropriate modification of the wage controls which have been essential to the welfare of every worker. We shall also continue to protect workers, particularly those with relatively fixed incomes, by price controls designed to keep the cost of living at reasonable levels."*

## *Chapter IX*

### FORMATION OF THE NATIONAL FEDERATION OF SALARIED UNIONS

THE FEDERATION of Westinghouse Independent Salaried Unions not being satisfied that their job was done, and not wishing to bask in the reflected glory of past accomplishments, found itself pioneering again in the white-collar labor field, undertaking the tremendous and difficult task of organizing all white-collar workers, who are interested in a solution to their present dilemma and a just program for their future welfare, into a National Federation of Independent Salaried Unions.

There is definite evidence that there is a growing desire among unorganized salaried workers for the advantages and security that true unionism offers. Many of these unorganized workers, however, do not look with favor upon the methods employed by the large international unions. Proponents of the independent salaried union movement realize that unions have the potential for great good—or harm, and when they form a union they want to be sure it exists only for the good it can do. Independent salaried unionism founded upon the principles of cooperation, understanding and fair dealing is the answer. The affairs of an independent salaried union are entirely in the hands of people who are most interested in the welfare of salaried employes as contrasted with the almost exclusive interest of the large internationals in the problems of the hourly paid production and maintenance employes.

The principles of such a union are democratic in applications as well as in theory—its members are free men, privileged to conduct their own affairs in their own way without dictation from hourly paid unions whose thinking is basically concerned with the problems of hourly wage earning employes.

In independent unions representing only salaried employes or white-collar workers, the problem of the white-collar worker or salaried employe is first, last and always in the minds of the officers who endeavor to initiate and operate such an organization.

The success of any enterprise depends largely upon its leadership. Extreme caution must be exercised in the selection of officers. They must be capable and intelligent and able to see both sides of a question. They must be honest and unselfish and have the courage to fight for the things the union has a just right to expect. There are such leaders in every group. The big job is to convince them that it is their duty to take their turn at the helm.

Independent unions, when properly conducted, fill a long felt need for the participation of employes in problems that affect them in their daily life.

Therefore, at the Westinghouse Federation meeting held in the Webster-Hall Hotel, Pittsburgh, Pennsylvania, on February 5 and 6, 1944, the delegates of the various member units of the Westinghouse Federation voted to establish an organization to be known as the National Federation of Salaried Unions, for the purpose of assisting the unorganized white-collar workers to become organized and eventually bring them together in a national federation to be made up of certified independent unions.

The Federation's interest in a national organization did not come as too much of a surprise to any who watched the progress and activities of the Westinghouse union in Washington; for always, in their appearances before government boards and agencies, Federation officers spoke not only for Westinghouse employes whom they represented, but also acted as self-appointed spokesmen for the millions of unorganized white-collar employes in the country, and tried to obtain legislation that would be all-inclusive and country-wide.

Much publicity has been given of late to the problems of these "orphans of labor"—the white-collar workers. This publicity, which has failed to produce the needed relief, has certainly brought home to all working men and women the great inequalities and inequities existing between organized hourly wage earners and

unorganized white-collar workers. Whether it will serve to make people think about a solution cannot yet be determined, but the establishment of the National Federation of Salaried Unions was certainly a step in the right direction. The officers of the Federation of Westinghouse Independent Salaried Unions, who had given considerable thought to the matter, were of the opinion that a large and powerful white-collar organization could bring much needed pressure to bear upon the labor boards and government agencies who, until prodded by the Westinghouse Federation, have shown only dispirited indifference.

The primary purpose of this new National Federation of Salaried Unions is to bring the plight of the Forgotten Americans to the attention of the various government boards and agencies, and secure immediate action on pressing problems; its ultimate purpose is to raise the national standard of living among white-collar employes who have found their low, fixed incomes inadequate to cope with the higher costs of living.

A national salaried union would be sufficiently powerful to bring pressure to bear on Congressional Committees, labor boards, and government agencies, assure representation on boards and committees where heretofore the politically powerful international unions consisting almost entirely of hourly paid employes, have held a monopoly of labor representation.

Much of the activity of the National Federation as the Washington representative of white-collar employes has been covered in the preceding chapter.

Any single isolationist union will lack the necessary strength to secure congressional attention or representation on government boards or agencies and will find it exceedingly difficult to remain in existence in competition with a union national in scope. It therefore follows that a single union should seek national affiliation or realize that they will eventually pass out of existence.

The National Federation of Salaried Unions is independent, unaffiliated with any of the big labor organizations, because the problems of the salaried employes are vastly different and often more complex than those of the hourly paid workers, and the



pattern of wages and general negotiations are fairly well established for hourly paid employes, while new ground must be broken in all fields where salaried employes are involved.

The National Federation has no antipathy toward any of the large international unions. However, it is desirous of developing this field without being hampered by any prejudices or preconceived notions formed by those unions which have always thought in terms of hourly paid employes' problems. The National Federation officers have found through experience that any group of salaried employes who are a part of one of the international unions were dominated by a closely allied group of union officials who were primarily interested in the problems of the hourly paid employes and who considered the problems of the salaried workers as secondary. Their problems were therefore not given intelligent or proper consideration. In fairness, it must be added that the failure to properly represent these unfortunate salaried employes was not always an intentional oversight but more often the result of inexperience, unfamiliarity, or lack of time on the part of the hourly union leaders.

An intensive campaign was launched in April, 1944, to point out to unorganized salaried workers the necessity of a strong, effective, purely white-collar organization, if the pleas of salaried employes are ever to be heard and answered.

As this book goes to press, the temporary officers of the National Federation of Salaried Unions, despite the limitations imposed by the lack of a substantial financial reserve, have been successful in organizing several units of white-collar workers located in or near the metropolitan district of Pittsburgh, Pennsylvania. These include the Aluminum Company of America, Erie Draftsmen's Association, General Electric Company, American Bridge Company and Pressed Steel Car Company, Inc. Requests have been received from employes of five different companies located in Baltimore, Maryland, with a potential membership of 25,000. White-collar workers in two large concerns located in Buffalo, New York, have requested guidance and assistance from the National Federation officers. Similar requests for guidance and assistance have been received from white-collar employes

of large industries located in Chicago, Fort Wayne and New York City.

Such an undertaking, never before attempted on so wide or thorough a scale, cannot be operated on a five-and-ten-cent basis—it will require money and plenty of it to operate on a national basis. The National Federation will require experienced qualified men as officers and these men must be compensated in keeping with their knowledge and responsibility. The expense of traveling all over the country to help organize white-collar workers and to finance organizational meetings will probably be tremendous. It is anticipated, at the present writing, that the National Federation will soon require the services of at least one full time paid official; a secretary; and office space to do an efficient job and continue its growth. In the very near future, the National Staff will include full time legal, statistical, editorial, and organizational departments.

In order to secure the necessary finances for a successful operation, the temporary Executive Board of the National Federation of Salaried Unions believed it advisable to establish the following charter fees and per capita tax assessments:

1. Charter fee of \$10 for all affiliate unions of 100 members or less.
2. Charter fee of \$25 for all affiliate unions with more than 100 members.
3. A per capita tax assessment of 5 cents a month per member before certification.
4. A per capita tax assessment of 10 cents a month per member upon certification.
5. A per capita tax assessment of 25 cents a month per member upon completion of the first contract with management.

These are temporary policies established by those who are now governing the National Federation and are expedient measures necessary for the institution of the National on a sound financial basis. All policies so instituted and established will be ratified by vote at the first national convention.

It must be borne in mind that this is a decided departure from the usual practices of the present large national organizations

who, at the present time, are charging from 40 to 75 cents or more per month per member. The temporary Executive Board of the National Federation sincerely believes that they can do an efficient job on the assessments as outlined.

The National Federation of Salaried Unions will weld independent white-collar unions into a cohesive national group. The new organization will prod Congress and the various governmental agencies into actions favoring the white-collar folk, rather than actions discriminating against them. It will exchange data on rates of pay with the idea of standardizing salaries nationally by job descriptions and titles. (Such information to be distributed by a central clearing house to all affiliates.) It would seek to eliminate unfair differences in pays of salaried and hourly paid workers and it would arrange a bargaining program whereby all affiliates would file demands on employers simultaneously.

The necessity of white-collar labor organizations banding together in a strong national union is very often not given sufficient consideration by the officers of independent white-collar unions. Even those officers who recognize the need for such unity are very often insufficiently experienced in the union movement to be cognizant of all of the reasons why unity is essential. Briefly, the important reasons are:

1. United strength to remain free, independent and locally autonomous.

2. Membership in a strong and determined national organization whose aims and purposes are confined strictly to white-collar workers and whose complete efforts will be dedicated to the problems of this group of neglected workers.

3. White-collar rates are based on community levels. These rates are too low in comparison with hourly paid employes' rates of pay. Only by having a strong, united group of unions can rates in a community be forced upward. Single, isolated unions cannot accomplish this alone.

4. An organizational personnel of capable, experienced men to organize white-collar employes who are still unorganized. The quicker the white-collar worker realizes the need of organization,

the sooner the raising of community rates, etc., can be accomplished.

5. Exchange of rates of pay, job descriptions, and other information which will be helpful to member unions.

6. A central bureau to aid and assist certified member unions in contract negotiations, etc.

7. Establishment of ways and means to coordinate the demands of member unions so that all will enter into negotiations for the same request simultaneously.

8. A strong national union of white-collar workers can create governmental interest in the problems of this group of people. Members of Congress would soon drop their present indifferent attitude.

Ultimate realization of this program is a certainty if all white-collar workers remain steadfast in their determination to remain free and independent. It will take time, but it can and will be done with your help and support.

All the white-collar workers of the nation—20 million plus—are crying for help. Not that many people could have “imaginary” ills. Something must be done for them—and quickly! It is believed that the National Federation of Salaried Unions can be the answer. The future of the National Federation of Salaried Unions is in the hands of the white-collar workers of the nation.

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