

**CHECKING WITH THE UNION
REPRESENTATIVE PAYS OFF**
by Allen E. Townsend

Recently Steward Bluto of the SAC Dept. under Board Member Koral was talking to one of the Union members he represents. During the course of this conversation, he found out that this man had been laid off in 1958, and had been rehired in the fall of 1959. At this point, Steward Bluto asked this worker if he had received any vacation pay for 1959. The answer to this was in the negative.

Steward Bluto told the worker that he was pretty sure he was entitled to vacation pay for 1959, but that he would check Union Headquarters to see if he was right. At Union Headquarters, he was told that this man qualified for vacation in 1959, as soon as he had worked for a period of one month. The Asst. Business Agent called Labor Relations in the SAC Dept. and asked them to check these facts and if they were true, to pay this man his vacation pay for 1959. After checking out this story, SAC admitted that he was entitled to vacation pay and said the reason he hadn't been paid was due to a payroll mistake. As a result of this contact, the Union member collected approximately \$200.00 due him.

The moral of this story is that it pays to talk with your Union representative who is there to see that our Union members get what they have coming to them under the contract.

TURBINE LAYOFFS REDUCED
(cont'd)

The Union Committee realized that any plan of rotation must be flexible and could not be for an indefinite period because of the many variables that affected the various groups working in Turbine. Therefore, a plan was negotiated for the balance of this year which will be reviewed at that time for the purpose of modification or termination.

The Plan provides that the employee shall be eligible for Unemployment Insurance Benefits during the week he is not working. During that week he will receive a maximum of \$50 according to the laws of N.Y. State. The G.E. has agreed to make every effort to keep overtime work to a bare necessary minimum and only for emergency work during this period in order to keep the maximum number of employees employed during the work week. The contract application on transfers and displacements of shorter service employees shall remain in effect during the period.

Any unforeseen complaints will be resolved through the grievance procedure of the contract. Turbine management claims that this rotation schedule may cost G.E. about one quarter of a million dollars; however the Union points out that the rotation schedule will help eliminate some of the feeling of insecurity that exists among Turbine employees. A layoff of 400 would cause a displacement of another 800 who would be required to transfer to other jobs, which, in many cases, would result in a downgrade and reduction in earnings for those people affected by the transfer. Moreover, the Union points out that these transfers by-and-large would cost G.E. a considerable sum in training the displaced employees to learn the different operation, which will be prevented while rotation schedule is in effect.

The total employees working in Turbine represented by IUE Local 301 is 2800 at this time. A layoff of 400 employees would involve 1200, either on layoff or transfer to another job, or about 42% of present hourly rated employment in the dept. The rotation schedule is designed to provide employment in this dept. for 2800 employees less the normal attrition which involves those leaving for pension, deaths, quits, etc., with the hope that the company will manage to get more work in the form of more business or a new line of work that will provide full time jobs for those working part time. In the meantime, the Union is hopeful that the current National Contract Negotiations with the G.E. Co. will provide some relief and more Employment Security for those G.E. employees who, thru no fault of their own are being laid off or transferred to lower rated jobs resulting in wage cuts.

SCHOLARSHIP AWARD
(cont'd)

Paul Graziade, last year's winner, who has just completed his 1st year at Notre Dame has done very well in his studies, having received a "Superior" rating in all of his subjects.

John Whitehouse intends to enter Holy Cross in the fall. Lots of luck to you, John!

CONGRESS TO CONVENE AUG. 8TH
(cont'd)

According to recent reports from Washington, the Eisenhower Administration is opposed to most of these bills and has threatened to use the veto. It is the duty of each and every citizen to write to his representatives in Washington, without delay, and inform them of the action they should take during the next few weeks.

LOCAL 301 NEWS

IUE AFL-CIO

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Latest IUE Report On 1960 Negotiation

The Following is a Statement of the IUE-GE Negotiating Committee
on
Summary of Meetings with General Electric
July 19 — August 11, 1960

As our July 19 statement repeated, the causes of unemployment are many. Some are due to local management and national management policies, others are due to industry or national economic conditions.

Obviously, where economic conditions are the cause, these conditions must be remedied before unemployment is eradicated.

IUE Proposals

Our proposals have aimed at—first—to remove those causes of Employment Insecurity which were within the power of national and local management. This went to the question of handling the problems of automation, the right to move with the job restrictions on the farming-out of work and limitations on the excessive use of overtime while people are on layoff. Second—where all efforts failed at providing employment, to provide the assurance of an income during layoff or upon termination.

In the reports by the "local management" they dealt at length with the steps they were taking to "stabilize employment." This included in some cases the building of inventory during the slack season, scheduling of work and manpower, etc. These are not unusual but rather normal business practices of any concern.

The Company has maintained further that some of what we are proposing is in some locations being attempted by local management. But the evidence from the local managers is that their role is to attempt to persuade the operating management to take into consideration the problem of security of employment. What success these relations managers have is determined by their own convictions, by the attitude of the Company, division, and local operating people and the influence that the "service managers" are able to exert. The record to date is not a good one.

The fact remains, that in spite of all these employment stabilization devices, the number of jobs has dropped. According to the plant representatives themselves, in a number of important

locations, it will continue to decline. In others it will be "stabilized" at the lowest levels in years.

Furthermore, even where employment is stable or even rising slightly we cannot share in the complacency exhibited by the Company representatives. From their own statements, they appeared to have been astonished at the outset of the 1957 recession and at the drastic cuts in employment that resulted.

The records will show that months before the recession began, we had been warning of it and it should not have been of any surprise to people who were following economic developments.

Company Complacency

We see a conspiracy of complacency that would say: "Let us do nothing because the situation is not getting worse" and, "Let us do nothing because the situation will get worse." All economic experts admit that we are headed straight for another of the recessions that has been coming regularly each four years. If this recession hits in late 1960 or in 1961, there will be another serious downturn in employment, from even the miserably low levels that exist today. In the absence of national contractual arrangement, we feel sure that despite what well-intentioned local E.R. managers may wish to do, many of these local arrangements may go out the window.

Where local employment managers have the intention and the authority to do the right thing, our proposals would be of real assistance for they would establish a general direction applicable to all locations with proper flexibility for local problems.

The evidence has demonstrated that many thousands of jobs have been lost due to management errors. Some 4,000 jobs were moved out of Schenectady on the assumption that they would be replaced by other work.

In Louisville, management admitted that with all of its expensive, magic brains installed for the purpose of forecasting sales it had badly

misjudged the market and thousands of people, after working long hours overtime, were summarily laid off.

In Pittsfield and also Lynn, management admitted that it had misjudged the market. The result was a large number of layoffs. When management judgments turned out to be bad the employees suffered as a result of these blunders.

There is considerable evidence, especially in the fields of heavy equipment, that management is only now beginning to undertake measures to try to stabilize employment that should have been done many years ago. The evidence presented by Mr. Stevens illustrates this dramatically.

He declared that the Company has now undertaken with the utilities to construct heavy electrical equipment in advance of their actual need to avoid the serious ups and downs. This, he said, had not advanced very far and one of the big obstacles was the reluctance of GE to invest capital in wage payments and materials. It is perfectly clear that if GE had been willing to make an investment years ago, it could have worked out arrangements with the utilities for an orderly flow of production in advance of actual need.

Employment Trends

More than 10,000 jobs were lost in our units in the last few years as the result of movements of operations. Some 5700 jobs were moved from Lynn with the claimed expectation that other work would take its place. While the Company claims that some were picked by other departments, nevertheless there was a drop in Lynn of 8500 or 43% in the P&M units.

Officials do not expect that there will be any significant increase in employment in the P&M units in the next ten years and there may well be some further declines. The plant is now facing the loss of several hundred jobs to Somersworth with the denial of the right of Lynn employees to move with the job.

A similar situation occurred in Schenectady where 3600 jobs moved out, again with the so-called expectation that these would be replaced by other jobs. As in the case of Lynn the Company managers admitted that, at the very least, they had made miscalculations. None of these people were permitted to move with their jobs.

In Pittsfield there was a large drop in employment when jobs were moved to Rome. Again these employees were assured that the jobs would be replaced by other work. Employment is expected to drop by several hundred more by 1962 and will not recover to even the present employment level until 1963.

Syracuse has lost a considerable number of jobs due to plant movement and is now losing the Technical Products Division with some 700 jobs.

Bridgeport lost many hundreds of jobs through plant movements again with the expectation that they would be replaced with other work. Now employment is at exactly one-half the level of a few years ago.

The situation in Fort Wayne is similar to that of other large plants. Our DeKalb local reports a loss of jobs to Murfreesboro, Tennessee.

In many cases the evidence was overwhelming that even where new work was moved in, the employees had to take drastic cuts in pay.

Syracuse is a case in point.

The Company prefers to go to the expense of recruiting people from the Southern and rural areas who have had no experience with the operations, training them, and getting them to the point where they are productive. It prefers to do this in order to avoid using on these jobs laid off employees from the plants from which the operations have been moved.

The refusal of General Electric to do what so many other large companies have done on this problem is without any valid reason.

The Company argument that in some cases the local management may wish to retain the employees in other work is a ridiculous one. It is obvious that where the Company offers the individual a reasonable job in his home town, he will not wish to uproot himself to travel to a far-off community. The threat of additional plant movements still exists. What we ask, therefore, is contractual protection for the jobs of employees from further moves on the part of the management.

Handling the Problem of Automation

The reports proved that automation is a current and a growing problem in the major GE plants.

The Lynn management showed that tremendous changes will take place in the skill requirements of employees, with a considerable number of present skills becoming obsolete.

As an example of the deep concern of the employees, management noted that when an offer was made to electricians to be trained for repair work of electric equipment four times the expected number applied. This was several times the number that the Company claimed would be needed.

In Louisville, our local union maintained that over 2,000 had been displaced because of automation. The local Company representative appeared to be unfamiliar with the facts. The automating of operations in the appliance industry has created a considerable amount of excess capacity in comparison with the present market. Employers feel that the most economical method is to run the equipment full tilt until a considerable inventory has been built up and then shut down the operations with considerable layoffs.

In Schenectady it was reported that production increased by 26% in some of the operations and even management admitted that technology is being introduced at an increasing rate. It declared that a better planning job must be done.

Management from Syracuse indicated the large number of jobs that had been automated in the communications field. In Syracuse, as elsewhere, not only is there a loss in employment but a downgrading of employees with considerable losses in income.

The reports from DeKalb indicate a loss of 250 people caused by automation. From Memphis we learn that the plant has become completely automated resulting on some operations in a 50% reduction in personnel with a downgrading of people to lower rated jobs.

Our Tyler, Texas local reports that in many cases one machine will do as much as four operations did before, and the number of people needed has been reduced considerably. Wages have not gone up as a result.

From Anniston, Alabama, we were told that some 800 jobs had been lost due to automation,

speed-ups, etc. In many cases wages have been reduced. In the last five years, production has increased from 110,000 to 130,000 tubes per day with a reduction in employment of nearly 50%. This means an increase in man hour output of more than 100%.

A similar situation exists in Tell City.

The extensive changes and dislocations created by automation result from capital expenditures voted on by the Board of Directors and the top management of GE. These expenditures are planned years in advance on the basis of precise knowledge as to what the expenditures are supposed to yield.

We have absolutely no desire to interfere with the functions which are normally those of management alone. Nor do we have any desire to engage in meetings of time-wasting committees.

But as the evidence from places like Lynn, Syracuse, Tell City, Anniston, Fort Wayne, Bridgeport, Louisville, increasingly in Schenectady, and other areas has demonstrated, the problem—whether we call it automation or technological improvements—will be of increasing importance.

Suspect GE Motives

The hundreds of millions of dollars that are being poured by GE into plant equipment expenditures will be devoted increasingly to automation and technological improvements. This is creating a great sense of insecurity among the employees and a suspicion as to Company motives and policies.

The Company maintains that automation has not caused losses of employment at the time the machinery is introduced. This might well be true. It often takes a little time for the effects of automation to show themselves, especially when introduced piecemeal. For example during a downturn in production, the automated equipment is operated to the exclusion of less productive equipment and, therefore, the number of people needed is reduced further. The same is true during an upturn. After several years, the impact of automation is felt more and more.

No one can deny that if a Joint Committee on Automation had been in existence in the last four or five years, that through the discussion of company plans, the resulting better understanding, the exploration of the best way to handle the resulting labor problems, etc., many valuable suggestions could have been made and proposals submitted that could have saved jobs and improved the situation of those affected.

The Company has demanded to know where such joint committees have solved the employment problem. The major committees, in steel and meat packing particularly, are just getting underway. The ones in Philco and Sylvania have proved valuable in eliminating serious problems that might otherwise have plagued the parties.

Restrictions on Farm-Outs

The evidence presented of problems created by the farming-out of work is almost universal in the chain. While some steps are being taken in some plants to curb some of the worst practices the problem still exists in serious form and unless there are national regulations, even local efforts to get some sense and reason into this picture will fail.

The claim made by management in Lynn that they have a policy on it was denied by our local union representatives. All that management admitted was that in a given case if there were available facilities, the local people would be given consideration. Numerous examples were brought forward by our Lynn representatives of the contracting-out of work that could be done in the plant. In some cases work is contracted-out to another city and re-contracted back to vendors in Lynn.

Our local union maintains that if they had 2/3 of the farmed-out work, they could employ 2,000 more people.

In Louisville our Union declared that out of a central maintenance group of 450, only 90 people are left due to the farming-out of work.

In Schenectady, some local agreements have been reached but the situation is still unsatisfactory.

In Pittsfield, the farming-out of maintenance work is a growing and serious problem.

In Philadelphia, tool and die work is farmed out and then operators are asked to scrub their machines. All this is done to keep the vendors happy.

Complaints were also made from DeKalb, Philadelphia (salaried), Tyler, Anniston and Fort Wayne.

Management has raised some problems with regard to the "practicality" of contractual provisions in this field. It maintains that all these questions should be settled locally. Our position is that just as language has been written on many other questions which are applied locally so flexible and practical language can be written in the national agreement without doing injury to the legitimate needs of management.

To the extent that the problem is handled properly by local management, the need for enforcement of a national contract provision will diminish. To the extent that local management fails to carry through a policy that properly takes into consideration the problems of employment security, the national provision will provide the necessary policy guide. It will be of help to E.R. managers trying to do the right thing as against short-sighted opposition of operating people.

Restriction on Overtime

Our statement of July 19 gave a number of illustrations of the use of excessive overtime while considerable numbers went on layoff. These need not be repeated. In addition, a report from Rome, Georgia, declares that after a layoff occurs the Company will invariably ask the men to work overtime using every excuse that they can think of.

The employment relations manager at Lynn admitted the use of continued overtime schedules with considerable numbers on layoff. A vivid example of the effect of this is shown by the following figures from Lynn:

Date	No. of Employees	No. on Weekly Layoff Hours	
		1200	43.3
December 1958	9930	1200	43.3
March 1960	9354	140	42.6

This shows that there were 600 less employees in March 1960 than in 1958. 1,100 people on layoff were terminated but the whole plant was working an average of 42.6 hours a week.

Our Philadelphia local reported situations in which the A.C. group was working 4 days a week while the D.C. group was working overtime.