

McCarthy Committee Is Expected Here

"Violations Unlimited"

By Charles Scott

This is a report on a case which is being sent to the New York Level of the grievance procedure. These are the facts of the case—

After reading the facts, decide whether the General Electric Company has treated this employee fairly and has lived up to the word and intent of the contract or not.

The complainant has a background of Sheet Metal Work, Class A, R-19, in the Research Lab. and R-17 Sheet Metal-Steam Turbine Enclosures. He was displaced from his job in Steam Turbine and was offered no job in the plant.

The Union filed a case pointing out to the Company representatives that there were 7 employees with shorter service on R-15 Tinsmith Helper and 11 employees with less service on Class B, 9-19, and Class A, R-21 Tinsmith oc-

cupation. The Company refused to allow this employee to bump any of these 18 employees with less service.

One week after this employee's case was sent to the Company for second level discussion, the shortest service of 23 Tinsmith Helpers, R-15, was upgraded to R-19, Class B. Tinsmith. This employee who was upgraded has 10 months less service than that of the complainant. When this upgrade was protested to the Company representative of Union Relations, his answer was: "There is nothing wrong with the upgrading—just the timing is wrong."

These are the type of deliberate violations by the Company which your Union representative must fight every day, because Company representatives live up to their slogan: "We do right voluntarily—only when forced to!"

During the early part of October, Rep. Samuel S. Stratton contacted the McCarthy Special Senate Committee and expressed his concern with the acute unemployment problem in Schenectady and the surrounding area. At the same time he extended an invitation to this Special Committee on Unemployment to visit here and make an on-the-spot investigation.

PRESIDENT JOHN SHAMBO followed up this invitation on October 12th on behalf of the membership of Local 301 which totals upward of 9,000 employees at the General Electric Plant. The following day, the Board of Supervisors, followed suit.

According to Rep. Stratton and a letter received by John Shambo (from the committee) every possible effort is being made by the Senate Committee to schedule an on-the-spot investigation here in Schenectady.

CONTRARY TO REPORTS from other sources, Rep. Stratton confirmed the fact that no definite word of commitment has been made as yet by the committee. He further received assurances from Senator McCarthy that when such a date is set he will be notified immediately.

From all outward signs it appears that an investigation will be scheduled here before the end of the year.

Cost of Living Rises in Sept.

Last September marked another rise in the cost-of-living index to 125.2. This means an increase of 1 cent an hour in cost-of-living adjustments and an increase of 17 cents per hour since our 1955 agreement. This is an increase of about 7½ percent.

Thanks to the foresight of our leaders in the 1955 negotiations, we were able to keep pace with the ever increasing prices.

VOTE!

ATTENTION!

KOTON PAINT — It is requested that any members or friends of yours who have purchased KOTON PAINT and have found fault with it please contact: Jack Suarez, President, District #3, IUE at the new Union Hall.

Listen For Your Name On WSNY: 6:40 A.M. — You May Be a Winner!

Every morning at 6:40 A.M. on WSNY Radio (1240 on your dial) the names of four or five "Men in the Shop" (and women) and their building numbers will be announced. The first one whose name is called, or any members of his family, who phones in to WSNY, EXpress 3-1771, will win 1200 blue stamps. So get a pad and pencil and keep that phone number handy. Names, Bldg. numbers and personal news can be sent to Art Christopher at the Union Office.

G.E. Profits Up 50% - Sales Up 2.5%

ACCORDING TO A RECENT REPORT in the Wall Street Journal, profits by GE in the third quarter of 1959 were nearly 50% above the pre-recession level of 1957 and after taxes were 30% higher. This in spite of the fact that sales were only about 2.5% higher.

THE QUESTION MIGHT BE ASKED how is it possible to get such amazing increases in profits with a very small increase in sales. The answer, of course, is by getting more work out of the individual employee.

For example, between 1957 and 1959 sales went up by \$30 million but the expenses went down by \$14 million!

This is of course, the carrying out of the "balanced best interest" which is the slogan of General Electric.

You May Be A Winner On WSNY (SEE PAGE 4)

LOCAL 301 NEWS

IUE AFL-CIO

Vol. 6 — No. 13 The Voice of GE Workers, Local 301, Schenectady, N. Y. November 13, 1959

SHAMBO STATES UNION POSITION AT GUTS CONFAB

A crowd of about 1,000 Schenectadians filled the Local 301 IUE Auditorium on Wednesday, November 4, 1959 as the first GUTS presentation was made to the citizens of our Community.

John Shambo, President of the local, welcomed the gathering to our Union Auditorium and spoke on Local 301's position in regard to our participation in the GUTS program.

SHAMBO STATED THAT, "we in the labor movement are now and always have been strongly in favor of any program which will provide full employment in Schenectady and continue the existing standard of living in our Community."

"We believe that Schenectady is as good a Community, equal to any other in the Nation as far as having a vast pool of experienced, skilled labor (which is a rare and extremely expensive commodity anywhere), the nearness to markets, transportation facilities, available space, and adequate housing."

"We have been very highly critical and concerned with the lack of work here since 1954. Likewise, we have done everything in our power to secure full employment in our Community." Shambo continued.

"We in the labor movement have always been in favor of FULL EMPLOYMENT and are and always will be behind any program to create more jobs without impairing the hard won gains by labor."

"WE BELIEVE that it should be a major responsibility of GUTS, Inc., not only to set a goal of thousands of new jobs to be provided by new industry, but it should also have an equal responsibility in urging existing industry in our Community to expand here by providing thousands of additional jobs."

"Schenectady has always enjoyed the reputation as being a great development center for electrical and locomotive products, which confirms the fact that manufacturing changes bringing about new techniques and modern machinery have not been hindered in any way."

"The labor movement encourages progress of this kind provided that it is not made with a result of increasing unemployment or lowering the present standard of living."

"In every program such as this, when the goals we seek are finally reached, we naturally expect a reward for all our efforts. One of the biggest rewards, besides the feeling of a job well done, will be our paychecks . . . and the size and the continuity of receiving them."

"THE SLOGAN WHICH GUTS, INC., has adopted is: 'It isn't what you pay . . . it's what you get for what you pay.' This is very important because it shows that the program is designed to maintain the high standard of living which Schenectady has enjoyed for a number of years."

"A full and steady pay envelope reflects in the standard of living of all the citizens of our Community, such as that of 'The Butcher, The Baker, The Candlestick Maker.' It reflects, too, in City Services, Educational Facilities, and the economic security of the entire community."

"The labor movement has always been dedicated to these princi-

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Novak to Move Law Office Jan. 1

Due to the drop in Membership in Local 301 resulting from layoffs in the past few years, services previously given by the local have had to be reduced. One of these services which will be discontinued as of January 1st, 1960, is the legal division for the handling of compensation claims.

BEGINNING ON JANUARY 1, 1960, Mr. Novak will discontinue his office at the Union Hall but will continue in his general practice as a lawyer at 124 Clinton Street, Schenectady, N. Y.

Mr. Novak came to District #3 from Washington, D. C., as an attorney in 1947. He transferred to the local early in 1950. In those 12 years he gained a National reputation as a compensation lawyer.

Thousands of union members will remember Mr. Novak as the lawyer who firmly pressed their claims against General Electric with unusual success. He will leave an indelible imprint in our memories.

Persons presently being represented by Mr. Novak will be able to reach him at his private office on Clinton Street after January 1, 1960.



LEON NOVAK

This Is What the Steel Industry Wants To Do To You . . . Your Job Security . . . and Your Union Contract

THESE are part of the proposals for changes in contract language made by the United States Steel Corporation in the negotiations with the Steelworkers bargaining subcommittee which began on September 9.

Keep in mind that virtually identical efforts to torpedo contract protections are being advanced by every other major corporation with which we are trying to negotiate new agreements.

As you read the following, therefore, remember that what U. S. Steel is proposing is part and parcel of the industry's general attitude toward every hard won benefit negotiated for you over the past 20 years.

PREAMBLE

Company Proposal

"This Agreement, dated . . . is between United States Steel Corporation (hereinafter referred to as the 'Company') and United Steelworkers (hereinafter referred to as the 'Union'), acting in behalf of itself, its local unions and the employees."

QUESTION: Is it the company's purpose, by including "local unions" to permit the company to sue local unions for damages in the event of wildcat strikes, without suing the International?

CO. ANSWER: Yes.

LOCAL WORKING-CONDITIONS

Company Proposal

"Any such practice or custom which was not protected as a local working condition under the provisions of the prior Basic Labor Agreement, shall not be deemed to be a local working condition under the provisions of this agreement, unless such practice or custom shall be established by agreement in writing by an International officer of the union and the chief labor relations executive of the company."

QUESTION: Is this intended to make any future local practices or agreements unenforceable unless embodied in an agreement signed by the International officers?

CO. ANSWER: Yes.

Company Proposal

"This Agreement shall take precedence over any local working conditions with respect to matters covered by this Agreement. . . ."

QUESTION: Would this provision give the company the right to violate local agreements as to hours of work and overtime such as the Hoyt-Muloy agreement providing overtime for Saturday and Sunday as such in the Cleveland plants of American Steel & Wire?

CO. ANSWER: Yes.

Company Proposal

"This Section shall not restrict the company from improving the efficiency and economy of its operations."

QUESTION: Under this provision would the company have the right to eliminate any local working condition or practice providing benefits to the employees if it could show that it would save money by doing so?

CO. ANSWER: Yes. The company should have the right to improve the efficiency and economy of its operations in every way that does not violate a specific provision of the agreement other than Section 2-B.

QUESTION: Can you name any local practice which the company could not change or eliminate if it could show that by doing so it would save money?

CO. ANSWER: The only practice which would be protected under those conditions would be practices required by other sections of the agreement, such as safety and health.

RESPONSIBILITIES OF THE PARTIES

Company Proposal

"The union (its officers and representatives, at all levels, including its local unions) and all employees are bound to observe the provisions of this agreement."

QUESTION: Is the purpose of including the reference to local unions to reinforce the company's claimed right to sue local unions for wildcat strikes?

CO. ANSWER: Yes.

Company Proposal

"There shall be no strikes, work stoppages, picketing, or interruption or impeding of work. No officer or representative of the union nor any member or employee shall authorize, instigate, aid, or condone any such activities. No employee shall participate in any such activities."

"Violation by an employee of this provision shall constitute proper cause for discharging him, irrespective of whether other employees who violated this provision are disciplined."

"Should it be determined by the Board that an employee has been suspended or discharged for cause, the Board shall not have jurisdiction to modify the degree of discipline imposed by the company."

QUESTION: Under this proposal would the company have the unreviewable right to pick and choose among the employees it chose to discharge for engaging in a wildcat?

CO. ANSWER: Yes.

QUESTION: Would the discharged employees have the right to ask the arbitrator, as they now can, to modify the discipline because other employees who were more guilty were not punished at all?

CO. ANSWER: No.

Company Proposal

"For each calendar day on which any employee shall violate this provision, such employee shall forfeit his right to eight hours of his next vacation pay to which he would otherwise have been entitled under the provisions of Section 12 and also one Credit Unit to which he would otherwise be entitled under the Supplemental Unemployment Benefit Plan established by agreement between the company and the union. The provisions of this paragraph shall not be deemed to limit in any way the authority of the company to suspend, discharge or otherwise discipline any employee who shall violate this provision."

QUESTION: Under this provision could the company decide which employees it would discharge and which employees it would simply decide to punish by depriving them of vacation pay?

CO. ANSWER: Yes.

INCENTIVES

Company Proposal

"Each new or replacement incentive . . . shall . . . be designed to provide an opportunity to earn incentive compensation over and above the applicable standard hourly wage rate in return for production or work accomplishment over and above the minimum requirements established by the company in connection with such incentive for the payment of incentive compensation."

QUESTION: Under this provision must a new incentive provide "an equitable incentive compensation" as is required under the present agreement?

CO. ANSWER: No.

QUESTION: Under this new standard what must the company show in order to prove that a new incentive does not violate the agreement?

CO. ANSWER: The company must show only that it is possible for an employee to earn some incentive compensation, no matter

(The following message, covering a report on meetings with the U. S. Steel Corporation, was sent to all local unions involved on September 17, 1959, by John W. Grajciar, assistant chairman, and R. E. Farr, assistant secretary, of the Union's U. S. Steel Negotiating Committee.)

PLEASE read and study the attached report on some of the changes in our contract proposed by the United States Steel Corporation. These are not the only changes proposed by the company. They are the most important ones. They are designed to put into effect the company's eight-point program to deprive employees of benefits under the agreement. You will note, however, that United States Steel has not stopped at eight points. The company has now proposed to take away rights not covered by the eight points.

This report contains the exact language proposed by the company on these points. It also contains the questions asked by the Union negotiators as to the purpose of these proposals, and the answers given by the company, not in the exact words used but in substance.

Please read carefully what the company says that it wants to do to the rights of our members under the contract.

The Union has patiently presented its proposals for improvements in the agreement. The company has refused to agree to a single one of those proposals. The company wants "progress"—but the only progress it wants is to take away long-standing benefits and protections from the Steelworkers, their local unions and the United Steelworkers of America.

The members of your negotiating subcommittee have patiently and diligently argued against the company's program. They have urged the absolute necessity of putting in the minimum program of improvements suggested by the Union.

We regretfully report that so far we have made no progress. The company has not withdrawn one of its proposals. The company has not agreed to a single improvement.

how small, by producing above minimum requirements established by the company.

QUESTION: Under this proposal can the arbitrator review the work requirements set by the company to determine if they are fair and equitable?

CO. ANSWER: No. The company would have to show only that it is physically possible for an employee to meet those requirements.

Company Proposal

"When and if management in its discretion makes or approves changes in equipment, in manufacturing processes or methods, in forces or assignments, in materials processed, or in quality or manufacturing standards so that the conditions on which an existing incentive is based are changed, management shall terminate and replace or change the existing incentive. The decision as to whether, under the circumstances set forth above, an existing incentive shall be (1) terminated and replaced or (2) changed, shall be an exclusive function of the management."

QUESTION: Why does this proposal cover cases where management "changes" changes?

CO. ANSWER: So as to give management the right to change or replace incentives when the employees themselves make the improvement and management approves of their action.

QUESTION: Can management terminate and replace an incentive under this proposal, even if the change in conditions is a minor one having a small effect on earnings?

CO. ANSWER: Yes.

QUESTION: Can the union contend that the change was so small that only a change in the incentive should have been made, not a replacement?

CO. ANSWER: No.

Company Proposal

"When an incentive is replaced . . . the replacement incentive . . . shall provide an earnings opportunity for each job under the replacement incentive not less than the average hourly earnings

job received under the former incentive during the 24 weeks ending with the last pay period closed prior to the termination of the former incentive."

QUESTION: Under this proposal do the earnings under a replacement incentive have to be equal to the earnings under the old incentive if average performance is maintained?

CO. ANSWER: No. The only requirement is that the earnings opportunity under the new incentive be equal to the actual average received by the employee under the old incentive.

QUESTION: Is there any guarantee of earnings?

CO. ANSWER: No.

QUESTION: If, under the old incentive, employees averaged 30 per cent above the standard hourly rate, with some employees making more, and some less, and some pay periods providing higher incentive and others lower, would the new incentive have to provide 30 per cent earnings?

ANSWER: No. It might only provide 20 per cent or less, on the average, if the company could show that some employees in some pay periods could make 30 per cent.

QUESTION: Why does the company make such proposals?

CO. ANSWER: Because we believe that the installation and change of incentives is exclusively a management function and the only proper contractual provision is one which provides the least possible restriction on management.

PERFORMANCE STANDARDS

Company Proposal

Section 9(j)(2)."

QUESTION: Is this a proposal to delete the existing provision that the company will not establish performance standards for non-incentive jobs?

CO. ANSWER: Yes.

SHIFT PREMIUM

Company Proposal

"a. Day Shift includes all turns regularly scheduled to commence between 6:00 a. m. and 9:00 a. m., inclusive.

"b. Afternoon Shift includes all turns regularly scheduled to commence between 2:00 p. m. and 5:00 p. m., inclusive."

QUESTION: Would this proposal have the effect of depriving employees who work eight hours beginning between 8 and 9 a. m. of any shift premium despite the fact that the prevailing shift in the department begins before 8 a. m.?

CO. ANSWER: Yes.

QUESTION: Would this proposal have the effect of depriving employees who work eight hours beginning between 4 and 5 p. m. of any hours of night shift premium despite the fact that the prevailing night shift in the department begins before 4 p. m.?

CO. ANSWER: Yes.

QUESTION: Why did the company not propose to enlarge the definition of night shift from the present 10 p. m.-12 midnight to 10 p. m.-1 a. m., to accord with its proposals as to the day and afternoon shift?

CO. ANSWER: Such enlargement would have the effect of giving some employees scheduled to go to work after midnight the night shift premium for a full eight hours. The purpose of the company's changes in the shift premium definitions is to cut down on the payment of shift premium, not to increase it.

HOURS OF WORK

Company Proposal

"All employees shall be scheduled on the basis of the normal work pattern except where: (a) such schedules regularly would require the payment of overtime; (b) deviations from the normal work pattern are necessary because of breakdowns; because of requirements of the business; or because of matters beyond the control of management; or (c) schedules deviating from the normal work pattern are established by agreement between plant management and the grievance committee."

QUESTION: Is it the purpose of this proposal to enlarge the right of management to schedule employees on split work weeks?

CO. ANSWER: Yes.

Company Proposal

"Schedules showing employees' workdays shall be posted or otherwise made known to employees in accordance with prevailing practices but not later than Friday of the week preceding the calendar week in which the schedule becomes effective unless otherwise provided by local agreement."

QUESTION: Is it the purpose of this provision to permit the company to post schedules on Friday, rather than on Thursday?

CO. ANSWER: Yes.

Company Proposal

"Schedules may be changed by management at any time except where by local agreement schedules are not to be changed in the absence of mutual agreement; provided, however, that any changes made after Friday of the week preceding the calendar week in which the changes are to be effective shall be explained at the earliest practicable time to the grievance or assistant grievance committee of the employee affected; and provided further that, with respect to any such schedules, no changes shall be made after Friday unless due to breakdowns, requirements of the business, or matters beyond the control of the department superintendent."

QUESTION: Is it the purpose of this proposal to permit the company to change schedules because of the requirements of the business after they have been posted on Friday?

CO. ANSWER: Yes.

QUESTION: Is it the purpose of this proposal to permit the company to change schedules because higher company officials tell the department superintendent to change them, without cause, after they have been posted on Friday?

CO. ANSWER: Yes.

ALLOWANCE FOR JURY SERVICE

Company Proposal

" . . . An employee shall not receive more than one such allowance for each such day on which he is required to report for jury service."

QUESTION: Is it the purpose of this proposal to deprive an employee of jury pay if he does not report on a scheduled night turn beginning at midnight after he has served all day on the jury?

CO. ANSWER: Yes.

HOLIDAYS

Company Proposal

" . . . if an eligible employee who is scheduled or assigned to work on any such holiday, fails to report and perform his assigned work, he shall become ineligible to be paid for the unworked holiday unless he has failed to report and perform such work because of his sickness or because of death in his immediate family (mother, father, including in-laws, children, brother, sister, husband, wife and grandparents) or because of similar good cause."

QUESTION: The present contract only refers to an employee who is scheduled to work on a holiday and disqualifies him only if he fails to perform his scheduled or assigned work. Why does the company propose to change this to cover employees who are scheduled or assigned to work on the holiday and disqualify any employee who fails to perform his assigned work.

CO. ANSWER: To permit the company to call in an employee on the holiday even though he was scheduled off and to deprive him of holiday pay if he fails to report and perform his assigned work.

Company Proposal

"As used in this Subsection, an eligible employee is one who . . . works as assigned both on his last scheduled workday prior to and on his first scheduled workday following the holiday unless he has failed to so work because of his sickness or because of death in his immediate family or because of similar good cause."

QUESTION: Why does the company propose to change the present words "scheduled or assigned" to the simple word "assigned"?

CO. ANSWER: To make it clear that an employee must work as assigned on the day before and the day after a holiday regardless of how he is scheduled to work on those days.

QUESTION: Would this deprive an employee of holiday pay if he refused to double over on the day after a holiday even though he reported promptly as scheduled on that day?

CO. ANSWER: Yes.

VACATIONS

Company Proposal

"An employee, even though otherwise eligible under this Subsection A, forfeits the right to receive vacation benefits under this Section if his employ-

(Continued on page 6)