

Audit Committee Reports — 1956

We the rank-and-file Audit Committee elected by the membership and the Trustees of Local 301, IUE-AFL-CIO have examined the financial records for the year 1956 and find these records to be in proper order.

(Signed)

John Shambo, Bldg. 16
Bernard Jankowski, Bldg. 273
Philip Cognetta, Bldg. 52
William Garrison, Bldg. 49
John Smialek, Bldg. 273.

NOTICE Executive Board Meeting

Union Headquarters
Monday, March 11, 1957
7:30 P.M.

ATTEND YOUR UNION
MEETINGS REGULARLY

IUE-CIO 301 On the Job

Bldg. 52: The Union feels that Richard Sweeney, Jr., who works in Shop Steward A. Campana's group, should have been transferred to the higher rated job in the group due to the fact that he has lengthier service, is fully qualified and has had a written request in for an upgrade.

Bldg. 16: The group under Shop Steward H. Williams feels that the foreman is giving the better part of the milling machine work to other groups and they, therefore, request that their milling machine group be given an equal distribution of the jobs.

Bldg. 29: Edward C. Pangburn who works in Shop Steward J. Griffith's group feels that since he is a long service employee, he should have work available so that he has enough for an 8-hr. day and not be sent home.

Bldg. 273: The group under Shop Steward A. Gaudette is charging the Company with violating the contract by having longer service employees leave the group before shorter service employees.

Bldg. 16: The group under Shop Steward L. Santabarbara is requesting a reduction in the D.C. Rotor Brazer group so that the employees remaining in the group will have 40 hours of work as provided for in the contract.

Bldg. 18: The group under Shop Steward C. De Marco charge super-

vision with violation of contract on the reduction of piece work prices on the drill press. They demand that this situation be corrected at once.

Bldg. 72: The Shop Steward, T. Brzoza, and the group are requesting that all special and temporary prices that were in effect six months or more be made standard. Some of these special prices were in effect for years. The group is requesting that this situation be investigated and corrected.

Bldg. 273: The group under Shop Steward J. Clune is protesting the reduction in prices that will be introduced in the group that pulls wires in making bars.

Bldg. 85: Work formerly done by Millwrights is now being done by supervision, engineers and machine repair men. The group under Shop Steward C. De Lollo requests that

IUE-CIO LOCAL 301 NEWS

OFFICIAL ORGAN OF LOCAL 301,
REPRESENTING SCHENECTADY
GE WORKERS

Published by the Editorial Committee
President.....Harry Williams
Vice President.....Julius Thomas
Treasurer.....Gerald O'Brien
Recording Secretary.....Earl Coons
Ass't Recording Secretary.....Michael Rakvicka
Chief Shop Steward.....Vincent DiLorenzo
Business Agent.....Leo Jandracu
121 ERIE BLVD. SCHENECTADY, N. Y.

Current Events In My Section

by ALLEN E. TOWNSEND

During the last two weeks the Union in conjunction with the Placement Committee finally finished placing the last twenty-five people from Bldg. 285, who lost their jobs due to Industry Control moving out of town.

Before we had time to catch our breath, we were informed on good authority that the Hydraulics Section of Aeronautics, that is Bldg. 46, is moving to Lynn, Mass. This will involve finding jobs for about 330 more people by the end of the year. In addition to this, about 119 Tube employees' jobs are moving out of town this year. This will mean the Union and the Placement Committee will have to find openings or bumps for about 450 more people in the near future. This will undoubtedly mean that many people will eventually be out of work as the Company has not given us any assurance of an expansion within the plant to absorb these workers. Most of the people affected are long service people and this move will create untold hardships in many cases. This moving out of jobs is done for one reason, which is to get the work done at a

substantially lower rate. The Company ignores its moral obligation to the faithful employees who helped build the G.E. into the successful business it is today. The Company cannot blame this latest move on work stoppages as there have been none in these divisions for several years.

This week finally winds up a long, drawn out case with the Company. Docket #4914-55 was originally filed on 10/31/55 by Stewards Cummings and Chase on behalf of the employees of the Power Stations requesting the Company to pay double time for all hours worked in excess of twelve hours in a twenty-four hour period as is provided for in the contract. After many meetings, the case was referred to the N. Y. level where the final Company answer was a flat no. The Union then decided to take the case to arbitration. In December 1956, the Company asked to have this case withdrawn from arbitration, at the same time conceding that we had been right on this case all along. The final results of this case are that these employees will receive all money due them under this provision of the contract.

Executive Board Interviews State Legislators

The Executive Board convened in Albany on Monday, February 25th, for the purpose of encouraging legislators to support the Labor Bills pending before the Legislature. Appointments were made with key legislators for sub-committees of the Executive Board by William Stewart, Chairman of the Legislative Committee of Local 301.

The Board members concentrated on the following pending Bills:

1. Amend Workmen's Compensation Act in relation to Silicosis and other dust diseases.
2. Increase Unemployment Insurance benefits and liberalize qualifying limitations and increase period of benefits from 26 to 39 weeks.
3. Increase Workmen's Compensation benefits from \$36.00 to \$54.00 a week.
4. Urged the defeat of a bill that would empower the Industrial Commissioner to bar strikes indefinitely.

A full report on legislation will be made at the March membership meeting.

Compensation Bills Pending in Albany

(Continued from Page 1)

the employer need pay him is \$126 more. The bill now pending would permit the injured worker to keep the \$144.00 received by him and in addition would also permit him to receive reimbursement of \$270.00 for the permanent damage to his finger. After all, the permanent damage has permanently impaired the worker's earning ability, in addition to his lost time, and certainly there is no logic in allowing to keep one benefit but in taking away the other. This is a bill which ought to be passed.

this be stopped by management at once and the work be assigned to the proper people.

Bldg. 49: The group under Shop Steward R. Lee feels that the agreement reached on 12/21/56, about work to be done by Riggers should be kept and not periodically violated. They request that responsible supervision investigate and correct this condition.

Bldg. 46: The Union feels that the Shift Preference Supplement should be applied to the people from the A.P.D. Division who are being reached on lack of work due to the department's moving out.

Bldg. 16: The group under Shop Steward R. Failing feels that supervision should immediately correct the voucher system in the group. Employees cannot get all their vouchers and by the time they find out that certain vouchers will not be available, it is too late to turn in their time for the hours worked.

Bldg. 17: Frank P. Perillo who works under Shop Steward C. Soble is requesting that he be given a Class A rate. He has proved he can do the Class A work.

Bldg. 49: The Union feels that supervision held up operations in the Hydrotel Section under Shop Steward B. Sharmose and is, therefore, requesting average earnings for the time lost.

NOTICE Membership and Stewards Meeting

Monday, March 18, 1957
1st and 3rd Shifts—7:30 p.m.
2nd Shift—1:00 p.m.

Union Auditorium
121 Erie Blvd.

LOCAL 301 NEWS

IUE AFL-CIO

Vol. 3 — No. 6

The Voice of GE Workers, Local 301, Schenectady, N. Y.

March 22, 1957

General Electric Declares War on P. W. Earnings

The recently adopted policy of local G.E. management to deny any request for an increase in price regardless of evidence showing the price to be low is becoming more pronounced every day as the result of grievances filed—particularly in the Large Steam Turbine and Large Motor and Generator Departments.

The rule the management representatives are using is if the earnings are at the A.E.R. or over, they will not increase the price under any circumstances. General Electric feels that they have sufficiently intimidated the citizens in our community to be able to start the wage cutting program for incentive workers that was planned for several years ago. They have threatened the community with moving work to other locations if the union resisted their wage cutting program. During the process of acclimating the community to the point that General Electric can do no wrong and anything G.E. does is always in the best interests of all, G.E. has been transferring work to other parts of the country—the plans were being made at the same time as G.E. was carrying on its Public Relations campaign on the community.

Smoke Screen

While G.E.'s representative is parading around saying publicly that he is working conscientiously to attract new industry into Schenectady, his company is planning to transfer, from Schenectady, work that employs more people than the committee of which he is a member could attract to Schenectady in the next ten years. The most recent move of G.E. to transfer work out for 1957 is the Hydraulic Control of the Aeronautics Department, which will consist of approximately 330 employees' jobs, and, along with this move this year, the Power Tube will be transferred out of Schenectady, which represents another 115 employees' jobs—this will be a total of approximately 450 jobs to go. They are also in the process of considering part of the Campbell Avenue Race Track work to be transferred which may affect another 150 employees. All of these transfers are motivated in the hopes of making a larger profit.

Money Spent For Profit

The recent announcement of G.E.'s spending a few million dollars at the local plant this year is for new and more modern machinery that will be purchased to increase production at a faster pace and for a lower wage rate. Some of the alleged spending will be to renovate some buildings that have long paid for themselves in order to house the additional production the new machines are expected to produce.

General Electric has been selling the community that the present employment of 33,000 is expected to remain static during 1957—this figure is misleading because the factory employment has dropped off considerably—factory employment a few years ago was equal to the salaried but today the salaried employment is approximately 3,000 higher than the factory. It is also strange to some of us who are close to the scene that we have not been able to see in any tangible form this increase in the salaried group. We have wondered if all the salaried

(Continued on Page 4)

Increase Prices Says G.E.

G.E. has just issued its 1956 Financial Report. The headlines indicate that sales hit a new peak of 4 billion but profits only increased 2%.

The salient facts given for 1956 as compared with 1955 and 1954 are as follows:

ITEM	1956	1955	1954
Sales (millions of dollars).....	\$4090	\$3463	\$3334
Cost & Expense (millions of dollars).....	3570	3012	2867
Total Income before Taxes (millions of dollars)	433	387	409
Profits after Taxes	213	209	204

G.E.'s President, Cordiner, in issuing this report tries to give the impression that profits of G.E. are lower than in 1955. He, therefore, makes a plea for higher profits through higher prices.

In the first place the figures as given above do not compare with the past method of GE in listing its financial records. For the first time, the 1956 report includes the less profitable Canadian operations and the GE Distributing Corporation, where profits were also low as compared to sales. It also includes a number of subsidiaries that had been treated separately before.

In 1955 these added groups had net sales of about \$360 million but profits of only \$8 million after taxes. Thus without them, the average profits per dollar of sales would be about 5.7% instead of the 5.2% in Mr. Cordiner's report.

There are two other important items in the 1956 report that tend to understate profits. In 1955, GE adopted what is known as the "Last In First Out" method of handling its inventory. This meant that when, for example, material was withdrawn from inventory for processing in say December 1956, even if it had been bought 12 months before, the price for cost purposes would be based on the raw materials and wages of the last piece put in inventory. This means that when wages and prices rise, there appear to be greater costs and, therefore, smaller profits.

In 1955, when prices varied very little, the adoption of the LIFO method caused GE according to its own statement to show \$20 million less profits than it would have under the old system.

In 1956, however, prices of raw material rose about 5% and wages about 4%.

With total costs running at several billions, it is likely that by the LIFO method, GE was able to underestimate its 1956 profits by conceivably \$50 million or more.

A second source of underestimating profits is depreciation charges. In 1955 GE admitted that by taking advantage of government rules of quick writeoffs of new equipment it was able to charge an additional \$9.4 million to depreciation than normally. This, too, understates the profits made by that amount. It is likely this extra depreciation charge increased in 1956.

Adding both factors together it is likely that GE's profits may have been \$50 million or more before taxes over and above what was shown. After taxes it may have been \$25 million or more over what was shown.

NOTICE OFFICER'S MEETING

UNION HEADQUARTERS
Monday, Mar. 25, 1957
2:00 P.M.

NOTICE Executive Board Meeting

Monday, March 25, 1957
7:30 P.M.
UNION HALL
121 Erie Blvd.

Doctor's Reports Important to Injured Worker in Compensation Claim

It is surprising how few doctors realize the importance of their medical reports when they are treating an injured worker who has filed a claim for compensation benefits. The doctor's report helps to decide how much treatment an injured worker will need as a result of his injury; what kind of treatment or even surgery will help to make him fully employable; and how much the worker will receive in weekly benefits while he is unable to work due to his injury.

With these important questions hanging in the balance, a lawyer representing the injured worker is handicapped in helping the "claimant" (the injured worker) unless the doctor has filed periodic reports giving answers in the forms set up for that purpose, as to all the questions mentioned.

Doctors do not like to fill out forms, as a rule, claiming that it is their job to give medical treatment and not to be bogged down with paper work. Nevertheless, a doctor is paid by the employer for the medical treatment rendered and he owes it to the injured worker to give accurate information as to the progress of the worker's condition. In this respect, accuracy means neither exaggeration of his disability nor understatement of the extent of his disability.

How an injured worker can be harmed by exaggeration or understatement by the doctor as to his condition can be explained as follows:

As regards exaggeration, that is to say for the doctor to report that the injured worker is sicker than he actually may be, this is what sometimes happens. Supposing that a worker has been losing time from work due to an accident. At first he is totally disabled and can do no work at all. During this period he receives maximum compensation. Supposing, however, that there comes a time when the worker can do some light work but not enough to get back to his usual job. The injured worker is under the impression, sometimes, that inasmuch as he is unable to get back to his job, that it is better for the doctor to keep reporting him "totally disabled". Often, the doctor is of the same impression; but this is a mistaken impression. In the first place if the doctor accurately reported that the worker is only "partially" disabled, the worker can now apply for and get maximum unemployment insurance benefits in addition to his compensation benefits. He might have to take a slight drop in his compensation benefit rate because he is now only "partially" disabled rather than "totally" disabled, but this drop would be more than adequately offset by the fact that he is now also eligible to receive maximum unemployment benefits (while he is still unable to go

to his regular work) along with his compensation benefits.

Other disadvantages of exaggeration or understatement of an injured worker's physical condition by his doctor will be followed in the next article on this subject.

If you are an injured worker being treated by a physician, there is no reason why you cannot show this article as well as future articles, on this subject, to your doctor.

State Adm. Removes Member Of Local 301

Frank Tariello, a member of Local 301, formerly employed in the Motor Department, was appointed back in 1945 to a job in the State Labor Department (Apprentice Standards Division) as a labor representative. He has been employed on this job, establishing Apprentice Training Programs in industrial companies, for 11 years.

He was notified a few weeks ago that he would either be taken off the job or he could resign. In questioning the reason for his removal, the supervisor in charge of the division first advised him that his work was not satisfactory; however, later in the discussion he made it very clear that political patronage was the issue. Tariello appealed to his local union, Local 301, for support. We contacted the State CIO Secretary, Harold Garno, who, after hearing the facts, agreed Tariello should remain on the job. He contacted Labor Department officials and even the secretary to the Governor, but was not successful in restoring Tariello back to his job.

The issue was raised at the March meeting and a motion was passed to send a telegram to Governor Harriman protesting Tariello's removal from his job.

Auditors' Report

We have examined the records furnished to us by the Office and the Auditors on the Building and Defense Fund for the years of 1953 through 1956 inclusive.

To the best of our knowledge we have found the monies intact and accounted for.

Gerald O'Brien, Treasurer
William Templeton, Trustee
John D. Smith, Trustee
Vincent Palatzeke, Trustee

Membership Votes to Support Little League

At the March membership meeting, a motion was passed to sponsor the Bellevue Little League Team again this year.

Local 301 has sponsored the Bellevue Little League Team and the Northside Little League Team since 1952. The Local 301 sponsored team in Bellevue has won the championship of the Bellevue Little League for 1953, 1955 and 1956. The Northside Team has not won any trophies as yet but are in there pitching.

The cost of the sponsorship for the Bellevue Team for 1957 is \$150.00. Some questions have been raised as to financial responsibility in case of accident and how it would involve the sponsor. After checking with officials of the Little League, we have been informed that all Schenectady County Little League players are fully insured by the Little League Administrators which provide insurance against all accidents and claims.

Did You Know?—

The crusade for decent Workmen's Compensation Insurance is of vital importance to every one of the 70 million members of the American labor force.

Every 16 seconds around the clock an American worker is injured on the job. Every 4 minutes a worker is killed or maimed.

Every year about 2 million suffer injury or disease in turning out the goods and services America needs. This is why we need adequate State compensation laws and why Unions must strive to provide adequate services on compensation cases.

Grass Root Meeting Mar. 30

A series of meetings of IUE Local representatives have been scheduled all over the country by the National Union in order to acquaint the leadership and membership with the problems that exist in the G.E. plants throughout the country.

Likewise, the meeting will discuss and lay plans for the contract reopener in 1958, when job security will come up for negotiations. At the suggestion of International President Jim Carey, the meetings are getting under way early in order that the National Negotiations committee may also start discussions at an early date.

The Schenectady meeting is the first in the series and is scheduled to take place in the new Union Auditorium on Saturday, March 30th, at 10:00 a.m. Delegates from all G.E. Locals in upstate New York and parts of New England are expected to be present.

The Executive Board Members of Local 301 have been asked to encourage all shop stewards who are not working on Saturday, March 30th, to attend the meeting.

GUARANTEE YOUR GAINS



SMOE by KALLAS



ALCO Strike Issues

In a memo from the officers of Local 2054, United Steelworkers of America, the present issues causing the strike at the American Locomotive Company are outlined to the effect that ALCO management has adopted the G.E. program to cut piece work prices and proposes to the ALCO workers that they must speed up if they expect the same earnings.

The memo reads as follows:

- (A) Alco proposals mean real and substantial wage cuts for piece workers (incentive workers) and bonus cuts for hourly paid workers.
- (B) Alco proposals mean that current level of earnings can be regained by an average 11% increased productivity. This obviously means less jobs at Alco for the Schenectady Area.
- (C) Alco refuses to negotiate new benefits for its Schenectady workers as it has recently done with the Steelworkers Union at Latrobe, Pa. — improved benefits such as have been negotiated for most workers in American Industry.

- 3) Cost of living escalator clause
- 4) Improved insurance
- 5) Improved vacation
- 6) Improved holidays
- 7) Improved pensions

- (D) Of prime importance to our membership is the attainment of Plant Seniority.

"The recent Alco statement on the current contract controversy is a deliberate misrepresentation and fraudulent in its intent and purpose.

The Alco Negotiating Committee has frankly stated at various bargaining meetings that the Company proposals mean real and actual wage cuts—reduced earnings—which they believe and hope may be regained—gotten back—by a productivity increase of about 11%.

- These benefits are:
- 1) Substantial wage increase
 - 2) Supplemental unemployment benefit plan

The following figures, prepared and presented by the Company to the Union clearly means an average plant wide piece work wage cut of 23c an hour.

SHOP	CURRENT P.W. PAID RATE	EQUIVALENT P.W. PAID RATE WITHOUT INCREASED PRODUCTIVITY	AMOUNT OF P.W. WAGE CUT
General Welding	\$2.769	\$2.594	.175
Sheet Metal	2.856	2.676	.18
Truck	2.946	2.552	.394
Miscellaneous Machine	2.628	2.520	.108
Paint	3.068	2.711	.357
Locomotive Assembly	2.816	2.586	.23
Carpenter	3.112	2.855	.257
Pre-Fab	2.997	2.719	.278
#6 Machine	2.952	2.606	.346
#7 Machine	2.913	2.517	.396
Diesel H.T.	3.072	2.570	.50
Engine Assembly	2.736	2.602	.134
Engine Test	3.571	3.020	.55
Plant-Wide	2.902	2.671	.231

This, of course, would also mean a cut to hourly (day) workers of at least five (5c) cents an hour."

Activities Comm. Plans Raffle

The Local 301 Activities Committee is preparing to hold the annual Spring Giveaway Raffle. Tickets are being printed and should be in the hands of the Shop Stewards shortly. The tickets will sell for 3 for 25c and the shop steward will have six free tickets for himself or he is entitled to 50c for each full book sold. He must turn in \$3.00 on each full book sold.

The drawing will be held at the June Membership Meeting. We urge every Shop Steward to sell as many books as possible as this money will be used, along with any other monies the committee can raise this year, to finance the annual Children's Christmas Party. The following are the prizes which will be given away:

1. Power Mower
2. Man or Woman's Clothing Outfit
3. Lawn Table, Umbrella and 4 Chairs
4. Portable Radio
5. Fishing Rod and Reel
6. Lawn Chaise Lounge
7. Flash Camera
8. Electric Fry Pan
9. Electric Coffee Maker
10. Folding Aluminum Table
11. Coleman Camp Stove
12. Outdoor Portable Cooler
13. Travel Alarm Clock
14. Kitchen Clock

FOR REAL JOB SECURITY

