

Cost of Living Figures Misleading

Charging that use of Department of Labor price index figures constitutes a fraud against labor, the United Electrical, Radio & Machine Workers of America (UE) announced today that it is demanding a formal investigation by the Senate Committee on Education and Labor.

"Although figures issued by other government departments and industrial sources prove that the cost of living of the average American worker has increased at least 162 percent since 1939, mobilization agencies use the Bureau of Labor Statistics' false figures to claim an increase of only 83 percent," UE charges.

The Union is demanding that Stabilization Director Eric Johnston and all stabilization boards or agencies be restrained from using the misleading Department of Labor figures as a basis for wage regulation.

Announcement of the demand for an investigation of the BLS Consumer Price Index and the use that is made of it was made by UE Director of Organization James J. Matles at a press conference in Washington last Tuesday.

He revealed that the UE Research Department, after a study extending over several months, has prepared a cost of living index, "The Facts about High Living Costs." The UE index, largely based upon official government data ignored by the Department of Labor, overcomes the distortions of the BLS index to give a more realistic measure of changes in living costs. The UE study supplements and brings up to date the CIO-AFL report prepared in 1944 with the active participation of UE.

The following table compares living costs as calculated in the U.E. study, with figures issued by BLS.

INDEX OF PRICES AND LIVING COSTS			
(BLS Consumers' Price Index and UE Cost of Living Index)			
1939 = 100			
All Items			
	BLS	U. E.	
1939	100.0	100.0	
1945	129.2	181.3	
1950 (1st Quarter)	167.8	230.7	
1951 (January)	182.7	262.5	

Between January 1950 and January 1951, the UE index shows an increase in living costs of 14 percent, while the BLS reported 9 percent.

Mr. Matles revealed that UE statisticians had calculated that the disparity between BLS figures and the real increase in the cost of living since January 1951, would be even greater.

He called attention to the fact that Stabilization Director Eric Johnston has announced that his office will revise its 10 percent wage freeze order on the basis of cost of living figures for April.

Past and contemplated use of BLS' false measure of cost of living increases in calculating wage freeze regulations constitutes a fraud upon labor, Mr. Matles charged.

Upon this point the UE study declares:

"A correct index of cost of living changes is today perhaps the most important of all statistical measures. Cost of living changes are of vital impor-

tance in both collective bargaining and public policy decisions dealing with wages and prices, taxes and social legislation. Cost of living developments are of particular importance in collective bargaining negotiations setting wage rates and in determining the wage reopening clauses of contracts.

Mr. Matles made it clear that the UE has always opposed tying wages to any cost of living index.

Employers have always used BLS figures against unions in resisting wage increases, he declared. In normal times unions who are unwilling to freeze their members' standard of living are able in collective bargaining to defeat these efforts.

Today, however, he said, the Government has joined the employers in seeking to freeze wages to the fraudulent BLS calculations and both have been joined by some labor leaders who should know better.

Wages should not be tied down to an index, even an honest one, the UE contends. To accept BLS figures, long exposed as fraudulent, is inexcusable.

First that it is not a cost of living index at all, in that it does not even attempt to measure changes in the necessary expenses of a worker and his family. The BLS index was formally entitled a "Cost of Living Index." When the fraud was exposed by labor in 1944, the BLS, instead of correcting its fraudulent statistics, changed the name of the index, but did not in any way change or attempt to change its use as an official governmental measure of changes in the cost of living.

Second, the UE charges that the BLS index is not even an honest index of prices, but is manipulated, loaded and biased by a great variety of means to give a dishonest reflection of the real trend of prices.

The UE study points out that the U. S. Government, although applying the fraudulent BLS figures to the wages of labor, does not use them in calculating parity for farm price supports.

For this purpose the Department of Agriculture prepares its own index, the BAE index.

A comparison of 76 identical items on which both BLS and BAE publish price figures reveals that the BAE reports a higher price increase than BLS on 56 items. The BAE price figures run higher than BLS by as much as 101 percent.

The UE study reports:

"The BAE index of prices paid by farmers for commodities used in family living in January 1951 (1935-39=100), stood at 210, as compared with 181 for the BLS Consumers' Price Index."

The UE study further states:

"The discrepancy is not due to technical ignorance, but due to the different functions of the indexes. The BAE index is used to put a floor under the prices received by farmers.

"The BLS index is used to put a ceiling on wages. The lower the BLS index stays, the higher go the profits of the big corporation."

"We in the UE believe it is proper that, the Department of Agriculture should be pro-agriculture. What we condemn is the fact that the Department of Labor is anti-labor."

ELECTRICAL UNION NEWS

THE VOICE OF THE UNITED ELECTRICAL, RADIO & MACHINE WORKERS OF AMERICA — LOCAL 301, U.E.

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SCHENECTADY, NEW YORK

Friday, May 11, 1951

I. U. E. Forgery Exposed

A recent leaflet issued by the I.U.E. featuring an alleged leaflet distributed by the U.E. in Canada was exposed as a forgery upon receiving information from the Canadian U.E. office.

The I.U.E. ran an article printed in the Evening Tribune of Welland, Ontario, on March 17. Two days later the same paper, on March 19th, ran the following retraction:

"Representations made this morning by members of the executive of U.E. Local 523 have assured The Tribune that the pamphlet announcing the Peace meeting, on which editorial comment was based on Saturday, was not published by U.E. Local 523 and that organization had no responsibility for its issue. This being so, we are prepared to state frankly that the comments made in the editorial referred to were not justified since they were not based on fact. The Tribune regrets it was led to accept the pamphlet as bona fide when, to the best of our knowledge now it was entirely unauthentic.—Editor of The Tribune."

Wage Meetings to Resume

Joseph Dermody, Secretary of the UE-GE Conference Board and member of the negotiations Committee, sent the following letter to G. H. Pfeif, Manager of Union Relations for General Electric:

"Mr. G. H. Pfeif, Manager
Union Relations
Executive Department
General Electric Company
570 Lexington Ave.
New York 22, N. Y.

May 3, 1951

"Dear Mr. Pfeif:

"At the last meeting of Union and Company representatives on April 24, 1951 there was no definite time set for the next negotiating meeting.

"In our telephone conversation this morning, you agreed to my suggestion that the next wage negotiating meeting take place following the Union's Conference Board meeting in Erie on Sunday, May 13, 1951. I will call you regarding the arrangements."

"This will confirm our understanding.

Very truly yours,

/s/ Joseph Dermody
International Representative"

GE-UE to Resume Negotiations

House Committee to Investigate B.L.S. Figures

In response to a formal request by U.E., the House Labor Committee is going to investigate the U.S. Dept. of Labor's cost of living index. The U.E., in a recent expose of fraudulent B.L.S. cost of living index figures, released the startling news that the cost of living had increased 162% since 1950, rather than 83% as claimed by the Dept. of Labor.

Although this thoroughly documented news story was released to all news services at a press conference on April 24, it was deliberately left out of all big business controlled papers.

Major shortcomings of the B.L.S. Index are: failure to take account of changing living requirements, which increase living costs; improper weighing and choice of commodities not representative of those used by wage earners; failure to take in account quality, deterioration; various types of statistical manipulations, which almost always lower the index; and failure to allow at all for the significant increase in workers' living cost, resulting from higher Federal income and Social Security taxes.

Erie G. E. Acts on Company Offer

The G.E. workers in Erie, members of Local 506 U.E., rejected the Company's offer of 9 cents per hour at the last regular membership meeting.

In a resolution, which was unanimously approved by the membership, it states:

"WHEREAS the Company has not engaged in real collective bargaining on these demands but has attempted to avoid negotiations of our just demands and instead attempts to force the acceptance of an inadequate wage increase based on an unjustified wage freeze, phony cost of living figures and a sell-out IUE escalator clause; and

"RESOLVED that UE LOCAL 506 recommend to the National UE Con-

The joint Stewards-Membership meeting went on record last Monday to instruct the national negotiating committee to continue negotiations for a more adequate offer from the Company.

Joseph Dermody, Secretary of the UE-General Electric Conference Board, made a report to the meeting on the negotiations, pointing out that the present offer of 9 cents and a refusal by the Company to eliminate the present inequalities on day work rates and women's rates was not satisfactory and did not meet the needs of the people. Dermody said that the present 10% W.S.B. formula would undoubtedly be revised upwards because of the increased cost of living and the tremendous record profits being made by companies in the face of frozen wages. He pointed out that a number of settlements already negotiated and pending before the board would exceed the 10% formula.

The War Stabilization Board has 1200 cases before them now. The Secretary of the Conference Board explained that a meeting of the G.E. Conference Board would be held in Erie, Pa., on Sunday, May 13th, to consider the opinions of all the UE-GE Locals, which would result into certain recommendations to the national negotiations committee and the G.E. Locals. He explained that he had contacted the Company and arranged for the negotiations committee to meet and resume wage talks.

Local 301 will call a special membership meeting following the meetings with the Company to consider the status of the wage negotiations at that time.

A report was made to the membership by the House Committee. Also, a financial statement for the month of April was distributed, acted upon and accepted. A trial committee of nine members was elected; two from the second shift and seven from the first and third shifts.

ference Board of GE workers that the UE National Negotiating Committee be instructed to continue negotiations for a more adequate wage increase which will more nearly meet the needs and demands of all GE workers."

IUE Lies to Cover Up

Lying, name-calling and fear have been and still are the tools used by the I.U.E. to cover up their sellouts and disruption program during their existence since 1949. The results of their work cost every G.E. worker, in the form of lesser earnings, impaired working conditions and less job security. Let's look at the record—

Wages	
Before I.U.E.	After I.U.E.
1946—18 1/2c per hour	1949—0
1947—11 1/2c per hour	1950—10c
Extra Vacation & Holidays	1951—9c
1948—8c per hour	

The same record prevails on all issues affecting working conditions and job security for G.E. workers since the existence of the I.U.E.

Trying to discredit a man and his family by lying and name-calling cannot cover up the dishonest record, established by the irresponsible leaders of the I.U.E., who were imported from out of town and whose individual records are a blank and are kept a mystery.

In other columns of this paper are examples of the distortion of fact, which symbolizes the I.U.E., and the deliberate lying they resort to, relating to spies, used as U.E. organizers; and meetings called in Canada.

While pursuing their un-American activities of carefully-laid plans of sabotage and disruption, they charge others with being traitors to their country, trying only to distract attention from what they themselves are doing.

Today there is one rule in effect by law and enforced by Government, with which elected Union leadership is required to conform, in order to use the N.L.R.B. That rule affects all and carries the same penalties if there is any act of misrepresentation or fraud. The Taft-Hartley affidavit has been signed for the past three years by officers of U.E. Local 301 and has been accepted.

The membership went on record, on the recommendation of the officers, to support the U. S. Government in the Korean War.

While we have done these things as

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SCHENECTADY-GE-LOCAL 301 UE

Published by the Editorial Committee

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Form NLR 1081 (6-48)

UNITED STATES OF AMERICA
NATIONAL LABOR RELATIONS BOARD

AFFIDAVIT OF NONCOMMUNIST UNION OFFICER
(See instructions on reverse)

The undersigned, being duly sworn, deposes and says:

1. I am a responsible officer of the union named below.
2. I am not a member of the Communist Party or affiliated with such party.
3. I do not believe in, and I am not a member of, nor do I support, any organization that believes in or teaches the overthrow of the United States Government by force or by any illegal or unconstitutional methods.

Local 301, United Electrical, Radio & Machine Workers of America (UE)
(Full name of union, including local name and number)

United Electrical, Radio & Machine Workers of America (UE)
(Full name of national or international union of which it is an affiliate or constituent unit)

Signature *Leo Jandreau*

Address *1527 State St.*
(Street)

Schenectady, N.Y.
(City and State)

(The notary public or other person authorized by law to administer oaths must fill in completely all blank spaces below.)

Subscribed and sworn to before me this 24th day of January 19 51

A notary public or other person authorized by law to administer oaths and take acknowledgments in and for the county of Schenectady State of New York

My commission expires March 27, 1952

Alma DeCesare
(SIGNATURE)

ALMA DeCESARE
Commissioner of Deeds
Schenectady N. Y.
Commission expires 2/27/52

[SEAL]

WARNING.—The attention of persons filing this form with the Board is directed to Section 95 (A) of the criminal code, which provides that any person willfully making or causing to be made any false or fraudulent statements or representations in any matter within the jurisdiction of the Board shall be fined not more than \$10,000 or imprisoned not more than 10 years, or both.

Union men and women and as good loyal Americans, we have fought anti-union politicians embarked on union-busting investigations, and, we will still continue to protect our Union and its members from these politicians.

Believe It or Not!

Do you realize that if G.E. paid you just for the increased profit it is making on you, over and above the profit it made on you in 1945, which was \$940.00 on each worker, you would receive an increase of \$2,242 per year or \$1.00 per hour. That makes the 32c per hour wage demand pretty modest.

Even after the 32c increase per hour, G.E.'s profit per worker would be \$2,542 per year.

No one would expect G.E. to pay you for doing nothing. But why should G.E. get away with not paying you for doing

Another I.U.E. Lie

The I.U.E. has claimed in leaflets and over television that David Greenglass, convicted spy, was once a U.E. organizer.

The officers of U.E. Local 301 made an investigation into this claim and found that David Greenglass never worked for the U.E. nor did he ever represent the U.E. in any capacity whatsoever.

This lie has been repeated time and again by I.U.E., along with other lying statements.

Their program has to be pitched on untruths and outside issues in order to cover up their sell-outs on economic issues. The I.U.E. leadership feels that if you lie often enough and big enough, someone will be gullible enough to believe it.

Since 1945 every G.E. worker has upped his production tremendously.

A Warning — — Be On Guard Against FORGERIES! Intended to Smear the Union

(REPRINT FROM CANADIAN U.E. NEWS OF MARCH 23, 1951)

THE WORK OF WELL-KNOWN UNION-BUSTERS

THE FORCES attacking and raiding UE can now be expected to break out with a whole series of forgeries in their attempts to weaken the union and take away the workers' protections. They have already stooped to such levels in the Niagara Peninsula where they have had no success in disrupting the organization by any means.

On Friday of last week, a crude forgery in the form of a leaflet was left in hotel washrooms and strewn around plant gates in Welland, St. Catharines, and Niagara Falls.

It was intended to appear as a joint UE-Communist leaflet. The same stupid trick and manner of distribution has been used previously by anonymous red-smear artists.

The Welland-Port Colborne TRIBUNE the next day, Saturday, published an editorial based on the forgery, also attacking the union. After a delegation went to the editor on Monday a retraction was printed.

The forgery leaflet stated that US was sponsoring a Peace Rally at which "Comrade" Endicott of the Canadian Peace Conference would be main speaker. The Rally was actually sponsored by the Welland Peace Council.

The forgers used all the rotten phrases of the red-baiting employer press: "Communist Poland" — "Iron Curtain" — "Communist Aggression" — and a special invitation to "people who have not yet joined the Communist Party."

Just read the crude smear attempt—and ask yourself if you cannot see the similarity between it and those labor renegades of the IUE-CIO, the CCL, and the Steelworkers whose only weapon against UE is boss-inspired red-baiting.

At a meeting on Monday night in Toronto the IUE produced this forged document as "proof" for their wild charges and to provide an excuse for their whole union-wrecking program.

The forgers picked the Niagara Peninsula for their first target because there UE has established the highest rates in Canadian manufacturing industry. These forgers want to split the ranks so as to prevent UE workers getting any more increases. The GE workers in Toronto were given the second dose of the forgery filth precisely because they are now negotiating for more money—which the union-wreckers are trying to prevent at all costs.

Beware of similar attempts at union-busting in your own Local or plant! In their desperation the frustrated enemies of the UE will stoop to any deaths to confuse and divide the workers as a prelude to the employers' attacks on your contract gains and living standards.

HERE IS A SAMPLE:

THE UNITED ELECTRICAL RADIO AND MACHINE WORKERS (UE)

ARE SPONSORING A

PEACE RALLY

SUNDAY, MARCH 18th, AT 2:00 P. M.

AT THE U.E. HALL — — — 16 STEEL ST., WELLAND

MAIN SPEAKER:

J. G. ENDICOTT, of TORONTO.

Comrade Endicott has just returned from Communist Poland, and other countries behind the Iron Curtain. Comrade Endicott will explain

- Why he supports Communist aggression in Korea
- Why Soviet Russia needs 2 1/2 million men under arms
- Why there should be no conscription in Canada
- How much happier people are under Communist rule.

OTHER SPEAKERS

Leading U.E. and Communist members in the Niagara District.

A SPECIAL INVITATION

People who have not yet joined the Communist Party will be particularly welcome at this meeting, where you will have a chance to meet and talk with leading Canadian Communists. The Communist Party seeks the way of peace under the leadership of the great leader Stalin.

COME ONE . . . COME ALL!!

For further information contact:
M. Bosnich, U.E. Business Agent, Phone 4340
Doug Campbell, Chairman Welland Section LPP,
Phone 7087