

Placement, downgrades, prices, and layoffs continued to plague the union last week but much progress was reported in handling the multitude of problems.

Ralph Vitalo, union coordinator, reported 15 successful placements in building 273, after lodging complaints these people had been placed on lower rated jobs by the company.

He said there is at least another 15 persons whose complaints are now being processed and that these placements are taking place within the department from one job to another.

He added that placements are taking place as rapidly as possible but that the problem-load increases faster than can be handled.

Vitalo expanded on some of the problems facing the union throughout SR & U and Steam Turbine depts. He cited these examples:

The wife of a union member has been in poor health, and she had to take a rest in Florida. The union member has 17 years service. When it was time for his wife to return, he asked the company for his two weeks vacation so he could drive to Florida to bring his wife home.

The company refused to give him his vacation but said he could have two weeks off without pay to make the trip. The company said he could have the two weeks off without pay because his group was going to be shut down.

The union argued that the whole dept. should be shut down and not a portion of it. The company finally agreed to giving the man his vacation with pay.

Another problem was the apprentice program in the erector group. Vitalo said that due to a lack of work, erectors were being laid off but that apprentices were doing production ordinarily done by the erectors.

Union officials and supervision met on the problem and as a result 15 of the 24 apprentices were taken off the jobs.

Vitalo said that the union's efforts were successful but added that there is still much room for improvement and that the negotiating was costly in lost time for the union.

It can happen here as well as in Bloomfield. In fact it has happened here since the introduction of decentralization.

Here's the most recent typical example as reported by A. Townsend, assistant business agent.

Kay LeVay has been a General Electric employee for 29 years. She started in February, 1930. Yet today she is without a job because her department is no longer in Schenectady.

She has certain physical limitations but she could easily handle the job she had before the Aeronautical department left the city.

She was laid off in the middle of last year and has been without a job since - despite her 29 years service.

Townsend said the union had made several proposals, such as setting aside one building for light work, but there have been no result so far.

MEMBERSHIP VOTES TO WAIVE BUILDING FUND

The membership of Local 301 voted Monday to temporarily waive Article XXV in the Constitution which provides that fifty cents per capita be placed in a strike, defense and building fund.

The temporary waiver was recommended by the Constitution committee until the union's income is increased either through increased membership or increased dues income.

AREA COUNCIL TO ELECT OFFICERS

Schenectady Area CIO Industrial Council will elect officers Mar. 24, at a meeting in Steelworkers Hall, Clinton St. Nominations were submitted last week. They were: J. Cagnetta, Local 301, IUE, Dave Danzig, Local 2054, Steelworkers, president; J. Sutliff, Glove Cities Area Joint Board, Amalgamated, Vice-president; W. Martin, Local 301, IUE, financial secretary; S. Holland, textile, treasurer; H. Kaminski, local 301, recording secretary; S. Kappel, sergeant-at-arms, Local 14, insurance workers.

For trustees: E. Lucas, Local 318 Steelworkers; H. Chrisman, Local 1712, Amalgamated, S. Conaway, Local 301-AE, IUE; K. King, Textile.

LOCAL 301 NEWS

IUE - AFL - CIO

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NEW LOOK AT PROFIT MARGIN NEEDED AT GE

The Tennessee Valley Authority this week came through with an explanation as to why it awarded a British firm a contract for a large steam turbine generator.

And the report made the General Electric Company look like a profiteering, monopolistic corporation caught in the embarrassing position of having its pants at half mast.

But the report did more than that. It showed that perhaps GE has been underestimating the capabilities of some of its smaller competitors. As a result, the mistake in judgement cost the company millions in profits and millions more to the economy of Schenectady, the State and the Nation.

This would seem to indicate that perhaps GE would do well to take a new look at its policies for those two basic reasons; So it can pay its stockholders and so it can pay its employees.

The TVA report was lengthy, as it needed to be to answer all the hints and implications published during the last few weeks since the British firm won the contract.

But some of its points were elementary and deserve some space here. For instance: For some time TVA has been concerned by the rising prices of turbogenerators. There are only three American firms which manufacture these generators. Since 1951, the prices charged by these manufacturers have increased by more than 50 per cent, while the average wholesale price of all commodities has increased only about five per cent.

The evaluated Parsons bid was more than \$6 million lower than the evaluated bid of GE and Westinghouse. The Evaluated GE and Westinghouse bids were nearly fifty per cent higher than the Parsons bid.

TVA stated when it advertised for bids that it would give the contract to an American firm if the bid did not exceed the lowest foreign bid by 20 per cent. This price advantage given U. S. firms was in addition to the import duty which would have to be paid by the foreign manufacturer.

Therefore the price advantage enjoyed by the American firms was more than \$4 million in just these two areas. And the foreign firm had the added costs of trans-ocean shipping and marine insurance.

The TVA report disputed the argument that wages played a large part in the American firms' inability to compete with foreign companies. It pointed out that differences in labor costs would be in the neighborhood of \$1.5 million, or less than half the price advantage provided for the domestic manufacturer.

In fact, the report said, it appears that the import duty alone is adequate to protect U.S. turbo-generator builders against differences in labor costs.

It seems obvious that GE and Westinghouse either goofed in their estimates concerning the abilities of the foreign markets, or simply ignored the facts expecting to pressure TVA in to awarding them the contract on the superficial basis of national security.

The bids submitted by the two giant American corporations were so close as to be infinitesimal in terms of millions. GE had the lowest base bid. Westinghouse had the lowest evaluated bid. As to who would have gotten the work if Parsons had not entered the picture is anybody's guess.

But one thing is sure, these two companies, for their own sake, the sake of the employees and the good of the nation, should start recognizing there is now competition in the heavy electrical apparatus field and that in view of the foregoing facts, re-evaluate the profit margin in that field as well as in their other manufacturing endeavours.