

# IUE-CIO LOCAL 301 NEWS

OFFICIAL ORGAN OF LOCAL 301,  
REPRESENTING SCHENECTADY  
GE WORKERS

Published by the Editorial Committee  
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## Carey Asks Investig. Of American TVA Bids

President James Carey, IUE, AFL-CIO, called on the Justice Department to institute an investigation following the publication of a list of identical bids by electrical companies for the sale of equipment to the TVA.

In his letter to the Attorney General, Carey stated "The TVA has published information showing that GE and other electrical companies have submitted a number of identical bids to TVA for the sale of equipment.

"We urge the Department of Justice to institute immediately an investigation to determine whether or not GE and the others have engaged in a conspiracy in restraint of trade, in violation of the law," he added.

An article appearing in the Journal of Commerce, dated June 25, 1959, carried the following headline, **GRAND JURY INVESTIGATING ELECTRICAL FIRMS' BIDS.** It indicated that the Grand Jury has taken action in investigating the records of 35 companies.

(See pages 2 and 3 for further information on TVA Bids).

## On The Labor Front

Next time you hear that gag about unions having become "too powerful" and, just as too-powerful corporations once had to be restrained by law, must now be put in their place . . .

When you hear that, you might tell the gagster a few still-remaining facts of union life, such as:

Item, Hotel workers union in Miami, after successful four-year drive to sign up big hotels there, announced it would push for a raise of workers' minimum pay to \$1 an hour — from present 85 cents an hour!

Item, The obscene and indecent picture of NY City hospital workers, denied the minimum basic right of collective bargaining, being virtuously lectured by the powerful NY press (with one honorable exception, the Post) that they must be law-abiding and not strike! In other words, that they must keep on working, without protest, at \$32 to \$38 a week!

It doesn't seem, from things like that, that unions are nearly strong enough.

THE McCLELLAN SPECIAL SENATE COMMITTEE, investigating "union racketeering" though it is equally required to look into improper activities "in the management field," found itself the other day with undenied testimony that respectable newspapers (including the Times, Herald Tribune, Mirror) paid bribes to ex-convicts and other racketeers to assure delivery of papers

... But nobody in Congress has, as yet, proposed a Management Reform Bill to make management hew to the line of pure virtue, Why?

\* \* \*

THE PRESIDENT OF THE US, along with others high in the counsels of employer groups and the GOP have committed themselves to the theory that higher wages bring higher prices and hence inflation. Organized labor has long pointed to evidence that this ain't necessarily so . . .

NOW COMES Padraic Frucht, economist for the US Chamber of Commerce (spokesman for employers and employer groups) who says—in panel discussion sponsored by Purchasing Week magazine—that

"There is no substantial, solid evidence that union wage pressures have been major causes for increasing prices."

STRIKE OF RUBBER WORKERS UNION, LOCAL 511, against that O'Sullivan Rubber Company, makers of "America's No. 1 Heel," at Winchester, Va., entered its fourth year on May 13. The strikers, all local citizens, walked out May 13, 1956, over failure to negotiate a contract, and have since been "decertified" by that Taft-Hartley device which permits only strikebreakers to vote in a collective bargaining representation election.

\* \* \*

JOHN L. LEWIS, now 79, told a House labor subcommittee that all labor reform bills were weapons of the rich to oppress the poor, that would fasten "a cast-iron chastity belt around the waists of 16,000,000 men" in organized labor. He thought there were laws enough now against crooks—in or out of labor—but they weren't always enforced.

(Note: Congress is not considering an employer reform bill, although obviously there are also crooked employers).

\*Reprinted from "Front Page"

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# LOCAL 301 NEWS

## IUE - AFL - CIO

VOL. 5, No. 54

The Voice of GE Workers, Local 301, IUE

July 17, 1959

### "I.U.D. PLEDGES FULL SUPPORT FOR STEELWORKERS" - REUTHER

WASHINGTON - "THE INDUSTRIAL UNION DEPARTMENT, AFL-CIO, PLEDGES ITS FULL SUPPORT AND ASSISTANCE TO THE UNITED STEELWORKERS OF AMERICA IN ITS EFFORTS TO NEGOTIATE A FAIR AND EQUITABLE CONTRACT WITH THE STEEL INDUSTRY," WALTER REUTHER ANNOUNCED.

The Steelworkers Union has been negotiating for over two months. During that period, the union has laid before the corporations facts fully supporting its case for wage increases and other contract improvements. During this period, the steel industry managements have rudely brushed aside the facts and have refused to enter into good faith bargaining.

The steel industry's attempts to use steelworkers as whipping boys for inflation is a hypocritical propaganda maneuver to hide the industry's own guilt for inflation through its selfish system of administered prices. Despite the industry's refusal to enter into good faith collective bargaining, the union, nevertheless, continued to negotiate for two weeks beyond its contract expiration date, as requested by President Eisenhower.

The facts prove fully the union contention that the steel industry can grant substantial wage increases and other improvements because of technological progress within the present price structure. This has been borne out by a fact sheet recently released by Senator Estes Kefauver, chairman of the Senate Anti-Monopoly Subcommittee, which has thoroughly studied the economics of the industry.

Senator Kefauver has pointed out that any past rise in labor costs "has been substantially exceeded by increases in steel prices" and that the "increase in steel prices in 1957 was at least twice the increase in costs resulting from the wage adjustments called for in contracts between the steel companies and the united Steelworkers."

Members of the United Steelworkers have earned wage increases and other contract gains through their increased productivity. So great is this productivity that the steel industry today is pouring record tonnage with 10 percent fewer workers than were employed three years ago. Today, the basic steel industry provides employment for some 510,000 workers. This is 60,000 fewer than were employed in 1953. Employment today is lower even than in 1937.

High productivity has been translated by the steel industry into record profits. Unit labor costs today are lower than in June of 1958. There is no doubt that the steel industry can pay substantial wage increases within the present price framework.

Throughout the postwar period, the steel companies have raised prices \$3.00 for every dollar increase in labor costs. U.S. Steel's net profit margin per ton of steel rose from \$6.00 in 1948 to \$14.50 in 1956 and \$18.00 in the first nine months of 1957. In the fourth quarter of 1958, this net profit jumped to \$19.37 per ton and was even higher in the first quarter of this year.

In the first quarter of this year, the steel industry's net profit exceeded all expectations. These profits are climbing to still higher levels and when second quarter profits are reported the steel industry is expected to have riches of such magnitude that they should be cause for embarrassment.

Instead of facing up to its responsibilities, the steel industry has embarked on a mass campaign of false propaganda designed to shift the blame for inflation from its pricing policies to the wages of its workers. It would have the nation believe that a \$3 per hour wage is somehow synonymous with sin while record profits are non-inflationary. It would have the nation believe that steelworkers earn an average of \$6,000 a year, although the industry's hourly rated employees have averaged 40 hours of work on a year-round basis only once in the past 14 years.

Behind its smokescreen of propaganda, the steel employers have moved to destroy wage levels and working conditions won through collective bargaining during the past 18 years. They have demanded contract retrogression that seeks to reintroduce company unionism as the price of a new contract. They know full well that such conditions cannot and will not be accepted.

(continued in Column #2)

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