

April 3, 1959

GE's Promises After No-Strike Vote Empty; Economic Picture Worsens

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 Examples could be cited for page after page. But still, this was not supposed to have happened if Local 301 did not strike.

Well, Local 301 did not strike. The members turned out in full force, over 10,000 of them, and placed their faith in the good words of GE which promised that without a strike, the future would be bright.

Review the Facts

So now it's time to review some of the facts. It's time to ask GE if it intends to carry the tremendous responsibility placed on its shoulders when the union membership voted against a strike and kept the whole of the GE chain from closing down.

With all of the company's promises, it was only two days after the no-strike vote that GE cancelled all further negotiations, something it would not have dared to do had Local 301 voted to strike if no settlement was reached.

And the company's policies have continued in that direction ever since, to the detriment of the union members, the office workers, the engineers and the whole community.

Union Compromise

The union had an eight point program calling for employment security. But Local 301 said we would consider a compromise for two of the points: Stop farm outs and halt decentralization. But no agreement could be reached with the company on these basic needs. Schenectady has long been the home of General Electric. It was born here, reared here, educated here; it grew under the skilled workmanship of schenectady men and women.

Those in control are now moving it out so that similar work done here is now being done in Pittsfield on one side and Binghamton on the other. The plants in these cities are crying for the kind of skilled help Schenectady has and is not using.

An urgent call went out last week from Pittsfield GE for tool-makers and machinists. Many were needed. Yet Schenectady has such skilled people either walking the streets looking for jobs or pushing brooms for lack of work that used to be done here and can still be done here.

Department Moves

Just review some of the most recent department moves. Five thousand hourly rated employees lost their jobs because GE moved Control Departments to the south and to the west. Eighteen hundred more hit the streets when aeronautics moved to Binghamton, Burlington and Philadelphia; 800 more were without an income when porcelain moved to Baltimore and another 500 were jobless when Industrial Heating moved to Shelbyville.

Why? Why is GE determined to desert these people with a high degree of skills, move to other areas where these skills are not available and sometimes even refuse to hire Schenectady people who followed the company to wherever it has moved.

Company Won't Answer
 The company has never given a satisfactory answer as to why it was leaving and has certainly never tried to explain its moral attitude toward the persons most directly affected.

Men who have spent their lives learning skills have been downgraded so often many are doing cleaning jobs. Yet these men and their skills are desperately needed at other GE plants.

Not too long ago, GE was pondering on where to build a new aeronautics order. When someone mentioned Schenectady which already has the buildings and skilled help, he was nearly fired. GE appears to have a fantastic obsession to make this city a ghost town. The company and various other influential forces in the city have repeatedly tried to lay the blame on labor's doorstep.

Labor Cooperates

Yet it is labor that is first to jump when co-operation is sought in making the thousands of changes now going on in manufacturing techniques. Labor is the first to recognize the need for progress but labor also recognizes the need for re-training of employees rather than just throw them into the streets.

A recent good example is the Harris Co. This company is made up of a group of efficiency experts who have been proposing considerable changes in large motor and generator department after being hired by GE.

The union will never obstruct progress in manufacturing techniques any more than the company will. But the union will insist that human values be kept in sight when these changes are being made.

Human Value

The human value is something the company talks about but it never does anything about. Profits are an absolute necessity in any business but certainly of equal value is a man and his family.

We have frequently pointed out that perhaps GE would do well to

take a new look at its profit margin where large steam turbines are concerned unless it continues to lose contracts to foreign bidders as has happened several times in the last few weeks.

GE and Westinghouse have for a long time held a monopoly on these big turbines. Not any more. Allis Chalmers, a midget beside these two giants, recently won a turbine contract by cutting its prices 10 per cent.

If the small companies can do this, so can GE and Westinghouse. In fact, if the employment problem continues to grow worse, its conceivable that the work could be done for cost just to keep the bread-winners on the job.

Attitudes

For the last few months, a committee has been meeting on the employment picture. The committee has been represented by every segment of the community and one of the things it has discussed at length is "attitudes."

The attitudes that come under scrutiny for the most part were those of persons working in the shops. In other words union members. It was felt the attitudes of these persons were not favorable for good industrial development.

The fact that these same persons live in daily fear of losing their jobs was suggested but was not taken into account seriously. But the attitudes of management received little or no scrutiny. Yet here is a recent case:

A woman with long service was laid off. She is 60 years old. She needs four days of work, eight hours each day, to qualify for a pension of \$61.45. That's all, just four days.

But if she doesn't get the four days, her pension will go down to \$16.45. And the case has been brought to the attention of top management. They have refused to intercede and get her those 32 hours of work.

Bad Example

The attitude of these persons in management is hardly one setting a good example for the average worker who looks for some semblance of leadership from the captains of industry.

And it is hardly the kind of attitude the committee was trying to reach in its many lengthy discussions. In fact it is the kind of attitude even the most timid would censor. Perhaps the committee will censor these attitudes once they are brought to the public's attention.

There are other areas which deserve some exploration. For instance, there has been continual

talk of diversification. Opinions are practically unanimous that this is a need.

But how is this accomplished? Obviously, with layoffs continuing here at GE alone of some 50 a week, bringing in a new small plant here to employ 20 to 50 persons within the next year or so is not going to help.

Decentralization

But there is a standing plan now in operation at GE which was made to order for diversified industry in Schenectady. That is decentralization.

The main point of decentralization is to make each separate department competitive under the supervision of one manager who is responsible for the success of that department.

In other words, each of these departments have become separate businesses capable of competing with the various small companies which have been slowly eating into some of the profits GE has been accustomed to receiving.

Isn't this diversification the best tradition? What possible difference can it make what or who owns the small department producing something entirely unrelated to the large steam turbines? And what possible difference can it make as to where the department is located if the company makes a fair profit?

'Operation Upturn'

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be collecting between \$40,000 and \$50,000 a year for nothing.

Certainly these figures give an indication why, from the Big Three point of view, Operation Upturn has been a huge success.

But there are other figures more familiar to the average working man which from his point of view are not too rosey.

In particular and the easiest to understand, is the rapid growth of unemployment and the continual downgrading within the shops.

More in general, however, are some of the statements made by Cordiner himself who said the rise in company income was due to vigorous efforts aimed at cost reduction and improvements in production.

Profits in GE during 1958 increased by \$16 million yet sales declined by \$28 million. No where in the report does it explain how more profits are made with less sales. Most conclusions are that prices were raised, speedups started and more workers laid off.

FILM PREVIEW BIG SUCCESS TV SHOWING IS SUNDAY

Community and union leaders Tuesday night previewed the IUE film "Help Wanted" and if the meeting was any indication, the television showing Sunday afternoon should be a huge success.

Over 100 persons attended the preview of the film which frankly discusses the result of decentralization on various communities where the program is underway.

"Decentralization" is a program undertaken by General Electric in about 1952 to cut down the size of all large plants and move departments to smaller communities in the South.

The film is slated to be shown on Channel 10 Sunday afternoon from 3:30 to 4:00 p.m.

It is a film which concerns Schenectady directly because of the tremendous drop in employment here at the local plant since departments started moving. The number of jobs moved out comes to nearly 20,000.

Among community leaders present were Mayor Kenneth Sheldon, City Manager Arthur Blessing, Councilman Dr. Fred Isabella, Superintendent of Schools Robert Murray, and his administrative assistant Bernard Haake.

The following vacation shut downs have been announced by the Company:

DEPARTMENT	WEEKS BEGINNING
Equip. Dev. CART	June 29 & July 6
Power Tube	July 13 & July 20
Foundries	July 20 & July 27
Gas Turbine	July 27 & Aug. 3
Insulating Mat.	July 27 & Aug. 3
L M & G. Carbon Products	July 6 & July 13
Light Military Electronics	July 27 & Aug. 3
SAC-Small Motors	July 6 & July 13
Wire	July 6 & July 13
MAC-Medium Motors	(Partial), July 13 & July 20

All other Departments - No shutdown

PACELLI SHOWS HE'S ANTI-LABOR BY ATTEMPTING TO SPLIT LOCAL 301

Mario Pacelli, who claims the dubious distinction of having been a member of every major labor union in the area, is showing what an active union man he is by attempting to split the ranks of Local 301.

Pacelli is running for a post on the city board of education for the third time, having been defeated twice in the past.

In the many times Pacelli has been a candidate for the School post he has never come near organized labor. Now, when labor has its own candidate, he claims to be a labor man and attempts to split the union.

Leon Novak, Local 301 attorney for the past 12 years, is also running for the post and is being backed by organized labor.

In the past issues of this paper we have tried to present the union's candidate only in a constructive manner ignoring some of the claims and intimations made by his opponent.

However, it now has become necessary, due to the seriousness of Pacelli's accusations, to get the truth to the union membership.

Pacelli says he will cut taxes. He says he will cut taxes by eliminating the public information office in the school system and by cutting into some of the vocational courses at Linton High School.

These are the only areas he has mentioned specifically for cutting taxes. Obviously these eliminations would not cut taxes one dime and would work a hardship on the school system.

There are actually only two areas where any taxes could logically be cut: Salaries for teachers and maintenance of buildings.

Any IUE member knows that wages for teachers are not high; in fact they are generally not high enough in many instances.

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