Industrial Relations Alumni Association
UNIVERSITY OF CALIFORNIA, LOS ANGELES

IIR newsletter

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NO MEETINGS ARE SCHEDULED FOR JULY AND AUGUST

Because of summer vacation no meetings are scheduled for the months of July and August. However, your Executive Board will be meeting in August to discuss and plan a series of exciting new programs starting September 1966.

As a service to you, we are planning to feature a comprehensive editorial in each IIR Newsletter. The article will comment on some aspect of labor-management relations to keep you aware and informed of the numerous and varied trends in this field.

"LEGALLY REQUIRED COLLECTIVE BARGAINING" by Ben Nathanson

Walter Reuther of the United Auto Workers and I.W. Abel of the United Steel Workers recently demanded annual salaries for the factory worker members of their unions. The widespread publicity concerning these demands brings into focus once again the subject of what is appropriate to "free" collective bargaining, and whether collective bargaining is, in fact, free.

Prior to passage of the National Labor Relations Act in 1935, the employer was free to choose whether to recognize a union at all. And if he made, or was forced into, a decision to do so, he could then elect to bargain about which of his employees were to be in the group on whose behalf he would recognize the union as spokesman. Thereafter, the employer continued to have freedom of choice as to the issues he'd agree to bargain about with the union. The union on the other hand, had only one alternative, the freedom to strike - - a fact the employer tacitly acknowledged.

The passage of the Act effectively changed such voluntary bargaining by the employer to compulsory bargaining. He was no longer free to recognize or not to recognize the union under threat of a strike. The law now made it an "unfair labor practice" if he refused recognition once the union qualified under the terms of the Act. Moreover, the law also defined which employees were to be included in the group represented by the union. And finally, the law endeavored to define the scope of issues subject to collective bargaining. Specifically, Section 8(d) of the Act states: "For the purpose of this Section, to bargain collectively is the performance of the mutual obligation of the employer and the representative of the employees to meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment, ..."

This dictum became seemingly limited in the statement of policy contained in an amendment passed in 1947, when the National Labor Relations Act, as amended, became known as the Taft-Hartley Act. The statement reads: "It is the purpose and policy of this Act, in order to promote the full flow of commerce, to prescribe the legitimate rights of both employees an employers in their relations affecting commerce, to provide orderly and peaceful procedures for preventing the interference by either with the legitimate rights of the other . . ."

What are these rights as pertaining to the employer? Among them are thought to be matters peculiarly considered as "management prerogatives." These are variously described, interpreted, and arbitrated by the parties to a collective agreement. But unilateral application of these rights has been repeatedly shot down. Pensions, for example, were once considered as excluded from the definition of "wages, hours, and other terms and conditions of employment." But the United States Supreme Court ruled otherwise.

Matters not discussed in the negotiation of a current agreement were considered by management as not subject to arbitration nor, therefore, to mid-contract collective bargaining, since such matters were obviously not included in the contract's terms. Again, the United States Supreme Court ruled otherwise. Employers are now drafting language designed to recover this freedom from bargaining on subjects about which the contract is silent. These clauses are yet to be tested.

What is the "legitimate right" of an employer; what may he insist upon as unquestioned prerogatives? They might include the determination of the type of product to be manufactured, the manufacturing processes, the price to be charged for the product manufactured, location of the plant, sales methods, advertising policy, sale of stock and to whom, percentage and allocation of profits earned, and the selection of management representatives. Yet all of these have been subject to challenge by various unions, sometimes under the terms of the Act, sometimes in the courts, sometimes on the picket line, and sometimes put to the test of public opinion. None is sacred.

Thus, a contract may contain any agreement on any matter the parties mutually consent to which is not expressly forbidden by law. But additionally, the phrase "wages, hours, and other terms and conditions of employment" is gradually being legally interpreted as including any matter that may be broadly considered to affect the terms and conditions of employment.

The subject undoubtedly lends itself to greater detail of description not possible because of limited space, as well as to debate. But that the employer's freedom in "free" collective bargaining is increasingly circumscribed is a matter of daily record.

We would appreciate your comments on this article... Send your "Letter to the Editor" to: Rita Sann, Institute of Industrial Relations, UCLA, Los Angeles, 90024.

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Past Program

At our last meeting, June 23, 1966, a small group of members of the Alumni Association toured the new dental clinic of the Los Angeles Hotel and Restaurant Employer-Union Welfare Fund. Dr. MacQueen, Director of the Fund, and Mr. Kirsten, the Administrator, guided the group through the clinic's facilities and administrative offices. Dr. MacQueen summarized the history of the clinic and explained the group-practice approach which insures quality control of dental coverage as well as cost control over available funds. The clinic has a combined professional and clerical staff of approximately 120 persons. It operates on an average monthly budget of $96,000 and provides dental services for about 35,000 members and dependents of the Hotel and Restaurant Employees. Mr. Kirsten guided the group through the offices in the building and commented on the numerous administrative tasks and services which are necessary to maintain the dental facility.

Our thanks to Dr. MacQueen and Mr. Kirsten for this very informative tour. We have gained insight and appreciation of a pioneering approach to health and welfare benefits for employees.

CERTIFICATES AWARDED IN JULY 1966

Janet Fazio	(Los Angeles)	Daniel Mwangi	(Los Angeles)
Richard Herczog	(Los Angeles)	Gordon O'Neil	(North Hollywood)
John Kutich	(Torrance)	Hugh Winsett	(Redondo Beach)

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Employment Referral

Young man seeking an Industrial Relations position within Ventura County.
Experience - over three years Industrial Engineering including Personnel training.
Education - B.A. and Certificate in Industrial Relations

Please write PERSONAL RT. #3
Box 545
Camarillo, California

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MEMBERSHIP APPLICATION

INDUSTRIAL RELATIONS ALUMNI ASSOCIATION

Name (print) _____ Phone_____Bus. Phone_____

Residence address _____ City _____ Zone_____

Occupation _____ Title _____

Employer's Name_____Address _____

City _____ Zone _____ State _____

I hereby apply for membership in the Industrial Relations Alumni Association. Enclosed please find my check of $5.00 payable to the I.R. ALUMNI ASSOCIATION. (Please clip and mail to Rita Sann, Insititute of Industrial Relations, UCLA, Los Angeles, California 90024)

Date _____ Signed_____

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