

# IR newsletter

Volume 9 - No. 2

January 30, 1968

Date: Tuesday, February 20, 1968

Time: 6:00 P.M. - No Host Cocktails  
7:00 P.M. - Dinner - \$3.75  
8:00 P.M. - Speaker

Place: THE BOARDROOM RESTAURANT  
3361 West 8th Street  
Los Angeles, California

Speaker: Paul Schrade

Subject: COMMUNITY UNIONS

Please make reservations by calling Rita Sann, 272-8911, ext. 2425 or returning the enclosed self addressed card by February 15, 1968. If you are unable to attend the dinner, you and your friends are welcome to hear Paul Schrade's talk at 8:00 P.M.

## NEWS BRIEF

## ON SPEAKER

## FOR

## FEBRUARY

Paul Schrade of the United Auto Workers has served on the International Executive Board of that Union since 1962. Active in the UAW since 1948, he was elected four times president of Local 887 at North American Aviation in Los Angeles, and was administrative assistant to Walter Reuther for four years.

Mr. Schrade has advocated the creation of community unions for slum residents to combat poverty and unemployment well before the Watts riots of 1965. He has helped to organize community unions among the poor in Delano, Watts, and East Los Angeles. In addition to these activities, Mr. Schrade serves on the boards of the National Farm Workers Service Center, the Watts Labor Community Action Committee, and the Constitutional Rights Foundation, as well as on the national boards of Americans for Democratic Action and the Social Development Corporation.

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James D. Hodgson, Corporate Director of Industrial Relations at Lockheed, discussed the position of the "No-Longer-So-Blue-Collar Worker" in today's labor force. In his insightful and witty presentation of an intriguing, new phenomenon -- the blue-collar labor force elite -- he pointed out that industry's personnel management techniques are out of step with the rapidly changing blue-collar work force; management badly underestimates the new sophistication of the blue-collar man; the "sheep vs. goats" demarcation between blue and white-collar employees is destined to oblivion; the "satisfied" worker must be replaced by the "stimulated" worker as the goal of personnel policies; and, most important, both collective bargaining methods and industrial relations practitioners must show imagination and innovation to prepare for tomorrow's environment.

Mr. Hodgson explained that we are today the only society whose total production has increased while its employed labor force has decreased. Thus, the opportunities for selectivity have become greater, and industry's investment and upgrading of its production force have increased as well. The average wages of today's blue-collar man have actually surpassed those of his white-collar counterpart, and the blue-collar work force has emerged as the "new elite." In the aerospace industry, upgrading of the blue-collar labor force has accelerated even faster than in other industries, accompanied, however, by sharp cutbacks in low-skilled jobs. What the production work force lost in quantity it has gained in quality, and today's blue-collar worker almost entirely American born and American educated, is more skilled and more sophisticated than most of us realize. A few months ago, the

Wall Street Journal described this change in worker values as follows:

"The extent to which blue-collar wage and benefit increases have been creating what is in effect a new class, blending traditional blue-collar and white-collar spending habits, social customs and ways of thinking, is perhaps not so well realized. But this has become the most striking of all blue-collar trends."

As the "war baby" crop reaches maturity and floods the labor market, its members not only have more education but bring a whole new sense of values into the factories. And in response to this changing environment, innovation in bargaining methods as well as imagination in motivating the blue-collar worker are needed.

With respect to collective bargaining, Mr. Hodgson pointed out that today too many men on both sides of the bargaining table bargain about a worker who no longer exists. Today's bargaining should be tailored to a man whose knowledge of the depression is dim, who has a good basic education, whose economic status prompts him to think in terms of career employment, financial planning, and an increasing share of the good things in life. Mr. Hodgson presented an example of innovation in collective bargaining: negotiations between Lockheed and the Machinists' Union in 1965 included a matching employee savings plan, traditionally used for salaried personnel, tailored to the needs of blue-collar workers.

Concerning personnel policies, Mr. Hodgson emphasized that the motivated worker is far more desirable than the satisfied worker; morale and productivity are not always related, and good wages, benefits, and working conditions do not insure good motivation. The job itself is the principal source of motivation, and participation in problem-solving in job-related matters is one of the most effective means to stimulate and maintain a worker's interest in his job.

In concluding, Mr. Hodgson stated that companies today have a tremendous investment in their blue-collar work force, and the time may come when that work force will be regarded as much a capital asset as a labor cost.

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COMING  
EVENTS

In March, our speaker will be Abe Levy, attorney with Levy, DeRoy, Geffner & Van Bourg. His topic will be "Social Insurances: how will they fare in the legislature, and at the gentle hands of the Reagan administration."

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CERTIFICATES AWARDED IN JANUARY 1968

Donald F. Adams	Glendale
Keith A. Beckman	San Diego
Richard R. Bregel	Pacific Palisades
Frederick W. Cole	Granada Hills
Glenn W. Howard	Sylmar
Robert J. Hutchison	Fullerton
Hugo H. Larsen	South Gate
William J. Mellis	Torrance
Wilbur D. Miller	La Habra
Philip Sardo	Alhambra
Jane S. Walker	West Covina