

Full Text of Address by
Matthew A. Kelly*

Delivered at 65th Annual
Convention, Printing
Industry of America
Statler Hotel, Boston
October 25, 1951

1951 ANNUAL REPORT: INDUSTRIAL RELATIONS DIRECTOR AND

SECRETARY UNION EMPLOYERS SECTION

In a sense this is a report of my stewardship. It was just about a year and one half ago that I tendered my resignation at Princeton University and informed authorities that I had decided to lay aside the cap and gown to join with you and the Printing Industry of America in striving to make one of the country's leading industries a more productive, resourceful and economic entity.

I want to take this opportunity, by way of a few personal remarks, to tell you and our entire membership that I have never once regretted this decision. That is not to say I haven't on occasion thought longingly of those far away days of relative serenity in the exalted chambers of the ivory tower. I will ever cherish the memories of my teaching days and ever respect the sense of duty, responsibility and devotion to the lofty principles of education which prompts men, often in the face of considerable personal sacrifice, to remain a part of the campus life. But to me the challenge of the daily problems we encounter and the feeling of accomplishment in being a part of an organization and an industry which by and large, successfully meets these problems through its forthright, intelligent and cooperative approach, is overriding.

There is, I have discovered, much truth to the legend of "printers' ink". No matter the role one plays in the industry, it is indelibly impressed upon one's fingers and in one's blood. Sometimes I think that the glowing feeling of pride I have in being a part of you, your organization, and your industry is occasioned by your own personalities. The friendships I have made among you, your officers and your executive bodies, and among your employees and in the printing trade union movement generally, are innumerable.

But as highly as I value these friendships, and to me they are inestimable, the industry itself as distinct from its personalities has an attraction. Printing, and I use the term in its generic sense to cover the graphic arts in its entirety, is a way of life which, in the business community at least, embodies many of the freedoms and characteristics traditionally cherished as a part of democratic capitalism and the free enterprise system. There are already far too few areas of industrial activity in which success in this business sense is for the most part freely attainable by all who can combine a high quality of individual workmanship and the artistry of a craft with managerial know-how. In this era of big business, huge financial demands and concentration of production, it is gratifying to be part of an industry which continues to offer an outlet to an individual's ingenuity, enterprise and business acumen no

* Industrial Relations Director and Secretary, Union Employers Section
Printing Industry of America.

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matter how meager his initial capital investment or how small his undertaking.

Each of us has his own reason for being attracted to this industry, but attraction there is. Few individuals whether they be employer or wage earner, clerical employee or production worker, look upon their activities in the industry as just another job and just a way of keeping bread on the table. There is a general feeling of pride in being associated with the industry, and it is all part of the printer's ink tradition. I am proud to be sharing this feeling with you. In all sincerity I want to thank each and every one of you for the splendid cooperation you have given me in what I hope will be the beginning of a long period of association with the industry. In particular I want to thank the UNS officers and executive committee and the local association executive secretaries for their patience and tolerance in guiding me in my initial efforts. Such progress as was made by the Union Employers Section in helping the industry cope with the many complex problems of labor relations encountered over the year could not have been achieved without the kindly assistance, the untiring effort and the invaluable advice of these experienced leaders of the industry.

The Setting

For the printing employer the past year has been a critical one. Except for the war years and perhaps the days of the NRA, he has never seen so much government in business, nor encountered so much red tape in trying to conform with copious and often contradicting regulations, directives and resolutions governing the materials and supplies he could obtain, the prices he could sell at, and the wages he could pay. In many ways the hectic sea of confusion which engulfed him became more like the bewildered thirties than the war days of World War II. While the instruments of government control which came into being looked almost identical to their wartime predecessors, they fast took on new forms. At least there was a reasonable degree of uniformity in action and singleness of purpose among the several agencies of control during the war. But the past year has seen government agencies start in one direction, skid to a halt, do a turnabout face, and start up again headed in an entirely new direction. We have had so-called conservation regulations promote wide-scale buying sprees; price freezes which were ostensibly designed to prevent inflation leaving uncontrolled the price of the basic essentials of the bread basket; wage regulations designed to take care of an anticipated rise in the cost of living, being supplemented by regulations which in essence allow paying twice for part of the increase in living costs. And so it went; regulations to comply with, forms to fill out and reports to file. As though this wasn't bad enough, it frequently turned out that the regulation was legalistically drawn, complicated almost beyond belief and some dozen pages in length; the form had to be filled out in quadruplicate; and the report asked for information which literally took weeks to obtain.

It would be unfair to blame any one person, agency or administrative group for all of this. It was an inevitability in an economy that was neither fish nor fowl, neither war-controlled nor free. Confusion was the product of the times, the inescapable by-product of a nation seeking to battle inflation at the very time national income and purchasing power generally were at unprecedented

levels; of a nation trying to combat a cold war while preparing for the eventuality (yet endeavoring to prevent) a hot one; of a nation invoking partial mobilization in the midst of general apathy and a dogged determination to let nothing interfere with that life of normalcy which business, labor and the people generally had but recently begun to experience and appreciate following the hectic war years and the topsy-turvy years of the so-called transition to peace.

With one exception the printing employer's plight was no different than that of industry generally. The exception, however, added greatly to the seriousness of the times. The printing employer generally found that business was in-and-out. He could no longer count on rapidly expanding markets and a virtually unlimited demand for his products to absorb the staggering increases in costs he was called upon to assume. Competition was tougher. Employers in many instances frantically abandoned what had begun to be generally accepted as sound accounting practices and a sensible pricing policy. Concern for the necessity of covering average costs with a proper allocation of overhead and other fixed charges to each job performed, was frequently held secondary to the short-run objective of "keeping the presses full". In brief, printing employers experienced what other "soft industries", to use the economist's term, were going through -- keen price competition, tighter markets, spotty returns. Relative short periods of business slump were followed by sharp upturns in demand only to subside again. Not all printing employers and areas were affected alike and this complicated the problems of adjustment. Naturally generalizations such as these cannot be valid for all employers or all areas. But in general, so it seemed as I traveled the countryside and met with our people, that is the way our business went. Fair today and so-so tomorrow, never really bad, but never really good either.

The Stabilization Picture

That the confusion in the Government's stabilization program was perhaps unavoidable in the light of the times, did not make it any easier to cope with. Moreover, the number and complexity of the controls defies brief summarization. We have attempted to summarize wage stabilization action elsewhere and if any member is interested, he can receive upon request from the Union Employers Section a summary of every regulation, resolution or action of the Wage Stabilization Board and Salary Stabilization Office which affects the printing industry. Nonetheless some analysis of stabilization is necessary here as an understanding of what happened and what is likely to come.

Price Control

First, let us clear the air on price control. Wages and the labor relations picture generally are but part of a whole and ought not to be thought of separately. For while wages are income and the principal basis for satisfaction or discontent to the employee, they are costs to the employer. Wages and prices need not necessarily travel the same path. But they are far from independent and it is well to think of them as two sides to a coin.

In addition, it is perhaps necessary to comment briefly on our status under

price control since it is not clearly understood in all quarters. Apparently some of our suppliers, a few of our employees, and a number of wage control officials labor under the misconception that printing employers are free to raise prices at will.

This is far from the truth. Not only are we rigidly price controlled in a major segment of our work, but competition in many quarters is such that a goodly number of us would like to be able to charge the allowable ceiling price. This is not to say that printing employers have not felt the squeeze of rising costs against an inflexible price ceiling. They have. But while this constitutes a real threat to survival in some areas, the element of competition and the experience of many other section is such that they warrant a concern, on the part of the employer at least, for price "floors" rather than "ceilings".

In any event the industry is currently price controlled although certain of its products are exempted by the Office of Price Stabilization for administrative reasons or because they are held to be non-inflationary. The decontrol of informational printing, as the exempted products are designated in the OPS order, provides this industry with no preferential treatment relative to its status in time of war. In fact the OPS has yet to allow the printing industry the meager benefits of the modest pricing flexibility it had been granted in MPR 225 by the Office of Price Administration during World War II.

There is hope on our part that the OPS will rectify this situation. But to those government officials and others who have concerned themselves for one reason or another with the equity relationships between wage earner and employer under current controls, these facts are clear with respect to price control and the printing industry at least:

- (1) The printing industry is price controlled; and
- (2) Price control, despite the exemption of certain printing products by the OPS, is currently more stringent than the controls which were felt necessary to gear the economy and the printing industry to the total mobilization effort during World War II.

Moreover, it should be reiterated that even if the tailor-made regulation which is currently being considered by the Office of Price Stabilization for the printing industry were to be issued, it would in general provide the industry with no different treatment under price control than was afforded it in wartime by the Office of Price Administration.

Wage Stabilization

In the matter of wage stabilization some clarifying comment is necessary. There have been so many regulations, so many fine distinctions and seeming inconsistencies, that bewilderment is becoming widespread. There are ten per cent and twelve per cent formulas; there are six per cent formulas with five per cent "cut-offs"; there are formulas for general wage adjustments on the one hand and individual employee increases on the other; there is one set of formulas for wage earners and another set for salaried employees; and so on.

Nonetheless there are some things which can be said by way of generalization which may serve to ease rather than add to this confusion. Such comments are not, nor could they be, a substitute for a careful review of the regulations themselves. But these facts should be considered as basic:

- (1) Wage stabilization came into being January 25, 1951, and the principal regulation in the wage stabilization program continues to be the freeze itself. No wage, salary, or compensation of any sort in the printing industry is excluded and increases may be given only if they conform to the provisions of Wage and Salary Stabilization Regulations.
- (2) There are no regulations, resolutions or directives of the Wage Stabilization Board or the Salary Stabilization Office which orders increases to be paid. Sometimes employers as well as employees get confused on this point. Wage and salary increases are permitted only within the limits set down in stabilization regulations. Wage and salary increases are not, under any circumstances, mandatory.
- (3) Although all wage and salary regulations were initially the product of the tripartite Wage Stabilization Board, separate regulations are currently being issued by the Office of Salary Stabilization for certain salaried employees. The Salary Stabilization Office is not directed by a tripartite board and, while its regulation in major part follow those of the Wage Stabilization Board and in some instances are one and the same, there are some differences. Hence, the necessity for keeping the regulations and the coverage distinct.
- (4) In general the rule of thumb governing whether an employee falls under the rules and regulations of the Wage Stabilization Board or of the Salary Stabilization Office is identical with that used by Federal Wage-Hour Officials in determining whether an employee is subject to the overtime provisions of the Fair Labor Standards Act. If an employee qualifies for overtime under the Federal Wage-Hour Law, he is covered by the provisions of the regulations issued by the tripartite Wage Stabilization Board. All other employees, and this includes the highest salaried officer in your employ, are covered by the regulations issued by the Office of Salary Stabilization.
- (5) Although there have been a number of regulations permitting exceptions to be made to the general wage freeze, there have been two major exceptions to date. These are the permissive increases which may be given by way of a general wage adjustment and those which may be made to an individual employee based on merit and/or length of service as the case may be. Other important, but nowhere near so general exceptions to the basic wage freeze, are the regulations and resolutions governing the payment of certain fringes and bonuses and the correction of proven interplant inequities.
- (6) The authorization for the payment of general wage increases is contained in two regulations, General Wage Regulations 6 and 8 (revised). Although these regulations were issued by the Wage Stabilization Board, they have to date been adopted by the Office of Salary Stabilization. Hence

temporarily at least the provisions of General Wage Regulations 6 and 8 (revised) cover wage earner and salaried employee alike. Moreover they apply equally to unionized and non-unionized employers.

- (7) Under General Wage Regulation 6 employers are permitted to increase wages up to 10% above the level prevailing in January 15, 1950. All general wage increases given in 1950 down to the present (and this includes all reductions in weekly hours raising basic hourly rates), and practically all increases in fringe items given in 1951, must be offset against this allowable increase. At the request of the Union Employers Section, the WSB issued a special resolution, No. 63, for the printing industry allowing employers to ignore the complicated task of figuring average wages and to compute the permissible increase simply on the basis of the scale and the key bargaining rates in 1950. Employers need not secure prior approval of the WSB to put such general increases into effect. However, the employers must file a report of such action showing among other things that the general increase does not exceed the permitted 10% formula.
- (8) In addition to the 10% formula of General Wage Regulation 6, general wage adjustments may be given under the cost-of-living provisions of GWR 8 (revised). This may be done without the necessity of adopting a cost-of-living clause in a collective contract or in the published statement governing wage policy in a non-union shop. For example, even though there is no cost of living provision as such, wages may be increased "to restore real wages". What this means is that wage increases may be given to cover the rise in living costs since January 1951 or around 2.3% to date as measured by the BLS National Cost-of-Living Index (National Consumers' Price Index for Moderate-Income Families).
- (9) On the other hand, for employers who want to operate under, or had already adopted, cost-of-living clauses a separate set of standards was established under General Wage Regulation 8 (revised). Cost of living clauses which were in effect at the time of wage stabilization January 25, 1951, may be continued so long as their basic provisions are not changed. Cost of living clauses adopted after wage stabilization, however, may not result in wage increases that are greater than the percentage rise in the cost of living. Moreover, such clauses must make provision for the downward movement of wages within limits if the cost of living declines, and must be based on the BLS national index unless Board approval is obtained to adopt some other acceptable index. As under General Wage Regulation 6, increases under General Wage Regulation 8 (revised) may be put into effect without prior Board approval but a detailed report of such action must be filed.

- (10) Wage increases to individual employees based on merit and length of service, or for promotion, and the like, may be given in addition or as an alternative to the general wage adjustments allowed under General Wage Regulations 6 and 8 (revised). So long as such increases are within prescribed limits, they may be given to an individual at the employer's discretion. Here, however, separate regulations govern the wage earner and the salaried employee. In general, however, although there are one or two important exceptions, the Salary Stabilization Regulation, SSR 3, follows the provisions of the WSB Regulation, GWR 5, on the matter of merit and length of service increases.
- (11) For purposes of computing allowable merit and length of service increases, both the Wage and Salary Stabilization Regulations arbitrarily divide employers into special wage or salary paying and are governed by the provisions applying to employers with random or personal methods of payment.
- (12) In general the printing employer may follow his past experience in giving individual employees a merit or a length of service increase in his plant. If he elects to follow past practice, he must not give more merit and length of service increases than he granted in 1950. As an alternative to this, however, the employer may elect to follow the so-called "six percent option". Here the employer takes 6% of his straight time earnings as the amount available for granting merit and length of service increases. Then, regardless of 1950 experience, the employer may grant merit and length of service increase up to the limits prescribed for individual employees and so long as the total does not exceed the 6% fund.
- (13) Under GWR 5 and SSR 3, no employee may receive in the aggregate more than a 10% increase in the form of a merit or length of service increase. This, of course, may be in addition to any increase he may have received by way of a general increase granted under GWR 6 and 8 (revised). Under GWR 5 there is the further stipulation that no merit or length of service increase may put a wage earner at a higher rate than that of the top paid employee in a given job classification. For these top rated employees, the individual merit or length of service maximum under GWR is 5% rather than 10%. These limits on the top paid rate are not provided in SSR 3. Hence, salaried employees covered by the Office of Salary Stabilization may be paid a maximum of 10% in merit or length of service increases regardless of whether he is the highest paid employee for the job or not. Merit and length of service increases in wages and salaries up to the limit prescribed in GWR 5 and SSR 3 may be given without prior Board approval. Moreover, no record of such action need be filed. However, each employer must keep a complete record of such increases in his file and make them available for review upon request of appropriate government officials.

The Pattern of Collective Bargaining During the Past Year

The impact of Korea and wage stabilization was bound to be reflected in collective bargaining in the industry. A brief review of average wage settlements and fringe developments since January 1950 will give some indication of the trend in basic printing wage rates and the pattern of collective bargaining in the industry generally.

During the first six months of 1950 wage settlements for printing contracts averaged about 6¢ per hour. The largest single increase was close to 15¢ per hour while in one instance the contract was settled on the basis of fringe benefits without any hourly increase as such.

The relatively low hourly increase of the average settlement in the first half of 1950 evidenced a settling down in the basic hourly rate that was long overdue. The printing industry had gone through a turbulent period of collective bargaining during the immediate post war years and the transition period saw the printing industry step out one full wage round ahead of industry generally. It saw the average wage for journeymen in the industry jump from roughly \$1.09 per hour in 1941 to about \$2.28 today. Wages far outstripped the rapid rise in living costs during this period. In fact printing earnings had few equals elsewhere in industry. In the light of this collective bargaining history hourly increases of 5¢ or so proved more than adequate for the industry in early 1950.

However, down to Korea, the pressure for new fringes and improvements in existing benefits was keen and seemingly more spirited than the negotiations of the base rate itself. This was the period of the great drive to "rid" the industry of the basic 40-hour week, to gain the third week of vacation, to secure 7 paid holidays, to require double time for all daily overtime and triple time for the sixth and seventh shifts and Saturdays and Sundays as such, and to introduce severance pay, sick leave, hospitalization and pensions.

The drive for the shorter workweek occasioned many hours reductions during this period. But even now, some 43% of the printing contracts are still on a forty-hour work week.

While the third week of vacation was granted in this period, it is still very much the exception in the industry. This is evidenced by the fact that of 205 printing contracts surveyed only 28 contracts or 14% provide a maximum of three weeks vacation in any form.

Similarly, a few areas granted seven paid holidays during this period. But even today it is the exception. Of the 210 contracts studied in this regard, only 38 or 18% make provision for seven or more paid holidays, while 55 contracts or 26% have 5 paid holidays or less.

In the matter of overtime, no contract settlement provided for double time as requested for all overtime hours. This continues to be true today although some contracts call for double time beyond a limited number of overtime hours. Sixty contracts or about 30% of the total analyzed here limit all overtime to time and one-half the basic hourly rate. In 57 contracts or 29% of the total studied, time and one-half continues to be paid for all hours worked on the 6th shift while 158 contracts or 79% of the total used for this analysis provide double time for all hours worked on the 7th shift.

The Advent of Korea and the seeming beginnings of a war economy changed the pattern of negotiations considerably. Employer and employee alike sought desperately to make some provision for stable labor relations in the face of impending stabilization controls. The employer was concerned about manpower shortages principally while the employee was disturbed by the rising cost of living and the possibilities of a wage freeze. Consequently, few contracts were settled during the last 6 months of 1950 for as little as 5¢, the average for the first half of 1950. In fact the average settlement after Korea ran just about double. But with average hourly increases running around 10¢ the pressure for fringe improvements slackened slightly with the only major exception being the demand for the shorter workweek.

The most noticeable change in collective bargaining in the industry during this period, however, was the trend toward long-term contracts, i.e. contracts of longer than one year in duration. In most instances these were accompanied by either interim increase (deferred payment) clauses or cost of living clauses. This, of course, was labor and management's approach to achieving stable relations in key pattern-setting agreements in other industries. But it was a major shift in the pattern of bargaining in the printing industry where only a scant year or so earlier one of the largest printing trades unions insisted on contracts with the right of cancellation "at any time... upon sixty days' written notice" and the employers had to fight bitterly and take recourse to their rights under the law to secure the customary contract of a year's duration.

The adoption of cost-of-living clauses or interim (deferred payment) provisions in printing contracts went hand in hand in many areas with the long-term settlement. Printing employers and unions discussed at great length the relative merits of these alternative approaches since it was rare that agreement on contracts of two years or longer could be reached without such flexibilities in the contract. The question is still moot in the industry and because local area conditions govern the attitude toward the alternative provisions, it is doubtful whether it will ever be otherwise.

Each approach has its virtues and its shortcomings. The cost-of-living clause has some basis in equity although printing trades unions have not always been willing to accept this. Its principal disadvantage from an employer point of view, however, is that it leaves open-ended his largest single element of cost. Job printing is usually bid for well in advance of its getting to the shop. The unpredictability of the basic wage rate under cost-of-living escalator provisions means at best that the employer in times of rising living costs gains stability in labor relations at the cost of instability in his wage rate.

For some employers this proved too high a price to pay even though the local union might have been agreeable to the cost-of-living clause. On the other hand, where interim increases (deferred payments) were negotiated, the employer risked making commitment which might prove patently out-of-line relative to the settlements being made elsewhere in the industry a year or so hence. If his deferred increases proved highly excessive relative to those for industry generally he would more than likely suffer in competition for business with other areas. If, on the other hand, he made "too good a settlement" he would risk labor unrest unless he voluntarily brought his deferred increases up to the general industry level. In general, however, the employer had a fairly wide range to operate before these risks became effective. And this coupled with the fact that he would know within broad limits his basic wage rates in advance and could make his business plans in anticipation of the deferred increases induced employers to adopt this approach in some 18 area contracts.

On the other hand, an indication of the extent to which cost-of-living clauses have been adopted in the industry can be found in the following table based on a review of current printing contracts:

PRINTING TRADE UNION CONTRACTS CONTAINING COST OF LIVING ESCALATOR CLAUSES

<u>Union Contract</u>	<u>Number of Areas</u>
Typographical	10
Pressmen	9
Bookbinders	9
Lithographers	4
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TOTAL	30 Areas
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Per Cent of Contracts Surveyed	13%
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After wage stabilization and the adoption of GWR 6 with the 10% formula, there was still a further change in the pattern of collective bargaining in the industry. While hourly increases in settlements jumped from 3 to 5 cents above the pre-stabilization average to roughly 13¢ per hour, increases in fringe benefits and reductions in hours were sharply reduced.

The 10% formula and its subsequent supplement GWR 8 (revised) allowing an additional general wage increase of approximately 2.3% to cover the rise in the cost of living was never drawn with the printing industry or other craft industry wages in mind. The so-called "purs for the course" established by wage regulations for industry generally were figured on an average wage of from \$1.50 to \$1.75. Average wages in the major printing areas ran over a dollar above this figure. Hence, for the printing employer, the "area of vulnerability" under the permissive percentage "10% plus" formula of wage stabilization was great and ran roughly 25¢ above the 1950 level. This exerted a strong upward pressure on the wage rate despite the fact that business conditions in the industry were far from good and printing earnings over the post-war years offered a substantial cushion to withstand rising living costs.

Fringe benefits on the other hand, were granted with much less frequency and for smaller amounts following the adoption of wage stabilization. The demand to reduce basic workweeks, especially below 40 hours, continues to be made. But the fact that a reduction in hours must be offset against the permissible "10% plus" of wage stabilization wherever basic hourly rates are increased thereby has softened the demand in this direction. In fact there is some indication that the pressure from certain of the International Printing Unions to hold to the demand for less than 40 hours as a policy matter has run into opposition from the local unions and the rank-in-file. In some quarters the wage earner has become quite vocal in protesting that he cannot "eat policy" and that in the face of rising living costs he would prefer remaining on 40 hours and taking his allowable "10%

plus" under wage stabilization in the form of increases in his weekly take-home rather than his hourly pay. In most areas where the pressure of the International Union has prompted the local union to insist upon a reduction of the basic 40-hour work week, the problem, from the wage earner's standpoint, is aggravated by the fact that living costs are rising more rapidly than the opportunity to increase earnings through overtime.

The impact of GWR 8 (revised) and the authorization to increase wages some 2.3% above the original 10% to compensate for the rise in living costs and the decline in real wages has already been felt in the industry. Average settlements since August have been running slightly higher than those for the previous six months of wage stabilization. But despite these pressures, collective settlements in the industry have not yet been pushed on the average to the permissible limit established in wage stabilization regulations. Such settlements, however, are far from niggardly or unjust in the light of the business position of the industry and the high level of basic hourly rates and annual earnings.

Miscellaneous Developments

During the past year there have been a number of miscellaneous developments which have affected labor relations in the printing industry. The majority of these have been favorable. But three of these are worthy of mention however brief.

The foremost of these has been the progress made in the development of cooperative, friendly and constructive relations between your national organization and the several international printing trades unions. Both employer and union groups in the industry are to be complimented for having gone through a year virtually free of industrial strife. This is as it should be for neither labor nor management is the gainer in the long run without the cooperation of the other.

The special resolution of the Wage Stabilization Board authorizing the printing industry to use the contract scale as a basis for filing a simplified report of wage increases evidences this high degree of cooperation between the Union Employers Section and the international printing trades unions. It was primarily by the joint efforts of labor and management that this vital change in existing wage regulations was obtained. Similarly, there was a close cooperation between UES and several of the international unions in discussions before government agencies on matters relating to manpower, essentiality and critical occupations.

Another example of cooperation was referred to by President Cobb in his address; namely, it is the International Arbitration Agreement with the Pressmen. In a joint meeting at Savannah in the spring of this year, UES and the IPP&AU reaffirmed their faith in the principles of democratic collective bargaining and the peaceful settlement of differences by arbitration free of the pressure of government interference, legal entanglements and outside influences of all sorts. Both parties pledged themselves not to strike or lookout and to encourage general acceptance of their International Arbitration Agreement.

Labor and management in many industries agree to arbitrate grievances and disputes arising out of conflicting interpretations of the terms of existing contracts. But the agreement to arbitrate disputes over the terms of the new contract is virtually unique outside of the printing and publishing industry. To an increasingly large segment of the industry it would appear that in this aspect of labor relations at least, the printing industry points the way for industry generally in providing a sure-fire solution, freely and democratically arrived at, to the problem of industrial strife.

Another important development during the year has been our progress in seeking to understand and meet the industry's manpower problem. Manpower surveys have been initiated in many areas, and others are soon to follow. In many localities these studies have been undertaken with the full cooperation of the printing trades unions. The necessity for knowing the age composition and manpower breakdown of the printing labor force is a prerequisite for an intelligent planning of business operations. This is true regardless of what area one is working in or what printing journeyman one considers. For example, such basic production questions as what new press should be purchased or whether an employer should shift from one printing process to another are closely tied in with the manpower question. In fact, the more intimate and comprehensive one's knowledge of the local manpower situation, the greater the likelihood that these basic production questions will be answered in a way that will prove economic and consistent with the local manpower potential.

In addition, the representations which PIA makes on behalf of the industry before national wage stabilization and emergency agencies call for a comprehensive knowledge of manpower in the industry. In particular, the present list of essential activities and critical occupations does not now include any printing activity. We have appeared before the inter-agency committee pointing out that printing is an essential activity and that the manpower situation for many printing occupations in many localities borders on being critical. But such generalizations carry very little weight unless backed up by facts.

Not only do we need to know existing manpower, occupation by occupation, for such purposes, but a consideration of age composition and sex distribution is also very pertinent. Such manpower information must be obtained for all areas and without differentiation on the basis of whether a plant is unionized or an open shop. This is recognized by the Manpower Committee of PIA's Defense Emergency Planning and Advisory Committee. This group is composed of representatives of both MPS and UES. Both the unionized and the non-unionized employers on this committee have given their wholehearted support of our drive to secure manpower information from all areas.

Naturally, we cannot hope to cover the industry in its entirety. However, if our major areas provide us with such manpower information, we will have a basis for going forward on a national level in ways that will aid the industry in meeting current problems of labor supply and in preparing for the likelihood of an even greater labor shortage problem in the future.

Still another development has been in the field of labor law. In the litigation with the ITU, the National Labor Relations Board has taken action in behalf of the printing employer and the public generally to compel compliance with certain of the provisions of the Taft-Hartley Act. Because of the ITU's failure to follow the Board's order, the action has been carried to the U. S. Court of Appeals where a decision is pending. In many ways it is to be regretted that the necessity for such litigation has presented itself. Industrial relations very rarely can be settled amicably in the courts, but sometimes it proves necessary. It is hoped, once the litigation is ended, that the air wire be cleared for labor and management going forward together to meet mutual problems in a spirit of reasonableness and cooperation.

Conclusion: The Road Ahead

In trying to adjust to these conditions and to plan ahead, there are, as I see it, three basic questions:

- (1) What can the Printing Employer Do;
- (2) What Lies Ahead; and
- (3) What Should be Done

In the matter of labor relations there is no need for me to review what the employer can do. Comments along these lines were made in my previous remarks on wage stabilization. Moreover, as was pointed out in the brief analysis of business conditions generally, the problem is not so much what the printing employer can do, but how he can meet the added cost of granting allowable increases under wage stabilization.

With respect to the future, I look forward to a settling down of wage policy (short of war) provided the Wage Stabilization Board gets by the pending steel settlement without a general revision of existing wage regulations. Unlike a recent spokesman for the NAM, I have hopes that this can be done. However, we can look forward to, one, an increasing pressure for settlements to be at the maximum allowable under wage stabilization, two, an increase in the "10% plus" formula to allow for "productivity" (improvement factor) increases of 4¢ or so along the same lines as cost-of-living increases were treated, and, three, a renewed pressure (with the possibility of new regulations) on fringes. The recent Regulation, GWR 17, on interplant inequities is not likely to affect the printing industry to any great extent except that it, along with the tandem provisions of GWR 10, will provide a basis for open shop employers to seek permission to raise basic wage rates to the prevailing level which, in many printing areas, is the union scale.

Under the cost-of-living formula, it would appear that wages over the next six months might not rise at a greater rate than one-half of one per cent per month. It is, of course, difficult to predict the movement of living costs accurately. But all signs point to a continuation of a reasonable degree of stability until next Spring at any rate along the lines experienced and shown in the small percentage change in the BLS cost-of-living indices during the past few months.

While this is far from a rosy picture of what lies ahead, it is not all bad. In commenting on ways to meet the challenge of impending problems, I want to compliment the industry on its achievements during the past year and to urge a perpetuation of that same spirit of cooperation which kept industrial strife in the printing industry at a minimum even though trade unions have not given a no-strike pledge as in World War II. This is a product of resourceful, reasonable, and responsible labor relations on all sides. It is hoped that printing labor and management will exercise the utmost patience and untiring diligence in continuing this intelligent approach in meeting mutual problems and maintaining industrial peace.

Very few generalizations are valid in industrial relations. What is a good, sound and intelligent policy for one area may well be entirely worthless if not damaging to good labor relations somewhere else. Nonetheless there are certain practices and policies which are deserving of general consideration as possibly being of some assistance in meeting the trying problems which lie ahead.

In general employers should make an effort to understand wage and salary stabilization regulations and to use them wisely. Not only are there huge penalties for violating the provisions, but good personnel administration as well as intelligent collective bargaining demand that you know their provisions in general at least. Use your local and national organizations to puzzle out the details of what they are and what they mean. For selfish reasons, if for no other, know your obligations, limits and privileges under wage and salary stabilization.

In collective bargaining, however, use the regulations with discretion. Negotiations should be conducted on the basis of the economics of your local industry and not the permissible levels of wage stabilization. Increases which paralyze the industry and drive business out of the area are detrimental to labor and management alike regardless of whether they are allowable under the law. Employers would do well to bear in mind at all times that

there is no substitute for a "no" at the collective bargaining table. You cannot expect labor to respect your "no" if it is ill-founded. But if the economics of the situation and local business conditions warrant a "no", don't pass your problem along to the Wage Stabilization Board and expect them to take on your responsibility of turning down the increase. You cannot count on the Board doing this even if the increase is to exceed the permitted limit. Rightly or wrongly the Wage Stabilization Board's policy in recent months has appeared to shift from a concern for battling inflation as such to one of maintaining an equitable wage-price relationship. But whatever the cause, it is to be expected that exceptions to general regulations will increase in number.

Finally, to cite but one more suggestion for improving labor relations, collective bargaining ought to be looked upon as a year-round job. Good labor relations can hardly be expected if labor and management fail to contract one another from one negotiation to the next. Joint committees need the full support of both sides if they are to be more than a name in the contract. Many areas have made tremendous strides in meeting local problems through effective joint committees and day to day contact. Labor and management throughout the industry would find many mutual benefits by following suit.

Despite the great strides made during the past year, there are countless other ways in which we can improve our labor relations. Average basic wages and costs generally have risen so rapidly relative to business outlets and profits that improved labor relations become essential as an efficiency measure if nothing else. Our task ahead is to continue to work together toward the goal of a better industry in all respects.

That the industry has been as successful as it has in meeting the challenge of the times is a tribute to its cooperative undertakings, its organization and its intelligent and forthright business leaders. I have seen employers selflessly give up their time and at no little personal expense travel the countryside in your behalf; discussing methods of coping with rising costs here, analyzing new processes and operations there. In every instance these men as leaders of your industry and officers of our organization spread the gospel of sound business practice and intelligent management. Regulations and controls, if not economic conditions themselves, will, I fear, be more trying in the days ahead. But so long as such men as these come out of our ranks, so long you cooperate with one another, and so long as you support the organization in which we are all a part, I do not believe you need fear the future.