

SUMMER

LABOR
INSTITUTE

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Relations, University of California, Los
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The California State Federation of Labor

August 14-20, 1949



INSTITUTE OF
INDUSTRIAL RELATIONS

SECTION A

ASILOMAR - August 14-20, 1949

Seminars

2 for union officials
1 for members
1 for wives

Time	Sunday-14th	Monday-15th	Tuesday-16th	Wednesday-17th	Thursday-18th	Friday-19th	Saturday-20th
8:30 to 9:40	Labor History Bernstein	Labor History Bernstein	Labor History Bernstein	Labor History Bernstein	Labor History Bernstein	Health and Welfare Plans Weinerman	Community Relations and Civic Responsibility R. Haughton
9:45 to 10:55	Economic Outlook Van Kennedy	Unemployment Insurance Cameron	Economic Outlook Van Kennedy	Economic Outlook Van Kennedy	Economic Outlook Van Kennedy	Economic Outlook Van Kennedy	Seminar Staff
11:00 to 12:10	Disability Insurance Ralph Wade	Community Relations and Civic Responsibility - R. Haughton	Changes in the State Labor Code C. Scully	Health and Welfare Plans R. Weinerman	Current Labor Legislation A. Brundage	Closing Session Certificates	
12:30	Lunch	Lunch	Lunch	Lunch	Lunch	Lunch	Lunch
1:30 to 2:45	Seminar Staff	Seminar Staff	Seminar Staff	Current Labor Legislation A. Brundage	Seminar Staff	Departure	
3:00 to 6:00	Registration 1:30 General Session 2:30-3:00 Edgar L. Warren Labor History 3:00-4:10 Bernstein Economic Outlook 4:15-5:25 Van Kennedy	Recreation	Recreation	Recreation	Recreation	Recreation	
6:00	Dinner	Dinner	Dinner	Dinner	Dinner	Dinner	
7:45 to 9:00	The Future of Labor Relations Clark Kerr	Labor's Interest in Social Security Edwin Witte	Labor and Politics Shelley	Statutory Control of Union Affairs Ben Aaron	Labor and the Legislative Process Haggerty	Where is the Labor Movement Headed Barney Mayes	

Section B

ASILOMAR - August 14-20, 1949

Seminars
 2 for union officials
 1 for members
 1 for wives

Time	Sunday-14th	Monday-15th	Tuesday-16th	Wednesday-17th	Thursday-18th	Friday-19th	Saturday-20th
8:30 to 9:40		Labor History A. Carstens	Labor History A. Carstens	Labor History A. Carstens	Community Relations and Civic Responsibility Van Kennedy	Current Labor Legislation A. Brundage	Labor History A. Carstens
9:45 to 10:55		Unemployment Insurance Cameron	Economic Outlook Fred Breier	Economic Outlook Fred Breier	Economic Outlook Fred Breier	Economic Outlook Fred Breier	Seminar Staff
11:00 to 12:10		Community Relations and Civic Responsibility Van Kennedy	Disability Insurance Ralph Wade	Seminar Staff	Current Labor Legislation A. Brundage	Health and Welfare Plans R. Weinerman	Closing Session Certificates
12:30		Lunch	Lunch	Lunch	Lunch	Lunch	Lunch
1:30 to 2:45	Registration 1:30; General Session 2:30 to 3; E. Warren	Seminar Staff	Seminar Staff	Changes in the State Labor Code C. Scully	Health and Welfare Plans R. Weinerman	Seminar Staff	Departure
3:00 to 6:00	Economic Outlook 3-4:10 Breier Labor History 4:15-5:25 Carstens	Recreation	Recreation	Recreation	Recreation	Recreation	
5:00	Dinner	Dinner	Dinner	Dinner	Dinner	Dinner	
7:45 to 9:00	The Future of Labor Relations Clark Kerr	Labor's Interest in Social Security. E. Witte	Labor and Politics Shelley	Statutory Control of Union Affairs. Ben Aaron	Labor and the Legislative Process Haggerty	Where is the Labor Movement Headed Barney Hayes	

ATTENDANCE AT THE LABOR INSTITUTE
ASILOMAR, AUGUST 14-20, 1949

<u>NAME</u>	<u>POSITION</u>	<u>UNION</u>	<u>LOCAL</u>	<u>ADDRESS</u>	<u>CITY</u>
Andersen, Carl A.		Brotherhood of Railway Carmen of Am.	231	314 Clinton Ave.	Roseville
Anderson, Patricia		Cooks & Waiters Union	220	1135-7th Street	Eureka
Anderson, William	Bus. Rep.	Laborers Union	300	832 S. Figueroa	Los Angeles
Austin, R. M.		Pomona Valley Central Labor Council		1609 Gordon Ct.	Pomona
Benson, Josephine	Bus. Agent	Culinary Alliance & Hotel Employees	402	3076 Juniper St.	San Diego
Bergrud, Ferd	Bus. Agent	Teamsters Union	306	2410 N. Lamer	Burbank
Bondy, Helen C.	Bus. Agent	Culinary & Bartenders Union	324	133 B San Jose	Burbank
Bongerz, Robert		Window Cleaners Union	349	631 West 9th St.	Los Angeles
Brewer, Roy M.	Int. Rep.	I.A.T.S.E.		6472 Santa Monica	Hollywood
Brewer, Mrs. Roy				6472 Santa Monica	Hollywood
Brewster, Jack	Bus. Rep.	Bakers Union	43	280 N. Van Ness	Fresno
Brooks, Fred	Secretary	Printing Pressmen & Assistants	125	610 Sixteenth St.	Oakland
Buchanan, John	President	Building Service Employees Int. Union	278	109 N. Westlake	Los Angeles
Caine, Vincent N.		Cooks and Waiters Union	220	431 F Street	Eureka
Chaplin, Glenn		Hotel Service Workers	283	61 Eddy Street	San Francisco
Cheney, Ellis	Bus. Rep.	Building Service Employees Int. Union	87	109 Golden Gate	San Francisco
Child, Lloyd	Bus. Rep.	Sheetmetal Workers	216	2315 Valdez St.	Oakland
Clancy, E. A.	Bus. Rep.	Newspaper & Magazine Circulators Union	96	2834 Johnson Ave.	Alameda
Clayson, Fred	Secretary	American Federation of Teachers	1020	70 Robley Rd.	Salinas
Clifton, Leon	Editor	Retail Clerks Union	770	223 N. Vermont	Los Angeles
Collins, Daniel J.	Bus. Rep.	San Joaquin County Employees Union	183	P.O. Box 1227	Stockton
Collins, Ida I.	Sec-Treas.	San Joaquin County Employees Union	183	P.O. Box 1227	Stockton
Cummings, Don		Milk Drivers Union	302	610 Sixteenth St.	Oakland
Cutler, Al	Secretary	Cooks & Waiters Union	180	St. Claire Hotel	San Jose
Daley, James F.	Sec-Treas.	Boilermakers Union	148	517 Virginia St.	Vallejo
Davy, John	Bus. Mgr.	Steamfitters Union	342	540 Alcatraz	Oakland
DeWitt, Lewis	Bus. Rep.	Milk Drivers and Salesmen	441	942 Delco	El Monte
Dixon, Glen	Sec-Treas.	Culinary Workers	572	442 East Market	Stockton
DuVal, B. C.	Bus. Rep.	I.A.T.S.E.	44	1228 Alvira St.	Los Angeles
DuVal, Mrs.				1228 Alvira St.	Los Angeles
Ellsworth, Ted	Bus. Rep.	Motion Picture Costumers, I.A.T.S.E.	705	1125 Winchester	Glendale
Endicott, Glendon	President	United Cement, Lime and Gypsum Workers	89	265 Glenwood St.	Colton
Fleck, William E.	Deputy Labor Commissioner	Department of Industrial Relations		3440-25th St.	San Francisco

Flynn, William	Bus. Agent	Dairy Employees, Plant & Clerical	93	846 S. Union Ave.	Los Angeles
Frisch, Michael	Representative	Int. Brotherhood of Electrical Workers	18	4189 West 2nd St.	Los Angeles
Garton, Robert H.	Bus. Agent	I.A.T.S.E.	683	6461 Sunset Blvd.	Hollywood
Garton, Mrs. Robert				6461 Sunset Blvd.	Hollywood
Gill, Charles J.	Delegate CLC	Steamfitters Union	250	2527 Cole Place	Huntington Park
Glenn, Edith	Bus. Agent	Culinary Workers' Bartenders Pomona Valley Retail Clerks	531	1125 N. Lake Ave. 1609 Gordon Ct.	Pasadena Pomona
Greenwald, Edwin				1609 Gordon Ct.	Pomona
Greenwald, Mrs.	President	Southern California Cooks Association	468	2665 Clyde Ave.	Los Angeles
Greenwood, Paul		Laborers Union	185	918 V Street	Sacramento
Harvey, Thomas G.	Teacher	Chicago Teachers Union		3215 W. Thomas	Chicago
Hauser, Cecilia	Research Dir.	State Federation of Labor		402 Flood Building	San Francisco
Henning, Jack		Int. Union of Operating Engineers		536 Maple Avenue	Los Angeles
Hinton, Kathleen	Secretary	San Gabriel Valley Central Labor Council		42 E. Walnut St.	Pasadena
Hutchings, Arthur				42 E. Walnut St.	Pasadena
Hutchings, Mrs.	Bus. Agent	Laborers Union	300	832 S. Figueroa	Los Angeles
Jackson, Charles	Statistician	Int. Union of Operating Engineers		536 Maple Avenue	Los Angeles
Jeanney, Milton E.				536 Maple Avenue	Los Angeles
Jeanney, Mrs.				4650 Alabama	San Diego
Jeffress, Mary	Business Agent	Culinary Alliance	402	42 E. Walnut St.	Pasadena
Johnson, Lee	Secretary	Meat Cutters Local	439	411 E. Broadway	Glendale
Johnston, Beulah	Sec-Treas.	Culinary Workers & Bartenders	324	206 E. 4th St.	Long Beach
Johnston, Richard		Retail Clerks Union	324	1198-8th St.	Arcata
Jordan, Stanley	Bus. Agent	Lumber and Sawmill Workers	2808	1198-8th St.	Arcata
Jordan, Mrs.				5831 Keith Ave.	Oakland
Kelman, Paul		Milk Wagon Drivers	302	5831 Keith Ave.	Oakland
Kelman, Mrs.				2056 Auscon Ave.	Oakland
King, George M.	President	Teamsters Union	70	411 E. Broadway	Glendale
Kohler, Carl G.	Bus. Rep.	Bartenders' Union	324	7268½ Sunset Blvd.	Hollywood
Krug, Max	Bus. Rep.	Office Employes Int. Union	174	2760 Cahuenga	Hollywood
Lehners, John	Bus. Rep.	Film Editors, I.A.T.S.E.	776	2270 Crawford	Altadena
Mackinnon, Glenn	Bus. Mgr.	Int. Brotherhood of Electrical Workers	47	2270 Crawford	Altadena
Mackinnon, Mrs.				1609 Gordon Ct.	Pomona
Malton, Ira		Pomona Valley Central Labor Council			Los Angeles
Mont, Max	Pacific Rep.	National Labor Service			San Leandro
Mulgrew, Ernest	Bus. Agent	Brotherhood of Teamsters	70	876 Bancroft Ave.	San Leandro
Murphy, Irene	Bus. Agent	Culinary Alliance	402	930-29th St.	San Diego

Nelson, Hanna	Executive Board	362	2224 Bush St.	San Francisco
Nelson, Willard	Milk Wagon Drivers & Dairy Employees	302	174 W. Chanslor	Richmond
Nelson, Mrs.			174 W. Chanslor	Richmond
Nielson, Magnus	Projectionists, I.A.T.S.E.	150	1525 Reeves St.	Los Angeles
Oas, O. E.	Laborers Union	304	427-62nd St.	Oakland
O'Balliet, Tex	Culinary Workers & Bartenders	531	37 S. Sierra Madre	Pasadena
O'Balliet, Mrs.			37 S. Sierra Madre	Pasadena
O'Leary, Daniel	Apartment & Hotel Employees	14	1570 Sutter St.	San Francisco
Palmer, Ralph E.	Int. Chemical Workers Union	1	602 Broad Ave.	Wilmington
Pearce, Daniel R.	Dairy Employees, Plant & Clerical Local	93	846 S. Union Ave.	Los Angeles
Pette, LeRoy	Central Labor Council of Santa Clara		45 Santa Teresa St.	San Jose
Pope, Lucille	Cooks and Waiters Union	220	2120 I Street	Eureka
Porter, Hilton	Culinary Workers & Bartenders	531	1125 N. Lake Ave.	Pasadena
Peck, Francis	Painters Union	1158	112 Valencia St.	San Francisco
Rapattoni, Richard	Int. Brotherhood of Electrical Workers	47	1614 Noble Ave.	Visalia
Rapattoni, Mrs.			1614 Noble Ave.	Visalia
Richardson, Max	Building Service Employees Union	399	631 West 9th St.	Los Angeles
Risdon, Lee Roy	Printing Specialties	362	467 Guerrero St.	San Francisco
Rushing, William	Miscellaneous Employees Union	440	1542 W. 7th St.	Los Angeles
Scott, Martin	Steamfitters Union	342	258 A-Mather St.	Oakland
Sedlacek, Lewis	Lumber and Sawmill Workers	2808	1198-8th St.	Arcata
Sedlacek, Mrs.			1198-8th St.	Arcata
Shuck, Clarence	Pomona Valley Retail Clerks		1609 Gordon Ct.	Pomona
Shuck, Mrs.			1609 Gordon Ct.	Pomona
Skates, Maurice	Int. Union of Operating Engineers	12	10148 Haines Cnyn.	Tujunga
Skates, Mrs.	Int. Union of Operating Engineers	12	10148 Haines Cnyn.	Tujunga
Smith, Frank	Retail Milk Drivers & Salesmen	441	2128 Pier Ave.	Santa Monica
Smith, Larry M.	Teamsters Union	683	6240 Broadway	San Diego
Snider, George	Printing Specialties	362	3018 Mission St.	San Francisco
Snow, Elson B.	Typographical Union	439	1822 M Street	Bakersfield
Taylor, Drew	International Chemical Workers		1458 W. 179th St.	Gardena
Underwood, Warren	Butchers Union	551	351 West 9th St.	San Pedro
Wall, Kenneth	Wholesale Salesmen, Dairy Drivers	306	1930 W. 68th St.	Los Angeles
Wilson, Earl	Central Labor Council		937 W. Third	San Bernardino
Woodward, A. B.	International Association of Machinists	93	117 Pajaro St.	Salinas
Worthington, Wally	Int. Brotherhood of Electrical Workers	100	1035 Broadway	Fresno
Wright, Dudley	Culinary Alliance & Hotel Service Emp.		4124-37th St.	San Diego

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President Roosevelt's Committee on Economic Security which sponsored the Social Security Act.

AMERICAN LABOR HISTORY

Prepared by:

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Research Associate
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AMERICAN LABOR HISTORY

Introduction

The American labor movement has had so long and complex a development that it would be impossible to treat it adequately in a short course. Hence this series, following the opening session, will concentrate upon the intensive treatment of key problems in the history of unionism that have a current interest.

The sessions will be devoted to the following topics:

- (1) A thumbnail outline of American labor history
- (2) Union policy in a falling labor market
- (3) Union policy in face of technological change
- (4) Union security
- (5) Some conclusions on the American labor movement

I. A Thumbnail Outline of American Labor History

- A. Beginnings, 1787-1860
 - 1. First organization
 - 2. Techniques
 - 3. Criminal conspiracy cases
 - 4. Labor and Jacksonian democracy
 - 5. Structural developments
- B. Civil War Era, 1860-1879
 - 1. National unions
 - 2. Greenback issue
 - 3. National Labor Union
- C. Knights of Labor and trade unions
 - 1. Origins of the Knights
 - 2. Cigar Makers
 - 3. Conflicting philosophies
- D. Revival and Upheaval, 1879-1887
 - 1. Growth of unionism
 - 2. Upsurge of the Knights
 - 3. The 8 hour movement
 - 4. Victory of craft unionism
- E. Stabilization, 1888-1896
 - 1. AFL structural development
 - 2. Homestead, 1892
 - 3. Pullman strike, 1894
 - 4. Populism and the 1896 campaign

- F. Expansion, 1897-1914
 - 1. AFL growth and the development of collective bargaining
 - 2. Employer opposition
 - 3. Political action
 - 4. Radical unionism
- G. World War I, 1914-1920
 - 1. Expansion
 - 2. Political influence
 - 3. Postwar unrest
- H. The Twenties
 - 1. Depression of 1920-1922
 - 2. Decline of unionism
 - 3. Political action, 1924
 - 4. Communism
- I. The Thirties
 - 1. Economic collapse
 - 2. The New Deal
 - 3. Legislation
 - 4. Formation of the CIO
 - 5. Expansion

Sources:

Selig Perlman, A History of Trade Unionism in the United States, New York, 1922.

Harold U. Faulkner and Mark Starr, Labor in America, New York, 1944.

John R. Commons and Associates, History of Labor in the United States, 4 vols., New York, 1918-35.

Philip S. Foner, History of the Labor Movement in the United States, New York, 1947.

II. Union Policy in a Falling Labor Market

Variations in business activity seriously affect the economic situation of workers and so the policies of unions. At present there is concern over a decline in business conditions. The following cases present the historical experience under three differing types of economic decline: (a) a sharp cyclical downturn in the shoe industry in 1920-1922; (b) a long-term secular decline in an important mill in the cotton textile industry; and (c) the economic effects of a union policy of shorter hours and higher wage rates in the soft coal industry.

A. Boot and Shoe Workers Union, Brockton, Mass., and the

Depression of 1920-1922

1. Economic background of the industry
2. Wages
3. Employment
4. The Brockton Shoe Market
5. Boot and Shoe Workers Union
6. Depression of 1920-1922
 - a. Decline
 - b. Union's share-the-work policy
 - c. Union's hold-the-line wage policy
 - d. Grade pricing
 - e. 1923 strike and internal union problems
7. Conclusions

- B. Union-Management Cooperation at Pequot Mills, 1914-1939
1. Company and Union
 2. Prosperity and labor peace, 1914-1927
 3. Economic decline
 4. Joint research and the stretch-out
 5. Alignments: labor, leadership and membership
 6. 1933 crisis
 7. Termination of the union
 8. Conclusions
- C. Economic Consequences of the 7-Hour Day in Bituminous Coal, 1934-1937
1. 1934 contract
 2. Union predictions as to effects
 3. Operator predictions as to effects
 4. Limitations of statistical materials
 5. Effects on costs, sales income, and margins
 6. Other economic effects

Sources:

- T.L. Norton, Trade-Union Policies in the Massachusetts Shoe Industry, 1919-1929, New York, 1932.
- R.C. Nyman, Union-Management Cooperation in the "Stretch-Out," New Haven, 1934.
- W.E. Fisher, Economic Consequences of the Seven-Hour Day and Wage Changes in the Bituminous Coal Industry, Philadelphia, 1939.

III. Union Policy in Face of Technological Change

The American economy is now experiencing an unusually high rate of increase in productivity resulting from technological change. Unless the national income expands commensurately, workers and unions must face a growing problem of adaptation to "technological unemployment." The following case studies represent two fundamentally different union policies toward the machine: (a) the Cigar Makers resistance to the introduction of the mold; and (b) the Typographical Union's acceptance and control over the linotype.

A. The Cigar Makers and the Mold

1. Background
 - a. The Industry
 - b. The union
2. Introduction of the mold
3. Union Opposition
4. The Union in New York
5. Tenement house system and the strike of 1877
6. Internal union dissension after 1881
7. Decline of the organization
8. Gompers on technological change.

B. The Typographical Union and the Linotype

1. Pre-linotype composition
2. Invention and introduction of the linotype
3. ITU policy towards the machine
4. ITU-Mergenthaler agreement
5. Economic effects
 - a. Output and employment
 - b. Methods of wage payment
 - c. Hours of work
 - d. Skills

Sources:

Commons, History of Labour.

G.E. Barnett, Machinery and Labor, Cambridge, 1926.

Bureau of Labor Statistics, Bull. No. 475, Productivity of Labor in Newspaper Printing.

G.E. Barnett, The Printers, Cambridge, 1909

IV. Union Security

The closed shop is to an unusual extent a peculiar American institution developed in the face of continuing opposition that has culminated in its outlawry in the Taft-Hartley Act. There are historical reasons that explain this peculiarity: the insecurity of American unions deriving from dangers from employers, workers, rival unions, and the government. The following case histories illustrate (a) the early development of the closed shop in a classic lawsuit and (b) employer opposition to unionism in a landmark strike in a basic industry.

A. Commonwealth v. Hunt, 1842:

1. Boston Journeymen Bootmakers' Society
2. Controversy over the closed shop
3. First trial, 1840
4. Appeal, 1842
5. Chief Justice Shaw's decision sustaining the union
6. Significance of the case

B. The Homestead Strike, 1892

1. Background
 - a. Steel industry-Homestead mills
 - b. Amalgamated Association of Iron, Steel, and Tin Workers
2. Relations 1881-1889
3. Controversy of 1889
4. Henry Clay Frick

5. Controversy of 1892
 - a. Issues
 - b. Struggle for the life of the union
 - c. Pinkerton men
 - d. Breaking the strike
6. Significance: death knell to unionism in steel

Sources:

Walter Nelles, "Commonwealth v. Hunt," Columbia Law Review, XXXII, 1128.

A.M. Schlesinger, Jr., The Age of Jackson, New York, 1945.

John Fitch, The Steel Workers, New York, 1911.

V. Some Conclusions on the American Labor Movement

1. Peculiarly American features of our labor movement
2. Cycles of union growth
3. The role of government
4. The limitations of collective bargaining.

LABOR HISTORY*

Union Security

I. The Closed Charter Period 1640-1800

In 1648 shoemakers in the Bay Colony were granted a charter which enabled them to exclude anyone they did not consider an efficient workingman.

In 1667 the Teamsters petitioned the New York City government for a monopoly on carting and the right to hold membership "to their present number and no more" and "that all newcomers may be forbidden to cart within the city." The bakers already had such a closed shop.

II. The Closed Shop Rule 1800-1852

Commonwealth vs. Hunt, 1842

"All the indictments really charged," said Judge Shaw, "was the intention of the society to induce all those engaged in the same occupation to become members of it. This was not an unlawful objective.... Such power might be used for useful and honorable purposes."

Stockton, History of the Closed Shop

"If all available evidence is summed up, it may be said that practically every union prior to the Civil War was in favor of excluding non members from employment."

* Prepared by Arthur Carstens
Institute of Industrial Relations
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III. The Railroad Unions

In the 1880's the principle of seniority was introduced into the Railroad Industry. To all indications seniority in the Railroad Industry is a substitute for the closed shop in other industries. The Brotherhood of Locomotive Engineers points out "The closed shop in the industries bears the same relation to the shop craft unions as the senior rule does to train service. They are the backbone of both and if either are broken down, they are no longer effective for collective bargaining."

IV. The OPEN Shop Era 1892-1932

The Homestead Strike, 1892

Henry Frick, Chairman of the Carnegie Steel Corporation, changed the Company's policy of friendliness to organized labor and smashed the closed shop union in the steel industry.

The Anthracite Coal Strike Commission, 1902

"No person shall be refused employment or in any way discriminated against on account of membership or non membership in any labor organization and that there shall be no discrimination against or interference with any employee who is not a member of any labor organization by members of such organizations."

Basic Declaration of Principles, National Association of Manufacturers, 1904

"Employees have the right to contract for their services in a collective capacity, but any contract which contains a stipulation that employment should be denied to men not parties of the contract is an invasion of the constitutional right of the American citizen. The Association declares its unalterable antagonism to the closed shop."

The American Plan, 1920's.

The Lockwood Commission in New York urged ending of closed unions.

The Law and Order Committee of the San Francisco Chamber of Commerce.

The Landis Award in Chicago

V. Government and Union Security 1929-1948

Norris-LaGuardia Act

"Under the prevailing economic conditions...the individual unorganized worker is commonly helpless to exercise actual liberty of contract and to protect his freedom of labor, and thereby, to obtain acceptable terms and conditions of employment, wherefore he should be free to decline to associate with his fellows, it is necessary that he have full freedom of association, self-organization and designation of representatives of his own choosing...."

National Labor Relations Act

Under Section 8, the closed shop is declared legal providing:

The contracting union is not established by an unfair labor practice.

It is the duly authorized representative.

The Taft-Hartley Act

The closed shop agreement is abolished.

The union shop is permitted only when authorized by a majority of employees.

Trend and types of Union Security

Workers under agreements providing:	Percentage				
	1941	1942	1943	1944	1945
Closed Shop } Union Shop }	40	45	30	28	30
Maintenance of Membership	2	15	20	27	29
Preferential Hiring	2	5	2	2	3
Others		35	25	25	23
Total		100	100	100	100

Source: October 1946 Mill and Factory

A BRIEF HISTORY OF
THE POLITICAL AIMS OF
ORGANIZED LABOR

Arthur Carstens
Institute of Industrial Relations
University of California
Los Angeles 24, California

Labor's Entrance into Politics 1820-1837

As Unions became stronger, opposition increased and a legal fight against them was begun in the courts. This legal fight was carried through the courts in Philadelphia, New York and Pittsburgh between 1806-1814. Unions were prosecuted as conspiracies. These and other actions led the Unions into political action.

Principal Grievances	Action
<p><u>Political Inequality.</u> Persons without property could not vote.</p>	<p>New York and Massachusetts in 1820 were first states to remove property qualifications.</p>
<p><u>Imprisonment for Debt.</u> Over 75,000 persons a year were jailed for debt.</p>	<p>Kentucky abolished imprisonment for debt in 1821. New York followed ten years later and a series of similar actions followed in other sections.</p>
<p><u>Lack of Public Schools.</u> As late as 1837, a labor paper estimated that 250,000 of the 400,000 children in Pennsylvania were without any kind of school.</p>	<p>Conflicts between groups favoring free public schools and groups favoring state guardian schools resulted in a serious split in the first labor party.</p>
<p><u>Land Reform.</u></p>	<p>The defeat of Skidmore, "The Rights of Man to Property being a proposition to make it equal among the adults of the present generation."</p>
<p><u>Loss of Wages due to Inability to Collect.</u></p>	<p>New York passes first Mechanics lien law in 1830.</p>

The Utopian Period 1837-1860

1837 marked a deep economic crisis that took a severe toll of local and national unions. Workmen in many places turned their efforts toward forming producers and consumers cooperatives. Others were attracted by various schemes for cooperative communities stimulated by the ideas of the French Socialist, Charles Fourier, and the English reformer, Robert Owen. Community ownership of land and productive forces was urged as the solution of poverty and unemployment.

In this period, the homestead movement was also born. Several national unions were founded in this period.

Principal Grievances	Action
<u>Continued pressure for free public education.</u>	In 1846, the Virginia Legislature provided for school districts and for tax support of schools. By 1860, Massachusetts, Connecticut, New Jersey, New York, Pennsylvania, Illinois and Minnesota provided for training persons to teach public schools.
<u>Severe Unemployment.</u>	Efforts at cooperative ownership. Development of phalanx agrarian community experiments.
<u>Need for Land Reform.</u>	The Homestead Bill of 1845 Introduced by Congressman Johnson of Tennessee.
<u>Length of the Workday.</u> The custom was "sun up to sun down."	The first attempt legally to regulate working hours of men was the executive order of President Van Buren in 1840 stipulating a 10-hour working day in government Navy yards. In 1842, working hours for children under 14 were reduced to 10 hours a day in many states.

The Emergence of National Unions 1860-1886

The Civil War demanded large amounts of factory goods. Prices rose, profits were heavy and new railroads were built. In 1863 there were about 80 local unions; but in the following year, over 300 unions were begun. Thirteen internationals were begun between 1861-1865.

The National Labor Union 1866-1872

This union was begun in 1866 in response to a growing demand for a national labor organization.

The Knights of Labor 1869-1895

This union began as a secret organization and had as its aim the replacement of a competitive system by a cooperative one which would give workers opportunity to enjoy the wealth they created. In 1886 it claimed over 700,000 members.

Principal Grievances	Action
Slavery	Discontinuation of Slavery
The Length of the workday	<p>From 1865-1867, hundreds of 8-hour leagues were formed; in California alone, more than 50 of these leagues functioned. These leagues helped develop the trend toward national organization.</p> <p>In 1868, Congress passed the 8-hour day for government employees. In California, a petition 22 feet long containing 11,000 names asked for an 8-hour day.</p>
"The present demand is for steady employment and fair wages, but our future is self-employment." Order of St. Crispin	The Iron Molders opened ten or more cooperative foundries all of which quickly found themselves in financial trouble. Coal miners, bakers, boiler makers, plumbers and needleworkers joined the movement.
Protection from competition of Oriental Workers	Chinese Exclusion Act.
Free Land	Homestead Act.
Child Labor	Child Labor Movement
Railroad Reform	Public Ownership Movement

The Rise of Non Partisan Unionism 1886-1932

In 1881 six crafts - printers, iron workers, steel workers, cigar makers, carpenters and glass makers - established a Federation under Samuel Gompers and Adolph Strasser. In 1886, this group established the American Federation of Labor. It began with 138,000 members.

Concentrating on raising wages, establishing the 8-hour day and other improvements in working conditions through extension of collective bargaining, these unions resisted outside political experiments. The principle of non partisan politics "to defeat labor's enemies and reward its friends" received official sanction.

Principal Grievances	Action
Inadequate protection for child and women workers	<p>In 1908 the Supreme Court upheld the Oregon 10-hour law for women.</p> <p>Beginning in Illinois in 1903, the 8-hour standard for children under 16 was established in most states.</p>
Unsafe Working Conditions	<p>The first general Workmen's Compensation law was passed in 1910 in New York. After changes, this law was declared constitutional in 1914 and compensation laws were enacted in 34 states.</p>
Better representation within the Federal Government	<p>A. U.S. Department of Labor in 1913</p>
Exemption of Labor from prosecution in restraint of trade. Limitation of injunction actions	<p>Amendment to the Clayton Anti-Trust Act in 1914.</p> <p>Passage of Norris LaGuardia Act in 1932.</p>
Relief from growing stream of immigration	<p>Reduction on number of immigrants allowed to enter.</p>
More 8-hour legislation	
Demand for Independent Political Action to offset indifference of major parties.	<p>Farmer-Labor Cooperation in Non-Partisan League, 1918.</p> <p>Labor Party of Cook County endorsed by the Illinois Federation, 1919.</p> <p>American Labor Party polled 300,000 votes in 1920.</p> <p>Gompers endorses LaFollete, 1924.</p>

The New Deal and the Fair Deal 1932

This period began with a severe depression and mass unemployment. The labor movement had lost large numbers of members. The American Plan and the use of injunctions by courts created difficult problems for the Labor Movement.

During this period the industrial workers organized themselves into a new type of union and because of pressures from union and employer groups, there has been much more reliance on Federal law by all parties concerned with the problem of organized labor.

Principal Grievances	Action
Relief for Unemployed	Federal Works Program
Need for insurance against losses due to unemployment	Unemployment Compensation
Need of a floor under wages and a ceiling on hours	The Fair Labor Standards Act; Administration's support for improvement.
Need for help to the aged	Federal Pensions
Protection of the right to organize	--The Wagner Act
Protection against discrimination due to race and religion.	The F.E.P.C. in New York and other states; Administration's support for a Federal F.E.P.C.
Need for temporary and permanent disability and health insurance	Administration's support for a National Health Program
Improved Housing	A new Housing Program approved by Congress
Repeal of the Taft-Hartley Act	
Federal Aid to Education	

BASIC TRENDS IN INCOME
AND WAGES

Prepared by:

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Fact 1

THE PAST AND FUTURE

Employment - Hours - Wages - Output and Income

Year	Gainful Workers (millions)	Average Hours	Prices	Net Manhour Output (1940 prices)	Hourly Wages	National Income
1850	7.4	70.6	47	17	.17	4.7
1860	10.1	68.7	50	20	.18	7.2
1870	12.4	66.3	72	22	.33	9.2
1880	16.7	65.4	58	22	.27	13.0
1890	22.4	63.2	55	30	.32	22.0
1900	27.5	60.9	56	36	.33	31.0
1910	36.8	57.5	69	40	.43	44.0
1920	41.8	51.9	143	43	.96	49.0
1930	45.0	47.2	119	52	.93	58.0
1940	46.9	43.0	100	74	.94	78.0
1944	63.2	46.7	132	79	---	122.0
1950	57.0	40.8	---	88	---	---
1960	60.2	37.7	---	103	---	---

Source: Hourly Wage Data from Nourse, Price Making in a Democracy.
 Other data from Dewhurst, America's Needs and Resources.

SHARES OF INCOME PAID TO LABOR AND PROPERTY

Percentage Shares of National Income Paid
As Wages and Income to Property

Year	Percent paid for Wages and Salaries	Property Income
1850	36.4	18.9
1860	37.6	22.7
1870	49.2	18.9
1880	51.8	26.8
1890	54.0	21.2
1900	48.7	20.4
1910	48.9	22.4
1910	54.5	22.2
1909-18	54.7	21.8
1914-23	57.2	20.5
1919-23	59.0	19.2
1919-23	63.0	18.5
1919-28	63.1	19.2
1924-33	62.7	20.1
1929-38	64.0	19.0

Source: National Bureau of Economic Research - Paper 6

Distributive Shares of National Income as a Percentage of National Income
1929-1948

Year	Total Nat. Income	Proprietors and rental income				Corporate Profits		Net interest	Total income and prop- erty	Compensation of Employees
		Total	Bus. and Prof.	Farm	Rental income of persons	Before Taxes	After Taxes			
1929	100.0	22.5	9.5	6.5	6.6	11.2	9.6	7.4	41.8	58.1
1932	100.0	17.7	7.7	4.1	6.0	*	*	12.9	27.8	73.9
1935	100.0	21.3	8.8	8.6	4.0	5.6	4.0	7.9	34.5	65.3
1937	100.0	20.9	9.0	7.6	4.2	8.4	6.4	6.0	35.3	64.8
1940	100.0	20.0	9.5	6.0	4.4	11.4	7.9	5.0	36.4	63.7
1943	100.0	19.1	8.4	7.0	3.7	14.6	6.2	2.0	35.2	64.8
1947	100.0	22.7	11.5	7.7	3.5	14.7	8.9	2.1	37.0	63.0
1948	100.0	22.7	11.2	8.1	3.3	14.4	8.8	2.2	37.9	62.1

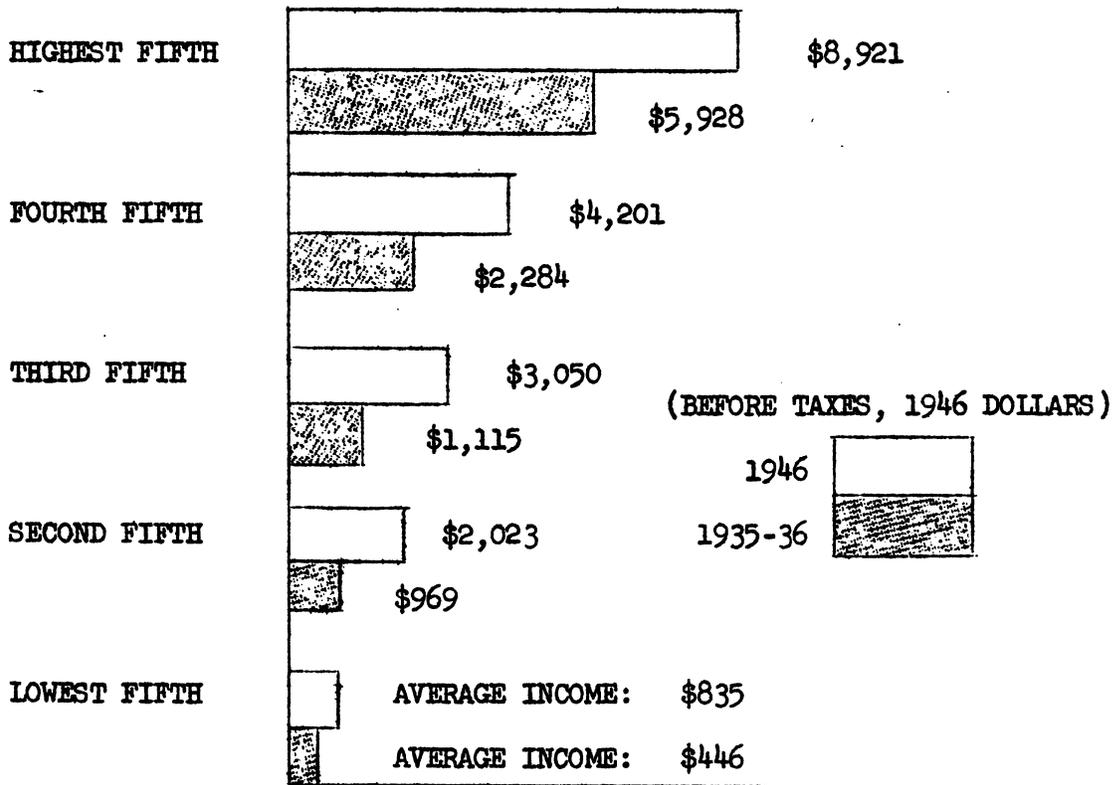
* There were no net corporate profits that year

Source: The Economic Report to the Pres. P100 Jan, 1949
Fed. Res. Bul. May 1949 P572

Fact 3

HOW THE DISTRIBUTION OF FAMILY INCOME HAS CHANGED

1935 - 36 - 1946



THE SPREAD IN WAGES BETWEEN SKILLED AND UNSKILLED*

Hourly Wage Scales in Building Trades - 1907-1944
1939 = 100

Year	All Trades	Journeyman	Helpers & Laborers
1907	29.3	29.7	27.3
1913	36.1	36.9	31.8
1918	45.3	45.9	42.6
1919	51.9	52.0	49.3
1920	70.0	70.1	71.5
1921	71.3	71.4	72.2
1926	88.3	88.7	84.9
1931	97.3	97.8	92.9
1939	100.0	100.0	100.0
1940	101.6	101.4	102.0
1943	112.7	111.5	118.9
1946	129.3	126.8	146.3
1948	153.0	159.0	171.1

Percent Increase in Wage Rates - October 1943 to April 1947*

Industries	Skilled	Unskilled
All manufacturing	27%	36%
Food	30%	49%
Furniture	41%	55%
Rubber	31%	38%
Steel	21%	39%
Regions		
New England	27%	37%
Mid Atlantic	29%	38%
Great Lakes	25%	30%
Mountain	35%	41%
Pacific Coast	26%	31%

* Monthly Labor Review, August 1948

THE SPREAD OF WAGES BETWEEN REGIONS*

In 1907, the average skilled male industrial worker in the West received 31 percent more for the same work than he would have received in the East.

In 1919, the average skilled male industrial worker in the West received 17 percent more for the same work than he would have received in the East.

In 1931-32, the average skilled male industrial worker in the West received 14 percent more for the same work than he would have received in the East.

In 1946, the average skilled male industrial worker in the West received 15 percent more for the same work than he would have received in the East.

* Monthly Labor Review, August 1948

THE PROBLEM OF
OLD AGE PENSIONS

Prepared by:

Arthur Carstens
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OLD AGE PENSIONS

I. The Problem

A. Age Distribution of the Population*

Year	Number		Percent		
	Total Number	65 yrs. plus	20-44 yrs.	45-64 yrs.	65 yrs. - older
1950	145 million	11 million	38%	21%	8%
1960	153 " "	14 " "	36%	22%	9%
1970	160 " "	16 " "	37%	24%	10%
1980	163 " "	19 " "	36%	24%	11%
1990	164 " "	22 " "	36%	25%	13%
2000	164 " "	22 " "	35%	26%	14%

* Source: The Labor Force in the United States, Durand

B. Average Age of Gainful Workers

<u>Year</u>	<u>Males</u>	<u>Females</u>
1890	33	24
1940	37	31
1960	39	36

C. Average Age of Voters

In 1945 - 33 percent of all voters were over 50 years old

In 1960 - 37 percent of all voters will be over 50 years old

In 2000 - 45 percent of all voters will be over 50 years old

D. Percentage of Older Workers in Work Force*

1945 One fifth of all workers were over 50
1960 One fourth of all workers will be over 50
1980 One third will be over 50

E. Dependency and Age*

One third of the ten million persons over 65 years
old are employed

Three and one-half million are living on Federal
Old Age Assistance or Old Age Pensions

Three million others don't have jobs or are not
covered by pensions

* Source: Labor Force in the United States, Durand

Total Life Expectancy and Labor Force Life Expectancy: Males*
1900, 1940, 1947, 1975

Year	At age 20			At age 60		
	Average number of remaining years of			Average number of remaining years of		
	Life	Labor force Participation	Difference	Life	Labor force Participation	Difference
1900 1	41.8	39.0	2.8	14.1	11.0	3.1
1940	46.3	41.2	5.1	14.8	9.3	5.5
1947	47.3	42.2	5.1	15.0	9.6	5.4
1975 2						
A	52.2	43.0	9.2	16.5	8.1	8.4
B	52.2	45.4	6.8	16.5	10.3	6.2

1 White males: Mortality data based on 11 original death registration States.

2 A: Assumes continued decline in labor force participation rates for men 55 years and over, based on 1920-1940 trends.

B: Assumes labor force participation rates at 1947 levels.

*Source: The Working Span of American Workers, Ewan Clague

II. Amount of the Pension

A. Basic Old Age Benefits Paid Under Old Age and Survivors Insurance*

Average Monthly Wage	Present Basic Amount		Amount After 20 years of Coverage	
	Present	Proposal	Present	Proposal
\$50	\$20.00	\$25.00	\$24.00	\$25.00
\$75	\$22.50	\$37.50	\$27.00	\$37.50
\$100	\$25.00	\$41.25	\$30.00	\$41.25
\$125	\$27.50	\$45.00	\$33.00	\$45.00
\$150	\$30.00	\$48.75	\$36.00	\$48.75
\$200	\$35.00	\$56.25	\$42.00	\$56.25
\$250	\$40.00	\$63.75	\$48.00	\$63.75
\$300	\$40.00	\$71.25	\$48.00	\$71.25

* Recommendations for Social Security Legislation

B. Pension Benefits Paid by 289 Private Companies*

Pensions as percent of Annual Compensation	Percent of Plans in Each Benefit Group			
	Average Annual Compensation			
	1200	2000	5000	15,000
Under 35%	3.9%	5.5%	12.9%	35.2%
35 - 40%		7.0%	9.0%	6.2%
40 - 45%	2.0%	37.5%	41.4%	23.8%
45 - 50%	15.6%	10.2%	18.8%	20.3%
50 - 55%	9.4%	32.8%	11.7%	3.9%
55 - 60%	26.2%	2.7%	3.5%	9.0%
60 - 65%	31.6%	2.3%	1.5%	0.8%
65 - Over	11.3%	2.0%	1.2%	0.8%

* Source: 289 Retirement Plans, Bankers Trust Company

C. How Should the Basic Benefit Formula Be Determined

Questions:

Should pension rights vary with length of service?

Should special allowance be made for older workers who were unable to contribute to a pension system?

Should pension payments be based entirely on earnings or should there be maximum and minimum limits to pension payments?

D. Survivors Benefits

Survivors Benefits Under Old Age and Survivors Insurance

	Present	Recommended
First Child under 18	One half primary	Three fourths primary
Additional Children under 18	One half primary	One half primary
Widows	Three fourths primary	Three fourths primary
Parents	One half primary	Three fourths primary

Recommended for Social Security Legislation

E. Who is Eligible?

Present Law

All persons are eligible who reach 65 and who work in covered employment during half of the quarters since 1937

Recommendations

To permit a larger proportion of older workers, particularly those newly covered, to qualify for benefits the requirements should be one quarter of coverage for each two calendar quarters that elapse. A minimum of six quarters of coverage should be provided.

Eligibility Problems Under Private Programs

How many years of employment are required for coverage?

What provision should be made for service prior to the effective date of a new pension?

At what age should a person be permitted to draw a pension?

F. Eligibility Requirements of 289 Private Plans*

Eligibility Requirements	Number of Plans	Percent of Plans
none	37	12.8%
age only	7	2.4%
service only	101	35.0%
age and service	144	49.8%

* Source: 289 Retirement Plans, Bankers Trust Company

G. The Cost of Old Age Pensions

Present Contributions

One percent by employer

One percent by employee

Reccmmendations

Both employer and employee contributions
be increased to one and a half percent

Some Major Problems

Should government contribute to pension costs?

A HALF CENTURY OF CHANGE IN:

How Many People Work

What Kind of People Work

Where Do People Work

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Fact One

How many Americans work or need work?

Year	Total Population	Persons Gainfully Occupied	Percent of People in Work-force
1870	40 million	13 million	32.5 percent
1880	50 "	17 "	34.7 "
1890	63 "	23 "	37.2 "
1900	76 "	29 "	38.3 "
1910	92 "	37 "	40.6 "
1920	106 "	42 "	40.1 "
1930	123 "	48 "	40.0 "
1940	132 "	53 "	40.5 "

Fact Two

Number and proportion of men and women gainful workers

	Male	Number	Female	Percentage of	
		Millions		Male	Female
				all workers percent	
1870	11.		2.	85	15
1880	15		2.	85	15
1890	19.		4.	83	17
1900	24.		5.	82	18
1910	30 .		7.	80	20
1920	34.		9.	79	21
1930	37.		10.	78	22
1940	40.		13.	75	25

Fact Three

Age distribution of the population

Year	<u>Number</u>		<u>Percent</u>		
	Total Number	65 years +	20 to 44 yrs	45-64 yrs	65 yrs-older
1950	145 million	11 million	38%	21%	8%
1960	153 "	14 "	36%	22%	9%
1970	160 "	16 "	37%	24%	10%
1980	163 "	19 "	36%	24%	11%
1990	164 "	22 "	36%	25%	13%
2000	164 "	22 "	35%	26%	14%

Fact Four

The kind of work we do

In Percent

	1880	1890	1900	1910	1920	1930	1939
All wage workers	63	66	69	74	76	80	81
Wage earners	53	54	57	57	55	54	54
Clerical workers	7	8	8	11	15	17	18
Professional	3	3	3	4	4	5	6
Mgmt workers	1	1	1	2	3	3	3
All enterprisers	37	34	31	26	24	20	19
Farmers	28	25	21	18	16	13	12
Business men	8	8	8	8	7	7	6
Professional men	1	1	1	1	1	1	1
All gainful workers	100	100	100	100	100	100	100

The Problem of Age

(a) The size of the problem

	Males over 65 years	Females over 65 years
1945	4,800,000	5,200,000
1950	5,300,000	5,900,000
1960	6,400,000	7,500,000

(b) Age of the voter

In 1945, 33% of all voters were over 50 years old.
In 1960, 37% of all voters will be over 50 years old.
In 2000, 45% of all voters will be over 50 years old.

(c) Work and age

	Percent of aged who are gainful workers	
	Male	Female
1945	39	5.7
1950	35	5.5
1960	29	5.1

(d) Age and the worker

□ Average age of gainful workers □

	Males	Females
1890	33	24
1940	37	31
1960	39	36

(e)

Percentage of older workers in work force

1945 One fifth of all workers were over 50

1960 One fourth of all workers will be over 50

1980 One third will be over 50

(f)

Dependency and age

One third of the ten million persons over 65 years old are employed

three and one half million are living on Federal Old Age Assistance or Old Age Pension

three million others don't have jobs or are not covered by pensions

(g) Years for which pensions are needed

In 1900, a worker at time of retirement could expect to live two additional years.

In 1947, a worker at time of retirement could expect to live five additional years.

In 1975, a worker at time of retirement can expect to live nine additional years.

Facts about the Female Labor Force

Number of Females in the Work Force

1950 - 15,800,000
1960 - 18,200,000

By 1960, 37 percent of all women 20-64 years old will be gainfully employed.

Proportion of female-workers to total workers

In 1890, 17 out of every 100 workers were female.
In 1940, 24 out of every 100 workers were female.
In 1960, 29 out of every 100 workers will be female.

Where women work

Clerical	4.5 millions
Operatives	3.5 millions
Service	2.0 millions
Domestics	1.5 millions
Professional	1.5 millions
Proprietors and Managers	.7 millions

Facts About the Young People

Entrance into industry

About two million enter work force annually.

Average age is 18.

Average education is 11.

The average young person has 3 years more
education than his father.

The average young person is two years older
when he began work than his father.

Sickness Plans Developed
by Legislation and
Collective Bargaining

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Sickness Benefit Plans

I The Problem

(A) What are the chances of getting sick.

In a normal year this is the amount of sickness suffered by 1000 persons¹

320 will be sick once

140 will be sick twice

50 will be sick three times

20 will be sick four or more times

(B) How much time is lost through disability¹

On an average day there are approximately seven million temporarily or permanently disabled persons in the United States - about 55 out of 1000 persons. Nearly half of these are in the work-force or would be if it were not for their disability. The others are children, students, housewives and old people.

50 percent of the 7 million disabled have been incapacitated for more than 6 months.

In 1942 the average male industrial worker lost 10 days because of illness or accident. The average female worker lost 12 days. 80 percent of this time was lost due to common ailments and ~~diseases or accidents not connected with work.~~

1 America's Needs and Resources - Dewhurst

II. The Cost of Sickness

(A) Medical Expenditures of Families and Single Persons 1942¹

Income	Total Amount In Millions	Average Family Expenses	Percent of Income
Total	3,710	90	3.5
Under 500	91	26	7.9
500 - 1000	261	39	5.1
1000 - 1500	375	57	4.6
1500 - 2000	413	69	4.0
2000 - 2500	404	87	3.9
2500 - 3000	341	104	3.8
3000 - 4000	596	129	3.7
4000 - 5000	428	163	3.7
5000 - 7500	390	205	3.3
7500 - 10,000	143	228	2.8
10,000 - over	268	340	1.6

Physicians services, medicines and supplies account for more than 50 percent of medical costs of low income groups.

(B) Government Expenditures for Civilian Health¹ - 1947

	Total	Federal	State Local
Millions of Dollars			
Total	1962	743	1219
Medical Care for Needy	150	25	125
Community Health Protection	316	69	247
Rehabilitation	25	18	7
Hospitals			
authorized construction	227	77	150
Maintenance			
Tuberculosis & Mental	373		373
General Hospitals	300		300
Federal Establishments ²	534	534	
Health manpower	15	..	15
Research	22	20	2

1 From Social Security Almanac

2 Includes Veterans care

IV. Collective Bargaining and Health and Welfare Plans

(A.) Union Experience with Membership Financed Sickness Benefit Programs

	Number of Unions reporting sickness benefits
1903	28
1913	27
1923	13
1933	30
1943	18

(B.) Health and Welfare Plans Obtained through Collective Bargaining

A significant development in the method of payment for medical care has been the rapid growth in recent years of joint labor-management health and welfare funds. Such funds were almost unknown 15 years ago and as recently as the close of 1945 included only 600,000 workers. By July 1948, however, they covered 3 million workers and some new plans have come into operation since. The largest number of workers covered by such health and welfare plans is in the needle trades, with coal miners and textile workers following in order.

These plans generally provide benefits in cash for time lost through sickness and/or costs of hospitalization and, less commonly, surgical expenses - all subject to maximum limitation in duration and amount.

Sickness Plans Developed by Legislation and Collective Bargaining

I. Cash Benefits¹

Weekly sickness and accident benefit cash payments for wage loss.

Should amounts paid be determined by medical expenses or by past income?

Should low income groups receive higher percentage of earnings than higher income groups?

Summary of Important Union Contracts

	Amount	Length
Local 42 - Chain Store Restaurant Employees	\$12-20	13 weeks
N.Y. Hotel Trades Council		26 weeks
Males	\$12	
Females	\$10	
International Ladies Garment Workers - Boston	\$12	13 weeks
Local 477 - Printing and Pressmen	\$15	13 weeks
Amalgamated Clothing Workers ²	\$12	13 weeks

1 Health Insurance and Collective Bargaining, Princeton

2 Requested benefits.

II. Hospital Benefits

Should benefits be paid in cash or care?

Arguments for

Cash benefits are cheaper to carry, and this is emphatically true if the percentage of men is high or the age is fairly low; and although the cash awards do not totally reimburse workers for hospital expenses they nevertheless help.

Arguments against

The benefits for catastrophic illness should be more comprehensive because the bills to the worker are greatest in such illness.

Other problems

Should benefit programs pay for extras?

Summary of Important Union Plans Covering Hospital Benefits

	Amount	Duration
Local 42 - Chain Store Restaurant Employees	Blue Cross	21 days of hospital care
International Jewelry Workers	\$6	70 days
Ladies Garment Workers - Boston	\$4	30 days
International Pressmen, Local 477		21 days per year
Amalgamated Clothing Workers	\$5	31 days

III. Other Benefit Problems

Should life insurance be included in the program?

Many plans include a \$500 to \$1000 life insurance policy.

Should maternity benefits be included?

Many plans allow \$50 or maximum weekly benefits for six weeks.

Surgical benefits

Many plans allow a maximum of \$150 for surgical costs.

IV. Eligibility for Benefits

Union membership

In most plans union membership is a basic requirement.

Length of employment

Some plans include a six months probationary period before new employees are eligible. Most specify a one month period.

Females

Many plans require that no maternity benefits be paid until 12 months after date of employment.

V. Costs

Many of the principal plans are designed to be financed wholly by the employer who contributes 2 to $3\frac{1}{2}$ percent of the wage to a fund. There are instances in which the employee contributes half of the costs.

Summary of Important Union Contracts

Amalgamated Clothing Workers New York	2 percent employer contribution
Amalgamated Clothing Workers Chicago	2 percent employer, $\frac{1}{2}$ percent employee
United Furniture Workers	3 percent employer contribution
Upholsterers International	3 percent employer contribution
New York Hotel Trades	3 percent employer contribution

VI. Financial Problems

Who will assume the risks?

Methods of insuring the risk for the health insurance plans established through collective bargaining fall into two classifications.

A. Standard old line carriers assume the risk in most plans.

Arguments in favor of this method.

1. Certain major risks are involved in insurance plans. To forego the security and experience of an insurance company appears imprudent.
2. The insurance business is highly technical. By instituting an uninsured plan, an employer enters the insurance business without being technically equipped.
3. By establishing an insured pension plan the employer is relieved of responsibility for the fulfillment of the promises. If he should go out of business retired employees will be assured of continued payment.

B. A number of unions have assumed the full risk and have set up self-administered plans.

Arguments in favor of this method

1. Self-administered plans are more economical than insured plans, especially for large employers. They do not require commissions, state premium taxes, advertising costs.
2. Secondly, earnings in excess of the anticipated rates will presumably be distributed as dividends. However, such dividends are entirely within the discretion of the insurance company and may be deferred for several years. Under a self-administered plan any excess automatically accrues to a trust fund and thereby reduces costs.
3. Self-administered plans are more flexible.

Summary of Important Contract Provisions

	<u>Insured by</u>
Amalgamated Clothing Workers	Amalgamated Life Insurance
Federation of Dyers	Commercial Insurance Carriers
United Hatters	Union
Upholsterers International Union	Trade Union & Health Assn.
New York Hotel Trades	Prudential Life Insurance
New York Dress Makers	Union

Appendix

Health Insurance Provided by States

Health Provisions for Railroad Workers

Proposals for Permanent Federal Disability Insurance

I. Health Insurance provided by States.

Provision	Rhode Island	California	New Jersey	New York	Washington State
Name of Program	Cash sickness compensation	Unemployment compensation disability benefits	Temporary disability benefits during employment-during unemployment	Benefits to disabled unemployed	Disability benefits
Coverage	Same as unemployment insurance	Same as unemployment insurance	Same as unemployment insurance	Benefits are payable to an individual who is unable to perform his regular duties	Same as unemployment insurance
Financing	1% employee contribution formerly paid for unemployment insurance purposes	1% employee contribution formerly paid for unemployment insurance purposes	Employee contribution partially for disability insurance and partially for unemployment insurance fund. Employer contribution with provision for experience rating	1% employer-employee contribution on wages paid Jan-June 1950, thereafter by assessment against carriers authorized to pay benefits for disabled unemployed; for disabled employed employees paying 5% of wages a week up to 30¢ and employers paying excess	Employee contribution of 1% of wages.
Benefits	Differ in weekly amount and duration from U.I. Otherwise the same	Same as U.I. Hospital care for 12 days at \$8 per day	Same as U.I.	10-26 for a maximum of 26 weeks	Same as U.I.
Maternity	Limit of 15 weeks benefits for pregnancy	No payments for any illness caused by or arising out of pregnancy for first four weeks after termination of pregnancy	No payments	Benefits are not payable for illness arising from pregnancy unless the illness occurs after the employee has returned to work for two weeks a covered employer	No payments for illnesses arising out of pregnancy unless the illness lasts for 4 weeks after termination of pregnancy

II. The Temporary Disability Programs of the Federal Government

Provisions for Railroad Workers

Type of fund

Benefits paid out of Railroad Unemployment Funds

Financing

Employer contribution

Definition of disability

Inability to work because of physical, mental, psychological or nervous injury, illness, sickness or disease.

Maternity

Special benefits if not more than 84 days

Benefits

Daily benefits ranging from \$1.75 to \$5.00 per day for period not to exceed 130 days in any year.

Qualifying earnings

\$1.50 a day

III. The Permanent Disability Proposals of the President's Advisory Council on Social Security.

On an average day the number of persons kept from gainful work by disabilities which have continued for more than six months is about 2,000,000.

Recommendations for handling the problem

Who should be eligible

Persons who have recently and substantially attached to the job market.

Persons should have 40 quarters of coverage

Definition of Disability

A permanent and total disability for the purpose of this program should mean any disability which is medically demonstrable by objective tests, which prevents the worker from performing any substantial employment and is likely to be of long continued and indefinite duration.

Amount of Benefits

Average Monthly Wage	Insurance Benefit	Percent of Wage
\$50	\$25.00	50%
75	37.50	50%
100	41.25	41%
150	48.75	32%
200	56.25	28%
200	63.75	25.5%
300	71.25	23.8%
350	78.75	22.5%

Adjustment to Workmens Compensation

Permanent insurance benefits should be suspended for any periods for which workmens compensation benefits are payable.

HEALTH AND WELFARE PLANS

Prepared by:

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Outline of Discussion on Health and Welfare Plans
Summer Labor Institute
Asilomar, August 18, 1949

I. Background of health problems of industrial workers.

A. Occupational Hazards

1. Injuries -- safety codes and equipment
2. Illnesses -- effects of specific environmental hazards
3. Workmen's Compensation laws -- partial protection for workers, through cash benefits and medical care for occupational disability.
4. Industrial hygiene programs -- stimulated by employers' liability under Workmen's Compensation; aimed at prevention of occupational illness and injury.

B. Non-occupational health factors.

(non-occupational illness constitutes 90% of all work days lost due to illness.)

1. Urbanization and housing
2. Nutrition
3. Economic status
4. Education
5. Family relationships
6. Availability of medical care
7. Unionization

Attention here will be directed to plans which provide health benefits for non-occupational illnesses.

C. Early industrial health programs.

1. Labor protection movement in England
2. United States lagged in social legislation
 - a. Child labor laws
 - b. Female labor laws
 - c. Wage and hour legislation

- d. Industrial hygiene and safety
 - e. Social security laws
 - f. Trade union protection -- Wagner Act
3. Early sick benefit and mutual aid societies; later replaced by commercial insurance.

II. Current health plans

A. Health plans organized by management

- 1. Developed, financed, administered by management as part of total personnel program
- 2. Content of usual industrial medical plan:
 - a. Pre-employment examinations
 - b. Periodic and special health examinations
 - c. Emergency care
- 3. Relatively few industries provide general medical care.
 - a. Earliest general plans developed for workers operating in remote areas -- lumber, mining, railroads
 - b. Financed by company, workers, or both
 - c. Coverage included only certain classes of employees, very few of these plans cover dependents. When employee is out of work, he loses his right to benefits -- despite previous contributions.
 - d. Benefits are highly variable, usually limited
 - (1) Usually: general practitioner care, some specialist service, restricted dental care, and hospitalization
 - (2) Many exclusions: chronic conditions, pregnancy, etc.
 - e. Benefits provided by:
 - (1) Company -- salaried medical staff, own hospital, etc.
 - (2) Cash indemnity by commercial insurance carrier

(3) Contract with voluntary medical care plan
(i.e. Permanente Hospital, Blue Cross)

(4) Agreements with private local physicians, hospitals, etc.

4. Examples of larger industrial plans

- a. Kaiser industries
- b. Douglas Aircraft
- c. Endicott-Johnson Company
- d. Southern Pacific R. R.
- e. Stanacola

5. Reasons for management interest in health plan

- a. Reduced absenteeism
- b. Less turnover in personnel
- c. Increased productivity
- d. Less susceptibility to compensable occupational injury or disease
- e. Higher morale

B. Health plans organized by labor

1. Relatively little activity until Second World War

Some early union plans:

- a. International Ladies' Garment Workers
Union Health Centers -- for care of union members
- b. United Automobile Workers
Medical Institute -- for diagnostic service
- c. United Retail, Wholesale, and Department Store
Employees, St. Louis

Labor Health Institute -- for complete care to
union families

2. Bulk of benefits (unlike the service plans listed above) are administered through commercial insurance carriers -- about 7,500,000 workers so covered.
 - a. Cash benefits of two types: partial wage loss replacement (disability compensation) and cash amounts for medical expenses (medical indemnity)
 - b. Enrollment usually in employee groups
 - c. Benefits often "packaged" with life insurance, pensions, death benefits, etc. Many exemptions and limitations in medical benefits; usually restricted to medical and surgical care during hospitalization; within strict time and cash limits
 - d. Financed usually by the workers -- often with dividends returned to employers and always with surpluses accruing to commercial carrier.
 - e. No continuity of coverage during unemployment
 - f. Relatively small percentage return on premiums
Range: 25-75%;
Average: 55%
(45% of premium dollar goes for operational costs, reserves, profits)
 - g. Unions now bargaining for more administrative controls and less employee contributions
3. Recently, there is an increasing use of voluntary, non-profit, service plans.
 - a. Unions enroll as groups, and union members now constitute the bulk of membership in Blue Cross, Blue Shield, etc.
 - b. Labor generally endorses national health insurance, and considers voluntary plans as interim measures

C. Health Programs in Collective Bargaining

1. Tremendous growth of health benefit plans under collective bargaining since "wage freeze" during war and recent legal opinion on right to bargain for health benefits
2. 1948 -- 3 million workers in health and welfare plans under collective bargaining
3. Especially in clothing, coal, building, fur industries

4. Administration:
 - a. Joint union and company
 - b. Union
 - c. Trust fund and impartial Board of Trustees
(Taft-Hartley law requires joint board for administration of funds)
 - d. Insurance company

Important to differentiate between administration of the fund (i.e. Joint Board), the plan (i.e. Insurance company) and the day-by-day operational details (i.e. the union).

5. Financing is still predominantly by 2-3% payroll deductions

6. Trends:

- a. Service other than cash benefits
- b. Union rather than employer control
- c. Comprehensive rather than limited benefits
- d. Greater employer contributions

7. Sources of funds

- a. Company
- b. Payroll deductions
- c. Fees
- d. Royalties on production (United Mine Workers Health and Welfare Fund, based on 20 cent royalty per ton of mined coal)

- D. Other types of Medical Care Plans for Industrial Workers

1. Self-insurance -- (Amalgamated Clothing Workers of America)
2. Contracts with group clinics -- (Permanente, Ross-Loos Health Insurance Plan of Greater New York)
3. Cooperative Health Associations -- (Puget Sound Group Health Association, etc.)

E. Principles essential to sound union health planning

1. Union share in policy control and administration
2. Employer contribution in financing
3. Service rather than cash medical benefits
4. Comprehensive rather than limited services
5. Coverage for entire family
6. Establishment of union's own medical staff and facilities or contract with non-profit service plan, rather than commercial insurance coverage
7. Provision of services through group practices
8. Attention to quality as well as quantity of medical care
9. Strict separation of health and welfare funds from all other union funds.
10. Secure investment of health and welfare funds
11. Accumulation and analysis of actuarial experience
12. Inter-union reciprocity and pooling of experience and technical resources

III. Workmen's Compensation

A. Background; before Workmen's Compensation Laws

1. Early industrial period -- no labor protection
2. Later, concept of employer's liability had to be proven in court

B. Employer's defenses:

- a. "Assumption of risk" -- by worker
- b. "Fellow-servant doctrine" -- fault of other worker, not employer
- c. "Contributory negligence" -- by worker

Extremely difficult for worker to win legal battle

3. Risks later passed on to commercial insurance companies, with premium rates based on previous claims experience. Thus both management and insurance companies motivated to disprove claims.

B. Workmen's Compensation Laws

1. Developed as protection to workers against occupational injuries and illnesses, and to assure worker's right to cash and care when disabled on the job
2. Federal Employees' Compensation Act - 1908
First state law - 1911. Now all states
Railroad Retirement Act
3. State laws are highly variable; many gaps and limitations
 - a. Generally, provide 40-75% of wage in cash benefit
Maximum around \$30.00 per week, specified number of weeks, waiting period, etc.
 - b. Also, some degree of medical care usually provided
 - c. Less than 50% of workers now covered
Farm workers, casuals, small plant employees, domestics, etc., not covered
 - d. Not all risks covered. Some states restrict compensable conditions to a specific list. Long fight before "accidents" included "diseases". California law reasonably comprehensive
 - e. Special cash adjustments for permanent disability, death, etc. (second injury funds)
 - f. Administration in hands of special commissions or courts
 - g. In states that permit "contracting out" to commercial plans, rates are still based on claims experience and workers' claims bitterly contested
 - h. Most plans financed by employers as part of cost of production. Some require worker contributions.

C. Current Issues

1. Amount of cash benefit and medical care
2. Determination of "compensable" condition
3. Coverage of more workers
4. Waiting periods and duration of benefits
5. Contracting-out
6. Administration

IV. Disability Insurance

- A. Developed to insure workers against wage loss due to non-occupational illness and injury. (No medical care)
- B. Currently enacted in Rhode Island, California, New Jersey, Washington and New York; pending in many other states. Also Railroad Retirement Act.

U. S. only industrial country without national disability insurance.

State programs deal only with temporary disability

C. Principles of Disability Insurance

- 1. Cash benefits in partial replacement of wage loss due to non-occupational disability
- 2. Financed by compulsory payroll deductions
- 3. Waiting period, limitation on duration of benefits, maximum weekly cash benefits
- 4. Medical certification and recheck
- 5. No medical care
- 6. Usually tied to unemployment insurance program

D. California Disability Insurance Program

- 1. Started in 1946, with transfer of excess funds in Unemployment Insurance fund
- 2. Based on compulsory contribution of 1% of wages of those covered by Unemployment Insurance
- 3. Benefits paid up to \$25.00 for 26 weeks maximum, with one-week waiting period. Only 75% of combined Unemployment Insurance and Disability Insurance benefit allowed
No pregnancy benefits
- 4. New law (1949) provides \$8.00 per day hospital benefit
- 5. Certification of disability by private M.D.'s checked by administrative agency (State Department of Employment)
- 6. Commercial insurance company participation permitted, if one extra benefit is provided

E. Problems in the California Program

1. Huge accumulated reserve — ammounting to \$88 million from 2½ years of operation plus \$103 million in original fund
2. Very low "loss-ratio" — less than 50 cents paid out in benefits by State Plan for every \$1 collected in payroll deductions
3. Commercial insurance companies select the best health "risks"; make huge profits on the less-than-50% loss ratio; fail to report Disability Insurance operations adequately to the State agency
4. Very low claim rate by California workers

F. Needed changes in California Disability Insurance program:

1. Increased cash benefits, decreased waiting period, uniform (and maximum) duration of benefits.
2. Pregnancy benefits
3. Liberalization of eligibility requirements
4. Extension of coverage to farm workers, casuals, domestics, small plants, etc.
5. Complete reporting by voluntary plans and control of favorable selection of risks, or elimination of commercial plans from this compulsory social insurance program.

G. Need for medical care and vocational rehabilitation as adjuncts to disability compensation.

Relation to public welfare program

CALIFORNIA'S UNEMPLOYMENT - DISABILITY INSURANCE PROGRAM

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I. UNEMPLOYMENT INSURANCE

Magnitude of the Program

Source and Distribution of Funds

income payment of benefits balances in funds
--

Responsibility for Administration of Act

Conflict regarding payment of benefits

Labor's interest

Management's interest

Basic features of filing a NEW Unemployment Insurance Claim

Establishing benefit year	Base period (wages used)	Awards of Unemployment Ins.		Credit for Earnings	Serving Waiting Period	Partial Unemployment
		Maximum Award	Weekly Benefit Amount			

Basic requirements for filing a NEW Claim for Unemployment Insurance

Basic requirements for filing a Compensable Claim for Unemployment Insurance

Ineligibility Factors

If receiving benefits from another state

Unable to work

Unavailable for work

Not seeking work

Leaving work because of trade dispute

Voluntarily quitting work without good cause

Discharge for misconduct

Wilfully making false statement

Refusal to apply for suitable employment

Refusal to accept suitable employment

Appeals Procedure

To a referee

To the California Unemployment Insurance Appeals Board

II. DISABILITY INSURANCE

Comparison with "Health" Insurance

Purpose of Disability Insurance

Financing of Program

Definition of "Disability" or "Disabled"

Basic features of filing "First Claim" for Disability Insurance

Establishing benefit year	Base Period (wages used)	Awards of Disability Ins.		Combined Disability-Unemployment Ins. Awards	Servin Waitin. Period
		Maximum Award	Weekly Benefit Amount		

Basic requirements for filing a "First Claim" for Disability Insurance

Period of disability

Examination by physician

Filing certificate of disability

Time limit on filing

Basic requirements for filing continued Claims for Disability Insurance

Ineligibility Factors

Pregnancy not covered

Receiving Unemployment Insurance

Receiving or entitled to receive Servicemens' Readjustment Allowances

Receiving Workmens' Compensation

Receiving regular wages

Disabled outside State of California

Leaving work because of trade dispute

Unemployment not due to disability

Appeals Procedure

To a referee

To the California Unemployment Insurance Appeals Board

Voluntary Plans for Disability Insurance

Approval of Commission required

Basic requirements for approval

Voluntary plans in effect

THE ECONOMIC OUTLOOK

Prepared by:

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TABLE I

GROSS NATIONAL PRODUCT, NATIONAL INCOME, DISPOSABLE PERSONAL INCOME
AND PER CAPITA DISPOSABLE NATIONAL INCOME, 1929-1949

<u>Year</u>	<u>Gross Nat. Product</u>	<u>National Income</u>	<u>Disposable Personal Income</u>	<u>Per Capita Disposable National Income</u>	
				<u>Current Dollars</u>	<u>1948 Dollars</u>
1929	103.8	87.4	82.5	678	947
1930	90.9	75.0	73.7	599	859
1931	75.9	58.9	63.0	508	800
1932	58.3	41.7	47.8	383	672
1933	55.8	39.6	45.2	360	667
1934	64.9	48.6	51.6	408	730
1935	72.2	56.8	58.0	456	796
1936	82.5	64.7	66.1	516	891
1937	90.2	73.6	71.1	552	920
1938	84.7	67.4	65.5	505	857
1939	90.4	72.5	70.2	536	923
1940	100.5	81.3	75.7	574	981
1941	125.3	103.8	92.0	691	1,125
1942	159.6	136.5	116.2	863	1,256
1943	192.6	168.3	131.6	964	1,306
1944	212.2	182.4	145.6	1,054	1,391
1945	213.4	181.7	149.4	1,070	1,374
1946	209.3	179.3	159.2	1,127	1,351
1947	231.9	202.5	173.6	1,205	1,294
1948 (1st half)	249.3	218.1	187.1	1,281	1,297
1948 (2nd half)	262.7	231.9	197.8	1,343	1,327
1949 (1st half)	253.9	224.5	195.4	1,316	1,328

Sources: Department of Commerce and Council of Economic Advisers

TABLE II

U.S. CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT, ANNUAL AVERAGE
1920-47

<u>Year</u>	<u>Total Civ. Labor Force (in thousands)</u>	<u>Employment (in thousands)</u>	<u>Unemployment (in thousands)</u>	<u>Unemployment as Percentage of Labor Force</u>
1920	41,897	41,339	558	1.3%
1921	42,445	37,691	4,754	11.2
1922	42,966	40,049	2,917	6.8
1923	43,760	43,011	749	1.7
1924	44,549	42,515	2,034	4.6
1925	45,009	44,192	817	1.8
1926	45,926	45,498	428	0.9
1927	46,939	45,319	1,620	3.5
1928	47,914	46,057	1,857	3.9
1929	48,354	47,925	429	0.9
1930	49,025	45,216	3,809	7.8
1931	49,664	41,551	8,113	16.3
1932	50,182	37,704	12,478	24.9
1933	50,830	38,086	12,744	25.1
1934	51,402	41,002	10,400	20.2
1935	51,879	42,357	9,522	18.4
1936	52,382	44,783	7,599	14.5
1937	53,011	46,639	6,372	12.0
1938	53,699	43,600	10,099	18.8
1939	54,393	45,314	9,080	16.7
1940	55,640	47,520	8,120	14.6
1941	55,910	50,350	5,560	9.9
1942	56,410	53,750	2,660	4.7
1943	55,540	54,470	1,070	1.9
1944	54,630	53,960	670	1.2
1945	53,860	52,820	1,040	1.9
1946	57,520	55,250	2,270	3.9
1947	60,168	58,027	2,142	3.6
1948 (1st half)	60,531	58,317	2,214	3.6
1948 (2nd half)	62,352	60,439	1,914	3.0
<u>1949 (monthly averages)</u>				
January	60,078	57,414	2,664	4.4
February	60,388	57,168	3,221	5.3
March	60,814	57,647	3,167	5.2
April	60,835	57,819	3,016	5.1
May	61,983	58,694	3,289	5.3
June	63,398	59,619	3,778	5.9

SOURCES: 1920-39: National Industrial Conference Board
1939 - : U.S. Department of Commerce

TABLE III

PERCENTAGE CHANGE IN THE NUMBER OF WAGE AND SALARY WORKERS IN NONAGRICULTURAL ESTABLISHMENTS FROM THE POSTWAR PEAK TO MAY 1949.

	Postwar Peak	Percentage Change
<u>Total Nonagricultural</u>	Dec. 1948	-5.3%
<u>Manufacturing</u>	Sept. 1948	-10.1
Iron and steel products	October 1948	-11.3
Electrical Machinery	February 1947	-18.1
Automobiles	January 1948	-10.0 (strike figure)
Furniture and Lumber Products	February 1948	-13.8
Textile products	March 1948	-16.0
Food	September 1948	-15.3
Rubber products	December 1946	-22.0

SOURCE: Joint Committee on the Economic Report: Initial Report on Employment and Unemployment of the Subcommittee on Unemployment, July 1949.

TABLE IV

PERCENTAGE CHANGE OF EMPLOYMENT IN MANUFACTURING INDUSTRIES BY STATES FROM POST WAR PEAK TO APRIL 1949

	Postwar Peak	Percentage Change
Massachusetts	December 1946	-14.5
New York	November 1946	-12.3
Pennsylvania	December 1947	- 8.8
Ohio	March 1947	- 9.9
Illinois	December 1947	- 9.9
Michigan	March 1947	-11.6
Washington	August 1948	-10.9
Oregon	September 1946	-18.6
California	October 1948	-12.7

SOURCE: Bureau of Labor Statistics.

COMMUNITY RELATIONS MATERIALS

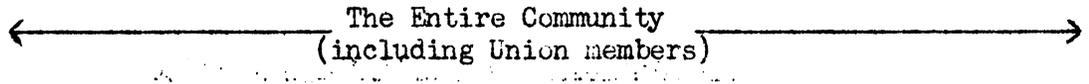
Prepared by:

The Industrial Relations Center
University College
University of Chicago

Building Relations with the Community

5. What the Community Thinks about Unions:

During the present period how do you think most of the community feels about your Union? Which of the following charts do you think best shows the feeling of the people in your community toward your Union?



- a.

1/3 strongly for the Union	1/3 strongly against the Union
----------------------------	--------------------------------

- b.

1/10 'strongly' 'for'	9/10 strongly against
-----------------------------	-----------------------

- c.

1/5 strongly 'for'	3/5 don't know and don't care	1/5 strongly 'against'
-----------------------	-------------------------------	---------------------------

- d.

9/10 strongly for	1/10 'strongly' 'against'
-------------------	---------------------------------

Discussion Notes:

6. Why the Union Should Worry about Community Opinion

Why do you think your Union should do anything to try to win over the people who either don't care or are against the Union?

List below any important reasons you can think of (including any that have come up in the discussion so far).

1. _____
2. _____
3. _____
4. _____
5. _____
6. _____

Discussion Notes:

7. Who Runs the Town -- Who Has Prestige

- _____ a. The Table opposite is one way of presenting the structure of your community. Look it over, and on the basis of what you know about your own community fill in the appropriate sections of the table.
- _____ b. How does the influence of the union compare with the influence of the other groups.

Discussion Notes:

8. How These Groups Have Gained Standing

- _____ a. What do the respected groups in your community do to gain respect - how do you think they have gained the acceptance they now have?
- b. Are all the groups and people listed in Column 3 (those who really run the community) respected?
- _____ c. Have you noticed any programs that have won community support?

Discussion Notes:

The Organizations That Are Respected in the Community	The People Who Are Respected in the Community	The Groups and People Who Really Run the Community
 A simple line drawing of several buildings of varying heights and styles, representing community organizations.	 A simple line drawing of two people standing side-by-side, representing respected individuals in the community.	 A simple line drawing of three people gathered around a table, with one person appearing to be writing or reading, representing the groups and people who run the community.

POINTS FOR DISCUSSION

Here are some of the most important reasons for starting a community relations program as presented by union members in previous discussions and as they are presented in several union publications dealing with labor and community relations.

1. Build a better community. Unions can make a big contribution to community life. Just as Labor was in the forefront of the fight for better schools 120 years ago, it can lead today in a fight for better services of all kinds: education, health, recreation, safety, etc.
2. Understand community attitudes better. As unions work more and more with the community, they get to know community problems. Then they can plan their programs more in terms of community needs and attitudes. They get more public relations know-how.
3. Meet workers' out-plant needs. Collective bargaining is only part of the job. Many worker needs can be met only through using and improving community and governmental services. Thus, the union has a big stake in 1) helping its members to know and use community services -- from workmen's compensation to adult education and recreation facilities; 2) working with other community groups who want to improve these services.
4. Develop new leaders. Some union members who aren't useful in collective bargaining or as stewards, or who aren't interested in that sort of work, might be just the man to put on a community relations program. Such a program can help you develop new leaders in your local, and encourage more active participation.
5. Reach the union "card-carriers" by gaining the goodwill of other organizations they belong to. Many union members don't come to meetings and have never really been sold on the union. These members are subject to the cross-pressures of the various community organizations. It's important to get your story over to these organizations. Then they won't oppose the union program and turn the members against the union.
6. Get help in negotiations. Because union-management decisions affect increasing numbers of the people, public opinion has much to do with the decisions which are made. Collective bargaining is carried on more and more in a "gold fish bowl". Therefore, it's important that the community understand your problems and needs, and that it have reason to believe that you're interested in broad community problems not just union problems.

7. Get help in strikes. Strikes are also won or lost just as much through community attitudes as through militant action or a strong union treasury. In a strike situation, it's important for the community to know why you are going to strike, what you're after and how your objectives will help the community. The community can help with financial as well as moral support -- strike relief and credit.
8. Aid political action. As unions get more into politics, they realize they can't do a good job -- even with their own members -- without some support from the rest of the community. A labor endorsement can be a "kiss of death" if the community hasn't accepted unionism. Without effective political action, Labor can be pushed around by government.

To summarize the points made in previous discussions:

Union leaders usually think of a community relations program in terms of:

1. The special interest of the union as an organization -- such as help in strikes and negotiations and a desire to sell the union to the community and indirectly through the community selling its members on the union.
2. Better schools, better sanitation, better housing, and the like -- which workers and union members want.
3. A general broad interest in participation in building up a better community.

In short, unions have special interests in terms of their self-interests. But in common with other groups they have common interests and community goals.

WHERE LABOR FITS INTO THE PUBLIC AND THE COMMUNITY.

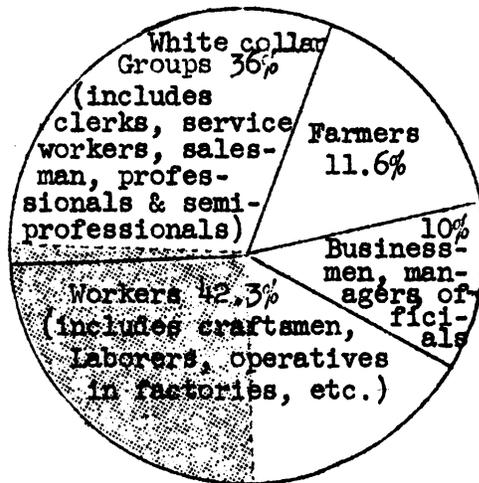
FACTS FOR ACTION

Where Organized Labor Fits Into the Total Community of Workers.

Organized labor is still just one of many groups, although it is the largest.

If you look at the people who work for a living, you see that

- a) wage-earning workers are only a little more than two-fifths of the total employed;
- b) only about one-fourth of the total employed are union members.



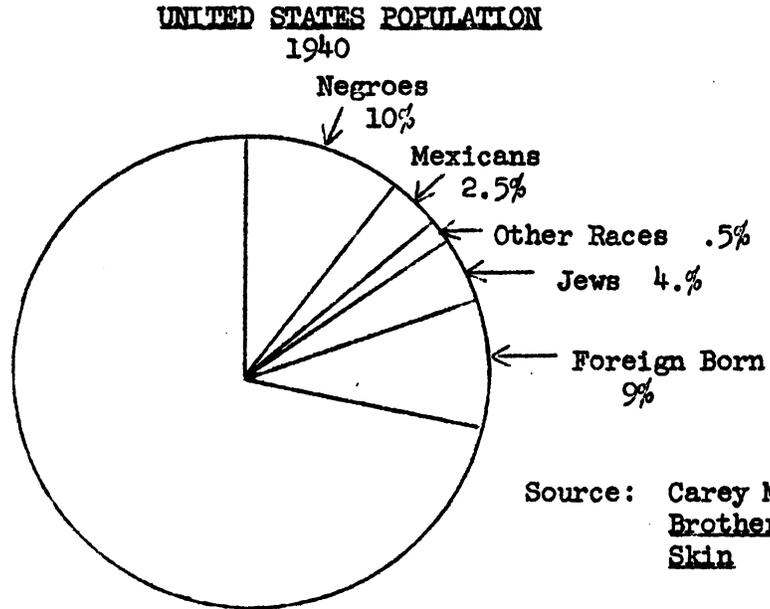
Key:

-  = organized
-  = unorganized

(Chart based on Dept. of Commerce figures for Jan., 1947)

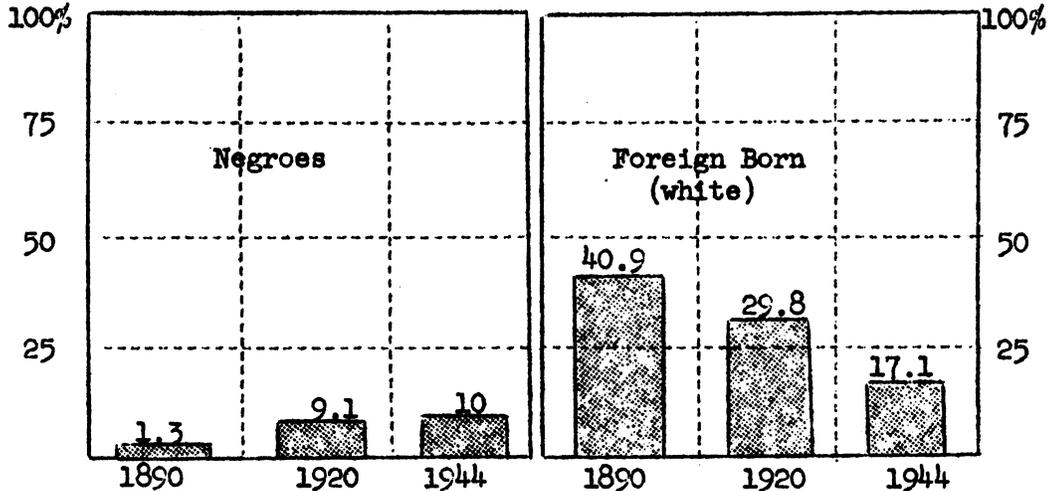
What do the facts brought out by this chart have to do with the problem of community relations? Do these facts in any way stress the need for community relations?

Place of Minority Groups in Industry.



Per cent of
Population

CHANGES IN TOTAL POPULATION



Source: Drake and
Cayton.

Black Metropolis

During the period 1910-1930, the total number of employed workers in iron, steel, vehicle and machinery rose 183 per cent. The number of employed Negro workers in these industries rose 368 per cent during this same period.

What do these facts and figures mean to Unions and how do they effect the Union's community relations program?

THE FEDERAL WAGE AND HOUR LAWS

Prepared by:

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U. S. Department of Labor

LEGISLATIVE AND JUDICIAL HISTORY.

- I. State wage and hour laws; 1911 - 1923.

- II. U. S. Supreme Court decisions affecting wage and hour legislation.
 - 1. Adverse-Adkins vs. Children's Hospital, 261 U. S. 525
 - 2. Favorable West Coast Hotel vs. Parrish, 300 U. S. 379

- III. National Industry Recovery Act

- IV. Summary of experience with early wage and hour laws.
 - 1. Scope of early laws limited to government financed work.
 - 2. Recent laws rest on commerce and welfare provisions of constitution.

Notes

PRESENT FEDERAL WAGE AND HOUR LAWS.

- I. The Eight Hour Law.
 - 1. Controls hours of work by requiring overtime pay.
 - 2. Does not set wage rates.
 - 3. Has limited scope.
 - 4. Administration and enforcement.

- II. The Prevailing Wage Law (Davis Bacon Act)
 - 1. Sets minimum wage rates by job classifications.
 - 2. Scope limited to employees of public works contractors.
 - 3. Administration and enforcement.

- III. The Anti-Kickback Law (Copeland Act)
 - 1. Protects employees' earnings.
 - 2. Scope limited.
 - 3. Administration and enforcement.

- IV. False Affidavit Act.
 - 1. Severe penalties for making false statements to government.
 - 2. Enforcement uses.

Notes

- VII. The Fair Labor Standards Act (Wage-Hour Law)
1. Scope of applicability.
 2. Who is "covered" by this law.
 3. Tests for coverage.
 4. "Coverage" and "exemption" not to be confused.
 5. Wage provisions.
 - (a) Minimum wage rate.
 - (b) Rate for overtime compensation.
 - (c) "Overtime on Overtime".
 6. Exemptions
 - (a) Executive, administrative, professional, salesmen, retail employees.
 - (b) Retail establishments.
 - (c) Seamen and fishing.
 - (d) Certain small newspapers.
 - (e) Area of production.
 - (f) Canning fresh fruits and vegetables.
 - (g) Seasonal industries.
 7. Child Labor Restrictions.
 - (a) Minimum ages.
 - (b) Age certificates.
 - (c) Hazardous occupations.
 8. Record Keeping
 - (a) Responsibility for records.
 - (b) Content
 9. Administration and enforcement.

Notes

INSTITUTE OF INDUSTRIAL RELATIONS
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