

**Institute of Industrial Relations**  
**University of California**

**Berkeley**

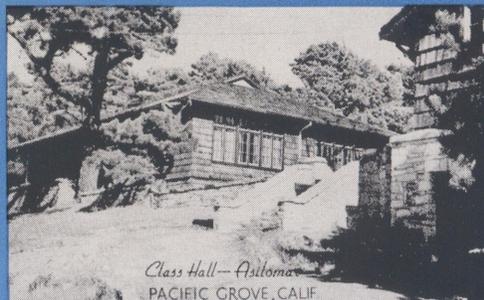
**Los Angeles**

**SUMMER LABOR INSTITUTE**

**Asilomar 1948**



Scripps House—Asilomar  
PACIFIC GROVE, CALIF.



Class Hall—Asilomar  
PACIFIC GROVE, CALIF.

# Summer Labor Institute

JULY 5-11, 1948 • PACIFIC GROVE, CALIFORNIA

Sponsored by Institute of Industrial Relations, University of California in cooperation with the California State Federation of Labor at Asilomar Hotel and Recreation Grounds, Pacific Grove, California.

## SUBJECTS

### ARBITRATION AND CONCILIATION

1 session Mr. Warren  
The use of arbitration and conciliation in the settlement of disputes; the why, when and how.

### COLLECTIVE BARGAINING

3 sessions Mr. Mayes  
Mr. Witte  
The theory of collective bargaining; how it works; current problems facing unions in negotiating contracts.

### COST OF LIVING AND OTHER LABOR STATISTICS

2 sessions Mr. Gershenson  
How cost of living estimates are arrived at; the effective utilization of labor statistics; an analysis of statistical data useful in collective bargaining.

### LABOR HISTORY

4 sessions Mr. Kennedy  
Mr. Ross  
How the labor movement began; growth of national unions; the rise of the American Federation of Labor; recent labor history.

### LABOR JOURNALISM

1 session Mr. Murray  
How to reach union members and the general public through the printed word; putting out a union paper or bulletin that people will read.

### LABOR AND THE POLITICAL SITUATION

1 session Mr. Shelley  
Labor's political role in democracy; techniques and organizational methods for labor unions; current trends on the political scene.

### PROBLEMS FACING LABOR TODAY

1 session Mr. Haggerty  
Crucial issues confronting labor today arising from recent labor legislation; the inflationary spiral, the critical international situation.

### PUBLIC RELATIONS AND THE UNION

1 session Mr. Murray  
How to get the union's point of view across to the community; methods of increasing public appreciation of the role of labor.

### RECENT LEGISLATION AFFECTING LABOR

1 session Mr. Witte  
A general analysis of the over-all labor legislation picture in the country by an outstanding national authority.

### STATE LABOR LAWS

1 session Mr. Scully  
An analysis of state labor laws affecting trade unions; the administrative agencies in the state; the legal status of unions under state laws.

### THE TAFT-HARTLEY ACT

4 sessions Mr. Aaron  
Implications for union security; unfair labor practices; strikes and boycotts; refusal to bargain; representation and elections; federal intervention and national emergencies; new developments.

### WORKMEN'S COMPENSATION

1 session Mr. Scully  
What it is; how it works; how it should work.

## General Information

**PLACE:** The Asilomar Hotel and Recreation Grounds is located in Pacific Grove on the Monterey Peninsula, three miles from Monterey. It is situated on the beach and provides excellent facilities for study and recreation. Pacific Grove is approximately 335 miles north of Los Angeles and 100 miles south of San Francisco.

**DATE:** July 5-11, 1948. The Institute opens Monday afternoon, July 5th, at 2:00 p.m. and closes after lunch on Sunday, July 11th.

**COST:** Tuition, room and board for the week is \$35.00.

**RECREATION:** In order to take full advantage of the recreational facilities, bring swimming trunks, athletic equipment, etc. Time is provided on the program for recreation and sightseeing.

**INFORMATION:** For further information, communicate with Abbott Kaplan, Institute of Industrial Relations, University of California, 405 Hilgard Avenue, Los Angeles 24, California. The phone number is BRadshaw 2-6161, Extension 425.

## SUMMER LABOR INSTITUTE STAFF

BENJAMIN AARON, Research Associate, Institute of Industrial Relations, University of California, Los Angeles.

M. I. GERSHENSON, Chief of the Division of Labor Statistics and Research, California Department of Industrial Relations.

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JOHN SHELLEY, President, California State Federation of Labor.

JOHN E. SMITH, Librarian, Institute of Industrial Relations, University of California, Los Angeles.

EDGAR L. WARREN, Director of the Institute of Industrial Relations, University of California, Los Angeles, formerly Director of the U. S. Conciliation Service.

EDWIN E. WITTE, Chairman of Economics Department, University of Wisconsin, formerly Executive Director, President Roosevelt's Committee on Economic Security which sponsored the Social Security Act.

UNIVERSITY EXTENSION

UNIVERSITY OF CALIFORNIA

# Application for Enrollment

Enclosed please find \$..... for (number)..... reservation at \$35.00 each for the Summer Institute at Asilomar, July 5-11, 1948. (Please make all checks payable to the Regents of the University of California, and send them to Room 10, Administration Building, University of California, 405 Hilgard Avenue, Los Angeles 24, Calif.) The following members of our Union will attend.

NAME..... ADDRESS..... CITY.....

POSITION..... LOCAL.....

Signed..... Union..... Position.....

City..... Address.....



at **PACIFIC GROVE, CALIFORNIA**

ASILOMAR HOTEL & RECREATION GROUNDS

**JULY 5 - 11 • 1948**

sponsored by

THE INSTITUTE OF INDUSTRIAL RELATIONS  
UNIVERSITY OF CALIFORNIA

in cooperation with

CALIFORNIA STATE FEDERATION OF LABOR

*(Berkeley & L.A.)*

**UNIVERSITY EXTENSION  
UNIVERSITY OF CALIFORNIA**

135

		MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
8:00		Breakfast	Breakfast	Breakfast	Breakfast	Breakfast	Breakfast	Breakfast
9:00 to 10:20		Collective Barg. Edwin Witte	Labor Movement Arthur Ross	Collective Barg. Barry Mayes	Labor Movement Until World War I Van Kennedy	Collective Barg. Edwin Witte Peter Seitz	Labor Movement Since World War I Van Kennedy	
10:30 to 11:45		Taft-Hartley Act Benjamin Aaron Rm E-F Cls. Hall	Taft-Hartley Act Benjamin Aaron	Taft-Hartley Act Benjamin Aaron	Taft-Hartley Act Benjamin Aaron	Taft-Hartley Act Benjamin Aaron	Closing Session Evaluation of the Institute (General)	
12:30		Lunch	Lunch	Lunch	Lunch	Lunch	Lunch	
1:30 to 2:45		Registration Charles Scully	Cost of Living M. Kossoris	Workmen's Compensation Charles Scully	Labor Journalism James Murray	Public Relations and the Union James Murray Sec. A & B Room E-F	DEPARTURE	
3:00 to 6:00		3:00-4:15 Labor Movement Arthur Ross 4:30-5:45 Cost of Living M. Kossoris	Recreation	Recreation	Recreation	Recreation		
6:00		Dinner	Dinner	Dinner	Dinner	Dinner	Dinner	
7:45 to 9:00		Arbitration Conciliation Edgar Warren Rm E-F Cls Hall	Free	Central Valley Project Paul Taylor (General)	Labor and Politics C.J. Haggerty (General)	Recent Legislation Affecting Labor Edwin E. Witte (General)	Free	

SECTION B - Room 3 Class Hall

TIME	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY	SUNDAY
8:00		Breakfast	Breakfast	Breakfast	Breakfast	Breakfast	Breakfast
9:00 to 10:20		Labor Movement Arthur Ross	Collective Barg. Barney Mayes	Labor Movement Growth Arthur Ross	Labor Journal- ism James Murray	Labor Movement Until World War I Arthur Ross	Labor Movement Since World War I Arthur Ross
10:30 to 11:45		Taft-Hartley Act Benjamin Aaron Rm E-F C1s. Hall	Taft-Hartley Act Benjamin Aaron	Taft-Hartley Act Benjamin Aaron	Taft-Hartley Act Benjamin Aaron	Taft-Hartley Act Benjamin Aaron	Closing Evaluation of the Institute (General)
12:30		Lunch	Lunch	Lunch	Lunch	Lunch	Lunch
1:30 to 2:45	2:00 Registration Opening Edgar L. Warren	Cost of Living M. Kossoris	Workmen's Compensation Charles Scully	Cost of Living M. Kossoris	Collective Barg. Edwin Witte Peter Seitz	Public Relations and the Union James Murray Sec. A & B Room E-F	DEPARTURE
3:00 to 4:15	3:00-4:15 Collect. Barg. Edwin Witte	Recreation	Recreation	Recreation	Recreation	Recreation	
4:30-5:45	State Labor Laws Charles Scully						
6:00	Dinner	Dinner	Dinner	Dinner	Dinner	Dinner	
7:45 to 9:00	Arbitration Conciliation Edgar L. Warren Rm E-F C1s Hall	Free	Central Valley Project Paul Taylor (General)	Labor and Politics C.J. Haggerty (General)	Recent Legisla- tion Affecting Labor Edwin E. Witte (General)	Free	

LABOR HISTORY  
OUTLINE FOR DISCUSSION

Van D. Kennedy

Arthur Ross

I

WORKERS AND UNIONS

A. Who Are The Workers?

What part of the American population is made up of workers?

How are the workers divided by sex, race, nationality and age differences?

What kinds of jobs do workers do?

Distribution among industries

Distribution by occupations and skills

How has the above picture of American workers changed in the past 50 years or so?

B. What Workers are in Unions?

What proportion of all workers are in unions?

What unions are workers in?

What industries and occupations are most strongly unionized?

C. What Are the Fundamental Characteristics of American Unionism?

Kinds of organizations

Internal government

Problems of democracy in unions

What are the basic philosophy and policies of American unions?

Aims?

Methods?

Political Action?

Role of Government?

II.

THE CHANGING AMERICAN SCENE

What are the major factors in the American scene that have influenced the labor movement and labor relations?

A. Economic factors

Natural resources

Industrialism

Labor History - 3

Occupational trends

Free private enterprise system

Economic organization

Depressions

B. Social Factors

Immigration

Population trends

Concepts of private property and individualism

Wars

C. Political Factors

Democratic political tradition

Federal and state jurisdictions

Division of authority between executive, legislature and courts

D. How have the above factors influenced unions and the development of collective bargaining?

III

LABOR HISTORY FROM THE BEGINNING TO 1933

A. Early Beginnings

Who started unions and why?

Some early union objectives and methods

B. From The Civil War Through World War I

Effects of the Civil War

Knights of Labor

Landmark events

Haymarket Affair (1886)

Homestead Strike (1892)

Pullman Strike (1894)

Founding and growth of the AFL

Effects of World War I

C. The Labor Movement In Decline, 1920-1933

What factors caused the labor movement to lose in membership and strength during this period?

IV

LABOR ON THE MARCH, 1933

A. The New Deal Period, 1933-1941

Effects of the depression

New Deal Legislation

Formation of the CIO

B. World War II

Effect of wartime conditions on the labor movement and labor relations

Labor's role in government

C. Post-war Developments

Inflation

Labor-management conflict

Taft-Hartley Act

D. General Conclusions and questions from Labor History

What has the labor movement achieved?

What weaknesses need to be overcome?

What factors explain the rapid growth of unionism since 1933?

How can the labor movement consolidate the gains already achieved and continue to progress in the coming years?

## Milestones in American Labor History

- 1788 - First recorded strike (New York City Printers)
- 1792 - First local trade union in United States (Philadelphia Shoemakers)
- 1806 - Conspiracy trial of Philadelphia Shoemakers
- 1827 - First city-wide labor council (Mechanics Union of Trade Associations in Philadelphia)
- 1837 - Panic of 1837, leading to complete destruction of labor unions.
- 1850 - National Typographical Union established.
- 1861-65 - Civil War
- 1862 - Homestead Act
- 1866 - National Labor Union formed. First attempt at federation of national unions.
- 1868 - Eight-hour day established for federal employees.
- 1869 - Knights of Labor established.
- 1873 - Panic of 1873, followed by depression, which only 9 national unions were able to survive.
- 1877 - Nationwide railway strikes.
- 1881 - Federation of Organized Trades and Labor Unions.  
(predecessor of AFL)
- 1885-86 - Period of greatest influence of Knights of Labor
- 1886 - American Federation of Labor established

Labor Milestones - 2

1886 - The Haymarket Affair

1892 - Homestead Strike

1893 - Pullman Strike; federal injunction under Sherman Act.

1893 - Business depression

1897 - Bituminous coal strike, leading to Central Competitive Field Agreement

1902 - Anthracite Strike; use of arbitration commission

1903 - "Statement of Principles" by National Association of Manufacturers

1910 - Hart-Shaffner-Marx Strike in Chicago

1914 - Clayton Act passed

1914-1918 - World War I

1916 - Tom Mooney Case

1917 - Adamson Act; eight hour day on the railroads

1918 - National War Labor Board (World War I) established

1919 - Great Steel Strike; coal strike; Seattle general strike; Boston police strike.

1924 - AFL endorsement of La-Follette - Wheeler candidacy.

Labor Milestones - 3

1926 - Railway Labor Act passed

1929 - Economic collapse of 1929

1932 - Norris La-Guardia Act

1933 - National Industrial Recovery Act

1935 - Social Security Act

1935 - National Labor Relations Act

1935 - Formation of the Committee for Industrial Organization

1936-37 - Sitdown strikes for recognition in mass production industries

1938 - Fair Labor Standards Act passed

1941 - National Defense Mediation Board

1941 - U.S. enters World War II

1942 - National War Labor Board

1945-46 - Wave of postwar strikes

1947 - Taft-Hartley Act passed

## FACTUAL APPENDIX ON LABOR HISTORY

### Facts about the labor force as of 1947

Relation of workers to the rest of the population:	
	(millions of people)
Total U.S. population	145
All people under 14 years of age, in institutions, retired, in school, unemployable, housewives, etc.	<u>83</u>
Total labor force	62
In the armed services	<u>1</u>
Civilian labor force	<u>61</u>
Unemployed	<u>2</u>
People actually employed	59
Agricultural employment	<u>9</u>
Non-agricultural employment	50
Proprietors, self employed, domestic servants	<u>7</u>
Wage and salary employees	43
Foremen, managers, officials	<u>3 to 5</u>
Workers (employed)	38 to 40 million

### Composition of the employed labor force

	<u>millions</u>	<u>percent of total employment</u>
Total employed labor force	59	100
Males	42	71
Females	17	29
Negroes	6	10
Foreign-born	5	9
Youth under 20 years of age	4	7
People over 45 years of age	19	33

### Membership in American Labor Unions, 1900-46

1900	868,500	1934	3,608,600
1905	2,022,300	1936	4,700,000
1910	2,140,500	1938	8,000,000
1915	2,582,600	1940	8,500,000
1920	5,047,800	1942	12,000,000
1925	3,159,400	1944	13,750,000
1930	3,392,800	1946	13,600,000
1932	3,144,300		

## Largest American Trade Unions

(Membership figures are estimates for 1944.  
It should be kept in mind that the unions  
with the largest membership are not  
necessarily the most important.)

United Automobile, Aircraft and Agricultural Implement Workers	1,052,000
International Brotherhood of Boilermakers, Iron Ship Builders and Helpers	400,000
United Brotherhood of Carpenters and Joiners	600,000
Amalgamated Clothing Workers	325,000
United Electrical, Radio and Machine Workers	430,000
International Brotherhood of Electrical Workers	313,000
International Hod Carriers, Building and Common Laborers Union	400,000
International Ladies Garment Workers Union	301,000
International Association of Machinists	666,000
United Mine Workers	600,000
United Steelworkers of America	798,000
International Brotherhood of Teamsters, Chauffeurs Warehousemen and Helpers	629,000
Textile Workers Union of America	342,000

## Measures of Industrial Concentration (prewar)

1. There were 512,000 manufacturing establishments in 1899, and 184,000 in 1939. On the other hand, the number of manufacturing workers increased from 5,300,000 to 7,900,000 in the same period.
2. About half of all industrial workers were employed by the largest 1% of employers in 1939.
3. Enterprises employing more than 10,000 workers (about 1/100th of 1% of all enterprises) employed 11 percent of all industrial workers.
4. Three companies produced 86 percent of automobile output; three companies, 90 percent of tin cans; three companies, 80 percent of cigarettes; four companies, 78 percent of copper; two companies, 95 percent of plate glass; three companies had 60 percent of steel capacity.

### Some facts about basic changes in the labor force and in jobs over the past 50 to 75 years

1. The total labor force has grown from about 22,000,000 people in 1890 to 62,000,000 in 1947
2. The proportion of people in the labor force who are employed by someone else has increased from roughly 66% in 1870 to around 80% in 1947.
3. The transformation of the U.S. from an agricultural economy to an industrial economy has been reflected in the character of employment.

In 1870, 47% of the labor force was employed in agriculture while only 27% were industrial wage earners.

Not until 1900 did the number of industrial wage earners equal the number of people employed in agriculture.

In 1947, about 14% of the labor force was in agriculture while about 40% consisted of industrial wage earners.

Accompanying the shift to industrialism has been an increase in the proportion of the labor force engaged in servicing and distribution activities such as transportation, trade, finance, and government.

4. In 1870, women workers made up 15% of the labor force; in 1947 they were 28% of the labor force.

Distribution of wage and salary workers  
among nonagricultural industry divisions:

	millions of workers	percent of total
Manufacturing	16	37
Mining	1	2
Construction	2	4
Transportation and public utilities	4	10
Trade	9	20
Finance	2	4
Service	5	12
Fed. state and local govt.	5	12
Total	44	100

Distribution of total employed population by  
major occupation groups:

	millions of people	percent of total
Professional and semi-professional Proprietors, managers, officials (except farm)	4	7
Farmers, farm managers, foremen, and laborers	6	10
Clerical workers	8	14
Sales workers	7	12
Industrial workers	3	6
Craftsmen, foremen, and kindred workers	20	35
Operatives and kindred workers	(8)	(13)
Domestic service workers	(12)	(22)
Service workers, except domestics	2	3
Laborers, except farm	4	7
Total employed	3	6

Average Annual Unemployment in the United States, 1929-47

1929	1,499,000	1939	8,842,000
1930	4,248,000	1940	7,476,000
1931	7,911,000	1941	5,010,000
1932	11,901,000	1942	2,380,000
1933	12,634,000	1943	1,070,000
1934	10,968,000	1944	840,000
1935	10,208,000	1945	1,050,000
1936	8,598,000	1946	2,270,000
1937	7,273,000	1947	2,240,000
1938	9,910,000		

Extent of Collective Bargaining by Industries

Proportion of wage and salaried workers in selected industries under union agreements in 1946:

Manufacturing  
(7.9 million or 69% of those employed)

<u>80-100%</u>	<u>60-79%</u>	<u>40-59%</u>	<u>20-39%</u>	<u>1-19%</u>
Agric. equip.	Book & Job Printing	Baking	Beverages, non-alcoh.	None
Aircraft	Canning and Preserving	Chemicals	Confectionery Products	
Aluminum	Dyeing & Finish	Flour & grain Products	Cotton textiles	
Breweries	Paper & Pulp	Furniture	Dairy products	
Men's & Women's Clothing	Petrol. refin.	Hosiery	Silk & rayon textiles	
Elect. Machinery	Rr. equip.	Knit goods		
Meat Packing	Steel Products	Leather Prod.		
Newspaper printing and publishing	Woolen & worsteds	Lumber		
Rubber		Paper Prod.		
Shipbuilding		Shoes		
Steel		Stone & Clay Products		

Non-Manufacturing

(6.9 million or 35% of those employed)

<u>80-100%</u>	<u>60-79%</u>	<u>40-59%</u>	<u>20-39%</u>	<u>1-19%</u>
Actors & music	Radio tech.	Inter-city bus lines	Barber shops	Agriculture
Airline pilots	Theater & stage hands	Light & Power	Bldg. service	Beauty shop
Bus-streetcar workers		Newspaper offices	Cleaning & dyeing	Clerical & Profess.
Coal & metal mining		Telephone	Crude petrol. and nat. gas	Retail & Wholesale Trade
Construction			Fishing	
Maritime			Hotels & Rest.	
Motion picture			Laundries	
Railroads			Non-metallic mining	
Telegraph			Taxicabs	
Trucking				

Proportion of total business done by corporations (prewar).

Utilities (gas, electricity, telephone, telegraph)	100%
Mining	96%
Manufacturing	92%
Transportation	89%
Finance	84%
Trade	58%
Agriculture	7%

## COST OF LIVING AND OTHER LABOR STATISTICS

### Lecture 1: Cost of Living Statistics

Introduction: Need for adequate labor statistics by unions

#### I. Cost of Living Statistics

##### A. Index type - measures periodic change

###### 1. BLS Consumers' Price Index

- a. Composite measure of change
- b. How index is compiled
- c. Limitations of index
- d. How to use index
  - (1) percent of change
  - (2) compute wages necessary to retain same purchasing power of wages
- e. Use of index in escalator clauses
  - (1) what to watch for
- f. How to compute "Real Wages"

##### B. Budget type - measures dollar cost

###### 1. Most frequently used:

- a. Heller Budget in San Francisco
- b. City Worker's Family Budget
  - (1) differences in concepts
  - (2) what budget is and what it is not

### Lecture 2: Other Available Labor Statistics

#### II. Sources of labor statistics for California

##### A. California Department of Industrial Relations

##### B. U.S. Bureau of Labor Statistics

(For data available from each, see distributed material)

#### III. Data most frequently used by unions

##### A. Wage rate surveys

###### 1. How conducted

##### B. Work stoppages

###### 1. California data and U. S. data

##### C. Employment, payrolls and average earnings

###### 1. California data and U. S. data

Cost of Living and Other Labor Statistics - 2

- D. Industrial injury statistics
  - 1. Injury rates and what they mean
  - 2. California and U. S. data
  - 3. Accident cause studies
  
- E. Other labor statistics
  - 1. Construction
  - 2. Productivity
  - 3. Occupational Outlook
  - 4. Special studies
    - a. Hours of work and output
    - b. Performance of impaired workers

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Consumers' Price Index for Moderate Income Families

for selected Months

All Items

(Av. 1935-39 = 100)

<u>Date</u>	<u>U.S.</u>	<u>San Francisco</u>	<u>Los Angeles</u>
March 15, 1939	99.1	100.3	101.2
March 15, 1940	99.8	99.8	100.7
March 15, 1941	101.2	102.4	102.5
March 15, 1942	114.3	115.7	116.5
March 15, 1943	122.8	126.1	124.6
March 15, 1944	123.8	127.4	126.2
March 15, 1945	126.8	131.8	129.2
March 15, 1946	130.2	133.6	133.1
March 15, 1947	156.3	160.3	156.9
March 15, 1948	166.9	171.4	167.4
April 15, 1948	169.3	--	169.3

Method of Computing Percent of Change in  
B.L.S. Consumers' Price Index (CPI)

A. Increase - Example: Los Angeles data

Problem: How to compute the percent of increase in the CPI from June 1946 to March 1948.

The index for Los Angeles for June 1946 is 136.1  
The index for Los Angeles for March 1948 is 167.4

1. To obtain the increase in the number of index points between the two dates, subtract the first (smaller) index from the second (larger) index  
 $167.4 - 136.1 = 31.3$
2. Divide the increase in index points by the beginning index (June 1946)  
 $31.3 \div 136.1 = .230$
3. To convert to percent, move decimal point 2 places to the right  
The increase in the CPI from June 1946 to March 1948 was 23.0  
23.0%

B. Decrease - Example: San Francisco data

Problem: How to compute the percent of decrease in the CPI from December 1946 to February 1947.

The index for San Francisco for Dec. 1946 is 160.4  
The index for San Francisco for Feb. 1947 is 158.4

1. To obtain the decrease in the number of index points between the dates, subtract the second (smaller) index from the first (larger) index  
 $160.4 - 158.4 = 2.0$
2. Divide the decrease by the beginning index (Dec. 1946)  
 $2.0 \div 160.4 = .012$
3. To convert to percent, move decimal point 2 places to the right  
The percent decrease in the CPI from Dec. 1946 to Feb. 1947 was 1.2  
1.2%

Note: Remember that you cannot obtain the percent of change between two periods by simply computing the difference in index points. Obtaining this difference is only the first of 3 steps.

Consumers' Price Index - San Francisco, California

For Selected Months  
(Av. 1935-39 = 100)

Date	All Items	Food	Apparel	Rent	Fuel, Elec. Ice	House- fur- nishings	Misc.
March 15, 1939	100.3	95.5	102.0	103.2	95.3	103.1	103.5
March 15, 1940	99.8	95.0	103.0	103.6	91.8	102.9	102.3
March 15, 1941	102.4	100.6	103.1	103.9	91.6	102.3	104.8
March 15, 1942	115.7	121.9	123.5	105.6	93.3	119.7	113.8
March 15, 1943	126.1	143.7	128.1	106.0	92.2	119.0	121.8
March 15, 1944	127.4	142.2	134.9	106.2	92.6	120.9	125.2
March 15, 1945	131.8	146.2	142.1	106.3	92.6	130.5	132.3
March 15, 1946	133.6	148.3	146.8	106.4	88.3	129.4	134.7
March 15, 1947	160.3	199.5	178.9	<u>1/</u>	82.5	151.9	148.0
March 15, 1948	171.4	215.3	191.7	113.3	82.8	165.1	156.6

1/ Not available.

Method of Computing "Real" Weekly Wages  
for Married Man with Wife and 2 Children, San Francisco

	Av. for 1940	March 1948
1. Gross weekly earnings	\$ 50.00	\$ 80.00
2. Tax deductions		
(a) Social Security		
Federal Old Age - 1.0% <u>1/</u>	.50	.58
State Unempl. Insur. - <u>1.0%</u> <u>1/</u>	.50	.58
(b) Income Taxes		
Federal <u>2/</u>	--	4.40
State <u>2/</u>	--	--
3. Take home pay	\$ 49.00	\$ 74.44
4. Consumers' Price Index (B.L.S.)		
(a) Av. 1935-39 = 100	100.5	171.4
(b) If average for 1940 = 100	100.0	170.5
5. Real weekly wages	\$ 49.00	\$ 43.66
(Divide item 3 by item 4 (b))		

1/ Social Security Taxes are based on 1% of first \$3000 per year.

2/ Computed on community property basis. Although the actual withholding tax deduction probably is higher, it is assumed that the worker would receive a refund.

## Important Sources of Statistical Information

### California

- A. Source: Division of Labor Statistics and Research, California Department of Industrial Relations, 965 Mission Street, San Francisco 3, California. (M. I. Gershenson, Chief)
- B. Types of Data Available
1. Industrial Relations - work stoppages, union composition, size of membership, women, and types of provisions in California collective bargaining agreements: closed or union shop, membership maintenance, preferential hiring, etc.
  2. Statistics on Employment, Hours, Earnings and Payrolls.
  3. Industrial Injury Statistics - number of injuries.
  4. Cost of Living (utilizes B.L.S. data).

### U.S. and California

- A. Source: Bureau of Labor Statistics, U.S. Department of Labor. Regional office: 550 Federal Building, San Francisco 2, California. (M. D. Kossoris, Director)
- Note: There is no duplication in the data compiled by B.L.S. and the California Division of Labor Statistics and Research.
- B. Types of Data Available
1. Industrial Relations - for U. S. work stoppages, provisions of various types in collective agreements.
  2. Employment, Hours, Earnings and Payrolls - for U. S.
  3. Industrial Injury Statistics - for U. S. - and studies of causes of work accidents and diseases by industry.
  4. Consumers' Price Index - for U. S. and selected cities. For the West Coast, indices available for Los Angeles every month, and every 3 months for San Francisco, Portland, and Seattle. But index of food prices for these cities available monthly.
  5. Wholesale Prices
  6. Wage Statistics: surveys of occupational wage rates and related working conditions (holidays with pay, length of work week, etc.) - for selected cities and industries.

7. Construction Statistics - permit valuations, number of dwelling units, etc.
8. Productivity Studies - changes in productivity per man hour in selected industries.
9. Occupational Outlook - for selected industries and occupations.
10. Miscellaneous:
  - City Worker's Family Budget
  - Hours of Work and Output
  - Performance of Physically Impaired Workers in  
Manufacturing Industries
  - Foreign Labor Conditions
  - Etc.

THE TAFT-HARTLEY ACT

(A tentative\* outline of a series of five lectures to be delivered at the Summer Labor Institute at Asilomar, July 5-11, 1948)

First Lecture - July 6

- I. Introduction to the Series of Lectures
- II. Philosophy of the Taft-Hartley Act
  - A. Policy determinations underlying the Wagner Act
  - B. Basic philosophical changes represented by the Taft-Hartley Act
- III. Scope of the Taft-Hartley Act
  - A. Extent of the NLRB's jurisdiction
  - B. Limitations upon the scope of the Act
    - 1. Supervisors
    - 2. Independent contractors
- IV. Administrative Aspects of the Taft-Hartley Act
  - A. The new NLRB
    - 1. Separation of functions
    - 2. Relationship between Board Members and the General Counsel
  - B. The Taft-Hartley Act and state jurisdiction over labor relations
    - 1. Union security provisions
    - 2. Supervisory employees
    - 3. State restrictions on strike action
    - 4. State mediation
    - 5. State Court jurisdiction to try damage actions
    - 6. State Court jurisdiction to restrain violations of the Act
  - C. Compulsory and discretionary proceedings of the NLRB
    - 1. Strikes and boycotts
    - 2. Jurisdictional disputes

Second Lecture - July 7

- I. Brief Summary of Preceding Lecture
- II. Representation Proceedings
  - A. Unit determinations
    - 1. Craft and industrial units
    - 2. Special status of professional employees and guards
    - 3. Limitations on the prior NLRB "extent of organization" rule

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\*Inasmuch as important new developments in the administration of the Taft-Hartley Act are constantly emerging, it may be necessary to change the content and emphasis of one or more of these lectures by the time the sessions begin.

- B. Elections
  - 1. Eligibility to file petitions
  - 2. Equality in application of election rules
  - 3. One-year rule
  - 4. Eligibility of strikers to vote
  - 5. Run-off and consent elections
  - 6. Union shop elections
  - 7. Decertification
- C. Prerequisites to exercise of statutory rights by unions
  - 1. Information filed with Secretary of Labor
  - 2. Disavowal of Communist affiliation by union officers

III. Summary and Conclusions

Third Lecture - July 8

- I. Brief Summary of the Preceding Lecture
- II. Unfair Labor Practices
  - A. Unfair Labor Practices by employers
    - 1. Responsibility for acts of supervisors
    - 2. Employer free speech
    - 3. Discrimination
    - 4. Domination and support
  - B. Unfair labor practices by unions
    - 1. In general
    - 2. Strikes and secondary boycotts
      - a. Specific prohibitions in the Act
      - b. Specific sanctions against illegal conduct
        - (1) Injunctions
        - (2) Suits for damages
    - 3. The status of picketing under the Act
      - a. Use of the injunction and the Norris-LaGuardia Act
      - b. Peaceful picketing and the "unlawful purpose" doctrine
      - c. Picketing and freedom of speech
      - d. Picketing and "coercion and restraint"
      - e. Picketing and union "agents"
      - f. Effects of unlawful picket-line activity
- C. Conclusions

Fourth Lecture - July 9

- I. Brief Summary of Preceding Lecture
- II. The Taft-Hartley Act and Collective Bargaining
  - A. Negotiation of the collective bargaining agreement
    1. Distinction between the negotiation of a new agreement and the administration of an existing agreement
    2. Procedures governing modification or termination of existing agreements
    3. The duty to bargain in good faith
  - B. The terms of the collective bargaining agreement
    1. Union security
      - a. Abolition of the closed shop and the hiring hall
      - b. The new union shop
        - (1) Effects on union policies
          - (a) Admission to membership
          - (b) Discrimination against minorities
          - (c) Internal disciplinary procedures (including expulsion from the union)
        - (2) Special problems
          - (a) Casual-employment industries
          - (b) Jurisdictional disputes
        - (3) Evasions and avoidances
          - (a) Evasions - "bootleg" agreements
          - (b) Avoidances - industry-wide seniority agreements
      2. Checkoff of union dues and initiation fees
      3. "Featherbedding" practices
      4. Union trust funds
    - C. Administration of the collective agreement
      1. Individual presentation of grievances
      2. Judicial enforcement of collective bargaining agreements
    - D. Conclusions

Fifth Lecture - July 10

- I. Brief Summary of Preceding Lecture
- II. Federal Intervention in National Emergencies
  - A. Federal Mediation and Conciliation Service
  - B. Duties of employers and employees
  - C. National emergencies
    1. Definition
    2. Procedures to be followed

The Taft-Hartley Act - 4

D. Experience under this title of the Taft-Hartley Act

1. Atomic energy dispute
2. Meat packing dispute
3. Coal dispute
4. Maritime dispute

E. Conclusions

III. Strikes by Government Employees

IV. Restrictions Upon Political Contributions by Unions

V. General Review and Evaluation of the Taft-Hartley Act to Date

## COLLECTIVE BARGAINING

- I. Background to Problem of Collective Bargaining.
  - A. Effect of Industrialization on Bargaining Power of Individual Workman.
  - B. Basic Labor Problems.
    - 1. Wages and Income
    - 2. Hours and Work Periods
    - 3. Security - Unemployment
    - 4. Industrial Accidents
    - 5. Health and Sickness
  - C. Collective Bargaining - the Answer ?
    - 1. Theory of Collective Bargaining
    - 2. Significance to "Free Enterprise System"
    - 3. What about the Public Interest?
    - 4. The Requirements of the Labor-Management Relations Act of 1947
    - 5. Has Collective Bargaining Worked?
- II. Technique of Collective Bargaining.
  - A. Factors Influencing Quality of Employer-Union Relations.
  - B. How to Achieve Good Employer-Union Relations.
  - C. The Collective Bargaining Conference - Some proposals for Improving the Conference.
- III. The Subject Matter of Collective Bargaining.
  - A. General Definition in the Labor-Management Relations Act of 1947.
  - B. The Scope of Collective Bargaining.
  - C. Management "Prerogatives" or "Functions".
  - D. Union Rights.
- IV. The "Appropriate Unit" for Collective Bargaining.
  - A. Requirements of the Labor-Management Relations Act of 1947.
  - B. Craft Units.
  - C. "Industry Wide" Collective Bargaining.
  - D. Collective Bargaining by "Supervisory Employees".
  - E. Collective Bargaining by "Guards".

Collective Bargaining - contd. 2

V. Factors Determining Wage Rates.

- A. Prevailing Wages.
- B. Cost of Living.
- C. Ability to Pay.
- D. Productivity.
- E. The National Interest.

## COLLECTIVE BARGAINING

The principle device by which the American labor movement seeks to accomplish its ends is known as collective bargaining: it is consequently important here to examine the basic theory of collective bargaining and to consider also its results in trade agreements.

The reasons for the development of collective bargaining are relatively clear. By virtue of the "immobility" of labor and of the inadequate knowledge of the labor market usually characteristic of the individual "unorganized" worker, most labor markets in the absence of organization would be dominated by the employer. Quite without regard to the objective which the employer might pursue, he would nevertheless possess much more bargaining strength than the individual worker. This is sometimes expressed by pointing out that in many a locality where one or two industries are of great importance, an individual worker may be dependent for his livelihood upon offers of employment by one or two firms, whereas neither of these firms typically will be dependent upon the labor of a single worker. This makes it possible within the limits of the competitive situation for the employer simply to specify a wage and completely to control working conditions, terms of labor contracts, and all of the circumstances surrounding employment. It is clear that this leaves the individual worker no effective means of protesting his wages, conditions of promotion, conditions of lay-off, conditions of work or any other matters important to his well being. Or, perhaps, it is better to say not that it gives him no means of protest, but that his only means of protest is to leave the unsatisfactory employment. But in an unorganized labor market this is likely to be a feeble method of protest, since the employer can usually replace the lost worker while the worker, with relatively few assets and a family to support, may have such fear of unemployment that he will accept undeniably bad conditions and very low wages before resorting to this last desperate manifestation of dissatisfaction. As a result, from the beginning labor has sought collectively to bargain with regard to all conditions of employment, for when workers are organized, the inferiority in bargaining power of the employee is to some extent reduced and, of course, in some circumstances may actually be reversed.

It is held by most students of trade union activities and of industrial relations in general that successful collective bargaining involves the negotiation of written trade agreements. The process of collective bargaining itself differs from individual bargaining in two ways. In the first place, it involves collective action, thus bringing to bear the organized pressure of large numbers of workers and hence, as noted above, a substantial change in the balance of power. For, while it is true that a large employer is not dependent upon the labor of a single worker, he is, of course, dependent upon the labor collectively supplied by large numbers of workers. In the second place, collective bargaining involves representative negotiation. This means that the terms of the labor agreement are not negotiated by each individual worker, nor are they negotiated for all workers by an employee of the company concerned, but rather they are negotiated by representatives of the labor organization whose sole task it is to arrange for collective bargaining agreements. This is an additional strength to the worker, for the employer has no means of penalizing the professional labor union

representative for attempting to strike a hard bargain, whereas an individual employee, even if he were to be negotiating for a number of other employees, would be subject to demotion, discharge, or other perhaps less obvious disciplinary action.

The matter, however, goes even farther than this, for the organization of workers makes it possible in effect for them to employ "an expert bargainer" whose experience both technically within the industry and in the negotiation procedure makes it possible for him to meet the representative of the employers on more or less equal terms. The negotiation of an agreement on terms of employment in modern industry is an extremely complicated matter and cannot ordinarily be handled by a person with no experience in such matters regardless of his skill as a craftsman.

#### WRITTEN TRADE AGREEMENTS

The necessity for written trade agreements ought to be obvious. Such an agreement reached in negotiation and signed by representatives of the bodies concerned provides a kind of "constitution" in terms of which the employer-employee relationships in a given plant may be determined for the duration of the agreement. Grievances which may arise with respect to wage rates, working conditions, etc., may then be adjusted in terms of the provisions of the trade agreement, and the document comes to provide a guide for the adjustment of such grievances. Dr. David Saposs, formerly economist for the National Labor Relations Board, has stated the case for written trade agreements admirably. I emphasize three factors:

"1. The right to organize:

"The workers must be granted the right to form and belong to self-organized, self-directed, and self-financed labor organizations.

"2. Union recognition:

"The workers must be granted the right to select and designate their own representatives who are to be their leaders and their spokesmen in all their relationships with employers, in the negotiations of terms of employment and in the application and fulfillment of those terms.

"In other words, the employer recognizes the union as the collective bargaining agency through which the workers are to bargain with him in the determination of conditions of employment and to co-operate with him in their future application.

"An important factor in the selection by employees of their own representatives from whatever source they see fit is that they can thereby develop bargaining specialists who will at least approximate the bargaining skill of the trained bargaining representatives of employers. The worker at the machine or bench may be exceedingly proficient in the performance of his particular task or trade, but he is, either by temperament or lack of experience, an unqualified bargainer. Moreover, being dependent upon a particular employer for his job, he might be induced by fear or pressure to let down in his demands; or sacrifice the interests of his constituents in other ways.

### "3. Written trade agreements:

"The understanding arrived at in the course of bargaining negotiations between the representatives of employers and employees is customarily embodied in a written trade agreement. The basic conditions of employment, with detailed stipulations of wages, hours, and a variety of miscellaneous but vitally important conditions, are frequently so comprehensive and . . . technical that their careful and skillful recording is imperative. Add to these complicated subjects the need for creating machinery for administering, interpreting and renewing the agreement and it becomes evident that the terms of understanding must be written in order to reduce to a minimum misunderstanding and friction. It has therefore been taken for granted by employers, unions, students of labor relations and others, that a written trade agreement is the usual form in which the results of collective bargaining negotiations are recorded."

An interesting point in connection with the negotiation of trade agreements has to do with the appropriate area of bargaining. From the standpoint of the labor organization, it is desirable that the area of bargaining action be coextensive with the industry involved and ideally with the industries which constitute close substitutes of the principal industry involved. For example, a union in the automobile industry would prefer to negotiate standard contracts with the entire automobile industry including all of the principal manufacturers of automobiles, and all of the principal manufacturers of automobile parts. Thus, in many industries today, labor organizations attempt to negotiate trade agreements not with individual employers but rather with associations of employers in the same industry. Employers, in general, although by no means without exception, are coming to look upon this as an appropriate technique and the area of bargaining is more or less continually expanding.

### THE TERMS OF THE LABOR CONTRACT

The most important single objective which the labor organization seeks in a trade agreement is known as the "standard rate." The standard rate is simply a specified wage for a particular kind of work and it is the purpose of the labor organization in establishing such a standard rate to keep workers from offering their services for less. In other words, it is a kind of "price maintenance" rule. When effective, it makes it impossible for an employer to exert that downward pressure on wage rates which is possible whenever he can replace his present workmen with others at a lower wage. The determination of appropriate wage rates for each of the several classes of workers in a given industry is a very complicated and difficult task. We shall discuss later the method by which this is handled.

A second consideration which labor organizations have in mind in negotiating a trade agreement is a specification of the hours of labor. There are several purposes here to be realized. In the first place, labor organization desires to establish hourly schedules which will provide approximately the same amount of employment for all of its members and to prevent the damage to health which arises from excess hours. The "spread the work" objectives frequently sought in shorter hour schedules will be discussed later in connection with the effect of certain union policies. A third objective usually sought is what is known as job control. In the provisions of trade agreement relating to job control a large number of different

matters are considered. Seniority rules are usually laid down, which provide for the order in which men shall be promoted, laid off, discharged, or otherwise have the terms of their employment altered. In connection with such seniority rules other circumstances than mere length of service are frequently taken into account. For example, in many trade agreements, it is specified that an individual shall be promoted in accordance, first, with differences in skill, and that if there are no differences in skill, length of service shall be the determining factor. In a typical trade agreement to be reproduced subsequently, examples of this will be found. It will be observed that all of these provisions are meant to prevent the employer from arbitrarily favoring one worker over another and to prevent individual workers from competing against each other by offering to work for lower pay or for longer hours or under less favorable circumstances than are established in the trade.

### THE STATUS OF TRADE AGREEMENTS

The legal status of trade agreements in terms of recent court decisions will be discussed subsequently, but it is appropriate here to consider the weight of judicial opinion. It has been held that labor agreements are not contracts in the ordinary sense and that hence they are not specifically enforceable at law. The legal principles here involved are of two sorts. First, it is held that there is "insufficient consideration" in a labor contract and that its character therefore is that of a simple memorandum setting forth the terms of employment for the guidance of the parties. A second point has to do with the constitutional guarantee against involuntary servitude, and it is pointed out that the strict enforcement at law of a labor contract between individual workers and their employers might be held unconstitutional on these grounds. In any event, it is clear that a labor agreement signed by a labor organization and an employer does not legally require the employer to offer so much employment nor does it require legally the labor organization to provide so many workers, and no action at law may be taken to force either of the parties to fulfill such requirements.

This doesn't, however, rob the labor agreement of all legal status. Suffice it to say at this point that the labor agreement is now looked upon by the courts as a contract between the employer and a body collective in the person of the labor organization and that certain terms of an agreement can be enforced by the courts. Thus, in several states, notably New York, labor organizations have been enjoined from breaking a contract with an employer and employers have had injunctions issued against them causing them to refrain from breaking a contract with a union and in a few cases damages have been awarded by the courts to employees or employers suffering from a breach of trade agreement.

A consideration of the court cases involving this question will be undertaken later at which time the present legal status of trade agreements will be set forth as definitely as the variety in court opinion permits. We shall proceed from this general consideration of the character of collective bargaining and the nature of trade agreements to a discussion of certain specific trade agreements, together with concrete examples from industry and we shall give attention, also, to the method by which trade agreements are interpreted.

## THE WRITTEN TRADE AGREEMENT

In the discussion of collective bargaining, it was pointed out that stable industrial relations are more likely to result from written trade agreements than from negotiations the results of which are not reduced to writing. It is the purpose of the present assignment to consider in detail the content of the typical trade agreement.

Most trade agreements may be divided into four sections. Ordinarily there will be a preamble, a legislative section, and executive, and a judicial section. We shall consider each of these in turn.

The preamble consists of a statement of the objectives of the contract, a definition of the contracting parties, and a statement as to date and place of the agreement. Although this is the simplest of the four sections of the contract to write, it is important that it be well written. In numerous cases disagreement about the contents of the preamble to a contract has resulted in extended negotiations.

The legislative section of the trade agreement is the section in which the terms of the labor contract itself are set forth. It is in this section that the terms of the agreement with respect to wages, hours, working conditions, accident, illness, seniority, etc., are indicated. It cannot be too strongly emphasized that these provisions must be written with great care and, in most situations, after considerable study. We shall illustrate below the complicated aspect of certain of the legislative provisions of the trade agreement.

The executive section of the trade agreement sets forth the details of the manner in which the agreement is to be administered and enforced. The most important part of this section is that concerned with the "grievance machinery." During the life of a labor contract it is probable that a number of grievances will arise. The grievance machinery is established to handle all complaints arising under the contract.

The judicial section of a trade agreement is established in order to provide a method by which any part of the contract on the meaning of which the parties are unable to agree may be interpreted. Thus the typical provision of this character commits both parties in advance to the arbitration of disputed points during the life of the contract, and usually commits them, moreover, to a particular method of arbitration.

Probably the best way to indicate the character of the trade agreement is to reproduce typical clauses which may be found in recently negotiated agreements. In this way the complexity of the problems handled and the precise way in which the agreement must be stated will become clear. We shall, in this connection, give no consideration to the typical preamble, which is usually only a statement of principle, but will begin with the legislative section. There follows, then, typical sections of trade agreements dealing with many of the important problems encountered.

The Legislative Section -- Wages.

The wage provisions of the labor contract are, of course, the central provisions and they are frequently the most difficult to agree upon. This follows not only from the general desire of the employer to purchase his labor as cheaply as possible, and the desire of labor to sell labor service as dearly as possible, but also from the extraordinary complexity of the wage structure in an industrial establishment. Consider this matter for a moment. In one large west coast industrial establishment there are seven hundred different job categories -- seven hundred different jobs for which wage rates must be determined. And the ultimate success of the wage contract may depend in part not only on the absolute level of wages but also upon the relationship established within one plant between one wage and another. Wage ratios as well as wage rates are important. The method by which this matter usually is handled, is set forth later. For the moment let us examine the typical clause. The following is the wage clause in a trade agreement between a large coal mining firm and a labor organization.

"The wage scale should be \$7 per day, but if 51% of the tonnage of Boulder and Weld Counties is produced on a wage scale of less than \$6.77 per day, this \$7 scale shall be reduced; but a favorable differential of at least \$23 shall be preserved throughout the life of this agreement. If the union finds contracts with 65% of the tonnage in the district, the differential is to disappear. The union promises cooperative efforts and 'increased efficiency'". (More than four pages of detailed wage scale for specialized workers and piece work follows.) The four pages of additional provisions referred to have to do with the acceptance of the method of determining wages. This will be discussed in a later lecture.

In addition to the basic provisions for wage rates there are ordinarily numerous other provisions pertaining to wage payments. There will, for example, be provisions regarding form of payment, i.e., check or cash; the effect of the length of service; the place of payment, etc. Usually, also, there will be provisions with respect to the method of wage adjustment. These provisions will be more fully treated in another lecture.

Hours.

The typical provisions in modern trade agreements regarding hours of labor range from the simple specification of an eight-hour day, without definition of the work week, to extremely complicated specifications of the precise hours during which labor is to be performed together with the provision of premium wage rates for particular shifts, etc. For example, a clause in a contract between a copper mining company and the International Union of Mine, Mill, and Smelter Workers provides as follows:

"Eight and one-half ( $8\frac{1}{2}$ ) hours from collar to collar less one-half ( $\frac{1}{2}$ ) hour for lunch shall constitute an eight (8) hour shift for underground employees. Nine (9) hours less one (1) hour for lunch shall constitute an eight (8) hour shift for shop and surface employees at the mine, mill and smelter. Eight (8) hours with no time out for lunch shall constitute an eight (8) hour shift for Smelter Casting Furnace employees. Eight (8) hours with no time out for lunch shall constitute an eight (8) hour shift for employees working at jobs that require continuous operation at the mine,

mill and smelter. Time worked in excess of the hours specified above in any one day, except in case of delays in hoisting men, which result from accidents or causes beyond the control of the Company, shall be paid for at the rate of time and one-half, and shall not be applied against the maximum weekly hours payable at the regular wage rate as provided by the Federal Wage-Hour Law."

The most common hour standard is a combination of the eight-hour day and forty-hour week. For example, the following: "The Company shall be free to fix the hours of work for each employee, provided that a normal work day shall consist of not more than eight hours and a normal work week of not more than 40 hours. Such hours shall be exclusive of the daily lunch period of not more than one hour, but shall include, as now or hereafter permitted by the company, such rest periods as are provided in the company's rules and regulations or by law."

A very large number of other modifications in hours regulations could be illustrated from existing contracts. Limitations not only on the length of the work week, but also on the number of hours to be worked per month, per three-month period, are frequent in certain types of industry. Furthermore, many contracts in industries with considerable seasonal fluctuations provide for abrogation of the hours provisions, within specified limits, in periods of peak output. Frequently particular types of employees are exempted from the application of the hours provision. This is particularly the case in connection with supervisors responsible for the operation of continuous processes.

#### Closed Shop and Similar Provisions.

There are a large number of varying requirements with respect to agreements similar to the closed shop. The requirement, therefore, of union membership as a condition of employment, may take many different forms. For example, those only who are already union members may be eligible for employment. This is the closed shop agreement in its strictest form. The so-called union shop is a shop in which non-members may be hired but must become members after a specified period if they are to remain employed. There are other variations as well. Maintenance of membership agreements, preferential shops in which union members are given preference, but where non-union members may be employed are cases in point. The simplest form of agreement is illustrated by the following:

"No one but members in good standing of local union No. xx of the International Union of United etc. etc. shall be employed by the undersigned firms."

Another closed shop agreement which is slightly more specific follows: "The employer agrees that he will employ in his dressing shop only such employees as are members of the above named local. Membership in good standing is a matter of fact to be determined by the said local."

Some so-called closed shop agreements provide what is known as an escape clause. "The employer undersigned agrees to engage all help classified herein from the membership of the union, but specifically reserves the right to reject any employee whom he may consider unsatisfactory. Competence of help shall be determined by the employer and the employer may draw help from other sources if the union is unable to supply."

In addition to such provisions as these, there are some closed shop or similar agreements which provide that the employer shall secure his help through a union hiring hall and this is frequently coupled with an agreement by the union to open its membership to all employees of the firm in classifications covered by the agreement. The simple union shop clauses are illustrated by the following agreement: "All employees covered by this agreement shall become members and remain members of the --- Mechanics Union of the International Association of Machinists and the company agrees to retain in employ only such members." This type of clause is frequently accompanied by the provision that non-members must become members within a specified period.

The maintenance of union membership clause is a kind of compromise with the closed shop principle. One clause inserted in a contract, as a result of recommendation by a government mediation authority follows. "The company agrees that any present employee who on June 24, 1941, was a member of the union or who has become a member since June 24, 1941, shall, as a condition of continued employment, maintain his membership in good standing, and any employee who hereafter during the life of this agreement becomes a member or is reinstated as a member shall maintain membership in good standing. The essence, then, of the maintenance of membership clause is that although workers are not obliged to join the union as a condition of employment they must, once they become members, maintain good standing.

Clauses defining the relationship of union members to the union and to the employer are frequently accompanied by provisions in which the employer agrees to collect dues, by deduction from pay checks or to provide methods by which union officials can collect dues on the premises of the employer, or which in some other way facilitate the carrying on of union business.

#### Enforcement of Agreements.

Agreements ordinarily are enforced by joint action of committees representing union and management, the most important function of which is the settlement of grievances. In addition, however, to such adjustment of grievances there are ordinarily provisions which establish penalties for breach of agreement by either party thereto. The grievance procedure is, however, the method by which misunderstandings are usually settled. One of the simplest procedures is illustrated in the following quotation:

"An earnest effort shall be made to settle such differences immediately in the following manner:

"It is understood and agreed that the procedural steps 1, 2, and 3 for the settlement of grievances represent a general standard, which may be modified where plant management functions would make more appropriate meetings with other supervisors than those indicated herein, and such modifications as may be jointly agreed upon between the management of the plant and the Union and with respect to any plant or plants of the Corporation shall be set forth in writing and constitute, so far as the plant or plants involved a supplement of the Agreement. Any such modifications shall represent a procedure best suited to the plant or plants involved for the purpose of orderly and expeditious settlement of grievances.

"1. The employee who believes he has suffered a grievance shall discuss the alleged grievance with his foreman in an attempt to settle same. The foreman shall, if requested by the aggrieved employee, arrange for the presence of the Union grievance committeeman and his participation in the discussion.

"2. Grievances not adjusted by the foreman shall be reduced to writing on forms provided by the company, dated and signed by the employee involved and two copies given to the foreman. The foreman will have inserted in the appropriate place on the form his disposition of the matter and will sign and date same, returning one copy to the employee. Such grievances shall then be discussed in an attempt of settlement between the member of the grievance committee designated by the Union for the plant division involved and the foreman and/or superintendent of the department, and such discussion and disposition thereof shall occur not more than nine (9) work days subsequent to the date of the written grievance presentation. Notation of disposition in this step shall be recorded on the employees' and the superintendents' copies of the grievance form.

"3. Grievances not settled in Step 2 above shall be discussed promptly at a mutually satisfactory time, but not later than the first succeeding regular meeting, which shall be held not less than once each month (unless by agreement between the Grievance Committee and plant Management no monthly meeting is required) between the general superintendent, or manager of the plant, the assistant superintendent or manager, and the superintendent of Industrial Relations and the Grievance Committee for the plant.

"4. Grievances not settled in Steps 1, 2, or 3 hereof shall be discussed in an attempt to reach a mutually satisfactory settlement between a representative of the national Union, certified to the Management in writing as the representative selected by the Union for such purpose, and a representative of the Corporation similarly certified by the Corporation to the Union in writing as its accredited representative for such purpose, foremen or departmental superintendents.

"Union grievances to be discussed at regular monthly meetings may be fully investigated by a member of the Grievance Committee who shall be afforded such time off without pay as may be necessary for purposes of such complete investigation which time off shall occur between the date of filing of the grievance in Step 1 hereof and its discussion at the meeting herein referred to."

Usually the grievance machinery is followed by provisions for the arbitration of disputes which cannot be settled by the grievance procedure. The arbitration clauses usually specify the method by which the arbitrator is to be selected and the scope of his jurisdiction. The provisions of typical trade agreements illustrated above constitute only a small part of the number of provisions which typically are involved. It is possible by study of existing contracts to find clauses which specify the agreement between the employer and labor organization on forty or fifty distinctly different propositions. Painstaking analysis of these is not called for here. The basic purpose of this discussion is to indicate the complex technical character of the trade agreement.

INSTITUTE OF INDUSTRIAL RELATIONS  
UNIVERSITY OF CALIFORNIA

A Short Bibliography on Labor Subjects\*  
July 1, 1948

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