

Longshore and warehousemen's union, International.
(1953) ✓

REPORT OF THE OFFICERS

to the

TENTH BIENNIAL CONVENTION

of the

INTERNATIONAL LONGSHOREMEN'S & WAREHOUSEMEN'S UNION

San Francisco, California, April 6, 1953

PART II

WORK OF THE DEPARTMENTS



52

INSTITUTE OF
INDUSTRIAL RELATIONS

MAY 13 1953

Note: Contents of this report are not for publication or general distribution.

TABLE OF CONTENTS

ORGANIZATION	1
FINANCES & BUDGET	10
RESEARCH & EDUCATION	23
<i>THE DISPATCHER</i> & PUBLICITY	31
WASHINGTON OFFICE	33
REPORT OF THE COAST LABOR RELATIONS COMMITTEE	37

ORGANIZATION

Following the last convention this department concentrated on a program of still closer coordination of its work with all locals in each area. This was necessary as it became clear that the membership of each local had to develop a program of uniting the ranks solidly and of preparing to face any attack that might develop.

The slogan, "every worker on the job a member of the union," was one of the key objectives of the locals in warehouse and in pine and sugar in Hawaii. In the Islands over 2,000 members have been added to our ranks by the simple process of bringing the non-union worker covered by ILWU contracts into our union. A similar perspective exists in most of the warehouse and miscellaneous locals on the mainland. The waterfront division is not faced with this problem, as their ranks have been solidly organized for many years.

The methods and nature of organizational work varied to meet the immediate needs of each situation. The Regional staff in each area devoting much of its time to activising the members of each local in this type of work by working with local officers and by setting up rank and file committees to assist in the actual contact of prospective members.

The employers, taking full advantage of the many uses of the Taft-Hartley law to attack, weaken and destroy unions, and the many other legal gimmicks now used against unions, have made it more important than ever for all the officers and members of the ILWU to understand the real intent of such devices. It is impossible to organize today unless the organizer, whether he be officer or member, can work in the maze that has emerged as a result of the attempts being made to "control" the labor movement by government action.

A detailed breakdown of the organizational activities in each regional area follows:

ORGANIZATIONAL BREAKDOWN

Area I, Northern California. Here the Regional staff has worked closely with Local 6 during the last two years in its successful fight against Teamster raids, building up the membership in each warehouse around the fighting program adopted at the Local 6 Annual Conferences. This present program calls for preparing the membership to secure a satisfactory contract when the present master contract expires on June 1, 1953, to pick up any economic losses suffered as a result of the disruption caused by renegade officials going over to the Teamsters, and to make gains in wages, general improvement of contract, and in pensions and welfare. The program adopted was a fighting program, and the entire International Union should and will throw its full support behind it.

The situation in Local 6 is vastly improved over two years ago. At the Annual Conference of Local 6 in February of this year, which was attended by the largest rank and file delegation in its history, it was reported that membership in the local has been increased by over 1,500 members in the last year—through the process of “every worker on the job a union member.” This was done largely by the members.

Other warehouse locals in this area have likewise prospered following the lead of Local 6. Sacramento Local 17 has brought in many new members and is tightening its ranks; it will cooperate with Local 6 as its contracts are tied in with the Bay Area ILWU pattern. Local 11 in San Jose has also moved forward and is in good shape, with complete organization in all its plants. Local 5, newly-chartered and formerly a division of Local 6 at Petaluma, is ready to move organizationally with full participation by the rank and file.

THE LOS ANGELES AREA

Area II, Southern California. The organizational work in the Greater Los Angeles Area is still in the general warehousing and distributing industries covered by Local 26 jurisdiction. Here again, raids and back-door agreements by the Teamsters have created special problems for Local 26, but the local has won back several plants and organized new ones which resulted in approximately 400 members being added to its ranks.

The most recent example of workers getting fed up with the Teamster type of union is the Berg Metal workers. Approximately 200 men and women, formerly members of Local 27, voted 4 to 1 in an NLRB election to come back into the ILWU.

Since the last convention ILWU locals in Southern California have established an ILWU District Council which will be of great value in coordinating the activities of all locals in the area. Southern California is still the largest potential of unorganized workers on the coast. It is imperative that the membership of each local in the area again become as active as they were in the late thirties, if we are to be successful in bringing into ILWU ranks the thousands of unorganized workers located there.

Organizing San Joaquin Valley cotton compresses was started over one year ago, and the success of this drive is evident in the presence of their delegates at this convention. The big problem of all locals in the area is the diminishing work opportunity; extending organization will help to stabilize our membership here however.

The Regional staff has done an outstanding job in assisting these locals in negotiations, organizing and generally coordinating their work.

ORGANIZATION IN HAWAII

Area III, Hawaii. Since last convention, Hawaii again leads in the

number of new workers brought into our ranks. One of the major organizing gains made in Hawaii was the complete consolidation of all units of each division on every Island into one large local. The membership understanding that goes with such a program has tremendously strengthened the economic and bargaining power of the Island members. Over 2,000 members, some of whom are in newly-organized operations but the most of whom were not members of the union but working under ILWU contract, have been organized.

Following the principle of greater participation of the rank and file in organizing, this department, with the full cooperation of Local 142, conducted an organizing drive in 1952 in which the entire membership participated. A four month program was outlined under the direction of the Regional staff, and every steward kept a record of the members under his supervision. It was agreed that, on a territory-wide basis, the two individuals who signed up the most members would be declared the winners of a prepaid trip to the mainland to attend this convention. We are happy to announce that the winners, Brothers Ernest Silva and Alfred Mattos are here today, and they deserve the commendation of this convention for their fine work. It is this type of membership participation in organizing that brings the individual much closer to his union in its day to day work and, more important, develops a large reserve of local and plant level leadership.

Tremendous progress has been made in organizing the workers in the pineapple industry. Because of setbacks caused by the unsuccessful strike of this group in 1947, we were slow in getting an effective organizing program going. However, the Lanai strike of 1951 pulled the industry back into industry-wide bargaining and made it possible to revive organization in this field. The last six months have shown remarkable results, with hundreds of new workers joining our ranks.

NEW BUILDING IN HONOLULU

ILWU activities flow from the new headquarters in Honolulu, one of the most modern buildings in the Territory of Hawaii and a living monument to the past struggles of the workers in the Islands. Every member of our union is proud of this new home, and every worker in the Territory is conscious of the tremendous strength of the ILWU when he actually sees how democratic, militant unionism can make the seemingly impossible possible. In a major way, the new home of the union has helped to organize. Plans are already in motion to have modern headquarters on each of the Islands.

Area IV, Alaska. Alaska is still confronted with the enormous problem of adequately servicing the membership. This is a vast area, sparsely populated, each local unit having a small membership, which

makes the problem of service and organization difficult and costly. This department and the Regional office in Seattle have advised and offered every possible assistance in negotiations and service that could be handled stateside; efforts to consolidate the small locals in each port, and sometimes trying to bring locals in different localities together, still continues.

Longshore locals in Alaska are tied into the coastwise longshore contract; therefore the problem of service to this group is less pressing than it is to the other locals. A way must be found which will enable the warehouse, cold storage and cannery locals to centralize their forces for contract negotiations as well as for more efficient service to the membership. Organizing in Alaska must be done on a local basis, which requires the participation of every member.

PROBLEMS IN ALASKA

Organizationally, Alaska is now at the stage where the stateside groups were in the early thirties, and the membership in Alaska should recall that it was the rank and file members who did the organizing during that period. If a rank and file program of organizing in each port area in Alaska could be developed, it would be the first step toward solving the problem. Even if it were possible for the International union to send fifty organizers to Alaska, the job of organizing still could not be done without the active support of the members. The rank and file will have to tackle the job themselves. The job can be done, and the members are urged to start this work immediately. Once the groundwork has been laid, the International will assist in whatever way it can.

Area V, Northwest. This region covers a large geographic area; the states of Washington and Oregon and Canada.

In Canada, the Regional staff has concentrated on bringing into the ILWU all ILA longshore locals, with great success, and there remains only one coastwise longshore local outside ILWU. The Canadian longshoremen and miscellaneous workers have established higher rates of pay, better working conditions and job security than ever before in their long history. Also, the waterfront division in Canada now has a welfare and pension plan as good as, if not better than any similar plan in the entire Dominion. More and more workers on the Canadian waterfront are looking to the ILWU for leadership and joining our ranks. If present organizational progress continues in Canada, by the next convention the West Coast Canadian waterfront will be 100% ILWU.

PUGET SOUND AREA

In the Puget Sound area, especially Seattle, there is great unrest among the small remaining, scattered groups of ILA. Progress made by the ILWU on pension and welfare enabled the ILA members to make

clear-cut comparisons, with the obvious conclusion—the ILA can no longer deliver the goods. Already one group (ILA bosses) has left the ILA and set up an independent union, and there are strong rumors that other groups plan similar action. This group of bosses, in moving out of the ILA despite every pressure possible by the AFL Maritime Trades Council (which includes the Teamsters), revealed the strong feeling of the ILA rank and file for a change. Again it was the ILWU members who, by their achievements, helped another group to throw off the Ryan yoke.

The achievement of real unity among the maritime and waterfront workers is more complete in the Seattle area than in any port on the Coast. Here the rank and file of each union meets regularly to discuss problems of mutual interest. The spirit of the old Maritime Federation of the Pacific is again expressing itself.

Local 9, warehouse, in Seattle has followed the general pattern of pension and welfare in its current contracts with marked success. Local 9's next hurdle is negotiating a pension and welfare program for the milling industry, in which task the International will assist them.

In Oregon, as elsewhere, servicing the locals and carrying out a public relations program has consumed much of the time of the International Representative. Public relations is becoming increasingly important in areas such as Oregon where work opportunity to a great extent depends upon export trade of wheat, grain and lumber. This region is more solidly united around the International program than ever before.

MIDWEST, SOUTH, EAST

Area VI, Midwest, South and East. Because of their isolation these locals have special problems. More than any section of the union they have had to stand on their own feet. These locals have been subjected to countless raids by other unions, slanderous red-baiting attacks by the newspapers and employers, and every type of intimidation. Local 208, Chicago, has had either to strike or threaten strike action in most instances just to get employers to negotiate, and the local has achieved some success. The members of Local 208, probably more than any other group, know the value of maintaining their union. The large delegation from the local to this convention attests to their ability to fight through and win.

Local 209, Cleveland, as a result of successful raids, has suffered some losses. The present membership, having seen what has happened in the weakening of general conditions of the groups which have left the ILWU, are determined to maintain the policies of ILWU as well as to fight through to greater economic security.

Local 207, New Orleans, has been fighting for its very existence.

Raids by both CIO and AFL have been going on for many years. Employers have taken full advantage of this situation, stalling in contract negotiations and challenging the local every step of the way. Here again, the membership has learned the hard way. They are fighting back, and the last six months has shown much change for the better.

THE FISH DIVISION

Fish Division. The Alaska Fishermen's Union, largest group in the fish division, through the continued disruption of their officials never recognized the referendum vote on affiliation with ILWU. After months of activity trying to consolidate their ranks and of ILWU assistance in their negotiations, a vote was taken by this group to remain independent. The vote carried by a very small margin, and they are now trying to go it alone. The employers didn't miss this opportunity to take full advantage of the situation and as a result there has been a general breakdown of working conditions and a complete lack of security for the individual members of the AFU. The membership is paying the full price for this type of disruption; the situation will be corrected only when the members are ready to do the job themselves.

The most active locals in the fish division are Local 33 in San Pedro and Local 3 in Seattle. Local 3 has consolidated its position by bringing in a number of small cannery locals in the Puget Sound area. These locals were assisted by Local 3 and the International in NLRB elections in which the CIO continued its disruptive role by challenging bargaining rights. After winning the elections, all these locals affiliated with Local 3. Other fishing groups in the Puget Sound area are likewise joining with Local 3, and this has resulted in a larger, more powerful, local organization. These moves have enabled the various groups involved to secure better contracts and have generally strengthened the bargaining power of all the fishing groups in this area.

CANNERY WORKERS ORGANIZE

Local 37, Alaska Cannery Workers, with the assistance of the Regional staff in Seattle in the last two years, has negotiated the best contracts in its history. Due to the highly seasonal nature of the industry this local will have to adjust its administrative machinery to serve the membership more satisfactorily. Having learned the advantages of grouping small locals together, Local 37 should give serious consideration to joining with Local 3 as a division; this would assure greater year-around administration, bargaining power and better service to the members.

Local 33, San Pedro has, like all other mainland fish locals, suffered from the smallest fish harvest in the last 20 years. The sardine season, one of the mainstays of this group, has been only 10% of normal for

two years; most of the boats have been tied up and this has created serious unemployment problems.

During the last two years many coastwise conferences have been held by the fishermen. Plans have been laid to establish one large coastwise local, where a member's book will be recognized regardless of what port he is in or what type of work he does. Once this plan is put into effect the fishermen will be more completely organized and will be in a position to take on the big job of bringing all West Coast fishermen into the ILWU.

NEW LOCALS CHARTERED

The following locals have been chartered since the last convention:

Local 8-A, Portland.....Ship and Industrial Guards and Watchmen

Local 89, Seward.....Foremen and Checkers

Local 509, Vancouver, B. C.

.....Longshore, Warehouse, Dock and Barge Workers

Local 510, Vancouver, B. C.....British Columbia First Aid Attendants

Local 5, Petaluma.....Warehousemen

ILWU Fresno Unit.....Warehousemen

ILWU Bakersfield Unit.....Warehousemen

Auxiliary charters issued:

Local 15, Rainier, Wash.

Local 24, Astoria, Ore.

Local 26, New Westminster, B. C.

Local 27, St. Helens, Ore.

CONCLUSIONS

The convention takes place on the twentieth anniversary of ILWU and it is therefore appropriate to look back at the organizing highlights of the past twenty years. The officers' report itself has outlined the history of the ILWU and has described the principles of organization and rank and file operation which have marked the history of this union.

Organizing new workers into ILWU has meant, primarily, the spreading of the union into warehouse and into Hawaii. The longshoremen organized the West Coast ports in 1933 and 1934 and they have successfully kept them organized since. As a result, all of the initial organizing which took place subsequently was based on the strength and the resources of the longshore division.

When, in 1934, ILWU began extending its organizational activities into the warehousing field the union was taking on one of the largest unorganized groups in America; the drive was successful from the start. New life and hope was given to this group of workers by the activities and the support of the West Coast waterfront workers. The right to

bargain was a major victory, because these workers had been exploited and sold out and purposely kept in an unorganized state by the then predominant union in this field—the Teamsters.

ROLE OF THE TEAMSTERS

It is a matter of record that for many years the Teamsters had sold out the warehousemen by deals to leave the “inside workers” (warehousemen) unorganized if the employers would give the Teamsters a little better deal. Of course the employer welcomed this opportunity to play one group off against another, especially since the ratio of warehousemen to teamsters was about 5 to 1. The teamster became the aristocrat while his fellow worker, the warehouseman, was left to starve.

Up and down the coast in 1934, 1935 and 1936 the Warehouse Division of ILWU grew by leaps and bounds. During this period Warehouse locals were established in every major port on the West Coast. Greater economic strength for the ILWU was the immediate result.

The organizing drive was so successful that both the employers and the Teamsters became worried; the employers, recognizing the tremendous bargaining power which would result if the warehousing and processing industry was brought into one collective bargaining group, raised the hysterical cry of, “The radical waterfront union is marching inland.”

One of the key victories of the warehousemen during the years 1934 to 1938 was around “the Hot Box Car,” as a result of which the warehouse industry in the San Francisco Bay Area reached a standard master agreement with Local 6. This pattern-making master contract covered all types of warehousing and processing workers throughout the area. Today it is still in effect.

THEY'RE STILL AT IT

The Teamster officialdom realized that they were facing a solid base of longshoremen on the waterfront—and on the other, in all the warehouses, a solid block of warehousemen. Despite their threats and intimidation, even extending on numerous occasions to a refusal to haul merchandise, the members of ILWU, both longshoremen and warehousemen, continued to move ahead and make gains. And, with the assistance of Joe Ryan, who willingly conceded the warehouse jurisdiction to them, they raised the issue before the AFL Executive Council which tried to parcel out jurisdiction in this field. This was one of the main reasons why the longshoremen and warehousemen pulled out of the AFL and set up their own International—the ILWU—and subsequently affiliated with the then militant and fighting CIO.

It is through such real struggles for our very existence that ILWU was born.

The waterfront workers had been quick to recognize the strength

they obtained from having the reserves of the warehousemen behind them. This was strikingly shown during the 1936 West Coast waterfront strike when the warehousemen in San Francisco, after returning to work themselves on a decision made by the joint strike committee, alone contributed \$1,000 per week to the strike fund, in addition to furnishing man power for picket duty and contributing food and other help to the longshoremen and other waterfront workers who were still on the bricks.

ORGANIZATIONAL LESSON LEARNED

The great organizational lesson we learned during those years was that no one group of workers could stand and fight alone. The waterfront division was aware that to the extent we could organize this new-found source of strength, to that extent only could our entire union remain strong.

In the ensuing years, 1937 to the present time, in the Gulf, Midwest, South, East, Alaska, Canada and Hawaii, at the times most appropriate, the National Union has carried out its organizational responsibilities. Without exception, every new area into which we moved reflected our record of militant trade union methods, worker security and real gains.

Organizing by ILWU standards was never easy. Our record was too clean and both employers and other unions feared and fought us. The detailed history of the organizational struggles by the ILWU is written in previous convention reports. We had successes and failures. Few members realize, for example, that if every member organized throughout the nation into the ILWU during the last twenty years was still with us, our national membership would number over 140,000. All of these workers, whether still with us or not, benefited from their contact with the ILWU.

Every one of these workers, whether he or she fought through to victory, learned a real lesson about how a democratically controlled, rank and file, militant union operates. There are few such unions left in America today. But the organizational seeds sown through the years will eventually bear fruit, and our type of honest, rank and file unionism will prevail.

There is not an honest member of our union today who is not proud of the twenty-year record of our union. Let the sharp-shooters—both within and without our ranks—fire away. The record is there. It will stand the test of time and struggle.

Human dignity and self respect is something we have gained. We must talk ILWU to unorganized and misled workers.

If each of us becomes an organizer we will bring thousands of new workers into our ranks. This is the cheapest and best insurance to guarantee survival of the ILWU.

FINANCES AND BUDGET

Included in Part II of the Report of the Officers to the Tenth Biennial Convention is the official financial audit of the international union for the two-year period ending December 31, 1952. In addition to showing income and expenses for the period between conventions, there is a breakdown of expenditures on a departmental basis; namely, Administration, Dispatcher, Research and Organization. Non-budgeted expenses are tabulated separately.

Each of our biennial conventions is entrusted with the responsibility of approving a budget for the forthcoming period. This budget acts as a guide-post for the general allocation of the finances of the International. Following the detailed audit and departmental breakdown of expenditures the report contains a comparison between expenditures in the past two years and the budget adopted by the 1951 convention. A proposed budget is also included for consideration and action by the convention.

HOW INCOME WAS SPENT

Following the departmental breakdown of the auditor's report, are a series of charts showing how the income of the International was spent. One chart shows the over-all allocation of income, and, as will be noted, this follows the pattern set forth by the 1951 budget. Additional charts have been drafted to give similar information, department by department.

At the last convention the officers pointed out a downward trend in the net assets of the International. It was our hope at the time that this trend could be reversed in the event some difficult problems concerning per capita could be ironed out. In the intervening period, however, the officers and executive board have been confronted with a request for large-scale per capita exonerations of Hawaii. Exoneration was asked because of the unusual difficulties with which the Hawaii members were faced. While it was true that they had survived some major tests of strength, the officers and the members in the Islands were extremely wary of the position in which they found themselves and felt that they required a greater amount of the union's energies and resources to consolidate their position.

The Lanai strike stretched out almost to the end of 1951. Pineapple organization was still at low ebb and required immediate attention if the union were to survive in that field. The backwash of the 1949 strike was still being felt. Sugar negotiations and mobilization for local negotiations was a heavy drain on the union. The indictment of Jack Hall became a major test of survival. The union in Hawaii undertook large-scale operations to meet these problems. Even their building program

(Continued on Page 18)

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March 16, 1953.

To the Officers and Members of
International Longshoremen's &
Warehousemen's Union
San Francisco, California

We have examined the report of the Secretary-Treasurer of

International Longshoremen's & Warehousemen's Union

for the two-year period ended December 31, 1952, including comparative financial statements for the calendar years ended December 31, 1952 and 1950.

All recorded cash receipts were accounted for by bank deposits; disbursements were found to be supported by paid checks, vouchers or other evidence indicating propriety and authority for expenditures. Although checks require two signatures, they are rubber-stamped with the signature of the Vice President and signed by either an official, the office manager or one of the secretaries.

Uncollected per capita, in accordance with custom, is not ascertained or taken up as income until collected.

The Freedom Fund and Northern California Anti-Trust Suit Fund of the former International Fishermen and Allied Workers of America, now a division of International Longshoremen's & Warehousemen's Union, have not been incorporated in this report.

In our opinion, the following financial statements attached hereto set forth fairly the results of the financial transactions of International Longshoremen's & Warehousemen's Union for the years ended December 31, 1951 and 1952:

SCHEDULE	Summary of Income and Expenses
A	Departmental Expenses
A-1 to A-4	Comparative Financial Statements Accounting for
B	the Amount of Expenses in Excess of Income.

(Signed) **ROBERT O. FOLKOFF & CO.**

INTERNATIONAL LONGSHOREMEN'S AND WAREHOUSEMEN'S UNION

SUMMARY OF INCOME AND EXPENSES

INCOME:	1952	1951
Per capita	\$296 042 61	\$377 169 08
Dispatcher Subscriptions	567 65	496 88
Miscellaneous	2 966 50	368 92
	<u>299 576 76</u>	<u>378 034 88</u>
EXPENSES:		
Administration—Schedule A-1	151 968 12	144 847 71
Dispatcher—Schedule A-2	55 912 21	60 356 29
Research—Schedule A-3	32 229 97	36 284 51
Organization—Schedule A-4	82 998 68	93 042 64
Education and Publicity	35 506 43	27 691 41
Washington Office	13 758 58	13 220 20
NON-BUDGETED EXPENSES:		
Cost of Charters and Seals	150 17	2 188 47
General Defense	12 328 45	8 187 90
Fishermen and Allied Workers		
Division	7 747 36	26 985 75
Pensions	1 808 33	441 53
Longshore Pension Expense,		
Officers and Field Staff	2 808 00	
I.L.W.U. Convention		21 177 81
	<u>397 216 30</u>	<u>434 424 22</u>
Expenses in excess of income	<u>(97 639 54)</u>	<u>(56 389 34)</u>
NET ASSETS, JANUARY 1,		
before adjustments	103 691 15	142 740 53
Less deferred charges set aside	(45 104 94)	
Add balance transferred from Fishermen		
and Allied Workers Division		<u>20 655 60</u>
Adjusted Net Assets, January 1	58 586 21	163 396 13

SCHEDULE A

**INTERNATIONAL LONGSHOREMEN'S AND
WAREHOUSEMEN'S UNION**

SUMMARY OF INCOME AND EXPENSES, Continued

(Carried forward)

Adjusted Net Assets, January 1.....	58 586 21	163 396 13
Less:		
Accounts receivable written off	(3 122 97)	(3 187 09)
Adjustment of supplies inventory		(128 55)
	<u>55 463 24</u>	<u>160 080 49</u>
	(42 176 30)	103 691 15
Less deferred charges set aside	<u>(1 390 08)</u>	<u>(45 104 94)</u>
Net Assets or (Deficit),		
December 31	<u>(\$43 566 38)</u>	<u>\$58 586 21</u>

SCHEDULE A

**INTERNATIONAL LONGSHOREMEN'S AND
WAREHOUSEMEN'S UNION**

DEPARTMENTAL EXPENSES

	1952	1951
ADMINISTRATION		
Salaries—Officers and Office; Salaries and Expenses—Executive Board and Miscellaneous	\$ 61 622 76	\$ 55 868 57
Officers' Travel and Expense	23 399 14	20 421 57
Legal	6 873 62	11 792 97
Insurance and Taxes	8 577 72	9 192 78
Rent and Depreciation	10 861 18	12 938 83
Office Supplies and Expense	12 112 92	13 165 19
Miscellaneous	3 977 36	4 139 28
	<u>127 424 70</u>	<u>127 519 19</u>
Hawaii Office	24 543 42	17 328 52
	<u>\$151 968 12</u>	<u>\$144 847 71</u>

SCHEDULE A-1

INTERNATIONAL LONGSHOREMEN'S AND WAREHOUSEMEN'S UNION

DEPARTMENTAL EXPENSES—(Continued)

DISPATCHER	1952	1951
Salaries and Expenses—Editor		
Technical and Office	\$15 221 31	\$17 731 13
Printing	19 031 76	18 695 25
Circulation and Mailing	10 283 93	11 159 41
Other Publication Costs	4 006 01	4 589 54
Engraving	2 991 57	3 036 42
Office Expense and Supplies	1 976 63	1 857 92
Rent and Depreciation	1 754 82	1 838 45
Miscellaneous	646 18	1 448 17
	<u>\$55 912 21</u>	<u>\$60 356 29</u>

SCHEDULE A-2

RESEARCH		
Salaries—Director, technical and office	\$17 167 72	\$20 384 64
Travel Expense	857 52	1 242 64
Office Expense and Supplies	1 956 02	2 133 23
Subscriptions and Publications	1 548 31	1 370 25
Rent and Depreciation	3 921 46	5 279 40
Special Research and Miscellaneous	95 90	43 50
	<u>25 546 93</u>	<u>30 453 66</u>
Hawaii Office	6 683 04	5 830 85
	<u>\$32 229 97</u>	<u>\$36 284 51</u>

SCHEDULE A-3

ORGANIZATION		
Area I Northern California	\$11 899 14	\$17 551 54
Area II Southern California	18 205 29	13 359 72
Area III Hawaii	25 841 61	28 074 44
Area IV Alaska	375 68	6 092 36
Area V Northwest	22 469 90	23 518 74
Area VI Midwest, East and South	4 110 23	3 785 84
Special Organization	96 83	660 00
	<u>\$82 998 68</u>	<u>\$93 042 64</u>

SCHEDULE A-4

INTERNATIONAL LONGSHOREMEN'S AND WAREHOUSEMEN'S UNION

COMPARATIVE FINANCIAL STATEMENTS ACCOUNTING FOR THE AMOUNT OF INCOME LESS THAN EXPENSES

The Financial Statement of the International Longshoremen's and
Warehousemen's Union December 31, 1952 Compared
with that of December 31, 1950.

	December 31, 1952	December 31, 1950	Increase (Decrease)
Assets:			
Cash	\$ 165 17	\$ 455 93	(\$ 290 76)
Supplies inventory	9 226 55	2 714 75	6 511 80
Accounts receivable	<u>21 255 66</u>	<u>67 548 09</u>	<u>(46 292 43)</u>
	30 647 38	70 718 77	(40 071 39)
Deposit on H. R. Bridges expenses	1 400 00	1 400 00	
Deposit on expenses of other officers and field staff	2 300 00	2 437 23	(137 23)
Investment in U. S. War Bonds		10 064 00	(10 064 00)
Prepaid expenses	8 830 10	1 096 57	7 733 53
Furniture and equipment, net of reserve for depreciation	1 208 78	6 283 19	(5 074 41)
Air lines deposits	1 375 00	1 050 00	325 00
Revolving fund, Hawaii	<u>3 360 00</u>	<u>3 360 00</u>	
	<u>49 121 26</u>	<u>96 409 76</u>	<u>(47 288 50)</u>
Liabilities:			
Accounts payable and accrued expenses	90 016 06*	26 331 74	63 684 32
Withholding and pay roll taxes	<u>2 671 58</u>	<u>2 674 81</u>	<u>(3 23)</u>
	<u>92 687 64</u>	<u>29 006 55</u>	<u>63 681 09</u>
Net assets or (deficit)	(43 566 38)	67 403 21	(110 969 59)
Deferred charges, advanced on Bridges, Robertson and Schmidt Defense**	<u>46 495 02</u>	<u>75 337 32</u>	<u>(28 842 30)</u>
	<u>\$ 2 928 64</u>	<u>\$142 740 53</u>	<u>(139 811 89)</u>
Accounts receivable written off—1951			3 187 09
—1952			3 122 97
Adjustment of supplies inventory—1951			128 55
Balance transferred from Fishermen and Allied Workers Division			(20 655 60)
			<u>(\$154 028 88)</u>
Expenses in excess of income—1951			(\$56 389 34)
—1952			(97 639 54)
Expenses in excess of income for calendar years 1951 and 1952— Schedule A			<u>(\$154 028 88)</u>

*Includes \$44,804.45 payable to Hawaii I.L.W.U.

**In the opinion of the officers of the International Longshoremen's & Warehousemen's Union \$46,495.02, advanced for the Bridges, Robertson and Schmidt Defense, in accordance with action and authorization of the I.L.W.U. executive Board, may not be collected by International Longshoremen's & Warehousemen's Union, as no legal obligation to repay such monies has been incurred by the committee handling the defense accounts.

SCHEDULE B

(EACH COIN REPRESENTS \$5,000)

ADMINISTRATION \$152.0

ORGANIZATION
83.0

DISPATCHER
55.9

RESEARCH
32.2

**EDUCATION
AND
PUBLICITY
35.5**

**FISHERMEN
AND
ALLIED
WORKERS
DIVISION
7.8**

**WASHINGTON
OFFICE
12.8**

GENERAL DEFENSE 12.3

**LONGSHORE
PENSION
EXPENSE**
2.8

BASED ON OPERATING EXPENSES—EXPENSES EXCEEDED INCOME BY \$97,639.54

CHART II

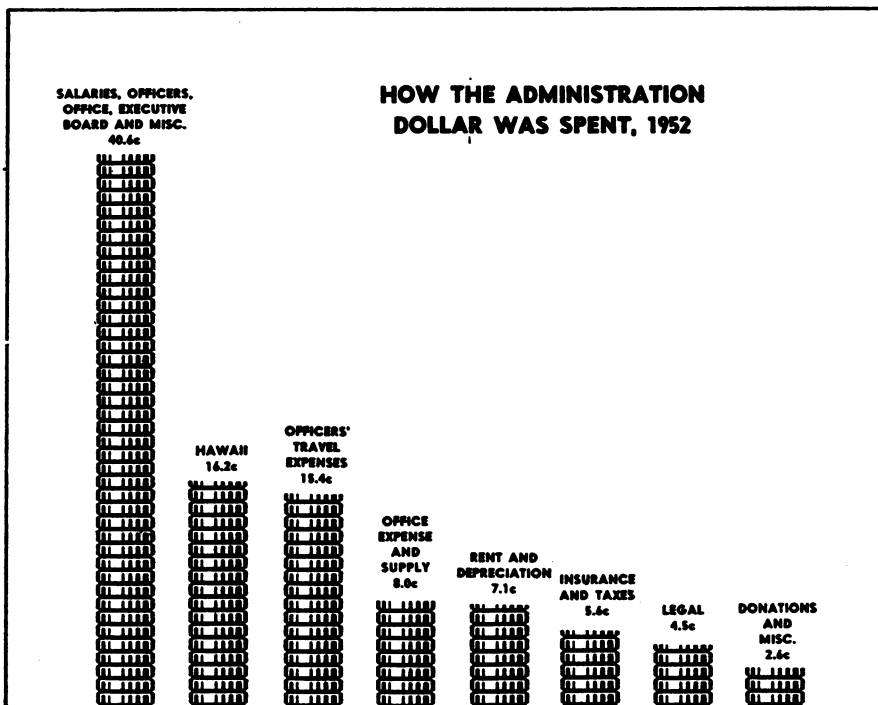


CHART III

was part of the over-all campaign to demonstrate the fact that the union was in Hawaii to stay. Various assessments were passed by the membership to finance these over-all objectives.

PROBLEMS IN HAWAII

The local officers in Hawaii called upon the International to recognize the nature of the crisis with which they had to deal and urged upon the International officers that exoneration be granted for a substantial period of time. It was the belief of the Hawaii officers and membership that such exoneration during the period of intensive consolidation, organization and creation of machinery that would lend permanence to the union in Hawaii and fight off the numerous attacks against it, would in the long run be of permanent value to the entire International. It was the strong belief of the officers and membership in Hawaii that if the goals which they had set for themselves could be met, they might in the near future not only be able to announce themselves as a union firmly entrenched in the Islands, but be in a position to offer assistance to their mainland brothers and sisters. The officers of the International deliberated this matter at great length and finally decided that, in view of all

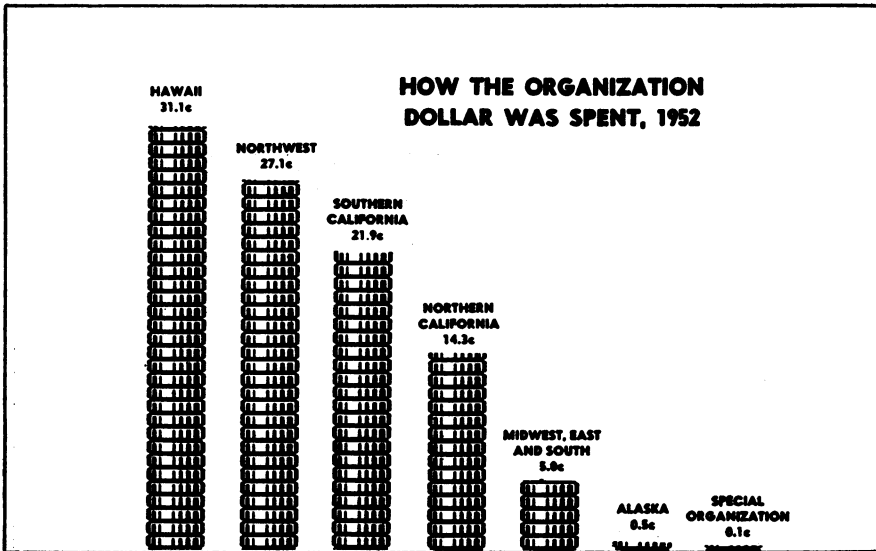


CHART IV

the elements in the picture, the exoneration was warranted and it was granted in accordance with their constitutional authority. The International executive board concurred in this action.

These developments and other heavy expenditures incurred by the International in the past two years have compelled us to review the financial picture. Our International has always believed that its strength could only be as great as that of the component unions that make up the International union in terms of greater solidarity, better understanding, improved contracts and added loyalty. These are more important than money.

FINANCIAL PROBLEM NOTED

We don't think that this financial deficit will continue indefinitely. We sincerely hope that the Hawaiian locals are over the hump and can continue paying per capita as they have now resumed it.

This future of the union depends on any number of factors, including developments which we do not now foresee but which can very well be impending in view of the numerous attacks against this union, as discussed in the main section of the officers' report.

The officers intend to appear before the appropriate convention committee to discuss the financial picture and the need for a per capita increase to offset increased operating costs. It should be borne in mind that the present 65c per capita has been in effect for ten years and is doubtless the lowest of any union in the country.

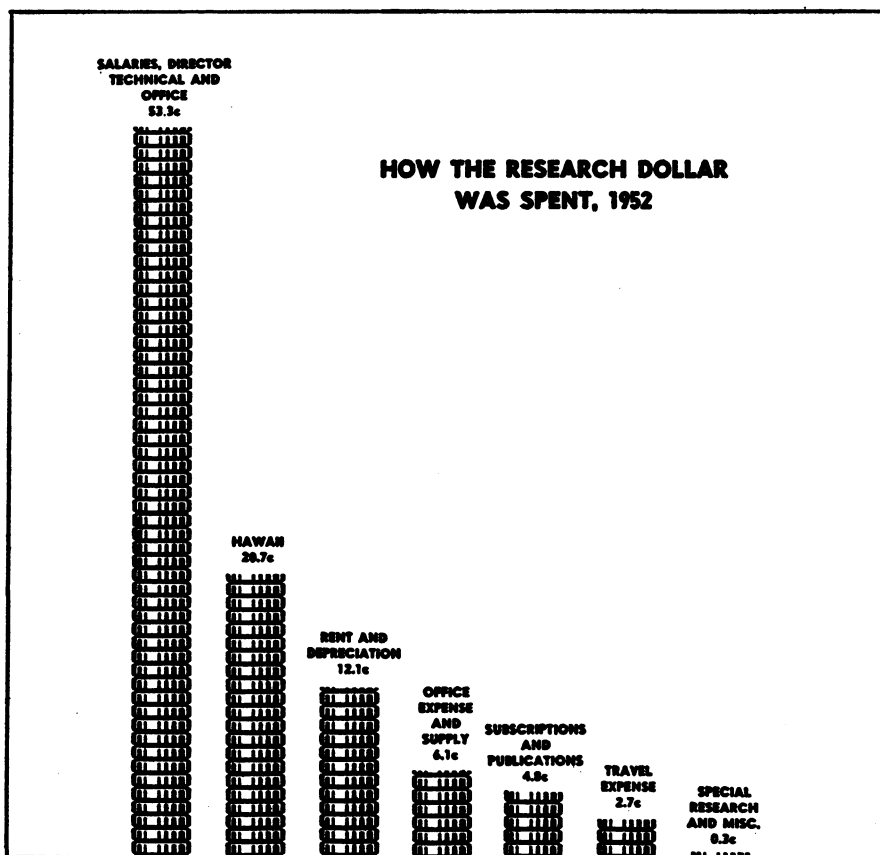


CHART V

Attention is drawn to the table on page 22 of the report which sets forth the budget adopted by the 1951 convention as compared to expenses in each of the succeeding years. It will be noted that the budget has been faithfully adhered to over the two-year period, expenditures are actually \$7,626.01 under the budget. This did not include non-budgeted expenses, principal items of which in 1951 were the operation of the Fishermen and Allied Workers Division (which has been sharply reduced in 1952) and the expenses of the 1951 convention. In 1952, the largest item in non-budgeted expenses was in the area of general defense of the union, and primarily includes legal costs entailed in litigation such as Juneau Spruce, and International assistance to the defense of Jack Hall so as to protect the interests of the union.

PROPOSED BUDGET

The proposed budget provides for \$26,000.00 a year additional expen-

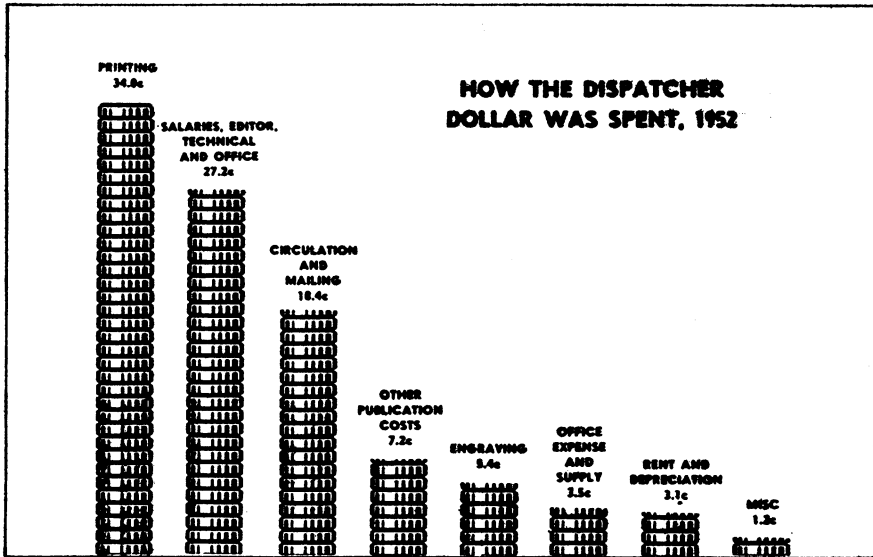


CHART VI

ditures by the International. It is predicated on annual per capita payments of at least 60,000 which we believe to be a conservative figure. Income on 60,000 members would amount to \$468,000.00 a year which would, therefore, allow a margin for non-budgeted expenses and for the rebuilding of reserves. Principal items of increase in the budget are for administration: \$15,000.00, due to increased costs of operation, and, of \$7,000.00 in organization, which do not entail an increase in costs inasmuch as the expenses of the Fish Division will be carried by the Organization Department. Other increases in the budgetary allotments are nominal.

As to the various accounts in the audit, it should be pointed out that we have had good co-operation from the locals and this is reflected in the fact that outstanding Accounts Receivable have shown a substantial decrease and locals have been rapidly clearing their standing with the International. Accounts Payable are exceptionally high, but it should be borne in mind that Accounts Payable include approximately \$45,000.00 borrowed by the Hawaiian Regional Office to cover their operations, and a \$20,000.00 loan by the ILWU Building Association. The charts presented show the following:

I and II show the comparison for the years 1951 and 1952 on how the income was spent. Charts III, IV, V and VI show how the income dollar allotted to the four major departments was spent. These charts reflect approximately the same departmental expendi-

BUDGET COMPARED WITH EXPENSES

Years Ending December 31, 1951 and December 31, 1952—Proposed Budget 1953

	Budget Convention 1951	Expenses 1951	Over (Under) Budget	Expenses 1952	Over (Under) Budget	Proposed Budget
Administration	\$150 000 00	\$144 847 71	(\$ 5 152 29)	\$151 968 12	\$ 1 968 12	\$165 000 00
Dispatcher	49 000 00	60 356 29	11 356 29	55 912 21	6 912 21	49 000 00
Research	38 000 00	36 284 51	(1 715 49)	32 229 97	(5 770 03)	41 000 00
Organization	95 000 00	93 042 64	(1 957 36)	82 998 68	(12 001 32)	102 000 00
Publicity	27 000 00	24 039 79	(2 960 21)	29 022 31	2 022 31	30 000 00
Education	7 000 00	3 651 62	(3 348 38)	6 484 12	(515 88)
Washington Office	14 000 00	13 220 20	(779 80)	13 758 58	(241 42)	15 000 00
	<u>\$380 000 00</u>	<u>\$375 442 76</u>	<u>(\$ 4 557 24)</u>	<u>\$372 373 99</u>	<u>(\$ 7 626 01)</u>	<u>\$406 000 00</u>
Non-Budgeted						
Cost of Charters and Seals		\$ 2 188 47		150 17		
General Defense		8 187 90		12 328 45		
FAW Division Expenses		26 985 75		7 747 36		
Pensions		441 53		1 808 33		
ILWU 1951 Convention Costs		21 177 81			
Longshore pension expense, officers and field staff			2 808 00		
		<u>\$434 424 22</u>		<u>\$397 216 30</u>		
Income		\$378 034 88		\$299 576 76		
Income Less than Expenses		(\$ 56 389 34)		(\$ 97 639 54)		
1953 Budget Based on 60,000 members		\$468 000 00				

tures as would be shown if we also charted the 1951 expenditures and as were shown in 1949 and 1950.

During the period since the last convention the International found that it did not have adequate cash on hand and financial reserves to continue the services which were long offered the longshore and ship clerks divisions; namely, advancing expenses for caucuses, arbitrations, coast committee, welfare and pensions, and then pro-rating these items to the respective locals of the division. On September 5, 1952 the ILWU advised the Coast Committee that we could no longer continue to do this and as a result a Coast Pro Rata Committee has been established to handle proration of these items.

Notwithstanding the financial problems which confronted the union over the past two years, it is the opinion of the International officers that the increased stability and the unity and gains of the various affiliates is a truer index of our progress. It is also our belief that in the event we do run into difficult times, this will be the basic strength upon which we will have to rely for support.

We want to take this occasion to express our thanks to the respective locals, particularly to the financial officers for their fine co-operation during this period.

RESEARCH & EDUCATION

ASSISTANCE IN COLLECTIVE BARGAINING

The Research Department has continued to provide the locals and divisions with information and analyses for use in the negotiation of collective bargaining agreements.

As always, the Department has been able to be of particular help in connection with those demands where technical knowledge is required and where the union's officials have not yet had opportunity to develop much practical experience. The past two years have seen the union getting into the pension field—a brand new area for bargaining and one involving many technicalities. The research staff has done the basic actuarial work for the longshore pension plans, both on the Coast and in Hawaii, and for the East Bay Terminals. Each of these, in its own way, is a pioneer plan and, in many respects, unique.

TECHNICAL AID PROVIDED

Similarly, Research has continued to provide technical aid in developing health and insurance plans. It is currently engaged in helping Locals 6 and 17 to prepare for their spring negotiations in this field. Where,

as in this case, there are several hundred employers, many of whom already have some type of health or insurance program, there are many difficult technical problems to be dealt with.

The field of Welfare, like that of Pensions, has many pitfalls and complications. The Department believes it can be of real service in assisting locals to set up and operate plans which will give the members the greatest possible service and satisfaction. We have found, for example, that it is by no means impossible to work out a satisfactory contract with a commercial insurance company—one which brings a maximum return to the members with a minimum profit for the insurance company.

On the wage front, the Department has supplied the usual types of data requested by the locals: cost of living figures, comparative wage rates, Heller budgets, company financial reports, etc. In addition, during the period of the Wage Stabilization Board, the staff serviced a number of the locals by supplying the research data needed in filling forms, advising on procedure and expediting Board action. This form of activity fortunately is no longer needed.

SPECIAL MATERIAL PREPARED

Even though, in the current period, arbitrators are not disposed to give any of the breaks to the union, arbitrations are still necessary when all other means fail. Research has participated in a number of arbitration cases in the past two years, sometimes representing the union as counsel and in other cases simply supplying needed data. It is a sign of the times that we can recall only one wage arbitration (in Alaska) throughout the period since the last convention. Mostly, arbitrations have been over grievances and the largest number have been discharge cases.

The Department has prepared statements and testimony for the officers at a variety of hearings, including material for submission to the N. Y. State Crime Commission at its recent hearing on the situation on the N. Y. waterfront. In Hawaii, the Department prepared statements and briefs in connection with the hearings before the Department of Agriculture on the setting of fair cane prices and wage rates for the years 1952 and 1953. The Research staff member served as consultant to the attorneys on matters concerning the Hawaiian Cane Planter Association and represented the union in meetings with the Association. For a period before the consolidation of Sugar and Pine, she was assigned to handle contract administration. This involved development of contract policies, keeping an eye on pending grievances, giving advice on processing of grievances, making recommendations on the arbitration of grievances where requests for approval of arbitration were sent to the Local officers, analyzing company hours schedules, policy statements and house rules to

assure no conflict with the agreement, and assisting the attorney in the preparation of cases for arbitration and/or court action.

EDUCATION

The trend away from Research and toward Education, which we noted two years ago, is still continuing. Many of the activities of the Research Department have, in fact, been primarily educational in character.

This is true of the Research Bulletins which come out with some regularity each month. Though some have dealt with collective bargaining issues—particularly those concerned with Wage Stabilization—most of them have been aimed at clarifying some basic issue or have discussed some piece of legislation. The following are the more important analytical bulletins:

The Economics of Prejudice—a study of who benefits from discrimination against minority groups.

Living Standard Down—an analysis of how the cold war economy is reducing real wages.

Some Hidden Aspects of the Tax System—Issued in two parts. Shows that we work $\frac{1}{3}$ of every day just to pay taxes, and what they are spent for.

International Runaway Shops—the problems created for American and foreign workers by U. S. investments abroad.

65 Billions for Peace—how hospitals, schools, etc., could be built with the money now being spent for armaments.

The Economics of Discrimination Against Women—why employers find it profitable to pay women lower wages than men.

Eisenhower's Imperial Staff—a description of the men in the new cabinet.

Bulletins dealing with legislation have included analyses of the Walter-McCarran Immigration Act, Taft-Hartley and the Smith Act.

These bulletins, we feel, should have wider distribution. They are sent regularly to the secretaries of each local but only in the Islands do they get wide circulation. There, they are being reproduced for distribution to all officers, unit leaders and stewards. In a few instances other locals have ordered copies for their stewards, but these cases are rare. The Bulletins are timely, factual and useful. They should be available to all officials and stewards.

CLASSES ARE NEEDED

No educational classes under the auspices of the International have been conducted on the mainland during the past two years, nor have

the locals been supplied with any materials designed especially for class use. In the Islands, however, the Educational Director has operated several series of educational seminars, mainly designed for leadership training and contract understanding.

There now appears to be developing some renewed interest among the mainland locals in classes, particularly for new members. The objective need for such classes was shown by a recent check of Local 6 in San Francisco. It was found that two-thirds of the present members were not around during the formative years of the union. For use in new members' classes the staff is working on a New Members' Manual which will contain a brief analytical history of the union, a discussion of the ILWU constitution and a description of the policy positions taken over the years. We shall welcome suggestions for other types of educational material which may need to be prepared.

At the request of the Hawaiian locals, the Department prepared a pamphlet on "Americanism," consisting of extensive quotations from such great Americans as Roosevelt, Thoreau, Frederick Douglass, Jefferson, Lincoln, Oliver Wendell Holmes and Wendell Willkie. The pamphlet was intended as an answer to a booklet entitled "The American Way of Life," published by a "patriotic" organization in the Islands, known as IMUA.

This is the slogan of the Hawaiian Residents Association, a budding counterpart to William Dudley Pelley's Silver Shirts and other storm-trooper outfits.

Some 50,000 copies of this IMUA booklet were distributed, one going to each school child. It presented the reactionary businessman's concept of Americanism, a version which would scarcely be recognized by Jefferson and Lincoln. Though allowing IMUA to distribute its pamphlets through the schools, the Department of Public Instruction refused to grant ILWU this privilege for our pamphlet.

Other educational activities of the Department have included the preparation of articles for *The Dispatcher* and the assembling of material for leaflets, pamphlets, advertisements and other items put out by the Publicity Department. The Department, for example, has pulled together and catalogued a vast amount of material on the waterfront situation on the East Coast which has been utilized for a variety of publicity purposes.

ILWU BOOK CLUB

The ILWU Book Club is our latest venture in the educational field. The object of the Book Club is to make good books available at prices which the members can afford. We believe that the more sources of

information that are available to our members and the more information they can get hold of, the better and stronger our union will be.

We buy the books at wholesale and sell them at the same price or slightly above in order to cover postage and sales tax. We intend, ordinarily, to charge no more than one dollar. There is no profit. The club is essentially a co-operative book buying project.

The following books have been offered so far:

The Big Strike, by Mike Quin	\$0.50
John L. Lewis, by Saul Alinsky	1.00
We Can Be Friends, by Carl Marzani75
Jack London, by Philip S. Foner	1.00
Man's Worldly Goods, by Leo Huberman	1.00
Murder, Inc., by Burton Turkus40
A Funeral for Sabella, by Robert Travers	1.00

Other selections are being offered for sale at the convention and will be announced in subsequent issues of *The Dispatcher*. We are making an effort to choose books which we can highly recommend. It must be understood, however, that the selections do not necessarily—and in some cases do not at all—reflect the views and problems of ILWU.

In the first 5 weeks of the Club's operation, 189 books were sold to more than 100 individuals. While this is not a large number, we feel that it reflects a genuine interest on the part of the membership. So far, the only promotional activity on behalf of the Club has been the announcements of the books in *The Dispatcher*. Additional means of promotion will need to be developed.

THE ILWU LIBRARY

What began in 1943 as a limited set of contract files with a few essential periodicals, has blossomed into what many tell us is the finest trade union library in the country. It is certainly the best on the west coast. Moreover, since the last convention, the Hawaiian regional office has developed its own library, modeled after the one at 150 Golden Gate.

ENORMOUS RANGE OF MATERIAL

Unlike the usual library, ours does not accumulate many books. We have a minimum number, principally reference volumes and a few specialized books dealing with shipping, longshoring, sugar and the other ILWU industries. Instead of books we concentrate upon clippings, pamphlets, reports and other more or less fugitive materials. These cover an enormous range of subject matter and fill many feet of shelf space plus some file drawers. The biggest collections relate to shipping, longshoring, civil liberties and minorities.

We receive regularly 8 daily newspapers, 62 trade union papers and 56 other periodicals. The daily papers are clipped, the trade union papers are kept with other material on the unions which publish them, and the other periodicals are not only filed but cross-referenced by subject matter.

In addition, of course, there is the file of local agreements and many file cabinets full of documents relating to past negotiations, grievance cases and arbitrations. Then, too, there is an historical file including not only ILWU history but also historical data on many other labor organizations on the west coast.

This enumeration, however, by no means indicates the actual resources available to the library. Our librarian is in constant touch with other libraries from which she can get information by phone and whose facilities are at our disposal. These include the libraries of the City of San Francisco, the Mechanics Institute, the University of California, the Industrial Relations Institute, the Employers' Council, the Standard Oil Company—and a number of others.

MANY REQUESTS NOTED

In return our library is called upon by these and other libraries as well as by all sorts of other institutions in the area. Requests come from other unions and from all kinds of community organizations. Here are a few sample requests:

Federal Reserve Bank	One of the staff wanted to use our sugar material. The Department of Agriculture Library did not have as complete a collection.
Pan American Airways.....	Tonnage and horsepower for SS United States.
Central Information Desk, Federal Building	Had we a copy of the Longshoremen's and Harbor Workers Act?
Pillsbury, Madison & Sutro, Attorneys	War Shipping Administration general orders.
Industrial Relations Institute, University of California	Would we lend them our file of the <i>Marine Fireman</i> to be microfilmed by University of Wisconsin; ours the only complete one.
Employers' Council Library	File of UOPWA material.
Committee for Free Asia	ILO material.
Golden Gate College.....	Would we permit a class in industrial relations to visit our library?

Besides answering requests of this kind, the librarian spends a great deal of time assisting students who are preparing papers, writing theses or getting ready for debates or panel discussions. A sample list of topics for papers will illustrate the diversity and range of demands upon the library's materials and upon the librarian's time:

- Biography of Bridges
- The Juneau Spruce Case
- Shipping in the port of San Francisco
- The Taft-Hartley law as it affects ILWU
- The trade union movement
- Labor conditions on the S.F. waterfront
- The policies of the American Medical Association
- The history of MEBA
- History of CIO
- Welfare programs in labor unions
- The Isthmian strike
- Union constitutions
- History of MCS

The really tough requests come from our own staff. Here are a few:

How does San Francisco compare with other cities of same size in number of crimes committed?

How many executions for capital crimes in the past fifty years in the U.S.?

Produce some details on Benson's agricultural policies.

Produce some material on tax aspects of pension funds; this is in connection with pension plan. (Involves the library of tax attorney—and messenger service to get it.)

What's the background on Bisbee deportations in 1917?

Who said that war is "too important to be left to the generals"?

Find a picture of the Archives Building on Washington with the inscription "What's past is prelude." (Turned out to be "What's past is prologue.")

ENDLESS QUESTIONS ASKED

Here is a list of actual questions directed at the library in one day, fairly typical of the usual day:

A steelworker wants the figures issued by BLS on family budget; compare with Heller Budget.

A painter's union member wants typical contract clause for paid holidays—especially in his trade.

A high school student wants, in one easy lesson, the importance of the maritime industry to San Francisco.

A graduate student wants tonnage figures, employment and income—everything about the shipping picture on the Pacific Coast.

A seaman wants the history of the Marine Hospital.

A graduate student wants some of the speeches of Andrew Furuseth.

Our Hawaii office wants an issue of the *Pacific Baker*, because of an article on one of the firms under contract with us.

A teacher wants a statement by CIO on public education.

A member of CRC wants a statement by Dr. Du Bois.

A mother with a child in one of the child-care centers wants S. F. cost of living material for a speech she is to present.

RECOMMENDATIONS

1. That as many locals as possible establish Education Committees and that one of the Local's officers be responsible for general overseeing of the educational program. The functions of such committees would include:

Arranging educational programs for membership and stewards' meetings, including the showing of educational movies.

Planning new members classes.

Getting Research Bulletins distributed to the stewards.

2. That someone in each local accept responsibility for handling the distribution of books made available through the ILWU Book Club.

3. That the International organize a Leadership Training Course, similar to the one which followed the 1949 convention. The course would be conducted by the officers of the International and of the locals and would deal with such topics as:

History, structure, constitution and policies of ILWU.

Why we left the AFL.

The policies and program of the ILA.

The rise and decline of the CIO.

The Maritime Federation of the Pacific and the CMU.

The WFTU.

The prospects for political action.

Such a course would require a week of intensive work. It might be held during the late spring or summer at Asilomar or some equally pleasant place or at the International office.

Each local should select one or more students, preferably the chairman of the educational committee.

4. That the library start a film collection from which the locals could borrow. The library could also send out bulletins listing desirable films available from other sources. This information would be of use, also, to groups of pensioners.

THE DISPATCH AND PUBLICITY

The Information Department, which is in charge of publicity, public relations, production of literature and printing and publication of the official newspaper, *The Dispatcher*, has had an extraordinary work load as result of legal and political attacks upon the union. These attacks involving calculated and vicious slander against the union and its leadership must be met with a program of fast information to the public and to our membership and particularly to the latter. One of the chief purposes of the current frameups against the union is to sow doubt and dissension among our ranks and soften the union for a kill.

In addition to meeting the ordinary publicity needs of the union, the Information Department has had the additional task of handling the technical details of the campaign to expose and defeat the Bridges-Robertson-Schmidt frameup, and has had to divide its staff between the mainland and Hawaii because of the current attempt being made there to railroad our regional director to jail through use of the Smith Act conspiracy gimmick.

THE HALL TRIAL

The Hall trial, which began last November 5 and is now nearing its end, has necessitated augmenting the publicity staff in Hawaii, and the director of the department has spent most of his time there during the past year. We have made the most of an opportunity to exploit a blunder on the part of the framers of the case, and have done everything within our energies and means to continue exposure of the frameup during the trial. The blunder mentioned was the approach which two agents of the FBI, Department of Justice, attempted to make to Hall to offer him immunity from prosecution if he would go along with a scheme to split the ILWU. The approach, made through ILWU's educational director in Hawaii, was tape recorded and the pertinent parts of that recording were played over an island-wide radio hookup and were printed in *The Dispatcher* and the *ILWU Reporter*.

Similarly, what has been happening in the courtroom during the trial has been broadcast daily over the islands' biggest network, and has otherwise been reported to the rank and file of ILWU in the islands through daily running accounts, mimeographed and distributed to stewards; through widely distributed weekly roundup reports, and through an edited, printed account of the proceedings in the *ILWU Reporter* mailed to all members in Hawaii every two weeks. The latter has been liberally illustrated with cartoons, which have been effective enough to

draw the accolade of bitter public complaint from pro-prosecution quarters.

PUBLICITY A MAJOR FACTOR

There can be no doubt but that the publicity program has played a major role, along with events themselves, in maintaining and strengthening the solidarity of the ranks of the union in Hawaii, particularly the understanding and solidarity with respect to the issues raised by the frameup of Hall. There are none to be found in the ranks of the union who have any doubts as to the vicious nature of the frameup and the true motives behind it. These have been exposed in the courtroom, and our members have been informed of these exposures through the publicity program. Without it they would be in a position to be victimized by the commercial newspapers and radio commentators, which in Hawaii take second place to none when it comes to labor-hating and labor-baiting.

Through the Information Department we have continued to make available to the press and other media all the facts relating to any affairs of the union that are of public interest. The department also has continued to give advice and assistance to locals whenever requested.

The general aims, technically speaking, that guide the editing and production of *The Dispatcher*, have been discussed numerous times in reports to the many conventions preceding this one. The aim to make it the most readable and most effective paper in the labor movement has not changed, nor can claim be made that the aim has been achieved. We believe the time has come, now that *The Dispatcher* is more than a decade in age, for the convention itself to take stock of its good features and its shortcomings and make them subject of full-scale scrutiny, to the end that the officers and *The Dispatcher* staff may have some guide toward making the paper of better service to the union. It must be recognized that part of making the paper of more interest and of more service to the membership lies in the printing of more news about the union. This means there must be improved correspondence from the locals and this is one of the improvements it is hoped the convention will promote.

SUGGESTION TO CONVENTION

It is to be hoped also that the delegates will speak out in committee and in the convention at the proper time with respect to how the paper may, in their opinion, be improved. Any feeling that such discussion implies criticism of the officers or of the editor of *The Dispatcher* should be put aside. If it is criticism, it will be welcomed as constructive contribution to the work in this department.

The above is, of course, solely in reference to the technical side of

editing and publishing *The Dispatcher*. Its editorial policy is set by the convention when it adopts its general program, and such must necessarily be the paper's guide in this respect.

The problem to be solved is how best to present the policies adopted by the convention and governing bodies of the union so that they will be clearly understood throughout the union, and in being understood, become effective instruments toward achievement of the union's aims.

THE WASHINGTON OFFICE

The Washington office has continued to represent the interests of ILWU in the nation's capitol. Guided by the policy resolutions of the last convention and the decisions of the subsequent Executive Board meetings, caucuses and area and district conferences, the Washington office has tried to carry out these basic policy directives of the union.

The work of the office has taken place in a growing climate of witch-hunting, anti-labor attacks and war preparations which find their center in Washington. As a result, the sum total of the legislative and investigating actions by the Congress, as well as the decisions of the agencies under the Executive have been solely in the interest of the people of "power, privilege and profit."

The fact is that the political hacks under Truman, like the smoother big business operators under Eisenhower, who fill the top jobs in Washington have one thing in common—they're in it for what they and their cronies can get out of it. The American people who voted each group into office are still on the outside looking in; still waiting for the election pledges to be carried out.

NO DEALS ANYMORE

In this kind of a political atmosphere it was—and it continues to be—unrealistic to expect to force through political achievements which have not already been won by the economic strength of the union itself. The best to hope for is that the Washington office will channelize whatever strength the union has to help ward off the most extreme anti-labor attacks.

Labor—all labor, AFL, CIO or independent, "respectable" or militant—is now at the lowest point of its influence on Washington in the last twenty years. This has, of course, been most destructive to those unions which have placed their faith in political deals and political relations.

From the point of view of the working peoples as a whole the most damaging policy of the cold war has been the wage freeze.

The wage freeze was the form through which the labor statesmen, claiming to speak for all of the working people, were permitted to place the union label on the cold war politics at home.

The national labor leaders had the unique honor of being the framers of a slogan which they and they alone supported—"equality of sacrifice." Everyone else in Washington was too busy getting rich to bother making any sacrifices, equal or otherwise.

LABOR "LEADERS" SELL OUT

The labor leaders proved how willing they were to sacrifice the interest of the working people in their approval of the regulations of the Wage Stabilization Board. It was admittedly a tighter and more rigid wage freeze under the WSB than wage controls were during World War II.

On the other hand price controls from the outset were never anything but a joke—and not a funny joke—on the American people. In fact, in mid-1951, after the controls law was amended, the labor representatives continued to parrot their "equality of sacrifice" line and to exercise control over wages despite the Capehart Amendment which literally forced all prices up and added \$7.00 a week to the cost of living of each American family.

Notwithstanding the presence on the Wage Stabilization Board of open and avowed enemies of ILWU and despite our refusal to participate in the Board after being invited to do so, ILWU was able to obtain WSB approval of its major agreements exactly as they were negotiated. This, in itself, was a remarkable achievement in the face of the record of the CIO and AFL representatives who frequently voted to reduce what their own union members had fought for and won in collective bargaining.

The records of the Washington office show that over eighty cases were processed through the WSB in the last two years.

As the result of the red-tape and the delays of the Board as well as the attempted sabotage of our petitions by the CIO, too much of the time of the Washington office was spent fighting off these leeches. It didn't leave much time for pushing our positive program.

PRICES AND TAXES

The ILWU officially made representations to the Congress to put a real freeze on prices and to put a ceiling on the rising taxes. We weren't successful in our efforts in this direction.

During the 1952 election campaign the tax issue was kicked around

until the people came to believe that Eisenhower stood for a tax cut. They've since learned differently; you can't cut taxes and continue the war spending which the taxes finance. So now Republican leader Taft insists that there never was a promise to cut taxes in 1953. Our efforts, along with other unions, to bring about a reduction in income taxes were to no avail.

WATERFRONT SCREENING

The hearings before the National Appeals Board of the Coast Guard under the waterfront screening program have been handled by this office. Because most screened members of the ILWU have been unable to pay the expenses for a trip across the country the appeals have had to be handled without the screened longshoreman present to defend himself.

By this time the pattern of these appeals is pretty well worked out; and the chances of getting a reversal from the top Board are slim, although some cases have been reversed. On the whole, most screened longshoremen have not been able to get the National Appeals Board to reverse the findings of the local Board because they have been unable to prove that they're not what they're not.

LEGISLATION AND INVESTIGATIONS

During the last two years the office was concerned with opposing legislation which would do the union harm and weaken our bargaining strength. In investigations—by the Humphrey Committee and the House Labor Committee—the ILWU was held up as one of the main targets of the witch-hunters.

On the other hand we were able to force hearings in 1951 on amending the Taft-Hartley law to legalize the maritime hiring hall. Despite a unity of the AFL, CIO and independent unions on this issue, Senator Taft opposed and killed the legislation while the Truman administration did nothing to fight for it.

In 1952 there were hearings on amendments to the Longshoremen's and Harbor Workers' Compensation Act for the purpose of establishing national safety standards and raising the benefits level. The legislation was modeled after some, if not all of the suggestions of the ILWU.

Opposition to the enactment of this safety legislation came from the shipowners and the stevedoring companies and from the Coast Guard. Senator Taft successfully sunk this one too.

STATEHOOD FOR HAWAII

Hawaiian statehood has always been an ILWU objective for which

the Washington office has never ceased working. Despite the firm pledge of the Republicans it now appears that 1953 will go by with statehood no closer. Because statehood is being used as a political football by the Republicans and opposed by the Southern Democrats it seems to be an objective which has more political value as an issue than as something which the politicians plan to deliver.

At each sign of militancy from the labor movement—for example, the steel strike to win what the WSB had already approved—another Congressional investigation was launched. At the same time Senator McCarran and Senator Humphrey concentrated on “Communism” in unions and developed their anti-labor and anti-union program around the CIO’s expulsion of the ILWU and other unions. The CIO cooperated—although privately—in this venture.

The outlook for the next two years is for more of the same. The Republican Congress under Eisenhower has appropriated more funds for investigations than ever before in the history of the union. The anti-labor legislation now in the hopper is just waiting for the first outbreak of labor action. What is most significant is that in the most recent hearings and discussions on labor legislation, there has been no distinction made as between the so-called “left” and the respectable unions; all unions are under the gun from the AFL Building Trades to the ILWU.

THE MAIN DANGER

The main danger is coming from the investigations and the increasingly anti-labor attitude of the bureaucrats in the old line agencies—NLRB, Maritime Commission, etc.—who, sensing the attitudes of the politicians are trying to hold on to their jobs by proving how anti-union they can be.

The Eisenhower Administration has not added anything new; it has ushered in a more violent and virulent brand of union-baiting.

At the same time the new gang have set themselves the task of systematically either destroying or converting to their own purposes the old New Deal agencies which had been set up to improve the welfare of the common American people. The RFC, the Federal Trades Commission, the Federal Communications Commission, the Federal Power Commission, the Civil Aeronautics Board—to name a few—are now beginning to exploit the resources of America for the benefit of the privileged few. At the same time the biggest steals in history of power, oil, forests and minerals are being set up under the new administration.

Some labor officials are trying to buy a place for themselves in this new regime; and we can expect that they will be accepted in order to continue to put the union label on what goes on.

The outlook for the Washington office of a union like ILWU is not

reassuring. As the government shifts from deciding what union is the workers choice to deciding what union they ought to choose, we will find that ILWU and the ILWU program is not the politicians' and the employers' idea of the kind of union our members should have.

Nevertheless one of the responsibilities of the Washington office must continue to be the organization of delegations of union members to Congress and to the government agencies. These have proven extremely successful in the past despite the cost and the travelling distances involved. The oldtimers delegation on the longshore pension is a striking example of this.

The Washington operation, as the official face of the kind of unionism for which the ILWU stands, must be maintained and even expanded in these times. Many thousands of Americans, not even remotely associated with the ILWU, as well as the members of the union, are strengthened from the activities of the office in presenting an alternative to what goes on in Washington today.



Report of the Coast Longshore Labor Relations Committee

The Coast Longshore Labor Relations Committee herein sets forth the progress, the continuing problems, the perspectives and our recommendations for the Division. Our emphasis has been chiefly directed to a field in which we find real economic and social benefits for our membership.

The Longshore Division has effectively implemented the far-sighted policies of our International Union and has constantly stressed the need for social gains under our economic system. The Division has therefore succeeded in giving our members a real security which did not exist prior to establishing the Welfare and Pension Plans.

PENSIONS

The finest accomplishments have been in behalf of our "old-timers" under the ILWU-PMA Pension Plan. In June, 1951 the Coast Negotiating Committee, consisting of the Longshore Board members, the International Officers and the Coast Labor Relations Committeemen, negotiated a new Pacific Coast Longshore Agreement which included among various other gains, a provision to retire men with 25 years or more of service at age 65 with \$100.00 monthly pension guaranteed for life. This \$100.00 monthly pension is paid in advance on the first of each month and is in addition to any monies that they receive through social security or any earnings that they may enjoy from any other source.

Most pensioners are receiving unemployment benefits as a result of hearings held in the major Ports after PMA took the position that pensioners were not eligible for such benefits. PMA temporarily succeeded in stopping payments by appealing to the three State Departments of Employment who finally rendered decisions which were generally favorable to the men. This income, of course, dries up for each individual following the second year of retirement unless he has managed to gain employment meanwhile and started to accrue additional credits.

The income of the Pension Fund is solely contributed by the various employers belonging to the Locals in our Division; and is paid on a tonnage fee which is transposed so that the present rate is 15c per man-hour.

WORK OF TRUSTEES

Following the negotiations, the International Union appointed, with subsequent concurrence, the three members of the Coast Labor Relations Committee to function as trustees for the jointly administered plan. The Research offices of PMA and ILWU had agreed after much investigation and study on length of service, age, turnover and other factors, that approximately 3,200 men would qualify to become eligible for participation in the Plan. Each side of the joint trustees selected one person to act as a subcommittee on eligibility and to process the individual applications to determine whether or not a man should be placed on the eligibility lists.

The Plan originally provided that this preliminary work should be completed in January of 1952, but experience proved that more time would be needed in order to give the trustees full opportunity to see that every deserving individual had his pension rights safe-guarded by establishing all of the facts in his case and by an examination of every extenuating circumstance that might assist in those cases where there

could be some doubt of clear-cut eligibility. So the cut-off dates were extended several times and finally these extensions amounted to one full year of additional time during which an individual could file his application for pension. The joint trustees have now agreed that no new applications will receive consideration.

We were able to convince the PMA trustees that men who had been de-registered in the period of time prior to June 1, 1951, the pension contract cut-off date, had been done an injustice if the date of their de-registration took place in the year prior to June 1, 1951, when everyone knew that pensions were agreed to in principle and would, in all likelihood, become a matter of fact in the 1951 negotiations.

By checking the lists of men cleared for pension eligibility the employer trustees determined that we had already qualified several hundred men above the estimated 3,200 figure and we could not prevail upon them to re-register all who had been de-registered in the full year prior to June 1, 1951.

Finally, it was agreed to adopt September 1, 1950 as a starting date and re-register all men who were de-registered after that date if they otherwise qualified for pensions. We were also able to have local joint labor relations committees re-register men or "correct errors in de-registration" so that several other men were given pensions who would not have otherwise qualified. The overall total on the eligible list is now 3,763, of whom 1,400 are drawing pensions as of April 1, 1953. not have otherwise qualified. The overall total on the eligibility list is now 3,763, of whom 1,400 are drawing pensions as of April 1, 1953. (See chart, next page.)

The trustees realize that the additional hundreds of men above the original estimates causes some concern because the available monies were based on the needs calculated from the original figure of 3,200. Our side has no grave concern because we know that income to the Fund is higher than originally estimated due to the volume of work on the Coast since the Fund was established, and we know that returns from the Fund investments are running above expectations. We also have reason to believe that the mortality figures used in the original computation are favorable in the sense that they are taken from life insurance company records and are established to guarantee those companies their profits. We realize that the workload can drop even below the original estimates and that the Fund can be jeopardized for this reason, but we have faith in the union's ability to increase the rate of accrual into the Fund at the five-year review date, if it then proves necessary.

Naturally, a pension for life is one of the greatest achievements which the Union has accomplished.

ILWU-PMA PENSION PLAN

AS OF APRIL 1, 1953

EACH SYMBOL REPRESENTS 100 MEMBERS



1,400 MEMBERS

ARE NOW RECEIVING PENSIONS



2,213 ADDITIONAL MEMBERS ARE
DUE TO RETIRE - UP TO JUNE 30, 1961



124 MEMBERS ON PENSIONS OR DUE TO
RETIRE - HAVE DIED

HEALTH AND WELFARE

The second most valuable achievement for retired members is the health and welfare coverage that they now enjoy. This subject will be dealt with under the heading "Welfare" and we only wish to point out here that the retired men are receiving their full individual and family coverage even though many of them had never qualified for such benefits during their working years.

Unlike the Pension Plan, these welfare benefits are not guaranteed to the pensioners for life, but run concurrently with the welfare contract, part of the Pacific Coast Longshore Agreement; therefore, they are only guaranteed to our elderly citizens as long as we maintain our coast-wise structure and its resultant coast-wise agreements. In order to carry out all of our plans and programs in respect to the pensioners, the trustees engaged Brother Henry Schmidt to act as Pension Director and he has rendered invaluable assistance, particularly in the fields of geriatrics and social welfare, since April 1, 1952. If we handed a \$100.00 check to our pensioners each month but then paid no further attention to their collective or individual needs, they would certainly be given the impression that they were "has-beens." Such thinking has no place in this enlightened 20th century and it is well-established that our elderly people must remain active and useful if they hope to enjoy any number of leisurely years and thus gain the fruits of their labors. Much research and scientific examination has been given to this subject and the national understanding of the problem is growing with the increase in years of life expectancy that has come about particularly in the last generation. For instance, the following appears in the proceedings of the New York State Joint Legislative Committee on the Problems of the Aging:

"SENIOR CITIZENS BILL OF RIGHTS

1. The right to an opportunity to continue to be useful.
2. The right to an equal opportunity to obtain employment based on merit, not birthdays.
3. The right to freedom from the spectre of want in old age and burial in a pauper's grave.
4. The right to a fair share of the community's recreational, educational and medical resources.
5. The right to obtain decent housing suited to the needs of later years.

6. The right to the respect of the community, based on service to the community.
7. The right to the support of one's family to an extent consonant with the best interests of the family.
8. The right to live independently as one chooses.
9. The right to live with dignity as a free human being unfettered by antiquated concepts of the "proper role of old people."
10. The right of access to all available knowledge on how to make the later years happy years."

RECREATIONAL ACTIVITY

Some time ago the Pension Fund office sent a questionnaire to all retired men asking them to describe the activities in which they pass the time and questioned them on the need for recreational facilities. We also questioned their desires for assistance from the Pension Fund on the organization of creative pursuits and recreational programs and activities. The returns showed that many of our pensioners visit the hiring halls regularly, indicating that they feel the need of continuing their relationship with other pensioners and with the men in the industry. Furthermore, their answers proved that they are in need of recreation.

Their attitude was quite ably expressed by one pensioner who made the following statement on his questionnaire:

"I think it would be a good idea if each Local could have a place somewhere in their hall where the Old Timers could come and visit and play cards or checkers and give them a cup of coffee and some doughnuts or cake, and cheer them up a bit. I don't think the Brothers in the Local would object to it. (After all, we done our bit.)"

The Pensioners indicated by their answers that they wanted the Pension Fund's assistance in the organization of recreational facilities and/or plans, and several meetings for this purpose have been held in the Ports of San Francisco, Portland and Seattle.

The Seattle group has probably made the most progress. They are remodeling (this project may be finished by now) several rooms on the fourth floor of the ILWU building. They will have a rather large recreation room which will be used for playing games, such as checkers and cards, and possibly for the showing of educational motion picture films.

In San Francisco, a recreation room will be made available to the pensioners in the headquarters of Local 10 at Pier 18. The State Harbor Commission, which owns and operates all piers on the San Francisco waterfront, has agreed to remodel these quarters free of charge, although

originally the Commission submitted an estimate for the job of \$1,136.

The Portland pensioners held a meeting on March 5, 1953. They elected a program committee of 10 members which will contact the different social agencies in the City of Portland with a view to securing assistance concerning their plans for recreation.

The San Francisco and Seattle groups have also elected committees from their ranks and it will be the job of these committees to explore the field, follow up and put into motion the various recommendations that were adopted at their pensioners' meetings.

Concerning the San Pedro Local 13 pensioners, it has been suggested that an approach be made to the Long Beach Harbor Board and the Long Beach Recreation Commission and to ask these two public agencies to cooperate with Local 13 to provide our Southern California pensioners with a recreation facility.

Pensioners are urged to take advantage of the courses for adults offered free of charge by the Adult Education Division of the public schools in each of the large cities on the Coast. In this field, there are classes in Public Affairs and Americanization, Elementary and High School subjects, leisure activities and classes in drama.

It must be pointed out that although reams have been written by doctors and recreation experts and lengthy conferences have been held, the problem of supplying organized recreation for the elderly citizen is a comparatively new field, but with the help of the pensioners themselves there is no question that progress will be made, although it will take time.

It is essential to supply recreation and adult educational opportunity to our pensioners in order to fill the void left by retirement or withdrawal from the former mode of living, and the men must be guarded against the desolate realization that they are "all through." All the literature on geriatrics (science of the medical and hygienic care of the diseases of aged persons) indicates that such a program is necessary to keep the men feeling better and living longer.

Otherwise, instead of having made a lasting contribution to their health, happiness and well-being, we will have contributed to shortening their normal life span by having retired them from an active and productive life.

Therefore, the Coast Committeemen as the union's trustees to the ILWU-PMA Pension Plan, now pledge themselves to increasing activity to the end that all of our retired men may best enjoy the final fruits of an arduous life. (See charts that follow on next six pages.)

OUTSTANDING FEATURES

OF THE ILWU - PMA PENSION PLAN...

**\$100 A MONTH - PLUS
SOCIAL SECURITY**

**COMPLETE MEDICAL CARE
FOR RETIRED MEMBERS**

INDUSTRY-WIDE

**NO REQUIREMENT OF HOURS
WORKED PER QUALIFYING YEAR**

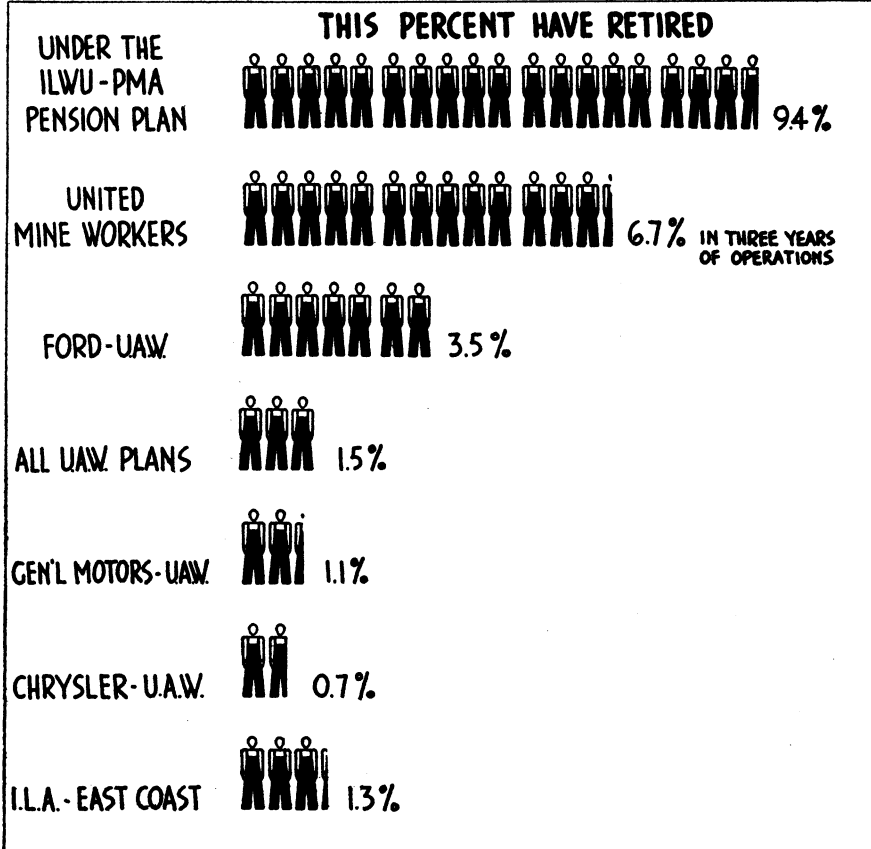
**NO SIPHONING OFF OF INCOME
TO INSURANCE CO. PROFITS
AND BROKERAGE FEES**

**PENSION CANNOT BE LOST
BECAUSE OF SCREENING**

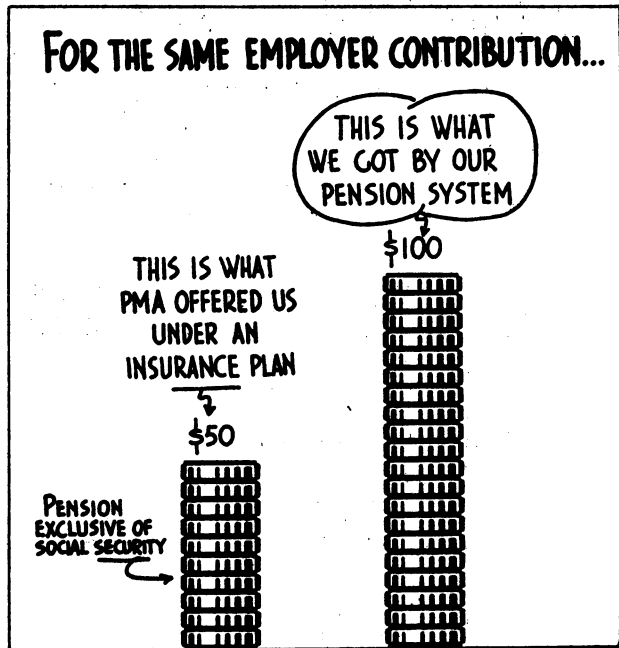
BECAUSE IT'S MORE ADEQUATE...

MORE WORKERS CAN AFFORD TO RETIRE ON OUR PENSION

EACH SYMBOL REPRESENTS 1% OF THE TOTAL



MOST PENSION PER DOLLAR



- UNDER OUR PLAN THERE IS NO SIPHONING OFF OF INCOME INTO INSURANCE COMPANY PROFITS AND BROKERAGE FEES.
- UNDER OUR PLAN EVERYTHING EVENTUALLY - EXCEPT ADMINISTRATION COSTS WHICH AMOUNT TO LESS THAN 1% -

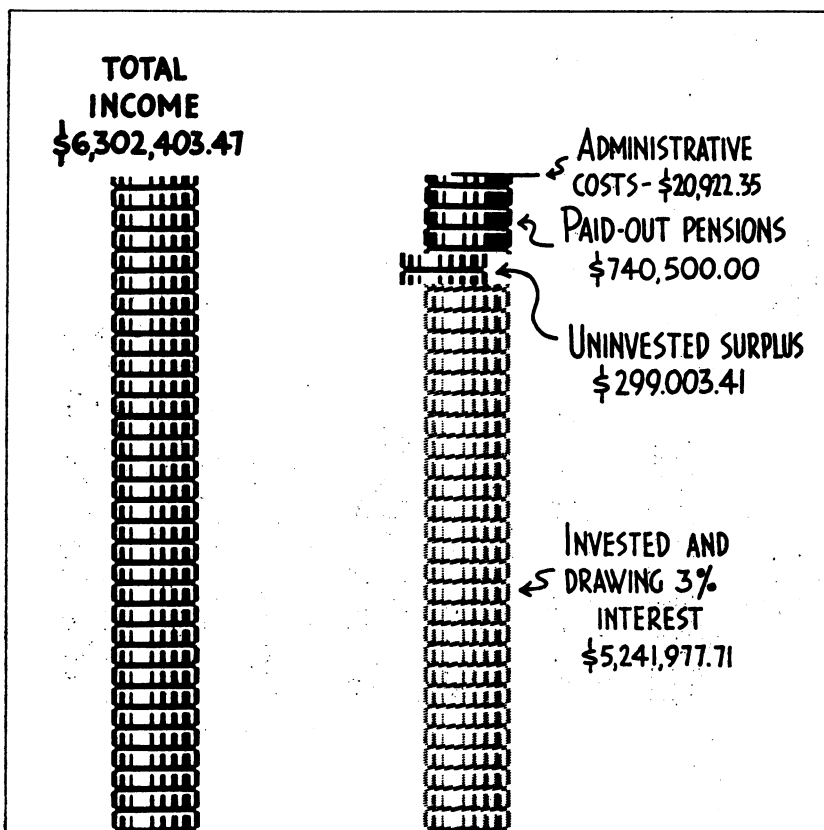
GOES TO PAY PENSIONS.

- ACTUALLY, FIGURING INTEREST ON THE FUND, THE MEN WILL EVENTUALLY GET MORE IN PENSIONS THAN THE EMPLOYERS CONTRIBUTE IN THE TEN YEARS OF THE PLAN.

STATUS OF THE ILWU - PMA PENSION FUND

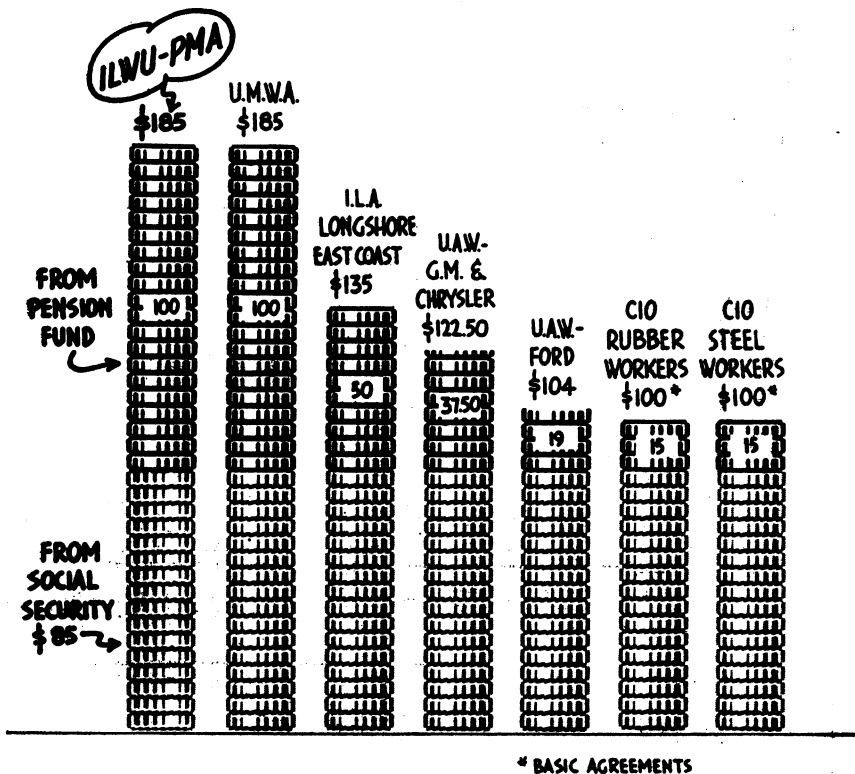
FOR 18 MONTHS ENDING DEC.31, 1952

EACH COIN REPRESENTS \$200,000

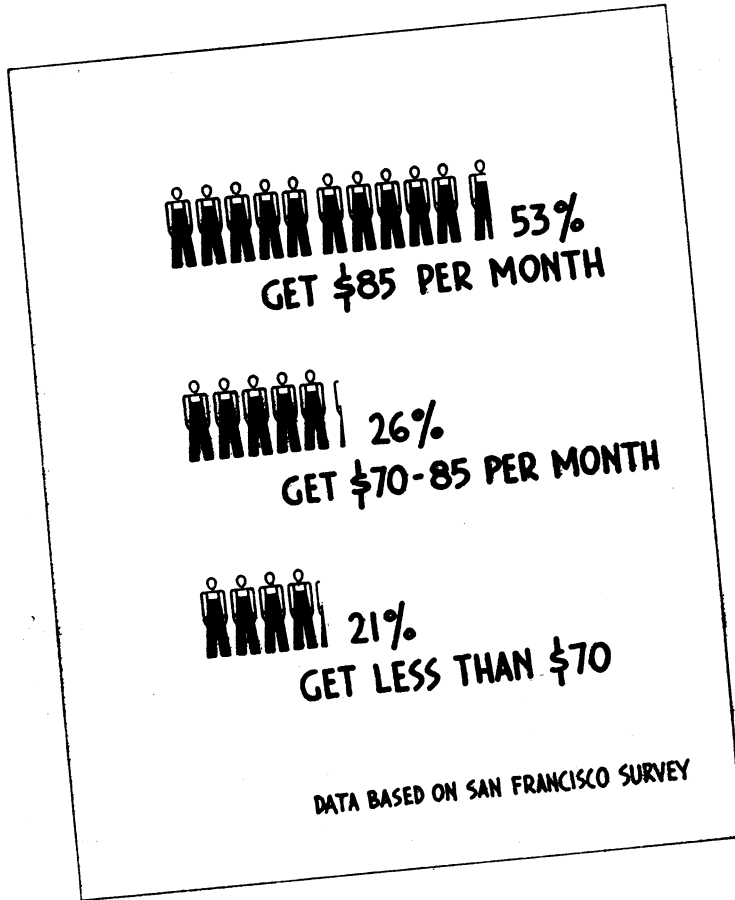


THE ILWU-PMA PENSION PLAN IS ONE OF THE BEST...

PENSION BENEFITS FOR MEN AT AGE 65 AFTER 25 YEARS SERVICE



SOCIAL SECURITY BENEFITS RECEIVED BY ILWU PENSIONERS



WELFARE

The Welfare Plan was first established during the prior term of office of the Coast Committee.

At the time of the June 1951 negotiations there was a surplus of \$365,000 in the Welfare Fund. The Joint Negotiating Committee instructed the trustees to spend these monies for additional benefits. The

principle of maintaining no large reserves was thereby established. As a result, in August 1951 partial family coverage was purchased coastwise. Simultaneously, in the insured ports the men's benefits were increased to cover the first calls for out-patient medical care at the doctor's office and at home. (For a chronology of benefits, see chart 1, this page.)

ILWU - PMA WELFARE FUND

INCREASES IN BENEFITS

SINCE JANUARY 1, 1950

EFFECTIVE

DATE

- 7/1/50 - \$500 LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT ADDED
- 11/1/50 - LIFE INSURANCE AND ACCIDENTAL DEATH AND DISMEMBERMENT INSURANCE RAISED TO \$1000
- 1/1/51 - PERMANENT DOLLAR CHARGE FOR OFFICE VISITS ELIMINATED. X-RAY AND LAB BENEFITS ADDED IN INSURED PORTS
- 3/1/51 - CATASTROPHIC COVERAGE ADDED TO INSURED PLAN
- 7/1/51 - INSURED PLAN BENEFITS RAISED FOR MEDICAL CARE AND HOSPITAL SERVICES
- 8/1/51 - PARTIAL FAMILY COVERAGE FOR HOSPITAL-MEDICAL-SURGICAL CARE ADDED TO ALL PLANS
- 5/1/53 - FAMILY COVERAGE EQUALIZED WITH MEN'S UNDER SERVICE PLANS. OUT-PATIENT MEDICAL CARE FOR FAMILIES AND INCREASED HOSPITALIZATION AND SURGERY FOR MEN AND FAMILIES IN INSURED PORTS

CHART 1

Since it had been agreed in the 1951 negotiations to spend the surplus monies so as to leave no more than \$75,000 in the Fund (less than one month's premium), it was clear that the employers would have to raise their contribution in the 1952 negotiations in order to continue the current benefits already in effect. The employers then agreed to raise their 3c per manhour contribution to 7c per manhour, this sum to include an estimated cost of \$100,000 per year for welfare benefits for men who had or would retire. We re-affirmed the policy that money was to be spent as it accumulated, and were successful in convincing the employers that anything over a three-months reserve was unnecessary.

ADDITIONAL BENEFITS

In February 1953 we were able to prove that the fund could purchase additional benefits. Family coverage was made identical with that of the men's in the group health ports. Improvements were made in the insured ports to include home and office visits for dependents, higher amounts of reimbursement for hospitalization and more serious types of surgery.

The ratio of increased costs for these benefits agreed to by the trustees was as follows:

\$1.57 in the three major port areas,

\$2.00 in Seattle,

\$3.00 in the insured ports.

In San Pedro, the only port for which we were able to obtain actual figures, the out-of-pocket cost to the membership from October to December was \$28,172 for the benefits we have just purchased.

We have set up the following principles for our Welfare program:

1. Reducing the mount of money each family itself had to spend for medical care.
2. Increasing the numbers of people eligible for benefits.
3. Emphasizing preventive medical care.
4. Getting utilization out of our program—getting the most for our dollar in quantity of service.
5. Using all resources to examine and improve quality of medical care.
6. Using community resources to supplement our program and save the membership money.

INCREASE IN NUMBER OF MEN ELIGIBLE (See Chart 2, next page)

We renegotiated the contract to establish eligibility based on hours on a twice-a-year basis. Deletions for lack of hours remains on an annual basis.

ILWU - PMA WELFARE FUND

ADDITIONAL GROUPS COVERED

SINCE JANUARY 1, 1950

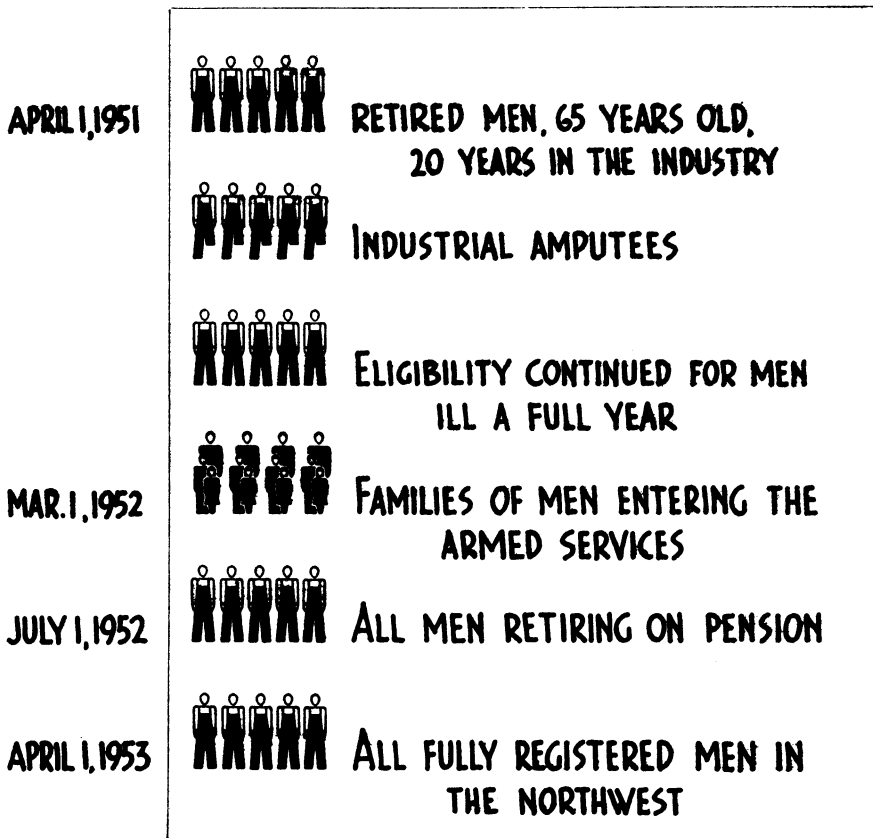
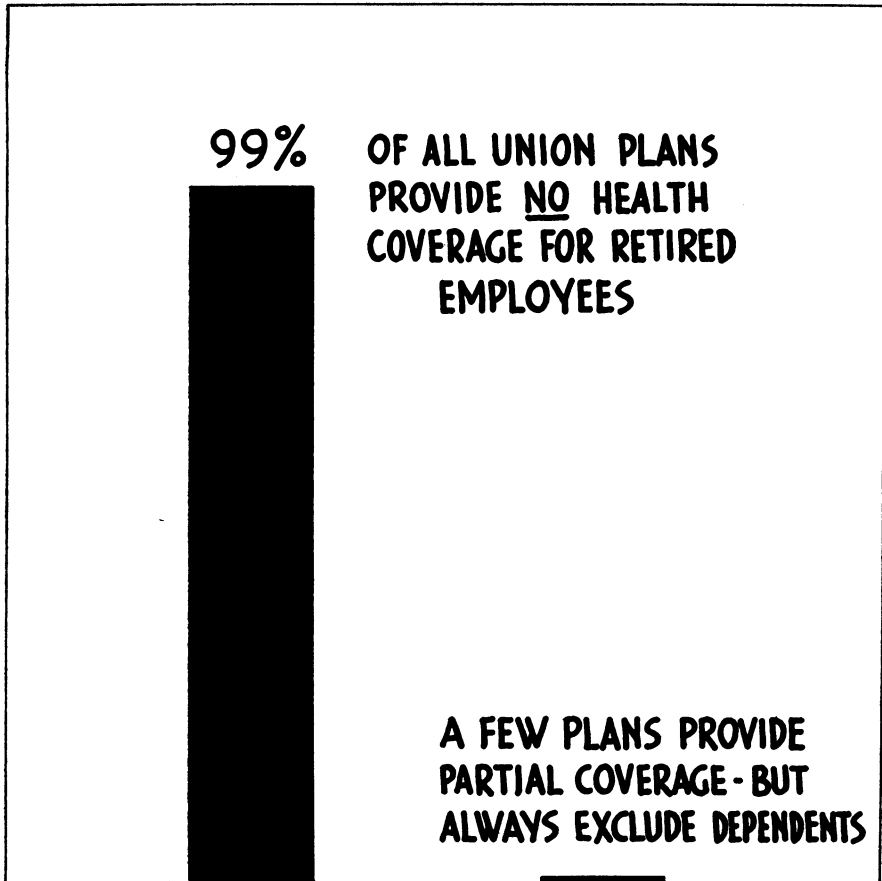


CHART 2

We continued benefits for eligible retiring men who worked 20 years in the industry, the last five of which had been consecutive, providing they were 65. This laid the basis for providing coverage for our retired men in 1952.

Thus, in July 1952, when the Pension program went into effect, we were able to assure every man who qualified for a pension that he and

PIONEERING



ONLY THE ILWU-PMA PLAN PROVIDES FULL HEALTH COVERAGE FOR RETIRED LONGSHOREMEN AND THEIR DEPENDENTS, WITHOUT COST

his dependents received full Welfare coverage regardless of previous eligibility.

We studied other plans providing health coverage for retired men and found that only 1% of union-employer welfare plans provide some medical benefits and life insurance. The ILWU has the only welfare plan which provides health coverage for retired men and their dependents without any charges to the men.

In the Northwest, we succeeded in making eligible all fully registered longshoremen, regardless of the hours worked, providing the Local Joint LRC agrees the list represents the active labor force. Northwest locals' fully registered men as of April 1, 1953 do not have to depend upon a run of hours. This will benefit the man who is not quite old enough to retire but still not able to perform enough of the available work on the front to qualify by hours. We could not do this in California because some registration lists still carry a lot of dead wood.

We are in the process of discontinuing hospital-medical-surgical benefits and life insurance for the true casual, since coverage for casuals has been draining the Fund at a cost of \$85,000 a year. This saving will make it possible to increase benefits for our fully and partially registered men who qualify.

Men who were ill for a continuous year even though they had not worked a single hour in the industry remain covered.

Time in the armed forces is counted as time worked for eligibility. We continue family coverage of men who go into the armed forces, providing that the family remains in their home area.

As of March 1, 1953, 17,542 longshoremen, ships clerks and walking bosses were eligible for Welfare coverage (thus includes 1,375 retired men); wives and dependent children are automatically covered.

PREVENTIVE MEDICINE

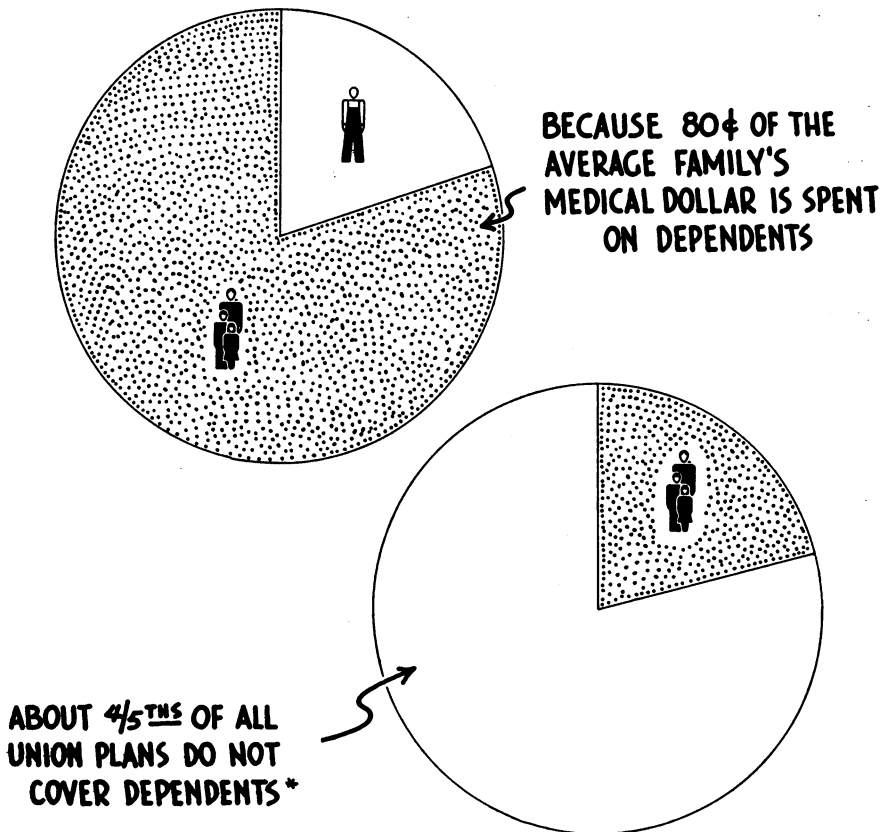
In San Francisco, with the cooperation of Local 10, we pioneered a multi-phasic examination at the hiring hall. This examination gave series of tests for blood pressures, chest x-rays, electro-cardiograms for heart trouble, blood and urine tests for diabetes, anemia and syphilis; sight and hearing tests and measurement of height and weight. 3,994 members took these tests in a 6-weeks' period.

The series was designed to locate clues to the chronic diseases which are the chief causes of death and disability in this country and which often develop with no warnings.

This was the first time in the United States that such health examinations were given to a group of workers where follow-up medical care was already paid for.

Thirty-five per cent of the men tested were found to have some physical condition which needed medical treatment. There were 1,087 such conditions discovered where the men had not known anything was wrong. We are attempting to work out multi-phasic programs in other areas.

ILWU - PMA HEALTH PROGRAMS COVER THE ENTIRE FAMILY



*BASED ON SAN FRANCISCO AFL COUNCIL SURVEY
"LABOR PLANS FOR HEALTH", 1962, P. 25

Our concept of a sound welfare program is not only to save dollar costs for medical care when illness occurs, but to *keep men and their families healthy*. Our emphasis in purchasing coverage was to remove any bars to going to a doctor, i.e., the dollar office call charge, costs of x-ray and laboratory. In negotiating our contracts with carriers (group health plans or insurance company) we follow the same practice as we do in our negotiations: get the best deal possible at the time and lay the ground work for a better one. We do not accept the status quo as a deterrent. Our contracts must be flexible enough to meet the particular needs of our membership. For instance, all other insured contracts exempt babies for the first 14 days. Our arrangements are such that babies are covered from the time of birth.

We were successful in getting night clinics at Permanente, because the sooner you see a doctor when you are sick, the less time you are likely to be ill. The night clinics make a saving to our men since they do not have to lose a day's work to see a doctor.

UTILIZATION (See Chart 3, next page)

Our group health program, covering 77% of our total of 49,306 people (the percentage will be higher if Seattle families go into a service plan) has included in its contracts provision for utilization statistics.

A comparison of utilization figures in the three Permanente ports reveals that in San Francisco, our men are making only 2.7 visits to the doctor per year, in Portland 2.4, and in San Pedro, 3.0. On family usage, we find that the dependents in San Francisco are making 1.5 visits per year, in Portland 2.2 and in San Pedro 2.6, which would indicate that the least utilization is in the largest port.

Average doctor visits per eligible	Totals	San Francisco			San Pedro			Portland		
		Total	Men	Dep.	Total	Men	Dep.	Total	Men	Dep.
	2.30	1.9	2.7	1.5	2.8	3.0	2.6	2.3	2.4	2.2

Men 2.7

Dependents 2.0

Comparing our group with all users of the group plan, we are convinced that our people, particularly our men, are not going to the doctor early enough. The average health plan population uses 6.6 days per hospital admission. The average for our men is 11 days. In comparing this figure with the figure used in the 1951 report, we find that the total number of hospital days has not been reduced.

COVERED UNDER THE ILWU - PMA WELFARE FUND

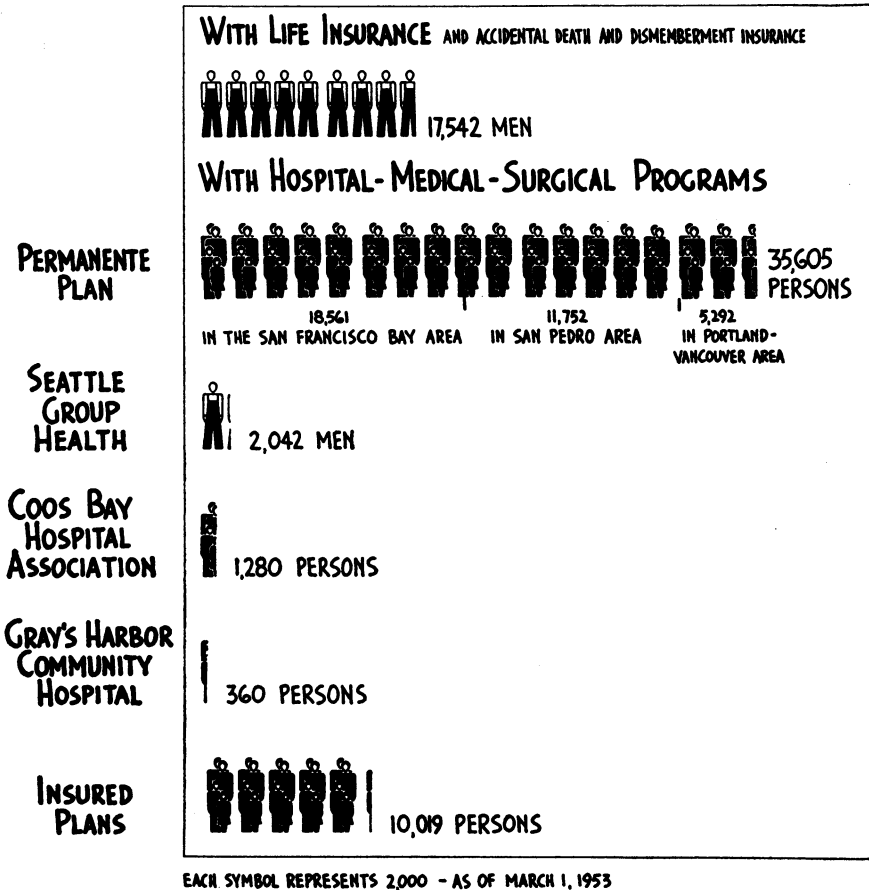


CHART 3

FAMILY CARE

Our families are averaging 7 days per hospital admission. There is still a big job to be done in acquainting the membership of benefits under the program so that there will be more utilization and there will be a concerted effort on the part of the locals with the Fund to get people to the doctor before they require long hospital stays.

The Welfare program is part of the union program which affects the entire family. It is important, therefore, that there be mailings into the

COMPREHENSIVE SERVICE PLANS

PROVIDE TO WORKERS AND THEIR DEPENDENTS...

- ALL DOCTOR'S CARE, INCLUDING SPECIALISTS.
OUTSIDE AND INSIDE THE HOSPITAL
- ALL X-RAY AND LABORATORY TESTS
- ALL PHYSIOTHERAPY
- AT LEAST 3 MONTHS HOSPITALIZATION
PER YEAR PER DISABILITY
- ALL PREVENTIVE MEDICINE PROCEDURES
- ALL HOME CALLS
- AMBULANCE SERVICE
- GRIEVANCE PROCEDURE - MEDICAL ARBITRATION



ONLY 3% OF THE POPULATION HAS
SUCH COVERAGE *



BUT 77%
OF ALL PERSONS IN THE ILWU-PMA
HEALTH PROGRAM HAVE THIS
COVERAGE

EACH SYMBOL REPRESENTS 5%

* SENATE REPORT NO. 359, 1951

home so the families know what their benefits are and thus, dollars are saved. The trustees agreed in February to add another person to the Fund staff who would do an education program in terms of preparing information for Local bulletins, for *The Dispatcher*, for leaflets in the Locals and booklets.

Another important method to get better utilization is for the membership through the Local Secretary and/or Local Welfare Officer to let us know the pattern of grievances.

Your Coast Committee acts on a day-to-day basis with the carriers, just as we do on the basic longshore agreement. Where the contract with a carrier is silent and a new situation arises, we must see to it that a proper precedent is established and we get the most for our dollar.

In Seattle, because of a competitive situation between two service plans, we were able to get medicine for the men and present proposals now include medicine for the families.

INSURED PLAN

In the Insured program, we did a study of costs paid out of the men's pockets, by type of benefit. We were then able to buy new benefits which represent the most savings to the men. 80% of all medical costs to the family do not go toward hospitalization but go to out-patient medical care. Therefore, we purchased more out-patient care for the families in the Insured port areas.

Our previous insurance carrier cancelled out of the group business and when we submitted our specifications to the insurance carriers, we had two points in mind: 1) the best deal for the dollar, and 2) claims handling. We have an 8% retention agreement, which means that we will get 92c back out of every dollar paid in premiums, either in benefits or a return to the Fund, which will be used for the purchase of additional benefits.

Claim handling is as integral a part of the Welfare program as the dollar benefits, because delays, red-tape and incomplete examination of claims cost our membership money. We therefore insisted that the insurance company move in to the building and they are now adjacent to the Fund office. No denial of a claim goes out to any Local without being seen by the Fund office. If there is any questionable claim, we contact the Local first so that the best possible deal can be worked out for our members.

Another advantage of having the insurance company office in the union building is that we can get uniformity of interpretation coastwise. We can also on a day-to-day basis see where our program is going with regard to dollar costs. Our experience tells us where we can liberalize interpretation of the contract without paying additional premiums. For

instance, in visiting the Insured ports we found that physio-therapy was needed. Physio-therapy treatment prescribed by a doctor was included in coverage.

Your Coast Committee has convinced the employers that the best utilization of a Welfare program comes from the union's policing the contracts and providing information to the membership.

QUALITY OF CARE

Utilization is directly tied to quality of care. If our people are not satisfied with the type of service they are getting, they are obviously not going to use it. This is why emphasis has been laid on policing of the contract. We have set up grievance procedure under the contract. We have also provided Local working rules. The Local welfare officer acts as a business agent for Welfare, and processing of grievances depends upon his effectiveness as a B.A. for Welfare.

Portland and Seattle also have a medical arbitration procedure so that the quality of medical care can be evaluated by an impartial doctor.

The four major port areas are now following the practice of having regular meetings with the health plan people so that grievances are not permitted to continue mounting. Every unsettled grievance costs the membership money—not only the member who is dissatisfied and goes elsewhere but his brother who hears about it and goes elsewhere before he uses the health plan. It is incumbent upon the Welfare Officer and the membership to process these grievances so that they get settled and we establish the highest possible quality of medical care.

COMMUNITY RESOURCES

There are many community resources available to our membership. As taxpayers and as voluntary contributors, we are the source of the monies with which these programs operate. The TB Association, the Heart Association, the Cancer Society, Vocational Rehabilitation—all are sources which should be used above and beyond our Welfare contract, to give our people full welfare coverage.

Visits have been made to the public welfare agencies in several ports to find out their resources and make them known to the Local. There is a direct connection between knowing what resources exist, how to use them and how much money we can save our membership.

We feel the union has a responsibility for the welfare of its membership in the broadest sense. We should be familiar with all resources that will enable us to bring to the membership all the benefits and savings that we can in a total welfare picture.

LIFE INSURANCE AND DISABILITY BENEFITS

By previous caucus actions, the membership has agreed that the life insurance benefits should not be increased. We have kept our life insurance benefits at \$1,000, with double indemnity for accidental death and dismemberment on or off the job. We have insisted with our insurance carrier that every completed claim be paid within one week.

Our disability premiums in the Northwest have continued at 1% for the first \$3,000 of income. Benefits are \$32.00 weekly. The Locals have got reports on exactly how much money has been paid out per claim for the last 6-month period, so that the membership may be thoroughly acquainted with the total monies received in benefits.

ADMINISTRATION

Our contract limits our administrative costs to 5%. In 1952 our administrative costs were 1.92. We realize that this figure is so low because the Locals have carried a heavy load of administrative costs and service to the membership. The breakdown of the Fund dollar is shown in Chart 4, next page.

The Coast Committee has made available its administrative staff to assist any Locals considering a welfare program. So that there is no question of one Fund subsidizing another, a nominal charge is made to the Locals based on premiums to cover actual clerical costs. We have been successful in using our coastwise strength and the strength of a larger Local, Local 19, to get better benefits for Local 9 which started its welfare program September, 1952.

Similarly, the ILWU-Alaska Welfare Fund has been administered by the same staff, with costs pro-rated. We have been able to extend benefits under the ILWU-Alaska Fund, which is an insured program, in the past year, so that we have, according to all available data, the best Welfare plan presently written by any insurance company in Alaska. The benefits include out-patient medical care for the dependents. We have kept in mind the differential of costs in Alaska and the differential of income in that Fund, so that the Insured plan there has higher dollar benefits with the same type of service given. In the Alaska Fund, where the employers do not have a central set-up, the Fund office actually acts as a collector of money for the various employers, in order to secure the maximum benefits for the members in Alaska.

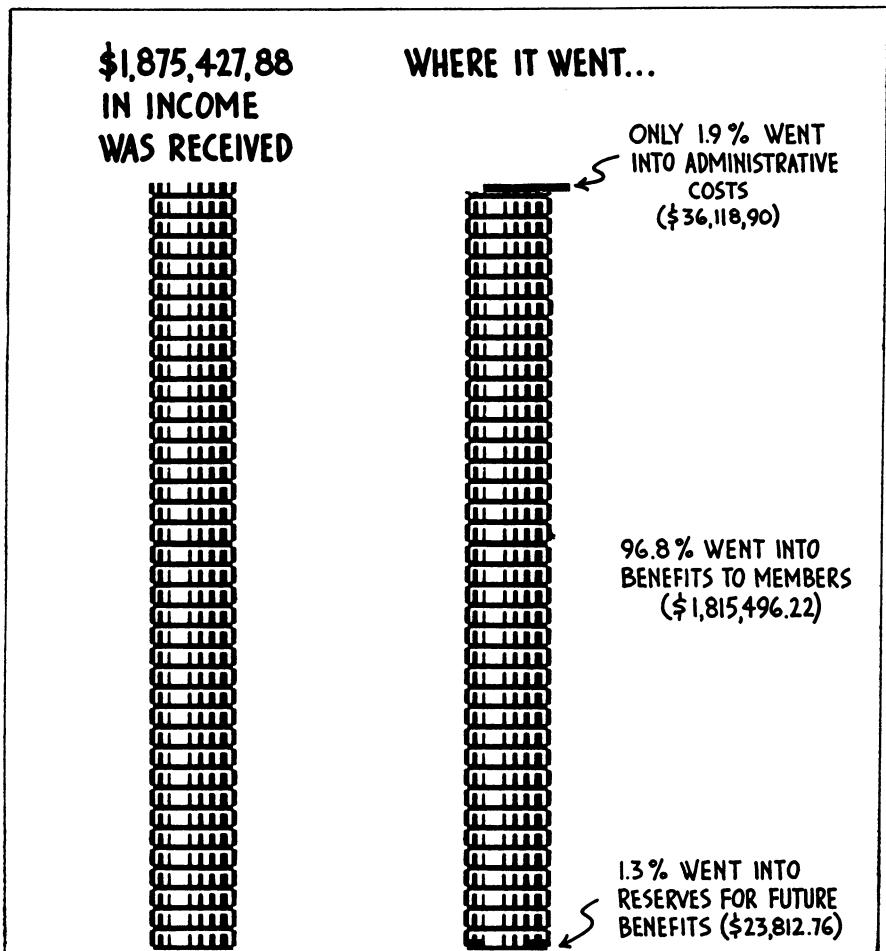
By integrating the clerical work on pensions and welfare, we have been able to save both Funds money.

The July 1952 Caucus instructed the Coast Committeemen as welfare trustees to seek the establishment of four regional welfare offices

to more thoroughly assist the Locals with the handling of welfare problems. The employer trustees were not approached on this program until February 1953, because prior to that time, we felt that there were not

ILWU - PMA WELFARE FUND

98% OF THE INCOME GOES FOR BENEFITS TO THE MEMBERSHIP



EACH COIN REPRESENTS \$50,000

DATA FOR YEAR ENDED JAN. 31, 1953

CHART 4

sufficient monies available to warrant seeking the establishment of such regional offices. Monies did not accrue on schedule because of the sailors' strike, the Northwest Lumber Workers' strike, the walking bosses' difficulties in Seattle, and because the volume of work started to decrease in mid-1952. We approached the joint meeting of the welfare trustees in February of 1953 with every intention of pushing this demand because we now felt that the request was economically sound. At the outset of the meeting we raised the demand for full family coverage and as the meeting progressed we felt that to raise the matter of regional welfare offices would jeopardize any hopes for gaining the family coverage, which we considered to be by far the more valuable and important demand before us.

As reported above, we were successful in gaining the additional family benefits for 98% of the men covered by welfare.

We will find another opportunity to attempt the establishment of the regional offices.

PROSPECTUS

Our perspective is that we will furnish all Locals with information and with whatever assistance they seek. We also feel an obligation to point out facilities, contract improvements and procedures on the Local level that might assist the membership. We realize that the problems of Welfare are a day to day responsibility and cannot be met without the complete co-operation of the Locals with the Welfare office. Our program is particularly one of service to our membership, and in whatever areas service is necessary we should be flexible enough to adjust to these needs.

Close track will be kept of the income into the Fund, with programs constantly being developed to explore new benefits such as dentures and glasses, depending on the income into the Fund. We think now, however, that emphasis must be to get the best utilization of the program we have, without losing sight of more long-range perspectives, such as our own group clinics and possibly hospitals.

PRO-RATA FUND

Prior to October 1952, the Division found it necessary to take over the responsibility for handling its own financial arrangements. Throughout the previous years the International had handled this service for our Division and had advanced us all necessary monies to pay the costs of negotiations, the Coast Committee, Caucuses, arbitrations, etc. Developments growing out of the Juneau Spruce matter left the International

unable to continue this service and we established our own Coast Pro-Rata Committee.

This Committee borrowed \$12,000 from Local 19 in order to have monies on hand for the payment of bills until such payments would be billed back to the participating Locals. The International had also been carrying the load of financing the operating costs of the welfare and pension departments and could no longer continue this service. The Coast Committee decided that it was in the interests of the membership that these service organizations not come under the closer influence of the employers who were willing to take over this operation.

At the present rate of expenditure it takes approximately \$5,000 a month to carry the payroll and the expenses of the combined departments and the respective Funds are billed quarterly. In order for the Pro-Rata Committee to take on this added responsibility, we borrowed \$13,000 from Local 13; our indebtedness to the two Locals is now \$25,000. We submitted a report on this to the participating Locals and asked for their approval which was later forthcoming. We also pointed out that the Caucus would face the responsibility of making arrangements to pay back this debt and to find monies so that the Division can continue to operate.

We suggested that it might be feasible to over-bill the Locals pro-rata-wise by 10% so that a surplus would accrue which would eventually raise sufficient funds to repay Seattle and San Pedro and permit continuous operation. Most Locals have since advised us of their approval of such a plan. We have thought of no better program for this purpose. Therefore, we are now recommending official adoption of the 10% plan by the Caucus. It should not be necessary to point out that under this or any other system, it will continue to be necessary for each Local to meet its pro-rata obligation on a current basis. If any one or a combination of Locals withhold sufficient monies, then the Coast Pro-Rata Committee and the Division will enter into embarrassing times and might reach a position where we can no longer operate.

SOUTHERN OREGON NIGHT SHIFT

The Caucus is aware that the three longshore Locals on the Southern Oregon Coast have a working rule which provides that the night relief shift shall not work more than five hours. This rule was established during World War II and has been a matter of controversy between the employers and the union since the cessation of hostilities and during each meeting of the Joint Coast Negotiating Committee.

The June 1952 Negotiating Committee agreed that the original PMA letter which provides agreement on the short shift rule, would automa-

tically expire as of June 1953, and if no agreement could be negotiated for the usual workshift, then the matter could be a proper subject for local arbitration.

The members of the three Locals are correct in their desire to shorten the workshifts and we appreciate their intention to keep this local condition. However, we now recommend that they voluntarily sacrifice their local rule which has developed such a degree of resistance among the employers, and that they join with the rest of the Coast in working towards the shortening of the workshifts both day and night on a coastwise basis.

ISTHMIAN

The Superior Court of the State of California has just rendered a decision on behalf of the Isthmian Company which, if allowed to stand, will establish a new legal pattern whereby Unions can be destroyed. They have ruled that the bona fide bargaining union can be on strike for the legal objectives of improved wages and working conditions and that a company can, during the course of that strike, sign a back-door agreement with any other union and upon the signing of that agreement the strike becomes illegal because it becomes a jurisdictional dispute. Thus, the company can create the dispute, create the second union and destroy the legal bargaining agent; and we would enter a new era of company unions under the direction and blessing of the courts of the land.

This decision was rendered against the National Marine Engineers Benevolent Association. So far Isthmian has been held in check by another court order which forced them to use our men for longshore, shipclerks and bosses work, providing our Locals would furnish the men. We expect that they will move on or before June 15, 1953, to have the present court order dissolved and be in a position to use the new formula, as already applied against MEBA, against us. We know the opposing union will be the ILA who established their charter and hired their scabs during the Isthmian dispute in the fall of 1951. It could well take the full power of the ILWU to prevent the ILA from opening their beach-head in this dispute and probably in the port of San Francisco.

LESSONS OF 1919-1922

We can never forget the lessons we learned from our experiences during 1919-1922. The employers were able to attack the port of San Francisco and destroy that local union while the other locals of the coast stood by, enjoying the prosperity created by renewed agreements and diverted cargoes. Each major port took its turn in that campaign of

union-busting and each suffered the identical fate. The small ports found that they were wiped out as union organizations automatically when the large port adjacent to them suffered its disaster.

San Francisco has been chosen as the port in which an attempted repetition of the old program might most likely succeed. The Army and Navy have moved a huge portion of their shipments through the Bay Area and have regularly increased the tonnage moving from this port while curtailing shipments from the other areas. They have insisted that they be furnished "screened" men while refusing to invoke the machinery necessary to clear men who were not previously issued identification clearance. It is the Military's position that a sufficient number of the registered men possess passes and that the Military should have priority for these men. The U. S. Shipping Board established a separate hiring hall in the port of Portland in 1922 and gave preference of employment to members of the union. The Shipping Board did not need all the Portland men so a slight majority was left to work in the employer's main hall; the men were split and the last of the major locals on the coast came to its end. The Military now will soon attempt to solve "their labor problems" here in a similar fashion.

There are other straws in the wind which indicate the plans that are unfolding, such as the congressional and legislative bills which are intended to divide and destroy our coastwise bargaining power. Isthmian, of course, will attempt to introduce the racketeers and gangsters to pick up the divided pieces of our union. So we recommend that if Isthmian makes its move the entire Coast be prepared to close down and stay closed down until the last vestige of the racket-ridden ILA is driven from the Pacific Coast.

EXPERIENCE WITH ISTHMIAN

This recommendation follows our previous experience when Isthmian first moved in the Court of Los Angeles to seek a judgment compelling our men to work despite the MEBA picket lines. Local 13 stopped all work during that Court hearing and attended those sessions in their own interests. The employer quickly withdrew his request from the Los Angeles court and proceeded to try the same motion in the courts of San Francisco. In the second instance, work continued, excepting on the Isthmian boat and this second hearing ran its course with a judge ruling that longshoremen did not have to work for Isthmian if the picket lines were proven bona fide. A second hearing took place simultaneously in a second court. The second San Francisco judge pronounced the picket line illegal and the dispute jurisdictional, and this is the decision that has been upheld in the Superior Court decision mentioned above. This is why we feel it will take the full power of our union to assure no success when a similar attempt is used against us.

LONGSHORE DEFENSE FUND

The 1951 Longshore Caucus in Hawaii adopted the International Convention recommendation to establish a Division Defense Fund and placed the matter on referendum ballot. The proposition to assess each member \$10.00 carried by a vote of 5,349 in favor to 4,063 against. Subsequently, the Coast recommended and the Locals approved the selection of Brothers Bridges, Goldblatt, Thomas, Bodine and Becker to act as trustees for this Fund. The trustees drew up a Declaration of Trust confirming their obligations and responsibilities to the Fund which has been approved by the Locals and they selected Brother Bodine to act as chairman and Brother Becker as Fund Secretary.

The total collection on the assessment into this Fund is \$42,648.15. There have been expenditures amounting to \$42,280.73 of which \$258.12 was used for printing official receipt books and checks, and \$2,817.50 for preparation and printing of legal papers attaching to the Dalles dispute. The judgments against 33 individuals in the Dalles case totalled \$78,410.22. The trustees decided to pay these monies from the Longshore Defense Fund and have paid one-half, or \$39,205.11, leaving the same amount as still owing from the Fund.

Thus, there is now on hand only \$367.42 and every Local who has not turned over its Defense collections to the trustees should now do so.

CONTRACT EXTENSION

The Caucus might consider the possibility of extending the current contract beyond June 15, 1954. There are some reasons for this, such as increased stability for the industry under a long-term agreement which will permit our members and the union itself opportunity for long-range planning. This must be measured against the distinct disadvantage of having a contract closed for a period of years on all items that do not normally fit into a wage review. It is readily understood that the employers do not easily agree to any contract changes in mid-term which affect their costs, particularly when such changes do not attach to basic wages. A good example could well be the growing demand for a guaranteed weekly, monthly or annual wage which probably cannot become an accomplished fact until such time as the union is able to use its full economic power in order to accomplish such aims.

We also recall the various and worthwhile objections that were offered

in the July 1952 Caucus when we were considering the contract extension that had just been agreed to, and it was pointed out that we would now be unable to accomplish a shorter work shift which would be a desirable sociological gain. It is felt that this subject merits more attention than has been accorded it in the past. Whether or not the caucus favors extension of the current agreements, we recommend that the negotiating committee be given wide latitude so that they may gain the best possible deal for the membership. If the contract is to be extended, then such an extension would be of some considerable value to the employers. We cannot measure this exact value at this point, and the committee must be in a bargaining position with sufficient maneuverability to do a good job. If the contract is not to be extended, the committee will still need similar operating room if it is to successfully work towards the program recommended in the next section.

WAGE REVIEW

The West Coast longshore industry is of sufficient economic soundness to warrant our demanding increases for wages and for social gains. We know that the apparent healthy condition of the industry is mainly caused by the false prosperity created under our war-time economy and that it is necessary for both the employers and the maritime unions to do some serious planning if good health is to be a fact after the cessation of hostilities. The industry and our union have been adversely affected by the hit-and-run tactics of maritime unions with their "me-too" demand while their contracts were still in effect. No business can remain sound unless it can plan its cost items in advance with some assurance that the main cost features will remain stable during the planned-for period of time. The industry needs a common expiration date so that such planning can be established without the "me-too" demands that increasingly became the pattern for many of the unions in the past four years. We have agreed in past caucuses to work towards a common expiration date and we recommend continuance of that principle now.

Each of the off-shore unions has by these tactics contributed to the unemployment that is fast overtaking their membership. The American Flag operators have given in to their demands rather than face the threatened shut-downs which would probably have proved more costly than the settlements. But, it is no secret that many of the operators are faced with increasing demands from their stockholders that the business be liquidated and the monies re-invested in industries where profits are more likely to be assured. American-Hawaiian's abandonment of

the inter-coastal trade is merely a sign of the times and this trend will continue unless ways and means are arrived at to keep the American Flag sailing on the commercial seas.

A SHORT-SIGHTED POLICY

Our government uses a short-sighted policy when it increases the tonnage capacity that sails under MSTs. This would be excusable if private capital were unable or unwilling to invest in sufficient bottoms to fill all needs. Such is not the case and the only argument remaining for the existence of MSTs is that there must be a "dependable" supply of cargo vessels in the event of maritime disputes. So, they build or lease more and more ships, staff them with officers and crews who are thought to be unfriendly to the unions; sail under scab wages and conditions with posted working rules that do not measure up to those found in the union contracts. Seamen with a history of any trade union activity remain ashore with preference seemingly given to relatively inexperienced personnel. Both free enterprise and the marine unions are being decimated by the United States government remaining in the shipping business. In the interests of our country, this work should revert to private American operators.

The rebuilding of the Japanese cargo carrying fleet is a necessity to the Japanese economy, but it is not necessary that our government make available America's vessels to foreign operators to be registered under the flags of Nicaragua, Panama or other countries and thus furnish additional unfair competition to America's shipowners. We are fortunate as shore-side workers because we are employed on any vessel that comes into our harbors regardless of whatever flag is flown, but the American seaman is finding himself ashore with no work available to him in direct ratio in terms of numbers of American ships laid up or sold and foreign ships taking over the business. It is plain that the policies of the off-shore unions are a substantial contribution to the troubles of the maritime industry. In this respect those unions are cutting their own throats. The American merchant marine must remain strong and healthy in a business sense or we face a continuing lowering of our living standards and the nation faces the possibility of disaster.

Anarchy must come to an end before the industry declines to the point where we too are unable to expect anything near full employment.

TECHNOLOGICAL UNEMPLOYMENT

In the past year, the industry has made huge strides towards mechanization to the point where most of the Locals are gravely concerned with the resultant loss of jobs. We know that full mechanization is just a matter of time and that at best our strongest opposition could only retard but not prevent such progress.

Everyone is aware of the history of packaged lumber loads in the steam schooner trade and we can now examine the results of this particular method of mechanization upon the affected Ports. Bandon has been hit the hardest because they depend on the Olson Steamship Company's work for all of their earnings in their home Port; additional income was gained by travelling to the adjacent Port of North Bend.

These vessels once used 41 Bandon men where they now use only 6 and the obvious resultant unemployment is even more severe when we realize that the same reduction in manpower is also affecting the work in North Bend, so that the Bandon men now have less opportunity to travel for additional income. Other Locals have not noticed such completely disastrous effects as has Bandon, only because the steam schooners did not represent the sum total of their available work.

We are concerned with the prevalent attitude wherein the men in the lumber Ports expressed their desire to "turn back the clock" in order to regain their lost work opportunity. This could not be accomplished even if we were in a position to do so because all of the package lumber would move by rail if the steam schooners were not permitted to remain competitive by the present more efficient methods.

This example, along with the van movement that is growing in major Ports and the introduction of the unit loads for the Alaskan service and many other new methods and devices that are either now being introduced or are in the offing, causes us to make the following recommendation:

SUGGEST NEW SHIFT SYSTEM

We urge serious thought now to establishing a system of three 7-hour shifts on the West Coast Waterfronts, in order to provide for full employment, and use any wage gains to the end that a 7-hour shift shall not be accompanied by a serious loss in take-home pay. This may seem to be a sizeable wage demand, but it can be accomplished if accompanied by planned stability. If such a program is acceptable to the Caucus then we urge that there be no demands for changes in the penalty and skilled differentials which are also subject to discussion in this wage review, so that these cost items do not interfere with the over-all program.

We do recommend that we seek several changes in the vacation plan. The present contract provides for 80 straight time hours vacation pay if a man works 1,344 hours in the previous year. We think that each 100 hours of work above 1,344 should provide the man with 8 additional straight time hours of vacation pay. The present contract provides a maximum credit of 100 hours for an industrial injury and we think this provision should also apply to a proven sickness.

Finally, we recommend asking amendments to the clause which pro-

vides that skilled workers shall receive the skilled rate for vacation purposes if they work more than ½ of their qualifying hours at the skilled rate during the second ½ of the year, so that this shall be changed to provide a vacation at the skilled rate of pay if they work more than ½ of their qualifying hours at the skilled rate in the year.

PMA assesses a manhour charge to cover vacation costs and each year they have pro rated back a sizeable part of this yearly charge to the participating companies. We are satisfied that they could grant the above changes in the vacation agreement under the present rate of assessments.

MARITIME FEDERATION

The San Pedro Caucus in July of 1952 endorsed the policy of our Division participating in and working for the re-establishment of the Maritime Federation of the Pacific. The Caucus authorized expenditures limited to \$25,000 for such a purpose and instructed the Coast Labor Relations Committee to work under the direction of Director of Organization, Vice-President Robertson, to this end. Some of the major Locals established working committees charged with the responsibility of attempting to build a feeling for such a Federation among the other maritime unions.

The Seattle and San Pedro committees have met with some success in this endeavor, and in each of these ports several joint meetings have been held, more or less regularly, with substantial representation from most of the maritime unions. Probably it was the Seattle meetings which encouraged the I.L.A. walking bosses to break away from their International union and establish an independent organization.

We have not seen fit to make any expenditures of the sum ear-marked for this purpose as yet. It seems that most of the leadership of the other unions are not favorable to any alliance that would increase the intra-unity of our various organizations, but are instead seeking amalgamation in directions which will further divide the shore-side workers and the various seamen's groups from each other.

MEBA is seeking amalgamation with Masters, Mates and Pilots; Marine Firemen are playing around with both CIO and AFL, and the Radio Officers as usual, are riding on the backs of whoever is most recently successful in gaining any concessions from the employers.

RAIDS ON MC&S

Marine Cooks and Stewards have been raided and ham-strung by the NLRB and by the courts in fighting to protect their union, so that now this organization is in a weakened position for putting on an active

campaign at our side for a real trade union Federation. The NLRB formula that is being perfected with the Marine Cooks and Stewards as the guinea pigs is next to be used on the longshoremen, who are in reality the main target. The NLRB issues an order to the employers prohibiting collective bargaining and even the adjustment of legitimate grievances. Such orders are enforced by Federal court injunctions. Gangsters, racketeers, scab herders and other jackals step in with full legal protection for their program of intimidation and raiding. A "neutral" hiring hall is established to divide the available jobs between the bona fide workers and the scum that is attracted. The old time men are driven from their jobs by these rats to make room for more rats, and if such a program can be kept going long enough, the very strongest union can be destroyed. This caucus will have to decide to what degree we will give support to the Marine Cooks and Stewards in our own selfish interests.

Our analysis of the conditions that prevail at the tops of the Maritime unions convinces us that a Federation can only be successful if it grows out of the needs and desires of the working members in our industry. We have attempted by example to show our fellow marine workers what can be accomplished when a union sets forth all its efforts towards a goal of bettering the living conditions and standards of its membership. We believe that if the other workers in the industry were given a correct evaluation of the benefits that our membership received from its contracts and, particularly, from the Pension and Welfare Funds, they would not rest until they had established for themselves a similar organization from which they could hope to derive similar benefits.

Harry Bridges

H. J. Boehm

L. B. Thomas