

Plastics industry

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FOREWORD

Although many studies have been made of industrial relations in the chemical industry in recent years, very little work has been done in one of the industry's most important fields today—plastics.

In this study, an attempt has been made to survey only the segment of industrial relations in the plastics industry dealing with strikes. The only firms included are those in the Bureau of the Budget's Standard Industrial Classification No. 2821, which encompasses the manufacture of basic plastics and the related fields of resins and adhesives.

Both personal interviews and mail questionnaires were used in the survey. Although a relatively small sample was used, management and union officials contacted felt it was fairly representative of the industry. Large and small plants, organized and unorganized plants, and national as well as independent unions were included in the survey.

This monograph is based upon a dissertation submitted by the author in partial fulfillment of the requirements for the Ph.D. degree in Economics at the Louisiana State University and Agricultural and Mechanical College.

Jack N. Thornhill

STRIKES IN THE PLASTICS INDUSTRY

By

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Assistant Professor of Economics

Although there are approximately 7,000 firms in the United States producing chemicals, a handful of companies dominate the American chemical industry. In 1958, seven firms had total sales of more than \$525,000,000. The firm ranking next had sales of less than \$250,000,000.¹ Because of this concentration, the chemical industry may be regarded as an oligopolistic industry.

Unionism in the industry is of relatively recent origin. A study made in 1920 showed that only two-tenths of one per cent of the workers in the chemical industry were organized.² Since that time, three trade unions and a number of independent unions have tried to organize the chemical workers. The trade unions are District 50, United Mine Workers of America; the International Chemical Workers of America; and the Oil, Chemical and Atomic Workers International Union.

Independent unions in the industry are an outgrowth of the Works Councils, which became prevalent in the chemical industry during World War I. During the war and throughout the 1920s, employee representation on Works Councils was popular in all phases of the chemical industry.³

Since these councils were already entrenched in the industry, it is logical to assume that this entrenchment is one of the main reasons why independent unions have been able to secure and to maintain such a stronghold in the industry in spite of the efforts of the strong national unions to make inroads.

After Federal legislation favorable to trade unions was passed in the early 1930s, revolutionary changes came about in the union movement. Organization took place in practically all industries. In the majority of the large industries in the United States, workers elected to associate themselves with national unions. Unionism in the chemical industry,

¹Standard and Poor's.

²Leo Wolman, *The Growth of American Trade Unions 1880-1923* (New York: National Bureau of Economic Research, 1924), p. 88 and p. 137.

³*Employee Representation or Works Councils* (Washington, D. C.: Dept. of Manufacture, Chamber of Commerce of the United States, 1927), p. 5.

however, was characterized by the formation of independent unions. The Works Councils provided the bases for these independent unions, and independent unionism has continued to expand. In the 1942-1955 period, independents won more than four hundred NLRB certification elections involving chemical companies.⁴

UNION COMPETITION

The oligopolistic nature of the chemical industry, coupled with the strength of independent unions, has caused many problems for the national unions in the industry. The independent unions made an early start in chemicals and were firmly established by the time the national unions began organizing on a large scale. The chemical companies, in most cases, have encouraged the independents by paying high wages and granting extensive fringe benefits. The workers usually are reluctant to affiliate with a national union because of the difference in monthly or annual dues between a national and an independent local. Fear of strikes and the feeling that nationals could benefit them little because of paternalism are other reasons why many chemical workers prefer independent unions.

Competition among unions in the chemical industry has been intense, and much of the pressure has come from the independents. However, competitive pressure can only be exerted by independents enjoying wages and fringe benefits as good as, or better than, those enjoyed by workers who are members of a national union. Undoubtedly, competition among unions in the plastics industry has had adverse effects upon the unions involved.

With regard to collective bargaining, the problems are due in great part to the market structure of the industry. A few large companies dominate the industry, and in only isolated cases does a national union have a majority of the plants of a company organized. It is not unusual to find two or three of the nationals as well as some independents represented in a multiplant firm. With this type of organization, it is practically impossible for a union to engage in concerted activity against a firm. Even locals of the same national have not cooperated in action against a company. One reason for this lack of cooperation is that most of the companies deal only on a local basis. The intercompany councils formed by some locals of a national have solved this

⁴A. R. Weber, "Competitive Unionism in the Chemical Industry," *Industrial and Labor Relations Review*, XIII (October, 1959), p. 19.

problem to some extent, but as yet they have had little effect. In companies where both the International Chemical Workers Union and the Oil, Chemical and Atomic Workers have established locals, company-wide councils have been formed. It appears that until there is only one union in the industry, or until there is more harmony among the unions representing workers in the industry, the bargaining strength of the unions will be relatively weak.

Inter-union competition in the plastics industry has also hurt the unions financially. The independents must keep their members' costs low to prevent defection to a national union. This low income means that a treasury cannot be built up to finance a prolonged strike; therefore, the independents cannot be too demanding in collective bargaining negotiations.

STRIKE AND LOCKOUT CONTRACT PROVISIONS

A survey of 20 union-management contract agreements was made on strike and lockout provisions. Three of the contracts surveyed stated nothing about a strike or lockout.⁵ Twelve contracts specified that there would be no strikes or lockouts during the life of the agreement.⁶ Some of the other contracts contained a provision stating that there would be no strikes or lockouts during the life of the agreement, but with qualifications. Two agreements stated there would be no strikes or lockouts unless either party refused to arbitrate or abide by the arbitrator's decision. Another similar contract specified that there would be no strikes or lockouts unless either party refused to submit to arbitration any dispute properly falling under the grievance procedure.

One agreement made no mention of lockouts but did provide for strikes. The union agreed not to strike until all of the bargaining and grievance procedures had been exhausted. In the event of a strike, the union agreed not to interfere with salaried employees and to allow certain classified employees to work.

⁵In one of these agreements which contained no provision for arbitration, the union had the right to strike and the company had the right to lockout if a grievance had been carried through the proper procedure and no settlement had been made.

⁶One such agreement stated that, if the employees engaged in an unauthorized strike, the company could impose such disciplinary measures as loss of seniority, suspension from work, demotion or discharge. Another agreement which contained the no-strike and no-lockout provision stated definitely that the provision applied even if there had been a violation of the agreement or if an unlawful unfair labor practice had been committed.

Finally, one contract agreement, which detailed the strike and lockout provisions to a greater extent than did the others, contained the following:

(a) If a strike or lockout occurs due to failure of the grievance procedure, the union agrees that certain classified employees be allowed to work; (b) No strike action may be taken unless it is voted upon by secret ballot of the membership and carried by a two-thirds majority of those present; (c) The President and Secretary-Treasurer of the International Union must authorize the strike; and (d) A majority vote shall determine the end of the strike.

In a recent study conducted by the United States Department of Labor, Bureau of Labor Statistics, 2,578 collective bargaining agreements were analyzed.⁷ In 88 per cent of these agreements, covering both manufacturing and non-manufacturing establishments, the strike was either prohibited or restricted. In most cases, parallel restrictions were imposed on lockouts. An absolute ban on strikes and lockouts during the term of the contract was provided by 33 per cent of the agreements in manufacturing establishments. In the 82 chemical industry agreements surveyed, an absolute ban on work stoppages was imposed in 41 per cent of the cases. Contrasting with these figures, the absolute ban was stated in 55 per cent of the agreements in the plastics field.

In agreements for all manufacturing establishments, 60 per cent of these agreements provided for restrictions on work stoppages, but not for absolute bans. These agreements contained exceptions and/or outlined certain specific conditions under which strikes and lockouts were permissible. The conditional ban on work stoppages was found in 54 per cent of the agreements in the chemical industry. In the 20 agreements surveyed in the plastics industry, the conditional ban was found in only 25 per cent of them.

STRIKE EXPERIENCE: MANAGEMENT

Table I shows the results obtained from questions answered by management personnel in 26 plants in the plastics industry. Of these 26 plants, 21 employed workers who were members of locals of international unions. One company's workers were represented by an independent local, while four of the plants did not have a union representing the workers.

⁷Labor-Management Contract Provisions, 1950-1951, Bulletin No. 1091. (Washington, D. C.: United States Department of Labor, May 13, 1952), pp. 27-29.

Table I

A Selected Study of Unionized and Non-Unionized Workers,
Number of Strikes, and Man-Hours Lost Due to Strikes

Year plant was organized	No. of workers eligible for unions	No. of workers organized	Per cent of workers organized	No. of strikes	Duration of strike	Man-hours lost due to strikes
1952	70	70	100	1	10 days	5,600
1951	23	23	100	1	3 days	550
1950	50	50	100	0	—	0
1936	80	80	100	0	—	0
1954	55	55	100	0	—	0
1953	472	462	98	1	45 days	90,000
1945	31	31	100	0	—	0
1943	360	330	92	1	22 days	47,900
1957	12	8	67	0	—	0
1950	38	38	100	0	—	0
1957	16	16	100	1	7 days	600
1951	800	800	100	0	—	0
1954	170	150	88	1	10 days	13,000
1956	200	200	100	0	—	0
1955	26	26	100	0	—	0
1939	1,800	1,600	89	1	14 days	160,000
1950	326	326	100	0	—	0
1950	200	200	100	1	18 days	24,000
1954	133	183	100	0	—	0
1957	142	140	99	1	14 days	11,200
1949	737	737	100	0	—	0
1956	150	150	100	0	—	0
1959 ¹	51	0	0	0	—	0
1946 ¹	100	0	0	0	—	0
1958 ¹	1,300	0	0	0	—	0
1949 ¹	17	0	0	0	—	0
Totals	7,409	5,675	77	9	143 days	352,850

¹Plant is not organized. Year shown is beginning of operations.

Source: Management questionnaires and personal interviews.

It is interesting to note that, in the majority of the unionized plants, all of the workers belonged to the local. In only one case did the percentage of union members fall below 88 per cent, and that was in a plant employing only 12 workers, of which 8, or 67 per cent, were organized. Of the 7,409 workers eligible for membership in unions in these 26 plants, 5,675, or 77 per cent, were organized. If the one large unorganized firm employing 1,300 eligible workers is disregarded, this percentage figure becomes 93 per cent.

More important than the number of organized workers in this study is the evidence of good industrial relations between union and management, if the number of strikes can be used as an indicator. In the 26 plants studied, there had been a total of 9 strikes lasting a combined total of 143 days. This is an average of 16 days per strike or, on the basis of 26 plants, an average of 5½ days per strike. No plant had had more than one strike, and only one of the nine strikes had lasted more than 22 days. In the unionized plants the workers had been organized from 3 to 24 years,

while in the plants which were not organized the plant operations had begun from 2 to 14 years before this study was made. This strike record would be amazing in any industry; but, in one which is characterized by competitive unions, it is almost unbelievable.

The number of man-days idle due to strikes also attests to the record of good industrial relations when a comparison is made to the man-days idle in the entire United States work force for the years 1927-1958.⁸ In this sample of plastics firms, the man-days idle per worker involved was 13.5. In three of the 32 years covered by the BLS survey, the man-days idle per worker involved was comparable to that of the plastics industry; but in 18 years of the BLS survey, the man-days idle per worker involved was higher for all industries in the United States than for the plastics industry. Also, in the plastics industry sample, the average duration of strikes was 13.6 calendar days. In only four of the 32 years covered by the BLS survey was the average duration of strikes less than 13.6 days. All four of these years were during World War II. Excluding these four years, the average duration of strikes for the other 28 years of the BLS survey was 20.9 days and ranged from 16.9 days to 27.6 days per year.

The total man-hours lost for the 7,409 workers in the 26 plants studied in the plastics industry sample was 352,850, or an average of slightly less than 6 days lost per employee because of strikes in plants which have been in operation and/or organized for 2 to 24 years. The highest number of man-hours lost in any one plant was 160,000—in a plant in which 1,800 workers were employed. This is an average of 89 hours per employee or slightly more than 11 days based on an 8-hour day. The workers in this plant have been organized for 21 years; so the hours lost per employee would average slightly more than 4 hours per year.

An analysis of the data for the 26 plants in the plastics industry reveals that the average man-hours lost per plant was 13,571. All of the strikes occurred in the 22 organized plants. In these 22 plants, employing 5,941 workers, the average man-hours lost per employee was about 60, or 7½ eight-hour days. It should be borne in mind that these plants have been unionized for 2 to 24 years; hence the man-hours lost record in the plastics industry is much superior to the record of man-hours lost in the entire labor force in the United States.

⁸The American Workers' Fact Book (Washington, D. C.: United States Department of Labor, Bureau of Labor Statistics, 1960) 2nd. Edition, p. 315.

Settlement of six of the nine strikes was achieved through peaceful negotiations between union and management. The seventh strike was called off when the union withdrew its demands. The other two strike settlements came about through a third party—one by arbitration and one by mediation.

STRIKE EXPERIENCE: UNION

Table II shows the results of mail questionnaires answered by, and personal interviews conducted with, 20 local unions. Total membership in these unions was 7,368. Three unions gave no figures on the number of eligible workers in the plant; therefore, no total could be made of eligibles. In the 17 unions in which both number of union members and number of workers eligible for membership were available, the totals were 6,417 and 6,787, respectively. These figures mean that 91 per cent of the eligible workers were members of unions.

The oldest local included in this study had been organized in 1936, while the youngest local had been organized in 1956. Nine locals had experienced a steady growth since the date of organization, but six unions had experienced fluctuations in membership. Economic conditions, defections to other unions, or the transfer of workers to a plant under the jurisdiction of another local seemed to be the causes of a fluctuating pattern in membership.

In 18 of the plants organized by these 20 unions, there was no union representing the workers at the time of organization. In two instances, the present local ousted a local of a competing union in an NLRB certification election. In all cases, the locals were certified by an NLRB secret ballot election. In only three of the elections did the existing local compete with other locals on the ballot. The workers had the choice of four unions in one election, and of two unions in two elections.

Six locals reported attempts by competing unions to gain recognition in plants already organized. Four of these attempts failed when the necessary number of workers did not sign the petition required for an NLRB election. In the fifth instance, an election was held, but the workers voted to retain their local. In the sixth case, two rival unions were trying to gain recognition: at the time of this study, one of the rival unions had a petition pending with the NLRB in Washington, D.C., while the other union had arranged for a formal hearing with the NLRB regional office.

Table II
A Selected Study of Union Organization
in the Plastics Industry

Year of organization	Status of organization at time of recognition	Conditions involving recognition	Attempt by rival union to gain recognition	Resignation of classification of workers from union	Number of strikes	Length of strikes	Number of union members in 1960	Number of workers eligible for union in 1960
1952	A local of a rival union represented the workers	NLRB election	No	No	0	0	636	Unknown
1955	No union in the plant	Rival union trying to gain recognition NLRB election	Yes-No NLRB election held	No	0	0	465	520
1954	No union in the plant	NLRB election	No	Yes	0	0	105	115
1939	No union in the plant	NLRB election	Yes-NLRB election held	Yes	1	2 weeks	1,550	1,700
1946	No union in the plant	NLRB election	No	Yes	1	8 days	1,075	1,200
1943	No union in the plant	NLRB election	No	No	0	0	261	Unknown
1949	No union in the plant	NLRB election	No	No	1	3 weeks	189	189
1956	No union in the plant	NLRB election	No	No	1	6 weeks	15	15
1950	A local of a rival union represented the workers	NLRB election	No	No	0	0	322	322
1936	No union in the plant	NLRB election	Yes ¹	Yes	2	18 days 30 days	950	950
1946	No union in the plant	NLRB election	No	No	1	1 day	200	200
1955	No union in the plant	NLRB election	No	No	0	0	54	Unknown
1944	No union in the plant	NLRB election	No	No	2	3 weeks 3 months	380	380
1955	No union in the plant	NLRB election	No	No	0	0	144	163
1946	No union in the plant	NLRB election	Yes-No NLRB election held	No	0	0	269	269
1952	No union in the plant	NLRB election	No	No	0	0	90	90
1948	No union in the plant	NLRB election	No	No	1	5 weeks	139	145
1955	No union in the plant	Three rival unions trying to gain recognition NLRB election	Yes-No NLRB election held	No	1	5 weeks	26	31
1954	No union in the plant	NLRB election	Yes-No NLRB election held	No	1	6 weeks	475	475
1950	No union in the plant	NLRB election	No	No	1	1 week	14	14

¹Of two unions trying to oust an existing union, one has a petition pending with the NLRB in Washington, D.C., and the other is to have a formal hearing by the NLRB regional office.

Source: Union officials' questionnaires and personal interviews.

In 16 of the locals reporting, there had been no defections to other unions. Of the four reporting some classifications of workers leaving the local to join another, all defecting workers were tradesmen who left to join a craft union in their own particular field. The following is a list of the classifications of workers and the unions defected to in these four instances: (1) Millwrights, Instrument Mechanics, Scales Mechanics, and Machinists to the International Association of Machinists; (2) Electricians and Instrument Mechanics to the International Brotherhood of Electrical Workers, Machinists to the IAM, and Pipefitters to the Pipefitters Union; (3) Power House Workers to the Power House Workers Union; and (4) Machinists to the IAM, Carpenters to the Carpenters Union, and Electricians to the IBEW.

Only nine of the locals in this report showed no time lost due to strikes. In the 11 locals reporting strikes, two had conducted two strikes each, making a total of 13 strikes overall. Some locals reported length of the strike by days, others by weeks, and still others by months. The length of strikes ranged from one day to three months. There was no report of the man-hours lost due to these strikes.

Nine strikes had been settled by negotiations between union and management without the help of a third party. One strike settlement came about through negotiations with the help of Federal mediation, while state mediation officials, along with negotiations, brought an end to another strike. In the other two cases, the dispute had to be settled by arbitration.

STRIKE ANALYSES

Since there has been such a paucity of strikes among the firms surveyed, a study of 10 of the work stoppages is presented, including the reasons for the strikes, the negotiations pursued to settle the disputes, and the terms of the settlements. All of the strikes surveyed took place between 1950 and 1960. The companies and the unions involved did not wish to be identified; therefore, the case studies of these strikes are designated by number only.

Strike No. 1

The primary reason for this work stoppage was a disagreement over a wage increase. The union was willing to close the contract for a total cost of 3 cents per hour. The company wanted to hold 5 cents of the present wages in

escrow for a period of one year and intended to grant no wage increase.

The union blamed the work stoppage on the company's labor relations manager, who, according to a union official, "fomented this strike because he didn't understand people." The union official also stated that during negotiations before the strike, the company sent "Dear John" letters to employees to try to negotiate with their wives.* This action "incensed the employees, and they went on strike."

The company, determined to sit out the strike, made no attempts to discuss the problem during the first three months of this 18-week strike. During this time, the Federal Mediation and Conciliation Service was trying to arrange meetings between union and management.

By the end of the third month of the strike, two other local unions representing workers in two other plants of this company had also gone out on strike. This action resulted in the company's three largest plants being struck at one time. At this point, the company hired an independent labor counselor, and a number of union-management meetings were held. After a few weeks, the strike was ended.

To get the employees back on the job, the company granted a 10.6 cents per hour wage increase for all three plants. The company could have settled without a strike for 3 cents per hour. The president of the company, who had not been present at the negotiations prior to the strike, stated that the strike would not have occurred if he had been aware of the facts.

Strike No. 2

Strike No. 2 occurred during a wage "reopener." The two parties had signed a three-year contract containing an annual wage-reopening clause which reopened wage negotiations on the anniversary dates. On the anniversary date of the first year after the signing of the contract, the union made use of the reopening clause. In addition to negotiating basic wages, the union demanded that the company discontinue the use of their job evaluation procedure, and agree to negotiating the rates for all jobs. The union demanded a wage increase of 50 cents per hour. During negotiations, the union reduced the wage demand to 25 cents

*In such letters, management attempts to persuade workers to oppose the strike by pointing out the importance of friendly relations between labor and management. Stress is put on the idea of the workers not wanting to be "trouble makers." Actually, the letters are meant for the wives of the workers, who are thereby expected to influence their husbands to oppose striking.

and then to 18 cents per hour. The company countered with an offer of a 16-cent per hour wage increase. The union refused this offer and struck the plant.

During the strike, which lasted 43 days, the two parties met four times in the offices of the Federal Mediation and Conciliation Service. The strike was relatively peaceful. The union did not interfere with the salaried personnel who reported to work as usual, and the company did not attempt to operate the plant.

The strike was finally settled by the union's dropping its demand on job evaluation and management's agreeing to grant a 17.5-cent per hour wage increase. All employees were back at work within five days after the membership ratified the settlement.

Strike No. 3

The work stoppage in this case was caused by the company's attempt to grant step-wage increases¹⁰ rather than the across-the-board increases demanded by the union. The production workers felt that the maintenance workers were being favored with the step increases.

This strike lasted three weeks. The union maintained a picket line "around the clock" for the entire time of the stoppage. No violence took place, and the attitudes and feelings of one party for the other were evidently not affected by the strike. The union allowed firemen to work in order to keep the boilers going and to heat the plant. A request for hourly-paid watchmen to work was refused, so the foremen performed this work.

One meeting was held between union and management with a member of the State Mediation Board officiating. Settlement of the dispute was effected when the company offered 14 cents per hour the first year and 13 cents per hour the second year across-the-board increases instead of the 10-11-12-cent step increases originally proposed.

Strike No. 4

The dispute causing this strike was in regard to performance by supervisory personnel of bargaining unit work.¹¹ The union had protested this practice for a number of years, but the wording of the contracts had not been changed even though renegotiation of the contracts had occurred numerous times.

¹⁰A step-wage increase is one in which the increase is based on job rate and/or job classification. One common method employed is a percentage increase with the high job classifications receiving a higher percentage increase.

¹¹"Bargaining unit work," a term found in many contracts, refers to those tasks normally performed only by workers legally eligible for union membership.

The wording of the contract specified that supervisors would not perform work "normally performed by workers covered by the agreement if such action would result in a reduction in pay or deprive available employees of work." The company based its argument on this clause, claiming that no employees had been laid off, nor had any suffered a reduction in pay, because of supervisors' working. The union, on the other hand, contended that, if the supervisors had not done the work, the company would have had to hire additional workers, or existing personnel would have been paid for overtime work.

The strike lasted for one month, during which time two meetings were held. An international union representative and a representative of the State Mediation Service were present at the meetings and helped solve the problem.

The strike was settled when the company agreed that hereafter no supervisors would do any of the bargaining unit work. The State Mediation Board representative suggested that the clause covering this action be reworded in the contract agreement. Both parties agreed to this rewording, and the amendment was added to the contract.

Strike No. 5

The contract agreement between the union and management in this case outlined a grievance procedure in which the last step was to submit the dispute to arbitration. The union struck this plant because of the company's refusal to arbitrate a number of grievances. The company contended that the union had not properly carried the grievances through the steps outlined in the agreement.

The strike lasted for two weeks, during which time one meeting was held. Picketing was very orderly, and the two parties appeared to be on the best of terms throughout the strike.

The Federal Mediation and Conciliation Service was called in to attempt to bring the two parties together and settle the dispute. In the settlement, the company agreed to process all grievances and submit them to arbitration if no settlement had been effected in the grievance procedure. In addition, union members were given more fringe benefits and a better paid-vacation plan.

Strike No. 6

This strike was caused by a disagreement that arose during contract negotiations. For some time there had been

provisions in the contract agreement for insurance, hospitalization, and pension plans. Although the workers contributed approximately 60 per cent of the financing of these programs, the programs were determined and administered unilaterally by the company. When the union demanded an equal voice in the administering of these plans, negotiations broke down. A secondary issue was a demand for a wage increase by the union. The company agreed to the wage increase, provided the wage-reopening clause was taken out of the agreement.

This work stoppage lasted for two weeks. No meetings were held, although each party claimed that it had made overtures in an effort to settle the problem. The company contended that the union was trying to usurp its rights by demanding a voice in the administering of the benefit plans. The union thought that management was dictatorial in its stand on both the benefit plans and on wage increases.

After the strike had continued for 10 days, both parties agreed to submit the arguments to an impartial mediator. This third party was instrumental in bringing union and management together in a settlement.

The company agreed to contribute the major share to the benefit plans, and, in return, the union gave up its demand for a voice in administering the plans. On the wage issue, union members received a 7-cent across-the-board wage increase, and management gave up its demand for the elimination of the wage-reopening clause in the contract agreement. All workers were back on the job within three days after the strike settlement.

Strike No. 7

Three issues caused the strike in this case. First, the union wanted the provision on shift differentials changed in the contract agreement. In the past, workers regularly assigned to work the second and third shifts received a higher premium pay than workers who rotated shifts each week. The company felt that there would be fewer complaints over regularly working on the second and third shifts if the pay was higher. The union felt that anyone working these shifts either regularly or by rotation should receive the same premium.

The second issue concerned the "bumping" procedure when a cutback in production necessitated a layoff. The company contended that senior workers should not be allowed to "bump" workers in another department when lay-

offs occurred. The union stood for plant-wide seniority as long as the workers doing the bumping could adequately perform the work.

The third issue concerned the vacation plan. The union wanted a plan calling for one week of vacation after one year of service, two weeks after two years of service, and three weeks after ten years of service. The last contract negotiated provided for one week after one year's service, two weeks after ten years' service, and three weeks after fifteen years' service.

During the first week of the strike, a meeting was held between union and management representatives. Management offered to maintain the plant seniority system and to drop the demand for department seniority for layoff purposes. The union still pressed its demands for the change in shift differentials and a better vacation plan. A second meeting was held during the second week of the strike. Again, the union would not change its stand on shift differentials and vacation plans.

After this second meeting, the company began a propaganda campaign aimed primarily at those union members who were not active in the union's activities. Some of these workers crossed the picket line and went back to work at the beginning of the third week of the strike. The company began to hire new workers who also crossed the picket line. By the end of the third week of the strike, the company was operating at more than 50 per cent of production capacity.

At this point, the union officials called a meeting to vote on ending the strike, and the majority of the membership voted to return to work. Although no union members lost their jobs to the new workers hired by the company, approximately 45 per cent of the workers gave up their membership in the union. The new contract that was signed contained the same provisions on shift differentials, seniority, and vacation plans as were found in the previous contract agreement.

Strike No. 8

The cause of this work stoppage was a dispute over the discharge of a union member. Management discharged the worker because he was not producing as much as other workers on the same job. The union claimed that the worker had not been given proper instruction on the job and that the company had no quotas set on how much work was to be done.

The day after the strike began, a meeting was held at

which the local union president and the shop steward represented the union. The plant manager, production manager, and the discharged worker's foreman represented management. In this meeting, the management representatives said that, although no certain amount of output was required of the workers on the job in question, it was only fair that the men on the job turn out a "reasonable day's work." They further stated that the job required no particular skill and that any worker could master the job in a few hours. The foreman said that he thought the main reason for the worker's low output was that the worker was getting drunk every night and coming to work in a sick condition. The union representatives said that they did not know anything about the personal habits of the worker. They disagreed with management representatives on the length of time required to learn the job and said that a "reasonable" output figure should be set.

The management representatives stated that they would consult the home office on the matter and contact the union as soon as possible. The day after the meeting was held, the plant manager called the union president and agreed to retain the discharged worker and pay him any pay due him which was lost by the discharge. The plant manager further agreed to meet with a union representative to determine how much work should be expected of the employees on the job in question. The local union president notified the workers to go back to work after the three-day strike.

(Note: On the second day after the discharged worker was recalled, he reported for work two hours late and too drunk to work. He was immediately discharged by the production manager.)

Strike No. 9

A dispute over job classification was the primary cause of this strike. Other issues were union demands for a wage increase, for more paid holidays, and for an increase in the company's contributions to the life insurance and hospitalization plans.

Over a number of years, the union-management contracts provided that progression to a higher job classification would be made at management's discretion. The company contended that there would be more employee incentive if progress were based on merit rather than on length of service in a job classification. The union countered with the argument that there was always the possibility of favoritism being shown to certain workers, thus causing dissension

in the union ranks. The union argued that progression into higher job classifications should be automatic after a specified length of service at each job class level.

The old contract was continued for an extra month after its expiration date to enable union and management to try to come to some kind of an agreement. Three meetings were held during this month to try to solve the problems. Management offered to grant a wage increase and to give one more paid holiday, but management refused to retreat on its stand on job classification and contributions to the insurance and hospitalization plans.

The union called a strike because of the failure of the three meetings to effect a settlement of the dispute. Salaried personnel and certain classifications of maintenance men were permitted to work during the two weeks the plant was closed down. A picket line was maintained "around the clock" during the work stoppage. No violence was reported from any source.

At the end of the second week of the strike, an international union representative was called in to aid the local union representatives in a meeting with management. After a day-long meeting, the two parties came to an agreement, and the strike was over.

To effect a settlement, management gave the workers one more paid holiday; a 14-cent per hour wage increase to be effective in two steps—6 cents per hour the first year and 8 cents per hour the second year (the union had demanded a 20-cent per hour wage increase effective immediately); an increased amount of life insurance per employee and improvements in the hospitalization plan at no higher premiums; and a change in job classification whereby progression to the midpoint of the scale was to be automatic based on length of service at each level, and progression above the half-way point on the scale to be made at management's discretion.

Strike No. 10

This work stoppage was one of those about which a union would rather not talk. No information could be secured from union officials; and very little, from management. Apparently, there was no real reason for a strike.

Because there were no real issues, according to company officials, "meetings were waste motion." The company blamed the strike on union representatives' lack of authority, the union body's failure to respect leadership, and the union

representatives' failure to assume responsibility. A management official stated, "The international union tried to do a good job, but recognized that the boys had never had a strike and felt they were entitled to one."

The Federal Mediation and Conciliation Service worked hard to help resolve the matter but were not successful. After 23 days the strike was ended without conciliation assistance. The union received considerably less in the agreement than the company had offered before the strike. A management official stated about this strike, "I believe you can list this one in your 'weirdy' (sic) column."

To summarize, the length of the 10 strikes ranged from 3 days to 18 weeks. In only one case did management attempt to operate the plant during a strike. In this instance, the company was able to operate at about 50 per cent of production capacity by hiring new workers and employing those union members who crossed the picket line. After this particular strike was over, the union lost about 45 per cent of its members.

In eight of the strikes, use was made of an outside party to help settle the dispute. These outside parties were: (1) the Federal Mediation and Conciliation Service, (2) the State Mediation Board, (3) international union representatives, and (4) an impartial mediator.

It appears that the union "won" six of the ten disputes and "lost" two. The remaining two strikes were settled by a compromise between union and management. Although the workers received a 17½-cent per hour wage increase in one of these last two settlements, the union had demanded a 50-cent per hour increase. In this same dispute, the union failed in its demands to have rates negotiated for all jobs and to replace the job evaluation system used by management.

CONCLUSIONS

Union-management relations in the plastics industry appear to be excellent if the number of strikes can be used as an indicator. Comparing strike experience in the plastics industry with strike experience in all industries in the United

States reveals that the record in the plastics industry has been superior in the matter of strike duration and man-hours lost because of strikes.

Probably the main reason there have been few strikes in the industry is the existence of intense competition among unions trying to organize the workers. Independent unions were prevalent throughout the chemical industry, including plastics, by the time national unions started their organizational drives. In many cases workers in the plastics firms elected to associate themselves with these independents because of the lower costs of initiation fees and monthly dues. At the same time, management opposed national unions and encouraged independents by paying high wages and granting extensive fringe benefits. The independent unions, therefore, have had little reason to strike for the economic betterment of their members. Even if the independents had reason to strike, the low dues assessments preclude the accumulation of strike funds for prolonged strikes.

Competitive unionism in the plastics industry has also resulted in the formation of locals of different national unions in a multiplant firm. This situation makes it practically impossible for a national to engage in concerted activity against these large firms. In most instances, the companies will bargain only on a local basis. This practice gives the companies a great bargaining advantage. The oligopolistic market structure of the plastics industry, with a few dominant firms, makes this local-bargaining demand possible. Further, a certified bargaining unit will be reluctant to strike a plant when it knows that other national unions, or possibly an independent, are waiting for a chance to organize the workers.

Undoubtedly, one reason for the small number of plastics industry strikes has been the tradition of harmonious relations between union and management in the industry. A high degree of respect for each other has been exhibited by union and management officials. This mutual respect does not lead to the implication that management has encouraged unionization; however, there is little, if any, evidence of actual enmity. The history of the American labor movement reveals that a tradition of many strikes makes for many strikes; and, conversely, a tradition of few strikes makes for few strikes. The strike experience in the plastics industry conforms to these observations.

Finally, the treatment afforded unorganized workers

must be considered in any discussion of strike experience. Since the plastics industry attained its importance during and since World War II, it was not included in the industries which were organized during the 1930s after Federal legislation favorable to labor unions had been passed. By the time the national unions began organizing the plastics workers, the great wave of the organizational drives had passed. There was also competition from the independent unions already in the industry. Some companies at first thought that, in any future expansion plans, the choice would have to be made between independent unions or locals of national unions in the new plants. Some of the larger firms decided to try operating their new plants without any union.¹² In order to minimize unionization, the companies have paid higher wages and granted more extensive fringe benefits than are realized by workers in organized plants. Management officials admit that the threat of organization has been the main influence on wages and fringe benefits. One management official stated, "When unions in this area are successful in their demands from management on the matters of wages and fringe benefits, we give our workers more than the union members received through collective bargaining."¹³

So far, it appears that these companies have been successful in keeping their workers happy. In one large firm, the first unorganized plant began operations in 1946. This plant has never been struck. No similar plant which this company has opened since 1946 has been organized.¹⁴

The composition of the work force has worked to the advantage of management in minimizing unionization. A high percentage of the employees in the plastics industry are classified as technicians or engineers. These classifications of workers have been reluctant to join unions in all industries. The main reason for this reluctance is that engineers and technicians, although legally part of the bargaining unit, feel that they are actually part of the management team and are somewhat in a class above the rank-and-file union member.

¹²This information came from a plant manager of one of the large chemical companies.

¹³Personal interview, June, 1960.

¹⁴Ibid.