

BUILDING TRADES

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BUILDING TRADES EMPLOYERS' ASSOCIATION, 2 PARK AVE., MR. WHEELER, SEC'Y:
The last blanket agreement between the employers' group and the trade unions expired in December 1933. Since that time negotiations have been carried on by the separate trade unions and in a number of instances definite terms have been approved by both sides. The agreements in effect today are those of the bricklayers, derrick men (stone construction work), steamfitters, painters and plasterers' helpers. The demands of the other trade unions have only been recognized to the extent that the employers are going along with them but not actually making an approval in writing. It is expected that there will be an approximate rise of 25% in the cost of construction during this year, 17% of which will represent an advance in wages and the remainder a greater cost of materials. The steamfitters are to receive an increase in pay of 10% on the first of April which will be further advanced from \$1.45 per hour to \$1.65 per hour beginning July 1st. They also included a clause in their agreement with the employers prohibiting contractors who do not employ union workers from taking jobs. Almost all of the trades are demanding a six-hour day but it is believed that is being used as an indirect means for securing an increase in wages. The plasterers who are seriously demanding a six-hour day are the exception to the rule. It is their claim that a worker, especially one applying the finishing coat of plaster, because of the tenseness of the job cannot work efficiently for eight hours straight. That also applies to the plasterer of ornamental work but relative to the application of rough coats or brown work the demands appear unreasonable. They have also proposed that there be a rotation of the workers, increasing the drawing from the hall from 50% to 90%. There has been no agreement in the plastering trade since the last one expired in April 1936 although the employers are meeting the demands of the union. It is very hard to say just what the developments along this line will be in the future but there is a tendency for the employers to accept the revised terms of the union. The action has not been taken as a unit however, which in itself does not eliminate the possibility of trouble especially since this particular union is of considerable strength and consists of men who for the most part are only able to see their side of the situation. The executives of the union are still very high type persons but the voting group consists largely of Italians who are not too intelligent and have uppermost in their minds the thought of increased wages and shorter hours. Of course the final outcome will depend largely on the circumstances at the time the deadline (which is undeterminable) is reached. Today all of the trade unions are joined under the United Council which is supposed to tie them together so that all will work in sympathy with a striking unit on a certain job. The effectiveness of the United Council was demonstrated in the case of the iron workers' strike on the new post office job at Vesey Street several months ago but that soon petered out. Although that job has been completed the plans are out for additional work on that building and in that connection, there is a threat to call a general strike if union men are not employed for the erection of steel and the cutting of stone coming from outside of

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the city. Of course circumstances will determine just how far the other trades support the striking units should such action be decided upon. Furthermore it is not known to what extent the Building Trades Employers' Association will support the striking units. While it is recognized that there is quite some unrest among the workers in the building trades at the present time Mr. Wheeler said that he is quite encouraged by the fact that some of the employers have already recognized certain demands made by the unions and he feels that things will gradually be ironed out with the result that increases will be granted by the first of July.

JAMES STEWART & CO., 230 PARK AVENUE, MR. WATTS, VICE PRESIDENT:

Opinions regarding the final outcome of the present unrest of labor among the building trades are of very little value for the circumstances which determine the results are changing from time to time. Activity in several trades such as the steamfitters, bricklayers, etc., is governed by the agreements between the employers and the unions but there are several unsettled situations, for instance the groups demanding a six-hour day. Those who first spoke for the shorter day were the carpenters who were closely followed by the plasterers and others. It is believed that most of the units are making such a demand in order to indirectly secure an increase in wages. However the group of plasterers is serious and claims that the work will be more efficient if the shorter day is granted. Mr. Watts said that he does not have any objection to the shorter day as long as it is uniformly accepted by all groups. Serious complications would set in if for instance one group was working on a six-hour day while others remain at a seven or eight-hour day. It can readily be seen that it will prove expensive if the contractor is obliged to keep on the premises one group whose day runs for eight hours to coordinate with another group of workers who only work six hours a day. In a situation like that the group with the longer day will be paid for the two hours of inactivity. Another complication is found in the schedule of rotating the workers which will not be simplified because there is a tendency to demand a larger percentage of union men being employed. In this process of rotation the worker is obliged to leave his work when his time is up regardless of the progress he has made and in many instances time is lost if when the work is not completed a new man entirely unfamiliar with the problem is obliged to take it over. Mr. Watts said that his experience in endeavoring to iron out the various labor problems leads him to believe that the executives of the unions are quite reasonable. He claims that government intervention brought about by an attempt to enforce laws relative to the regulation of labor has caused more trouble than the unions. He referred to the recent post office job at Vesey Street which was closed for eleven weeks because the fabricators of the steel who demanded that they take complete charge of erection did not depend entirely upon the union for its workers. A complication of that sort usually happens in the course of construction of every large

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building in New York City and it is expected that there will be more serious trouble along that line before preventive steps are taken. There is the case of the Welfare Island job which has not been active for four months although the steel work has been completed during that time. Because of the threat of a tie-up in that respect and other complications arising in connection with government jobs, Mr. Watts said that it is questionable whether the James Stewart Company will submit a bid in connection with the proposed plans for an additional six-story structure to be added to the post office building at Vesey Street. He said further that if the government had awarded the additional work to his company when the plans were first mentioned it would have saved over half a million dollars and also been able to occupy the office space a year sooner. As it now stands it is believed that the government work will be disregarded entirely as there is an appreciable amount of private work on hand in which there is a greater profit and the contractor is not subject to as much regulation which in itself impedes progress. It is admitted that there has been a marked increase in the volume of work during the last year. From the average man's point of view that would seem to be an encouraging feature to the contractor, but those circumstances usually bring the reverse result especially in connection with the relationship between the employers and labor for it is harder to deal with the union when there is plenty of work available. Even the workers themselves get rather independent at times, deciding to work only two or three days a week and spending the rest of the time fishing or at the beaches. Mr. Watts said that in addition to the labor problems confronting the contractor there is the serious problem of taxes. On a recent job on which he submitted bids it was estimated that the sales tax on the material together with the Social Security tax equalled the amount of profit made by the contracting company. It is believed that agreements will probably be made in connection with a solution to the labor problems which will bring about a general increase in wages throughout the building trade. That, in addition to an advance in the cost of materials, is expected to increase building costs approximately 25% during the year.

MASON BUILDERS SECTION OF THE BUILDING TRADES EMPLOYERS' ASSOCIATION,

MR. WEBSTER, SECTY.: (Also associated with Marc Eidlitz & Co.)

Representatives of the union and the employers have been meeting for several weeks but have not as yet arrived at a final agreement. Minor points have been cleaned up but a decision as to the length of working days and the amount of wages has not yet been decided upon. It is understood that building costs for the year will increase 25% represented by a 12½% increase in wages and an increase of a like amount in cost of materials. The employers are willing to give an increase in wages but they do not want the eight-hour day decreased to six hours. No one can say what the outcome of this situation will be. Circumstances at the time will determine that. Mr. Webster said that he could see some encouragement in the fact that agreements had been reached in the past and they could be expected in the future even if the situation had to be carried to the point of arbitration.

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STARRETT BROS. & EKEN, 40 WALL ST., MR. HUNTER:

At this season of the year there is usually some activity on the part of the labor unions in the building trades to arrive at an agreement with the employers of the respective groups relative to the workers' wages and hours of employment. When success is not attained, it is the usual thing for the employers to meet the demands of the union even if no recognition in the form of an agreement is made. Several groups are working under such arrangements at the present time. Most of the unions are demanding a six hour day as against the present eight hour day which will, if granted, increase the wage per hour which incidentally is believed to be the ultimate goal, for there would be no cutting of the day's pay. The unions claim that shortening the day would increase employment but they do not realize that for the small benefit to labor there would be a large increase in overhead brought about by the lengthening of the time to complete the job. The electricians who have more or less of a racket, have already been granted a six hour day. To a degree that has complicated matters but the problem of coordination was solved by putting additional men to work. The employers of bricklayers are of two groups - namely those who are actively engaged in the construction of large buildings in Manhattan and those who are outside of the Mason Builders Section of the Building Trades Employers' Association. The former did not recognize the demands of the bricklayers some time ago and although the latter entered into an agreement with that group of workers, it is understood that relations were not entirely satisfactory. As a result negotiations are now being carried on with the Mason Builders Section of the Building Trades Employers' Association and it is believed that an agreement will be reached allowing an increase in wages from \$12 to \$14 per day. Similar increases are expected to be granted the other workers. The steamfitters will receive an increase of \$1 per day effective April 1st, which will be advanced an additional dollar on the first of the following August. The plasterers are also demanding a six hour day but in all probability will be satisfied with more wages. The demands of the lathers are in line with those already mentioned. With the increase in wages and the advance in the cost of materials, the cost of building construction is expected to rise approximately 10%, 5% for labor and 5% for materials. Last year building costs advanced 10% over the previous year. The amount of construction work on hand has been increasing which is an encouraging factor for labor conditions, which usually improve under such circumstances. For some time there have not been any serious strikes on jobs located in the metropolitan area, which is due largely to the fact that the various groups in the Building Trades Employers' Association are very well organized. There has been a movement to combine the various groups under one head, which has resulted in the organization of the United Council. The Ironworkers Union has been recognized for the first time under the Council but the extent of support which would be offered that group in the event of a strike is unknown. The various groups still act as individual units when negotiating with the respective employers. There

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STARRETT BROS. & EKEN: (Continued)

has also been an action to nationalize the movement, which has resulted in the formation of an organization at Washington, D. C., headed by a former college professor who was a member of the Brain Trust. It is the function of that organization to make decisions in connection with the jurisdiction of the various groups which becomes complex from time to time when new materials are substituted for old, such as the application of steel for wood relative to partitions. There have been no decisions made as yet as it was thought that such action might cause too many complications. Of course it is immaterial to the employer whether a carpenter or an ironworker puts up steel partitions as both are considered of equal ability and their wage scales are practically the same. Mr. Hunter said that he anticipated no trouble with labor for the immediate future. There is no doubt but that there will be a general increase of around \$2 per day and apparently special groups will be given a six hour day but it is believed that the trend will later switch back to the eight hour day. He stated that he has not noticed any increase in the amount of private work available and most of the work taken recently has been in connection with government jobs. He said further that Starrett Bros. & Eken are now engaged in connection with a government housing program situated in Brooklyn on a contract amounting to \$7,500,000. He claimed that the red tape relative to that type of contract does not amount to any more than that found in the usual job for a large institution. It is Mr. Hunter's opinion that the government will have to step in and subsidize work for the construction of homes for those persons with incomes in the lower brackets since construction costs are rapidly increasing. He believes that such action will be taken by the administration and that the results will be beneficial to the building industry as a whole.

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CHARLES T. WILLS CO., 286 FIFTH AVENUE, MR. BROWN:

There is quite some concern about the labor situation in the building trades today as all groups are demanding a six hour day without a reduction of wages. The unions claim that such a move will increase employment but they do not realize that it will likewise increase the overhead, for the same amount of work cannot be accomplished in the shorter day. That in itself will tend to discourage all large construction work for there is no margin to absorb the additional cost. The employers are on the spot, so to speak, for most of the work to be completed consists of government projects which are governed by time limit clauses carrying heavy penalties if the work is not completed within the terms of the contract. Under the circumstances it would probably be to the advantage of the employers to grant an increase of wages for it is believed that is the ultimate goal of the unions and the demand for the shorter day is only used as a red herring. The crisis will not come until the first of April although negotiations have and still will be conducted up to that time. During the last meeting which was held on Wednesday, February 24, the representative of George A. Fuller & Company became so disgusted in the procedure that he retired from the meeting with the remark that he would not return. It is

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recognized that the unions are very strong as individual groups but in addition to that their effectiveness has been increased by the fact that they are today more sympathetic, being well organized under the administration of the United Council. An example of that is the recent support offered the Iron Workers Union who previously were not strong enough to be recognized. Several of the large jobs have been delayed for several weeks at a time by strikes due to the fact that the steel fabricating companies, also in charge of erection, have operated as open shops. It is believed that pressure will be brought to bear on those companies by the contractors and they will have to yield on that point. It is hoped that there will be no difficulty in the future but there is every indication that a general increase of \$2.00 per day will be granted to most groups in this field. If that advance in wages is made building costs will be increased approximately 25%. It is believed that they will be further increased about 10% or 15% by the rising cost in materials. Most of the work on hand today is that of government projects. There is some private work on hand, which is much preferred to the other type, but it is believed that the possible chances of an increase in that line are greatly hindered by the fear aroused as a result of the present agitation for a shorter working day.

