

TO


W. E. Eeles

FROM

REMARKS:

I told Ken that I
thought you'd be interested
in his report on the
C. I. O. Convention -

Hence, the attached.



CHAIRMAN'S OFFICE

BOARD OF GOVERNORS
OF THE
FEDERAL RESERVE SYSTEM

Office Correspondence

Date December 14, 1944

To Chairman Eccles
From Kenneth B. Williams *KBW*

Subject: Report on CIO Convention

General Impressions

I went to Chicago somewhat expecting to find the CIO delegates wildly exuberant over winning the election and demanding payment for their part in it. Therefore, I was surprised to find that while political action was the main topic of the convention, no demands for payment were presented nor were the delegates over-confident and cocky. On the contrary, the general feeling of the group seemed to be one of satisfaction in their victory, but along with it was a clear recognition that November 7 was merely the first round and a long hard struggle remained ahead.

It was also evident that the leaders and the delegates were well aware their new political power carried with it real and sobering responsibilities. The group was very serious-minded and they thoroughly believed themselves to be merely the instrument through which all people were to achieve greater freedom and better economic opportunities. It was repeatedly emphasized that CIO and PAC interests were not limited to narrow trade union aims but that these organizations wanted to cooperate with all groups -- business, farmers, consumers and others -- in advancing the public interest. This attitude was seen not only in the speeches of the leaders and in the resolutions adopted but also in the general conduct and talk of the delegates. Thus the convention endorsed the continuation of the Political Action Committee as a means for obtaining adoption of expansionist economic policies. This was the most important single thing that happened at the convention.

Next in importance was the exceptional degree of unity within the CIO. This was evident to a greater extent than in the convention at Boston two years ago. There was almost no disagreement on major policies. I was a little surprised about this too, since renewal of the no strike pledge had been passed by a bare majority by the United Automobile Workers in its convention held earlier. However, no dissension developed over this issue at the CIO convention, in part because of the strong speech Murray made endorsing renewal. No public official could have stated the case for renewal of the no strike pledge any more strongly or frankly than Murray did. He made it clear that the pledge is not a bargaining matter between the nation and organized labor but is a voluntary sacred obligation of labor. He hit hard at the dishonesty of voting for renewal in convention only to go home and permit strikes to develop among their members.

In connection with the no strike pledge, as well as with many other issues, I was much impressed with Murray's statesmanlike handling of issues. I was also impressed with the high respect and affection evident for him among the delegates. In spite of the great ovation, lasting some 20 minutes, given Hillman, there was no doubt but that Murray still is number one man in the organization.

Resolutions

The convention passed some 40-odd resolutions covering almost every field of public and union interest. In addition to the major policy resolutions passed, some of the lesser ones are worth listing in order to indicate the kinds of issues the organization considers important.

Among the resolutions adopted were:

- 1) Renewal of the "no strike" pledge, unconditionally, and until full defeat of both enemies.
- 2) Continuation and strengthening of the Political Action Committee as an independent instrument for political education.
- 3) Demand for revision of national wage policies to bring wages in line with the cost of living and to raise the minimum wage standard to 65¢ an hour.
- 4) Calling for postwar policies and programs designed to achieve employment of 60 million workers. In connection with this resolution a comprehensive postwar program was presented including:
 - a) Maintenance of present weekly wage levels,
 - b) Establishment of guaranteed annual wage systems,
 - c) Encouragement of expansion of private investment,
 - d) Assumption by government of responsibility for guaranteeing full employment through expenditures for regional resource development and other activities.
 - e) Endorsement of international cooperation along the lines outlined at Dumbarton Oaks,
 - f) Enactment of legislation to implement the agreements reached at Bretton Woods,
 - g) Adoption of an adequate reconversion program including: supplementary Federal unemployment benefits up to a maximum of \$35 a week for the unemployed; retraining of war workers and veterans; preparation of blueprints for public works; payment of travel expenses of war workers; and unemployment compensation for Federal workers.

- 5) Continuing to promote unity between labor and veterans by such things as: insistence upon full employment; providing in collective bargaining agreements for full seniority for veterans; continuing to waive payment of union initiation fees for veterans; and continuing efforts to modify the Selective Service System's interpretation of veterans' reemployment rights so as to provide greater security to veterans and avoid conflict between veterans and other workers.
- 6) Endorsement of international labor unity through the establishment of a new international labor body that will include all unions of all free countries.
- 7) Undertaking, as one of its primary legislative tasks, the urging of speedy action by Congress on the Wagner-Murray-Dingell Bill for an expanded Social Security program.
- 8) Strongly supporting price, rent and rationing control programs in order to maintain economic stability, particularly following V-E Day.
- 9) Setting forth principles for postwar tax policy along the following lines:
 - a) In the reconversion period, retention of current tax rates on corporation and personal incomes above \$5,000 a year to assure the government adequate revenue; retention of the excess profits tax for the duration of the war; special tax relief for small and new business after termination of the European war.
 - b) Lower taxes on low income groups by raising present personal exemptions to \$2,000 for married couples, \$1,000 for single persons, \$500 for each dependent. Repeal present 3 per cent normal tax. Extend the carry-back, carry-forward principle to personal incomes. Opposed to all forms of sales taxes but in favor of retaining present excise taxes for the duration of the war.
 - c) Opposed to the proposal that all corporate taxes be eliminated in the postwar period. Strongly opposed to the proposed Constitutional amendment to limit the power of Congress to levy taxes higher than 25 per cent on incomes.
10. Continuation of manpower controls on a voluntary basis in contrast to control by national service legislation.
11. Re-affirming its opposition to discrimination against negroes and other minority groups and urging legislation to make the Fair Employment Practices Committee permanent.
12. Endorsing an expanded maternal and child health program and the school lunch program.

13. Endorsing legislation to provide Federal aid to States for developing full educational facilities for everyone.
14. Endorsing programs to increase youth security and welfare by stricter control of employment of minors and by providing opportunity for youth now in industry to obtain education to the limit of their qualifications.
15. Calling upon Congress to repeal the Smith-Conally Labor Disputes Act.
16. Requesting the Treasury Department to continue permanently the sale of Government bonds through the payroll savings plan.
17. Calling for a Federal program to develop sound forest practices; to acquire forest lands not suited for private ownership; to develop forest industries; to formulate work programs for expansion of employment in forest conservation; to develop programs for guaranteed year-round employment for woods workers; and increase the protection of public forests.
18. Criticizing the Bureau of Labor Statistics, calling for a fulltime Commissioner in whom organized labor can repose confidence, and urging a greatly expanded budget for the Bureau of Labor Statistics.
19. Pledging support for enactment of a Federal law to make anti-Semitism a crime punishable by imprisonment.
20. Paying tribute to the farmers for their unparalleled production of food for victory; supporting the continuation of price guarantees to farmers to encourage full production; and endorsing agricultural programs designed to provide farm people with social and economic benefits comparable to those enjoyed by city people.
21. Calling upon Congress to repeal the provision of the Hatch Act which denies government employees their full rights as American citizens.
22. Endorsing labor management committees and urging their expansion.
23. Continuing its efforts to obtain legislation to eliminate the poll tax; to grant the right of suffrage to residents of the District of Columbia, and to permit all citizens 18 years of age or over the right to vote.